

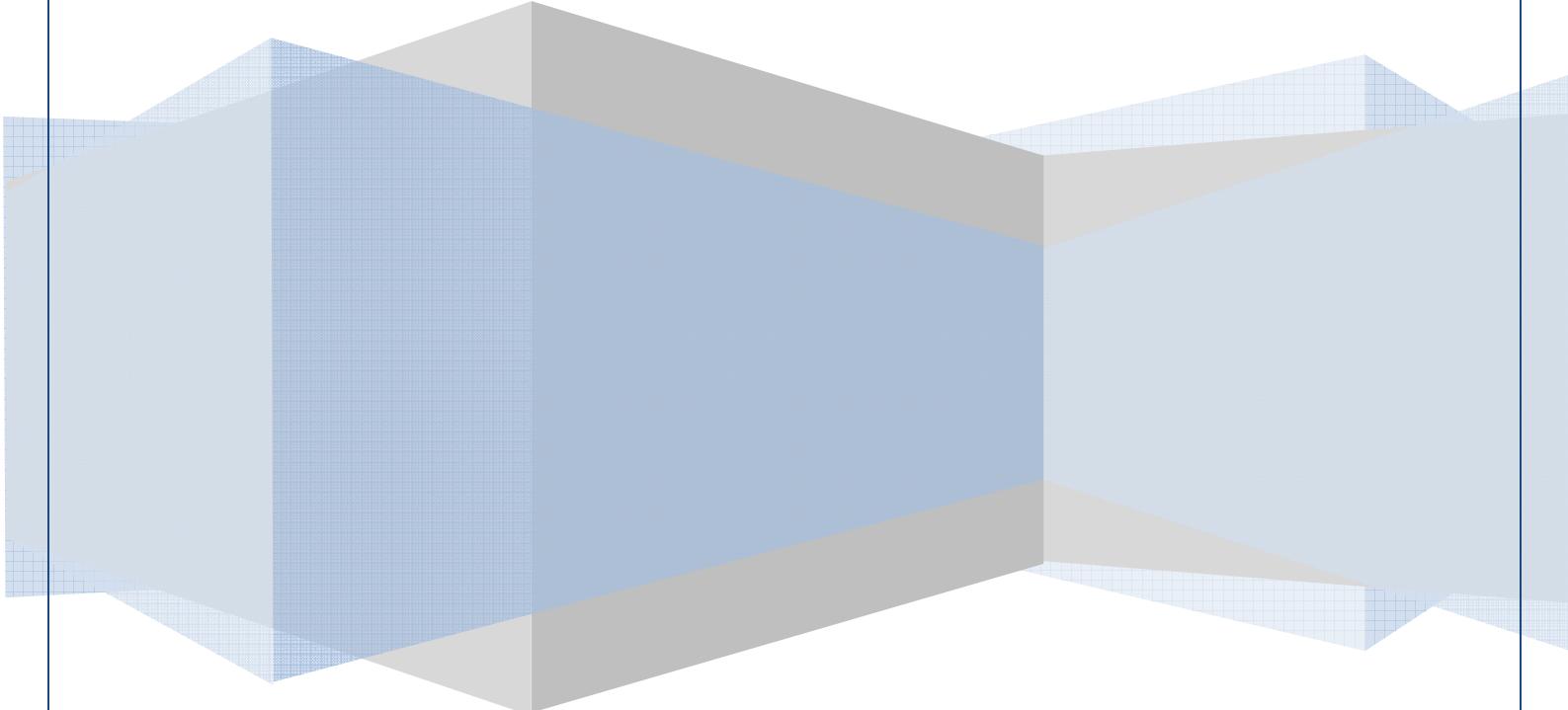
Energy Wholesale Market Review

Week Ending 22nd November 2019



EDW House, Radian Court, Knowlhill, Milton Keynes, MK5 8PJ.

