

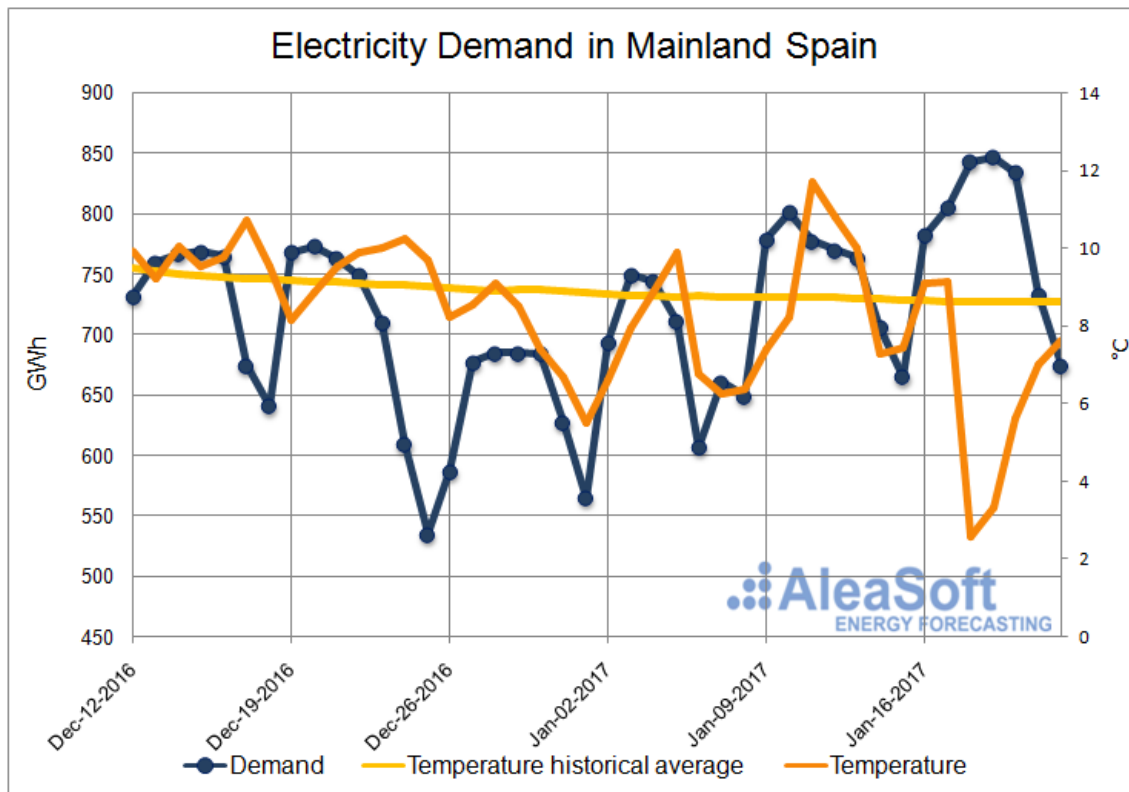
EFFECTS OF THE COLD SNAP ON ENERGY DEMAND

January 23rd, 2017 - The low temperatures recorded in recent days have brought gas and electricity demand to highs that exceed those recorded in recent years. These increases in demand have had an impact on energy markets with significant price increases that have far exceeded forecasts.

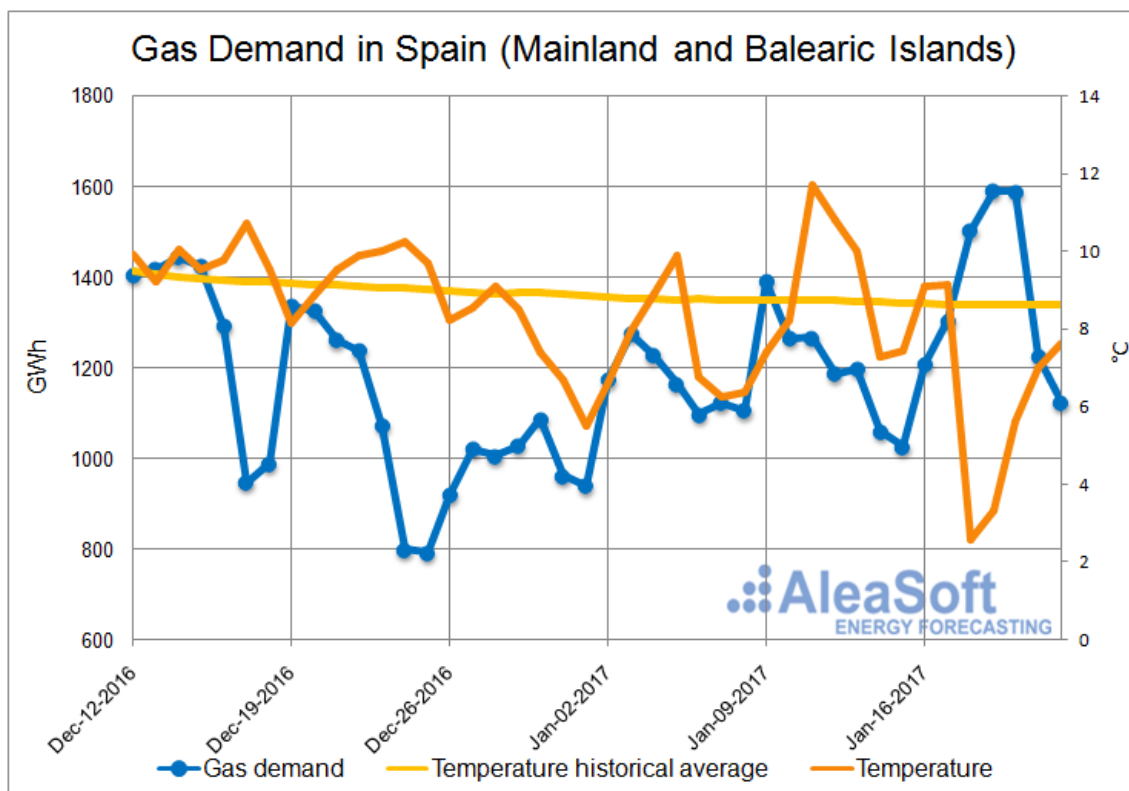
The Siberian cold snap that covered eastern European countries last week hit the Iberian Peninsula last Wednesday 18th, and brought thermometers more than 6°C below usual temperatures on these dates. The average peninsular temperature remained 3°C lower on two days, until Thursday 19th. The fall in temperatures had been accompanied by considerable winds and also significant rainfalls in the southern half of the peninsula. The coldest day was Wednesday 18th where the average temperature in mainland Spain was of 2.6°C. Compared to the last major cold snap in the winter of 2012, temperatures were similar; however, they remained on thermometers for more days.

Low temperatures have led to a significant increase in **electricity demand**. The peak of power occurred on Wednesday 18th at 20:20 with 41217 MW. This value did not exceed the maximum record during the last cold snap in 2012 which was of 43527 MW, and is far from the historical record reached in December 2007 of 44876 MW, in a context of very different economic activity and in full expansion of the combined cycles.

Regarding the **gas demand**, the forecasts of ENAGÁS, the gas system operator, expected an "exceptional" situation in anticipation of exceeding the maximum consumption of this winter, with up to 1445 GWh registered on December 14th, so the operator used stored gas to cover the increase in demand. Finally, the maximum daily gas consumption this winter has been of 1590 GWh which was recorded on Thursday January 19th, volumes of gas consumption that were not seen since the cold snap of 2012.



Sources: REE and AleaSoft



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