

World Energy Council UK UK Issues Monitor Content Development

WEC UK Members



Electricity

- Michael Lewis, CEO, EON UK
- Simone Rossi, CEO, EDF Energy
- John Pettigrew, CEO, National Grid
- Matthew Wright, Managing Director, Ørsted UK

Oil and Gas

- Peter Mather, Country Chairman, BP
- John Knight, EVP Global Strategy and Business Development, Statoil

Advisory Board

- Chris Llewellyn Smith, Director of Energy Research, University of Oxford
- Joan McNaughton, Chair, Climate Group
- Ged Davis, Executive Chair WEC Scenarios
- Christoph Frei, Secretary General, WEC

Technology

- Ian Gardner, Director , Global Energy Leader & UK-MEA Board, Arup

Finance

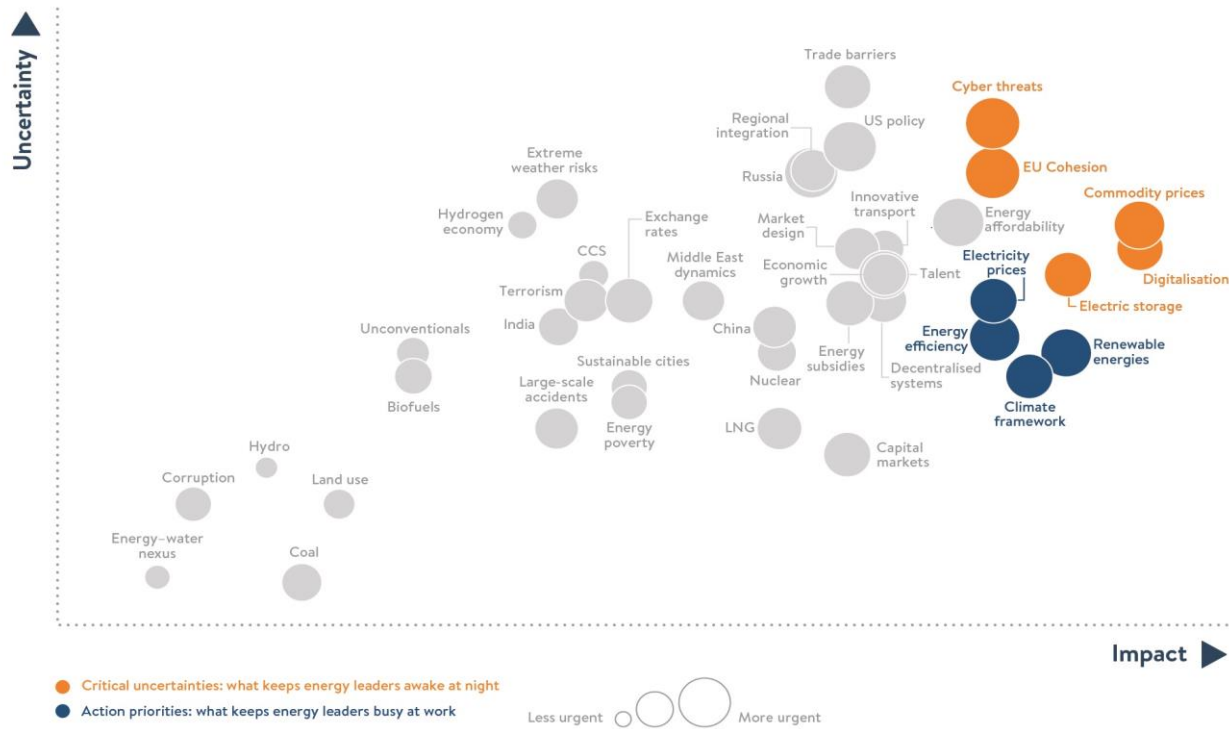
- Gonzalo Garcia, Global co-head of Power & Utilities, Goldman Sachs
- Zoe Knight, Managing Director, Global Head, Climate Change Centre of Excellence, HSBC

Consultancy

- Alaric Marsden, Senior MD, FTI
- Francois Austin, Head of Energy Practice, Oliver Wyman

Honorary Members

- Brent Cheshire, Former Chairman & MD, DONG Energy (Chair)
- Steve Holliday, Former CEO, National Grid
- Philip Lowe, Chair, WEC Trilemma



- ▶ Innovation & price issues are keeping UK leaders most awake
- ▶ Trade barriers (Brexit) and US policy (Trump) have been the most dramatic movers
- ▶ Key action items are related to decarbonisation

Global Issues Monitor 2017 Data – Critical Uncertainties and Action Priorities

Critical Uncertainties – Macro issues

- Commodity price volatility
- Regional integration/cohesion
- Climate framework uncertainty
- Electric storage

