

## Media Release

For immediate release – 3<sup>rd</sup> May 2016

### **New report calls on government to take action to ensure UK gas security**

A new report published today by the Energy and Utilities Alliance Gas Storage Operators Group (GSOG), entitled '*Gas Storage: Securing the future of the UK energy market*' calls on the Government to recognise the vital role that gas storage plays in delivering energy security.

The report co-written by Waters Wye Associates and the GSOG, investigates the function that gas will play as a fuel of a low carbon future; supporting the growth in intermittent renewable generation and the closure of coal fired power stations. This is set against a backdrop of the UK experiencing an irreversible decline in indigenous gas reserves and a growing dependency on imported supplies. Roddy Monroe, Chair of GSOG said "*Gas storage can and does make a significant contribution to achieving energy security by ensuring that gas supplies are maintained at times of major supply or demand shocks. It protects consumers from price spikes and reduces overall gas bills.*

*Due to the challenging economic conditions, existing UK storage capacity is being withdrawn and investment in new facilities has stalled. The UK currently stores significantly less gas than its European counterparts so it is important that the benefits of storage are recognised and rewarded to help protect against further reductions. Gas storage is strategically important, and unlike other types of energy infrastructure, once gas storage facilities have been decommissioned they are lost forever.*

*This report urges the Government to recognise the benefits of gas storage and to look into ways to ensure its continuing viability; this could be achieved by direct*

*subsidies to “top up” revenues, or by reducing the cost burden borne by storage owners, such as a reduction in business rates.*

*Now is not the time to take a gamble on our energy security.”*

To read the report in full please visit <http://www.eua.org.uk/sites/default/files/GSOG-Gas-Storage-Benefits-Paper.pdf>

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**Note to editors:**

The Energy and Utilities Alliance (EUA) provides a leading industry voice helping shape the future policy direction within the sector. Using its wealth of expertise and over 100 years of experience, it acts to further the best interests of its members and the wider community in working towards a sustainable, energy secure and efficient future.

EUA has six organisational divisions - Utility Networks, the Heating and Hotwater Industry Council (HHIC), the Industrial & Commercial Energy Association (ICOM), the Hot Water Association (HWA), the Manufacturers' Association of Radiators and Convectors (MARC) and the Natural Gas Vehicles Network (NGV Network).