Phone: +44 (0)8448 802 489
Email: info@edwtech.com
Website: edwtech.com





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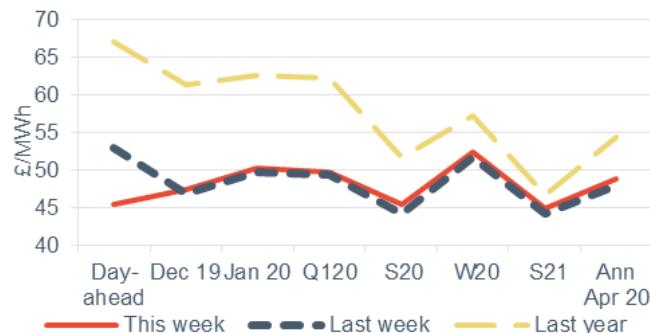
Headlines 22/11/2019

Most power and gas contracts rose this week, with a few seasonal contracts and day-ahead power being exceptions. Day ahead gas rose 8.8% to 42.0p/th as lower LNG send-out saw the gas market undersupplied towards the end of the week. Day ahead power dropped 14.2% to average £45.5/MWh as wind generation surged midweek. December 19 gas was up 3.6% at 42.1p/th, and January 20 gas increased 1.7% to 44.3p/th. All seasonal contracts boosted last week, up by 1.7% on average, while both summer 20 and winter 20 gas increased 2.4% and 1.3% respectively, lifting to 39.6p/th and 49.4p/th. Most seasonal power contracts increased last week up by 1.5%. Summer 20 and winter 20 power contracts climbed 2.5% and 1.5% respectively, rising to £45.4/MWh and £52.5/MWh. Brent crude oil inched up 0.6% to average \$62.2/bl with prices changing on varying on mixed reports of US crude inventory levels. EU ETS carbon fell by 2.5% to €23.8/t as price changes and activity was minimal again this week as the EU parliament will vote on whether to declare a climate emergency. API 2 coal prices reversed last week's gains, rising 0.8% to \$63.7/t.

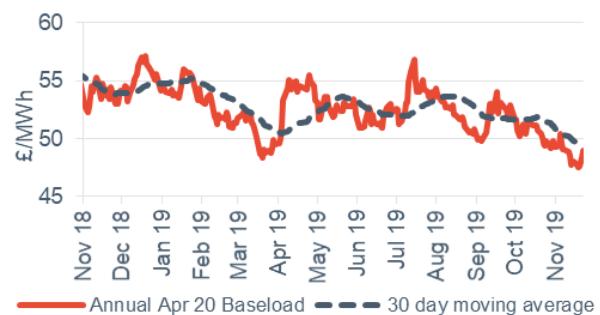
Baseload electricity

- Day-ahead peak power fell 22.8% to £50.0/MWh, with high wind generation midweek.
- December 19 power climbed 1.4% at £47.5/MWh and January 20 power increased 1.2% to £50.4/MWh.
- Q120 power moved 1.0% higher to £49.8/MWh.
- The Annual April 20 contract rose 2.0% to £49.0/MWh, 10.2% lower than the same time last year (£54.48/MWh).

Forward curve comparison



Annual April contract



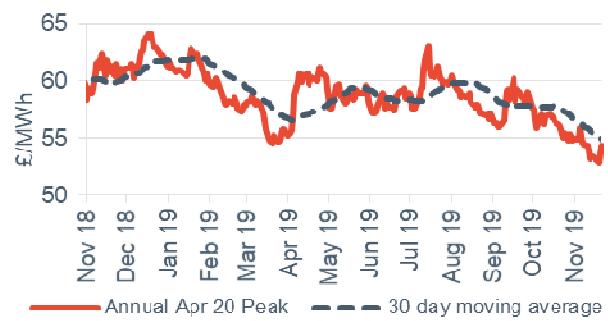
Peak electricity

- Day-ahead peak power fell 22.8% to £50.0/MWh, reflecting the drop in baseload power prices.
- December 19 peak power was up 1.7% at £53.8/MWh, and January 20 peak power climbed 1.2% to £57.5/MWh.
- The Annual April 20 peak power gained 1.7% to 54.3/MWh.
- This is 11.7% lower than the same time this year (61.5/MWh).