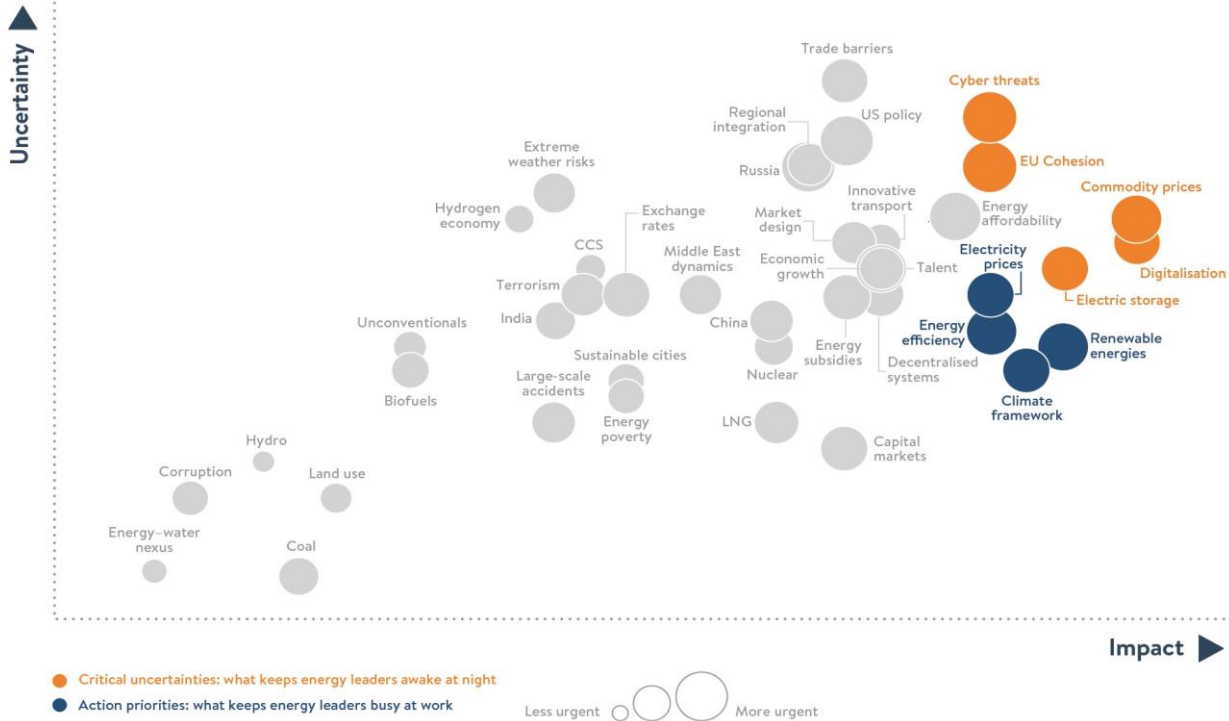
Action Priorities – Remaining constant

- Economic growth
- Energy subsidies
- Energy efficiency
- Electricity pricing
- Talent

- EU Cohesion – Brexit critical uncertainty – particularly wrt to free trading of electricity and gas, plus access to European staff and specialist equipment and components.
- Digitalisation and cyber threats – rated more significantly than rest of Europe. Rapid UK energy system transformation and trend towards flexible demand and local generation are drivers.
- Electrical storage – regulatory and commercial barriers need to be overcome. Support from current call for evidence on Smart, Flexible Energy System.

