

The Mintel logo is a yellow speech bubble with the word "MINTEL" in black, uppercase letters. It is positioned in the top right corner of the slide. The background of the slide is a close-up, low-angle shot of several large, dark pipes or conduits, illuminated by a warm, golden light that creates strong highlights and deep shadows, giving it an industrial and technical feel.

MINTEL

UK UTILITIES MARKET

10 OPPORTUNITIES
YOU NEED TO KNOW...

MARKET RESEARCH AND ANALYSIS ON THE CRITICAL ISSUES AFFECTING YOUR MARKET

WHAT IS IT?

Robust Market Research

Everything you need to know about the critical issues facing business markets. Comprehensive data, rigorously assessed. Current trends, analysed in depth. Future possibilities, and how you should react. Insights, implications, actions.

Expert analysis

Dedicated industry experts delivering the numbers and analysis you need. Putting trends in context to show you where they are heading next. Matching breadth of coverage with depth of thought.

Precision engineered

Attention to detail that goes beyond the numbers and analysis – presented with the clarity and flexibility to slot straight into your own documents and distributions. Concise conclusions. Full illustrations. Downloadable datasets you can tailor to your needs.

WHO IS IT FOR?

For consultants and accountants

They deliver the fast market understanding needed to detail developments in your own reports.

For banks and venture capitalists

They are a key part of the due diligence needed to assess potential investments.

For media agencies

They offer in-depth knowledge on niche industrial marketing and guide strategy development.

For industry

They enable detailed performance comparison against market developments, and better-informed planning and budgeting.

For procurement

They act as an important contributor to buying strategy.

MEET OUR TEAM OF EXPERTS:



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Senior Industrial Analyst



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INCREASED COMPETITION SIGNALS INCREASED OPPORTUNITIES


in the gas supply market in coming years.

Although their overall share remains small, a number of independent suppliers, such as First Utility, have already gained a notable presence in the market.



£4 BILLION THAMES TIDEWAY TUNNEL PROJECT: THE BIGGEST INFRASTRUCTURE PROJECT IN THE INDUSTRY OVER THE NEXT DECADE

will run up to 20 miles from west to east London, up to 75 metres below ground, broadly following the route of the River Thames. The main construction period is expected to start in 2016 and is likely to last around seven years. The award of construction contracts for the tunnel is scheduled for 2015.




means that despite a 46% decrease in gas demand from the electricity generation sector since 2010, the current government recognises that alongside renewables and nuclear, new unabated gas plants will be needed to replace electricity generating capacity due for closure.

A NEW GENERATION OF GAS-FIRED POWER STATIONS

A large, arched greenhouse with a metal frame and translucent plastic covering. The interior is filled with rows of young, green plants growing in a field. The perspective is from the center of the greenhouse, looking down a long aisle of plants towards the far end.

£150 MILLION SUPPORT PACKAGE TO BE MADE AVAILABLE ANNUALLY FOR THREE YEARS FROM 2014/15

to promote energy efficiency improvements to households and private landlords. Alongside this, the Green Deal is being improved to make it more attractive for consumers and to remove unnecessary costs for companies. The additional funding will incentivise the delivery of hard-to-treat cavity and solid wall insulation.



once they become a focus for Electricity Distribution Network Operators in the next price control period to facilitate the transition to a low-carbon economy. Furthermore, the growth in low carbon technologies, such as heat pumps, solar photovoltaic for electricity generation and electric vehicles, will also require increased network investment.

SMART GRIDS AND NEW TECHNOLOGIES BECOME BUSINESS AS USUAL

4% INCREASE

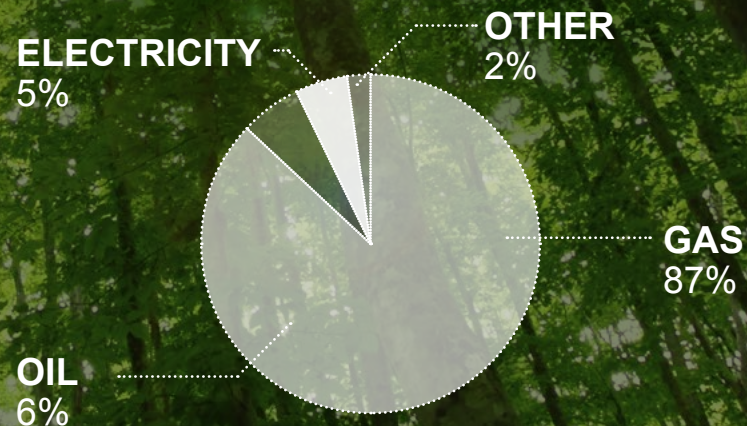
in capital expenditure for the gas transmission and distribution industry in 2012/13 (to £1.2 billion). This signals a counter trend of falling expenditure between 2008/09 and 2011/12.



