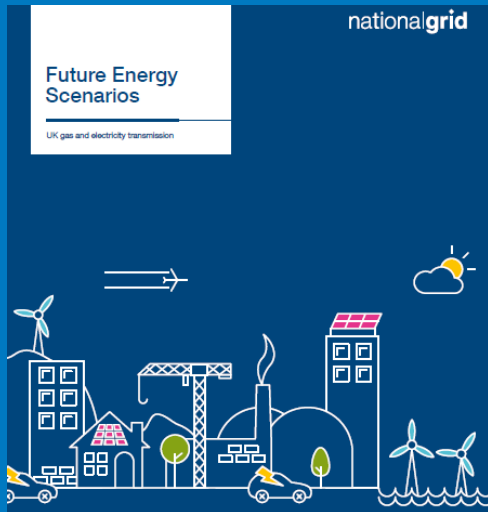


Introduction to the Future Energy Scenarios (FES)



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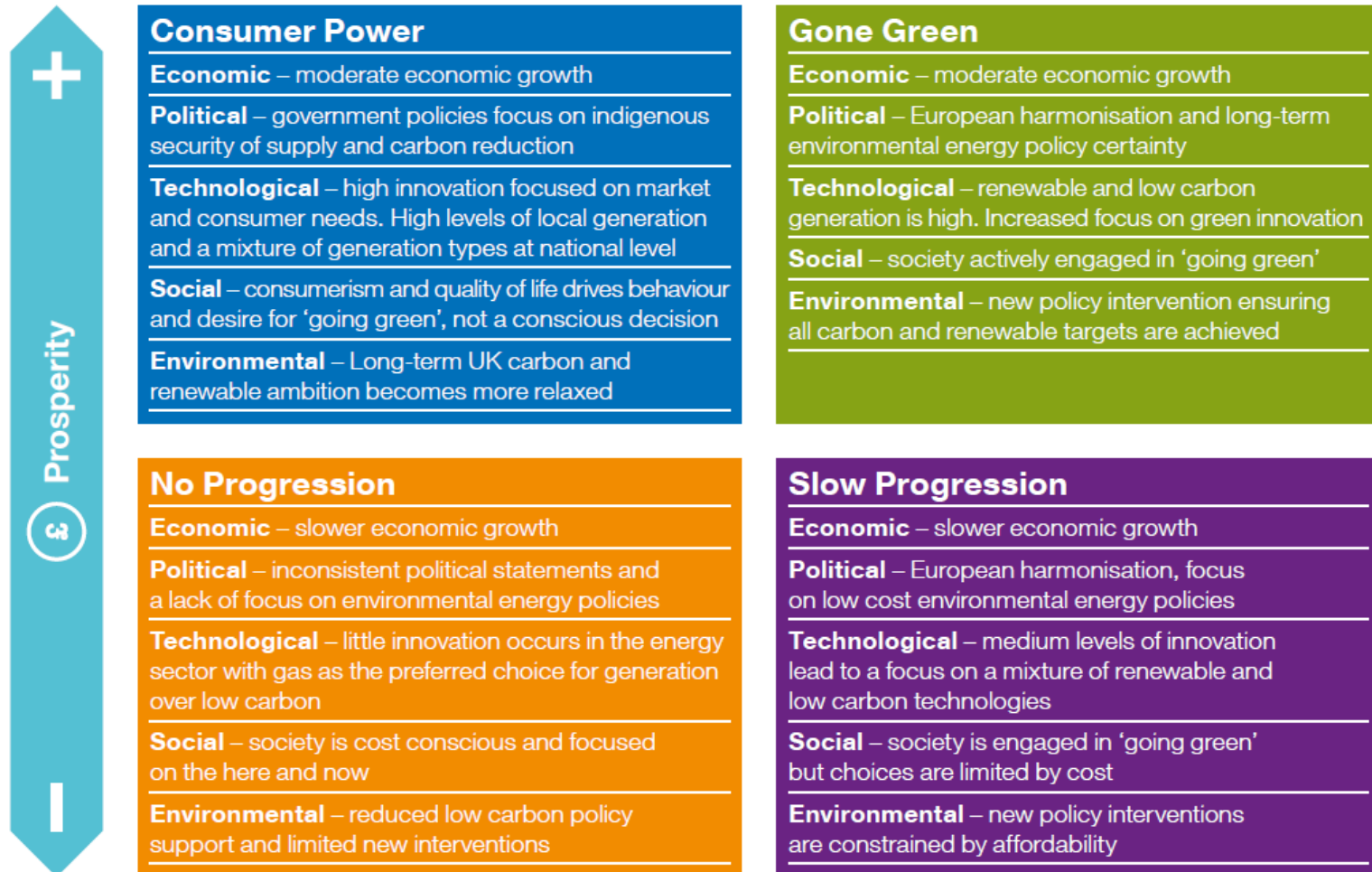
What FES is...

- A range of credible futures
- An output of an annual stakeholder consultation process regarding the future of the energy landscape
- A document covering the model inputs to the scenario analysis, new technologies, social and economic developments, government policies and progress against targets
- A set of scenarios which can be used to frame discussions and perform stress tests
- A set of scenarios that are projected out from the present to 2050
- Scenarios which form the starting point for all transmission network and investment planning
- They are also used in analysis to identify future operability challenges and potential solutions to meet those challenges
- A document covering developments in electricity generation and demand, and gas supply and demand

What FES isn't...

- The document does not cover potential network developments: these are addressed in the gas and electricity ten year statements
- Costs are not applied to the scenarios. There is too much uncertainty for any numbers to be credible
- The document does not provide a forecast of the future. Scenario planning does not predict the future; rather it considers a scope of potential drivers that may have an impact
- There is no probability analysis undertaken and not one of our scenarios is deemed more likely than another

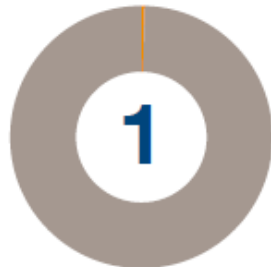
The four scenarios



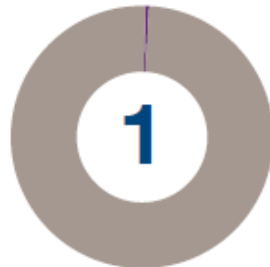
The four scenarios

- **Gone Green** is a world where green ambition is not restrained by financial limitations. New technologies are introduced and embraced by society, enabling all carbon and renewable targets to be met on time
- **Slow Progression** is a world where slower economic growth restricts market conditions. Money that is available is spent focusing on low cost long-term solutions to achieve de-carbonisation, albeit it later than the target dates
- **No Progression** is a world focused on achieving security of supply at the lowest possible cost. With low economic growth, traditional sources of gas and electricity dominate, with little innovation affecting how we use energy
- **Consumer Power** is a world of relative wealth, fast paced research and development and spending. Innovation is focused on meeting the needs of consumers, who focus on improving their quality of life

External Consultation



Employees



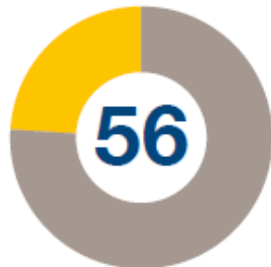
Regulators



Consumers



Communities and their representatives



Supply chain

We met with
233
organisations



Educational interest



Energy industry



Customers



Political



Non-government organisations

<http://fes.nationalgrid.com/>