Forward curve comparison

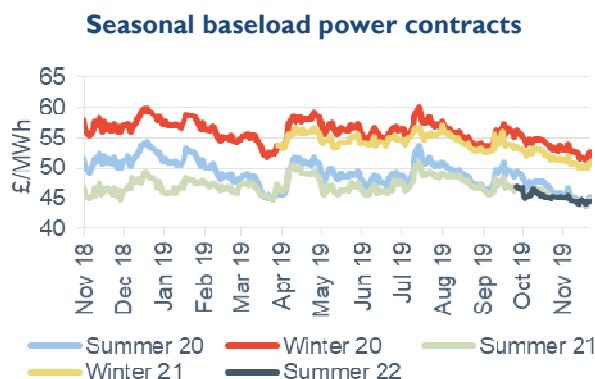


Annual April contract

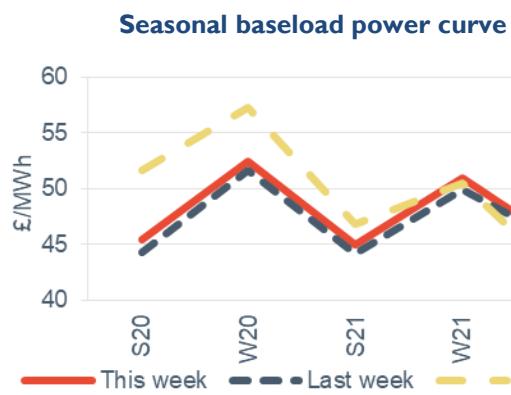




Seasonal power prices

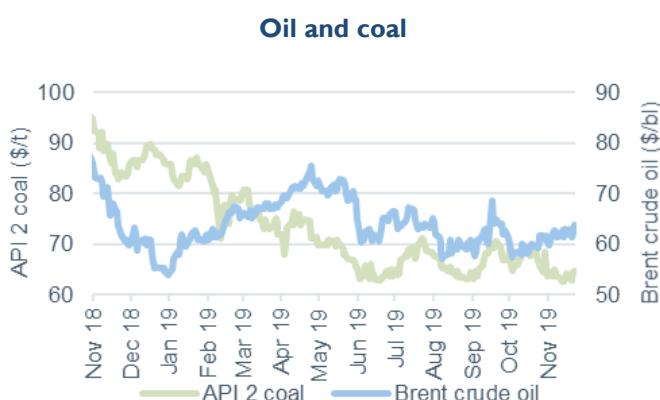


- All seasonal power contracts increased this week, up 1.5%.
- Summer 20 and winter 20 power lifted 2.5% and 1.5% respectively, rising to £45.4/MWh and £52.5/MWh.

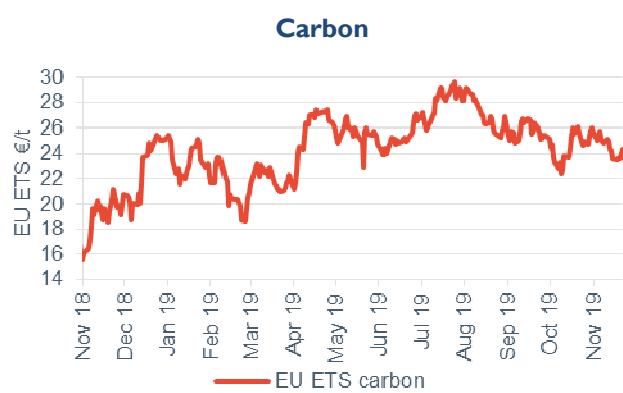


- Seasonal peak power contracts raised by 1.4% on average.
- Summer 20 and winter 20 peak power gained 2.4% and 1.1% respectively, rising to £49.3/MWh and £59.4/MWh.

Commodity price movements



- Brent crude oil inched up 0.6% to average \$62.2/bl this week.
- Prices are currently 2.8% lower than at the same time this year.
- Reports of high build of US crude inventory levels early in the week initially weighed on prices, though they recovered on later reports that stocks increased less than originally reported.
- API 2 coal prices reversed last week's gains, rising 0.8% to \$63.7/t



- EU ETS carbon fell by 2.5% to average €23.8/t.
- Price changes and activity was minimal again this week.
- The EU parliament will vote this week on whether to declare a climate emergency.
- If voted for, it will pressure the European Commission to act with more urgency on carbon emissions.

