

## **UK Energy Descent Continues**

Posted by <u>Chris Vernon</u> on February 22, 2007 - 10:06pm in <u>The Oil Drum: Europe</u> Topic: <u>Supply/Production</u> Tags: coal, gas, nuclear, oil, united kingdom [list all tags]

The Department of Trade and Industry (DTI) today (22nd Feb 2007) released the latest national energy statistics to the end of 2006. The Excel sheets can be downloaded <u>here</u>.

Regular readers will not be surprised by the core data, in summary:

## **Main points**

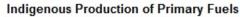
In 2006 total production was 196.1 million tonnes of oil equivalent, 9.0 per cent lower than in 2005. Within this, production of petroleum fell by 9.3 per cent, production of Natural Gas fell by 9.1 per cent and production of coal fell by 8.3 per cent.

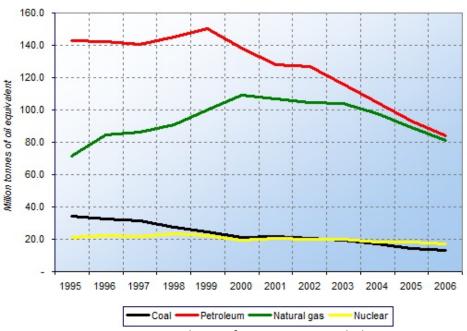
#### Latest three months

Total production of indigenous primary fuels in the three months to December 2006 stood at 48.0 million tonnes of oil equivalent, 11.7 per cent lower than the corresponding period a year ago.

For the three months October to December 2006 compared to the same period a year earlier:

- production of petroleum fell by 6.2 per cent;
- production of natural gas fell by 13.5 per cent;
- production of coal and other solid fuels fell by 20.7 per cent;
- electricity produced from nuclear sources fell by 24.1 per cent;
- electricity produced from wind and natural flow hydro rose by 25.7 per cent.





Source: DTI Digest of UK Energy Statistics

Consumption data below the fold.

The critical point in my mind is this:

• electricity produced from nuclear sources fell by 24.1 per cent;

This is due to the extended closure of several power stations due to defects in boiler pipes and aggressive cracking of the graphite cores. The reactors are approaching end of life, these problems were anticipated to a certain degree and are resulting in reduced availability. These problems do make it increasingly unlikely that life time extensions will be granted.

Production is of course only half the story. To complete the picture we must also consider the consumption data also published today:

#### Main points

In 2006 total consumption was 232.9 million tonnes of oil equivalent, 0.6 per cent lower than in 2005. Within this, consumption of oil had risen by 0.8 per cent, consumption of Coal and other Solids had risen by 9.6 per cent whereas consumption of natural gas had fallen by 5.0 per cent.

#### Latest three months

Total inland consumption of primary fuels, which includes deliveries into consumption, was 62.2 million tonnes of oil equivalent during the three months to December 2006, 2.4 per cent lower than recorded for the same period a year ago.

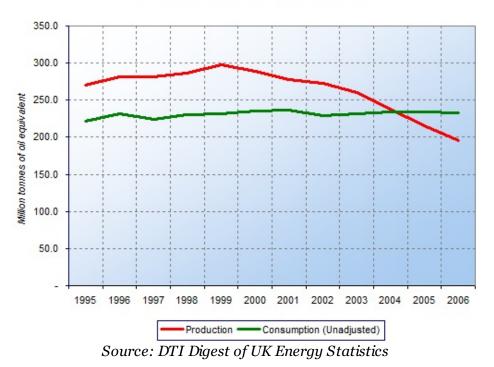
On a temperature corrected basis, total inland consumption of primary fuels was 0.6 per cent higher during the three months to December 2006 than that recorded for the same period a year ago.

The Oil Drum: Europe | UK Energy Descent Continues

For October to December 2006 annualised temperature corrected and seasonally adjusted figures, compared to the same period a year earlier show that:

- consumption of oil had risen by 7.8 per cent;
- consumption of coal and other solid fuels had fallen by 1.3 per cent;
- consumption of natural gas remained broadly unchanged.

This brings us to the familiar picture with its rapidly growing gap representing an increasing balance of payments deficit:



## Production vs Consumption of Primary Fuels

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