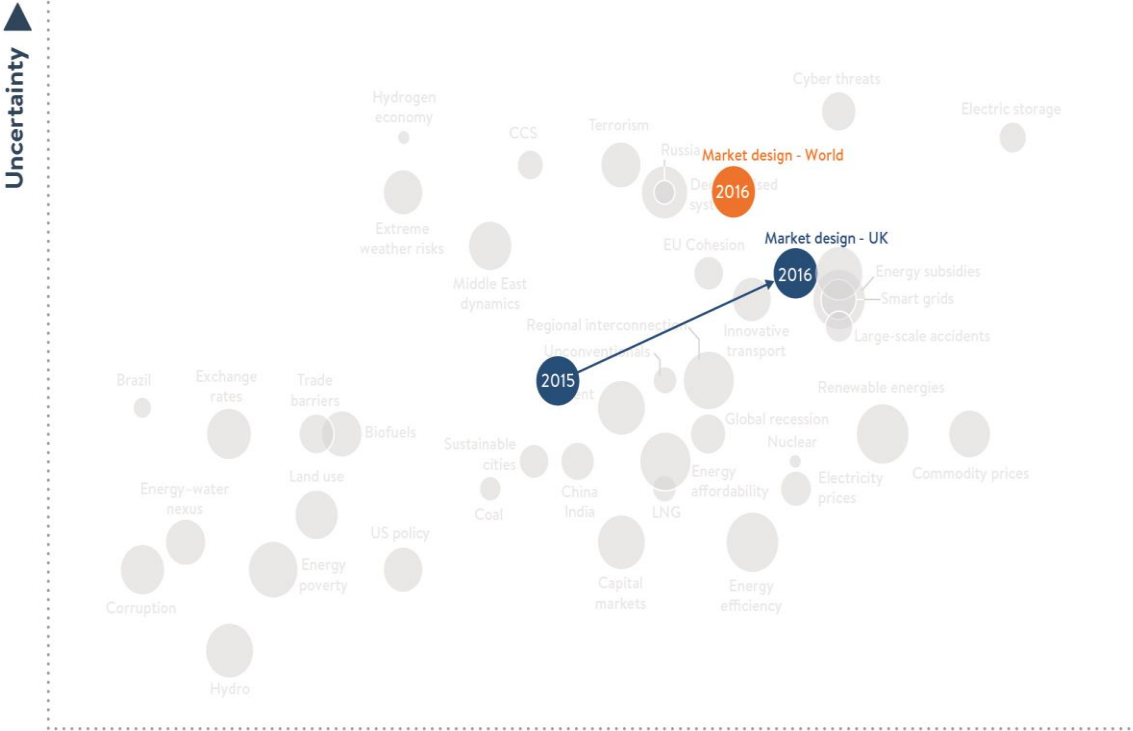
UK Issues Monitor – Action Priorities

- Energy efficiency – needs a stimulus following Green Deal, abolition of Warm Front etc. New impetus from new Industrial Strategy
- Energy Pricing – Implementation of CMA 2016 report, pressure on sterling and impact of Brexit may all have a role here.



UK Issues Monitor – Further Analysis

- Agreed key issues for further analysis
- Work group formed – Board member to champion
- Contextualisation of issues - further desk analysis/commentary
- Graphical Representation of trends
- Review with Board – opportunity for engagement/revision
- Final report – hard and soft copy
- Slide pack/notes for Member use
- Repeatable annually – generating trends over time.
- Distributed to key stake holders including government - BEIS

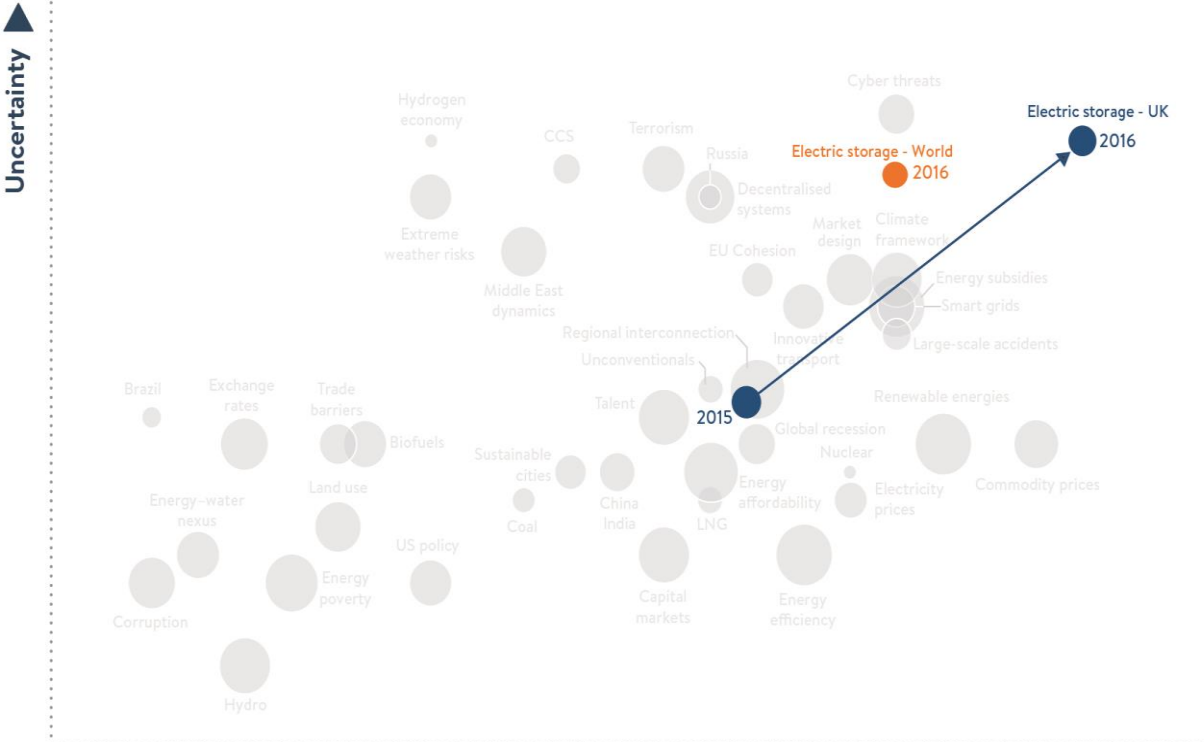


World Energy Issues Monitor 2016 - United Kingdom - Market Design

Impact ►

- UK time-tracking 2015 to 2016
- Global positioning for 2016





World Energy Issues Monitor 2016 - United Kingdom - Electric Storage

Impact ►

- UK time-tracking 2015 to 2016
- Global positioning for 2016

Less urgent ○○○ More urgent

Thank you

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