

Press Release

More customers, consuming less gas, in 2011

Brussels, 29 March 2012 - According to preliminary figures and estimates from Eurogas, total natural gas consumption in EU27 decreased by 10.7% in 2011 in comparison with 2010.

However, about one million new customers have opted for natural gas as their fuel across the whole of Europe in 2011. Gas consumption declined as a result of the big variation in weather conditions between 2010 and 2011, and of changes in the relative prices of fuels used in power generation. The initial estimate for 2011 natural gas consumption in the EU27 is 5 098 terawatt hours (TWh GCV), which is equal to 471 billion cubic metres (BCM), or 395 million tonnes of oil equivalent (MTOE NCV)¹.

The decrease in demand was most marked in Europe's largest national market, the UK, where gas consumption fell by almost 18% between 2010 and 2011. The average decline in the rest of Europe was 9%.

But at the end of 2011, the total number of gas customers connected to the EU27 natural gas grid had increased by approximately 0.9% in comparison with 2010, to reach 116.8 million customers.

Although the natural gas markets vary significantly across Europe, some general trends can be distinguished for most of the EU countries.

- **Mild weather versus cold weather.** Due to very mild weather conditions in 2011, natural gas demand decreased in the residential and commercial sector compared with 2010, which had been characterised by exceptionally cold temperatures.
- **Economics of power generation.** The power sector played a large part in the decline in consumption. Lower electricity demand due to the sluggish economic situation and higher output from alternative energies, such as new renewables in some countries and nuclear power in others, decreased the volume of gas used for power generation. Moreover, the economics of power generation favoured coal in 2011 having favoured gas through most of 2010.

Industrial production had recovered in 2010 (+6.7%²) compared with the deep recession of the previous year. Recovery continued up to the first quarter of 2011, but then stalled, contributing to somewhat reduced energy consumption in the sector.

On the supply side, indigenous production is the largest source of gas for EU27 customers, making up 34% of the total net supplies in 2011. However, indigenous gas production provides customers with flexible offtake options, so it decreased in 2011 in the EU27 by 12% to 1 787 TWh (165 BCM), in response to lower demand, and in line with ongoing decline in the mature production basins. The main external sources of pipeline supply were Russia at 24% and Norway at 19%. Algeria, with 9%, supplied both pipeline gas and LNG. In total, more than a dozen suppliers delivered the balance of 14% as LNG, including Qatar, which with 7%, is Europe's leading LNG provider.

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¹ Based on terawatt hours, the applied calorific values (10.83 kWh/cubic metre GCV; 11.63 TWh/MTOE NCV; NCV = 0.9 GCV) represent a European average.

² Source: Eurostat

Developments in European Natural Gas Consumption 2010-2011

NATURAL GAS CONSUMPTION IN 2011 (PRELIMINARY)																												
	Austria	Belgium	Bulgaria	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Latvia	Lithuania	Luxembourg	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	United Kingdom	EU27	Switzerland	Turkey
TWh (Terawatt hours)	100,5	189,8	31,1	85,5	40,6	5,9	43,3	477,8	841,6	51,2	117,0	53,2	823,5	16,9	35,1	13,3	442,6	166,7	59,1	150,8	57,8	9,2	372,2	14,8	898,3	5097,8	34,5	467,0
BCM* (billion cubic metres)	9,3	17,5	2,9	7,9	3,7	0,5	4,0	44,1	77,7	4,7	10,8	4,9	76,0	1,6	3,2	1,2	40,9	15,4	5,5	13,9	5,3	0,8	34,4	1,4	82,9	470,7	3,2	43,1
MTOE* (million tons of oil equivalent)	7,8	14,7	2,4	6,6	3,1	0,5	3,4	37,0	65,1	4,0	9,1	4,1	63,7	1,3	2,7	1,0	34,3	12,9	4,6	11,7	4,5	0,7	28,8	1,1	69,5	394,5	2,7	36,1
PJ (Petajoules)	361,8	683,3	112,0	307,9	146,2	21,2	156,0	1720,1	3029,8	184,4	421,1	191,5	2964,4	60,8	126,4	47,9	1593,4	600,1	212,6	542,9	207,9	33,1	1339,9	53,4	3234,0	18352,2	124,2	1681,1

NATURAL GAS CONSUMPTION IN 2010																												
	AT	BE	BG	CZ	DK	EE	FI	FR	DE	GR	HU	IE	IT	LV	LT	LU	NL	PL	PT	RO	SK	SI	ES	SE	UK	EU27	CH	TK
TWh (Terawatt hours)	107,0	218,9	27,7	95,1	49,7	6,6	49,5	549,7	966,7	41,5	128,5	60,8	879,2	18,8	32,0	15,5	507,3	166,1	58,4	146,8	59,4	10,8	400,1	18,9	1092,5	5707,4	38,9	397,9
BCM* (billion cubic metres)	9,9	20,2	2,6	8,8	4,6	0,6	4,6	50,8	89,3	3,8	11,9	5,6	81,2	1,7	3,0	1,4	46,8	15,3	5,4	13,6	5,5	1,0	36,9	1,7	100,9	527,0	3,6	36,7
MTOE* (million tons of oil equivalent)	8,3	16,9	2,1	7,4	3,8	0,5	3,8	42,5	74,8	3,2	9,9	4,7	68,0	1,5	2,5	1,2	39,3	12,9	4,5	11,4	4,6	0,8	31,0	1,5	84,5	441,7	3,0	30,8
PJ (Petajoules)	385,2	788,0	99,7	342,5	178,9	23,8	178,3	1978,8	3480,1	149,6	462,7	218,8	3165,0	67,7	115,2	55,7	1826,3	598,0	210,1	528,3	213,8	38,9	1440,4	68,0	3933,0	20546,6	140,0	1432,4

NATURAL GAS CONSUMPTION CHANGE 2011/2010 (PRELIMINARY)																												
	AT	BE	BG	CZ	DK	EE	FI	FR	DE	GR	HU	IE	IT	LV	LT	LU	NL	PL	PT	RO	SK	SI	ES	SE	UK	EU27	CH	TK
%	-6,1%	-13,3%	12,3%	-10,1%	-18,3%	-10,6%	-12,5%	-13,1%	-12,9%	23,3%	-9,0%	-12,5%	-6,3%	-10,1%	9,7%	-14,0%	-12,8%	0,4%	1,2%	2,8%	-2,8%	-14,8%	-7,0%	-21,4%	-17,8%	-10,7%	-11,3%	17,4%

* Based on terawatt hours, the applied calorific values (10.83 kWh/cubic metre GCV; 11.63 TWh/MTOE NCV; NCV = 0.9 GCV) are representing a European average.