GROWTH POTENTIAL FOR CO2 NEUTRAL, SOLID FUEL CENTRAL HEATING SYSTEMS

such as biomass and wood pellets boilers, with demand projected to increase over the coming years, partly driven by grants and incentive schemes. The boilers are generally cheaper to run than electricity, LPG and sometimes oil.

Segmentation of UK domestic central heating installations, by type of fuel, 2012



Source: MBD and trade estimates

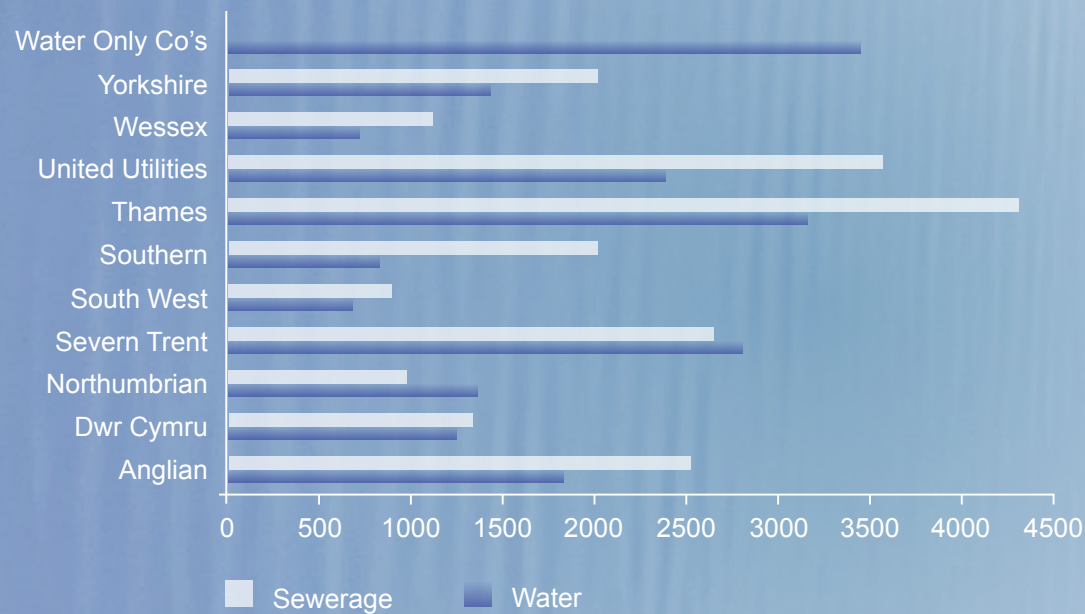
31% INCREASE IN TOTAL SEWERAGE CAPITAL EXPENDITURE IN ENGLAND AND WALES 2010-2015

and achieving efficiency savings on projects is imperative with cost targets set to be tight.

60%

of total expenditure by water and sewerage companies in England and Wales is expected to be directed to sewerage services during AMP6 (2015-2020).

Proposed total expenditure for AMP6 in England and Wales, 2015/16-2019/20



Source: Ofwat and individual company business plans

ELECTRICITY DISTRIBUTION NETWORK REVENUES TO BE LINKED TO INCENTIVES, INNOVATION AND OUTPUTS

from 1 April 2015 to 31 March 2023 Ofgem will seek to reward behaviours that customers want, support the use of innovation to consider how networks meet the challenges of tomorrow and require companies to commit to outputs that they will deliver.

WANT MORE INSIGHTS ON THE UTILITIES MARKET?

Utilities Reports

Gas Supply and Distribution (Industrial Report) – UK – 2014

Potable Water (Industrial Report) – UK – 2014

Sewerage (Industrial Report) – UK – 2014

Electricity Supply and Distribution (Industrial Report) – UK – 2014

Other reports in the Business series include:

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