Supplier tariff movements

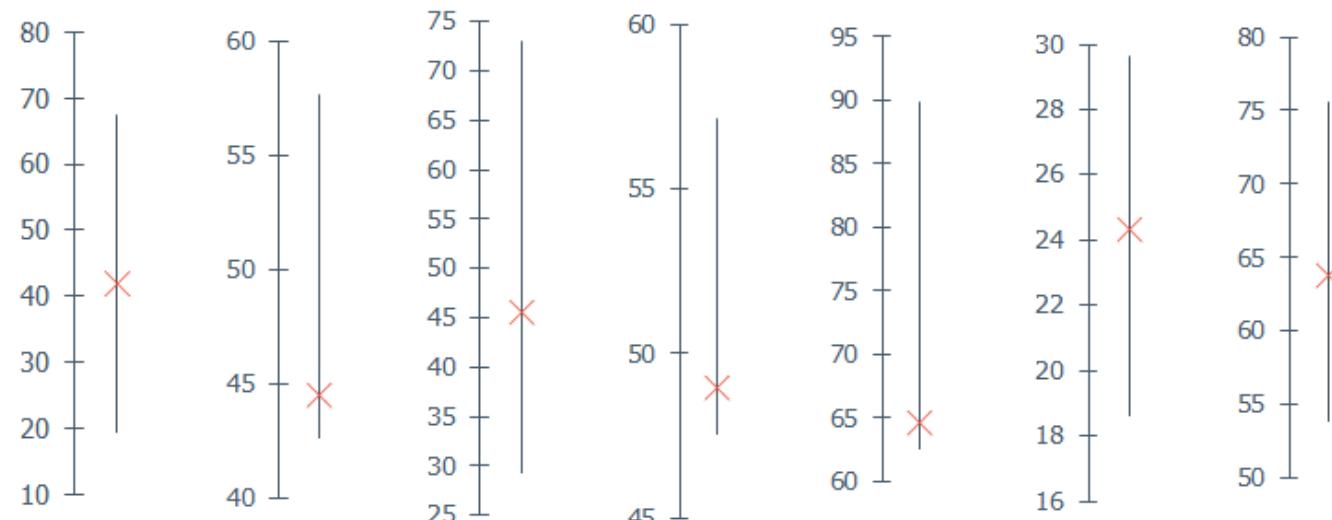
In September, 20 suppliers reduced the price of their cheapest available tariff, while nine suppliers increased their cheapest tariff price. Outfox the Market continued to offer the cheapest available tariff priced at £864/year on average, followed by Green priced at £867/year on average. EDF Energy reduced the price of its cheapest available tariff, with its new Simply Online Apr21 tariff priced at £931/year on average. ENGIE's cheapest available tariff increased by £76/year to £1,101/year on average, after it removed its one year tariff, offering only two year tariffs instead.



Wholesale price snapshot

		Gas (p/th)		Electricity (£/MWh)		Coal (\$/t)	Carbon (€/t)	Brent crude (\$/bl)
		Day-ahead	Year-ahead	Day-ahead	Year-ahead			
This week	22 Nov 19	42.00	44.50	45.50	48.95	64.65	24.30	63.80
Last week	15 Nov 19	38.60	43.72	53.00	48.00	64.25	23.66	62.02
Four weeks ago	25 Oct 19	30.10	45.79	44.25	49.75	65.70	24.92	61.62
Last year	23 Nov 18	67.30	54.96	67.00	54.48	84.25	21.18	61.85
Year-on-year % change		-37.6%	-19.0%	-32.1%	-10.1%	-23.3%	14.7%	3.2%
Year high		67.30	57.63	73.00	57.14	89.75	29.66	75.54
Year low		19.30	42.62	29.25	47.55	62.60	18.60	53.82

This table shows the prices last week compared with prices from the previous week, month and year. The graphs show the position of last week's prices with a red X and the range of prices over the year is represented by the black line.





About EDW Technology Limited

EDW has an extensive history of developing, implementing and supporting its 'best of breed' retail electricity software solutions.

In 2000, EDW began building a revolutionary new electricity software platform to support the rigorous demands of the UK's deregulated electricity supply market – a market characterised by rapidly changing government regulation, business processes, market rules, industry dataflows and customer demands. EDW were founded as a provider of high quality, end-to-end IT services and we have remained true to that aim ever since, servicing a range of companies in the energy industry.

For over 18 years, our software product ERS has empowered business electricity suppliers to transform customer experience, improve business efficiency, reduce costs to serve and improve profitability.

EDW has a UK based team of 85 employees working from the EDW offices in Milton Keynes.

Industrial and commercial billing specialists

The industrial and commercial electricity supply market has unique business requirements that need to be serviced with a specialised set of IT system capabilities. Sophisticated business customers are willing to actively engage in the management of their energy accounts and solutions need to provide tools that support enhanced service interaction. EDW has gathered an extensive knowledge of the industrial and commercial market sector that enables the delivery of a powerful set of system capabilities essential to your requirements to service this complex and demanding market sector.

EDW Technology Limited

EDW House

Radian Court

Knowlhill

Milton Keynes

MK5 8PJ

UK

Tel: +44 (0) 8448 802 489

Fax: +44 (0) 8448 802 487

Website: www.edwtech.com

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