



# Energy Wholesale Market Review

Week Ending 21<sup>st</sup> April 2023



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

**Phone:** +44 (0)8448 802 489  
**Email:** [info@edwtech.com](mailto:info@edwtech.com)  
**Website:** [edwtech.com](http://edwtech.com)



## Contents

Peak electricity.....	3
Seasonal power prices.....	4
Commodity price movements.....	4
Supplier tariff movements.....	4
Wholesale price snapshot .....	5
About EDW Technology Limited .....	6

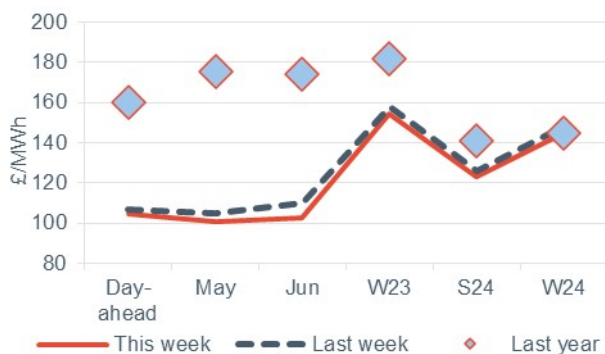


## Headlines 21/04/2023

This week, wholesale gas and power contracts experienced mostly bearish trends – resulting from increased daily temperatures, coupled with greater wind power generation, when compared to last week. Day-ahead gas fell 0.5% to 99.5p/th amid strong LNG supplies, and decreased demand levels. Similarly, day-ahead power fell 2.3% to £104.5/MWh, following the bearish price movements of its equivalent gas contract, combined with increased renewable outturn seen during the week. May 23 gas eased 1.8% to 98.4p/th, and June 23 gas curtailed 2.8% to 99.6p/th. The vast majority of seasonal gas contracts lowered last week, aside from summer 25 which saw a marginal 0.9% growth, down by 0.9% on average - with winter 23 and summer 24 gas slipping 1.4% and 1.3% respectively, to 145.00p/th and 136.5p/th. Elsewhere, all seasonal power contracts reduced this week, down on average by 2.8%, as winter 23 power decreased 2.5% to £154.00/MWh, and summer 24 fell 2.4% to £123.00/MWh.

- Baseload electricity Day-ahead power fell 2.3% to £104.5/MWh, as temperatures remained above-average, coupled with increased wind generation levels
- Similarly, May 23 power fell 3.8% to £100.5/MWh with June 23 power following this trend and dropping 6.8% to £102.5/MWh.
- Q223 power moved 3.5% lower to £111.5/MWh
- The annual October 23 contract lost 2.5% to £138.5/MWh, 14.2% lower than the same time last year (£161.4/MWh).

Forward curve comparison



Annual October contract



## Peak electricity

- Day-ahead peak power was down 1.6 % to £105.00/MWh, following its baseload power counterpart lower.
- May 23 peak power fell 6.5% at £104/MWh, with June 23 peak power also decreasing, down 7.4% to 115.0/MWh.
- The annual October 23 peak power dropped 1.8% to £167.13/MWh.
- This is 15.1% lower than the same time last year (196.9/MWh).

Forward curve comparison

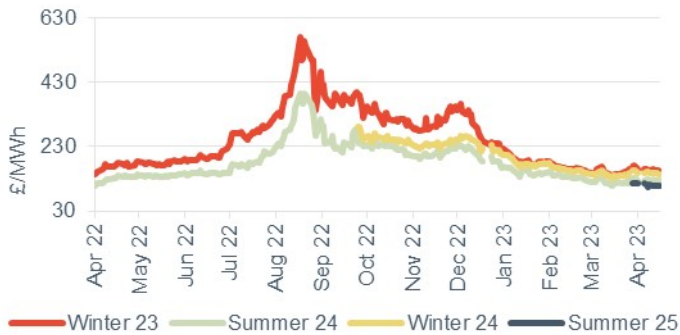


Annual October contract



## Seasonal power prices

Seasonal baseload power contracts



- All seasonal power contracts fell this week, down on average by 2.8%.
- Winter 23 power decreased 2.5% to £154.00/MWh, and summer 24 power dropped 2.4% to £123.00/MWh.

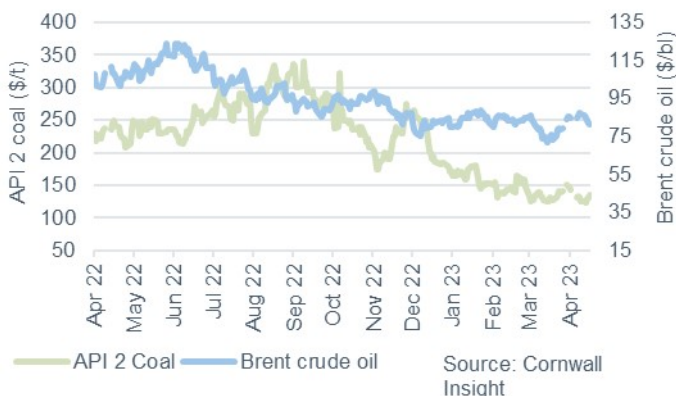
Seasonal baseload power curve



- All seasonal peak power contracts fell this week, seeing a decrease of 1.7% on average.
- Winter 23 and summer 24 peak power contracts declined this week, down 2.6% and 0.7% respectively, falling to £196.50/MWh and £137.75/MWh

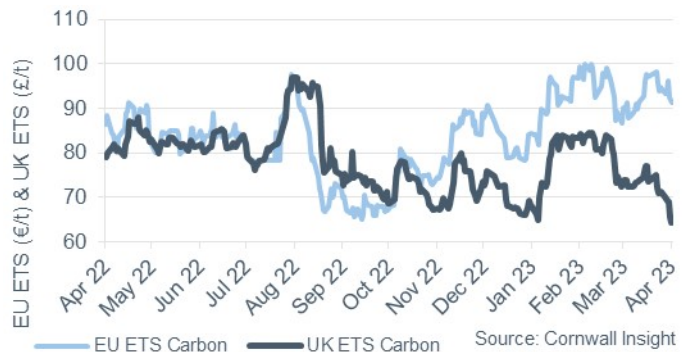
## Commodity price movements

Oil and coal



- Breaking its three-week bullish trend, Brent crude experienced a bearish week, with a decrease of 3.0% being recorded, amid fears of further US Federal interest rate increases – compounded by a stronger US dollar
- However, losses were partially mitigated due to positive economic growth from China and news that US oil stockpiles had fallen to their lowest levels since 1983

Carbon (UK and EU ETS)



- The EU ETS scheme saw a downward price movement, dropping 2.3% on average to €93.42/t, despite new reforms of the scheme being green-lit – introducing a carbon border tax designed to change global trade and impact the bloc's carbon market. Similarly, the UK ETS carbon price decreased 6.5% to £67.61/t – following on from increased wind generation when compared to levels seen last week
- EU ETS prices will remain elevated as demand for EU Allowance (EUA) contracts continues to rise as the 30 April deadline for the 2023 contract settlement approaches

## Supplier tariff movements

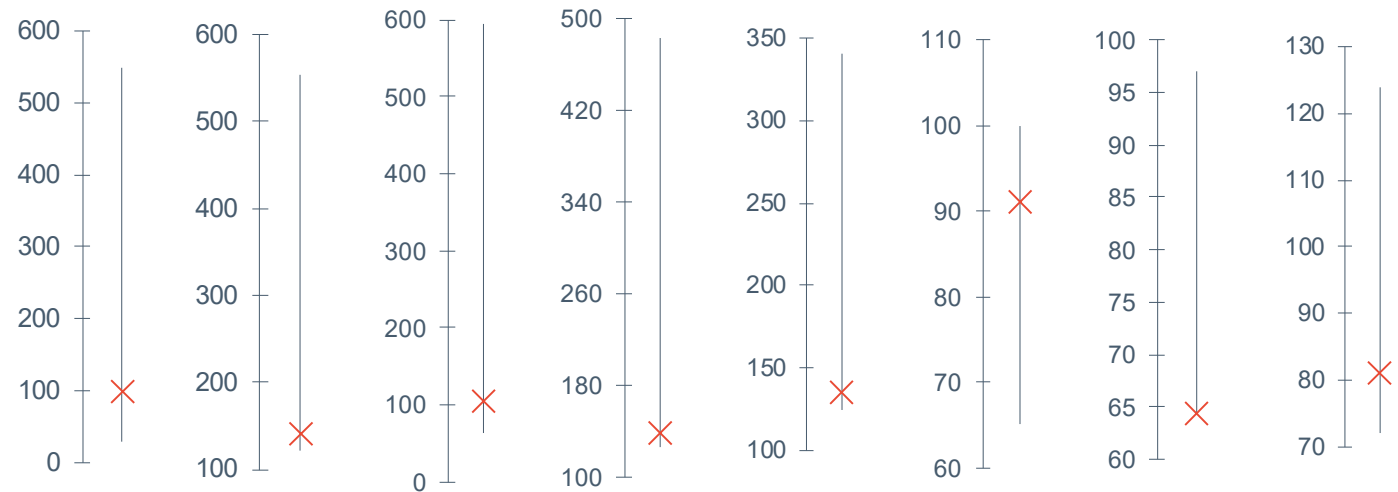
Octopus Energy offered the cheapest variable tariff at 15 April with its Flexible Octopus November 2022 v1 tariff, priced at £2,488/year on average. As reported in the 11 April issue of this report, Octopus Energy previously increased the price of its Flexible Octopus November 2022 v1 tariff by £3/year to £2,488/year on average, effective as of 1 April.



## Wholesale price snapshot

		Gas (p/th)		Electricity (£/MWh)		Coal	EUA carbon	UKA carbon	Brent crude
		Day-ahead	Year-ahead	Day-ahead	Year-ahead	(\$/t)	(€/t)	(£/t)	(\$/bl)
This week	21 Apr 23	99.50	140.75	104.50	138.50	135.00	91.15	64.40	81.10
Last week	14 Apr 23	100.00	142.63	107.00	142.00	126.10	94.85	71.35	86.40
Four weeks ago	24 Mar 23	102.00	128.88	118.00	132.75	127.00	87.70	72.50	73.40
Last year	21 Apr 22	145.50	175.98	141.00	157.00	250.00	86.31	79.00	108.15
Year-on-year % change		-31.6%	-20.0%	-25.9%	-11.8%	-46.0%	5.6%	-18.5%	-25.0%
12-month high		548.00	554.50	595.00	482.50	340.00	100.00	97.00	123.80
12-month low		28.00	122.00	63.00	125.75	124.00	65.09	64.40	72.05

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 22 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](http://www.edwtech.com)

Copyright © 2023 EDW Technology Limited. All rights reserved.

No part of this publication may be reproduced, transmitted, transcribed, stored in a retrieval system, or translated into any language, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without prior written permission from EDW Technology Limited.

All copyright, confidential information, patents, design rights and all other intellectual property rights of whatsoever nature contained herein are and shall remain the sole and exclusive property of EDW Technology Limited. The information furnished herein is believed to be accurate and reliable. However, no responsibility is assumed by EDW Technology Limited for its use, or for any infringements of patents or other rights of third parties resulting from its use.