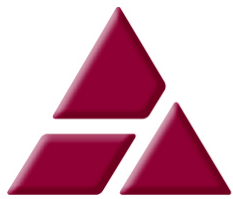


Energy Wholesale Market Review

Week Ending 12th April 2013



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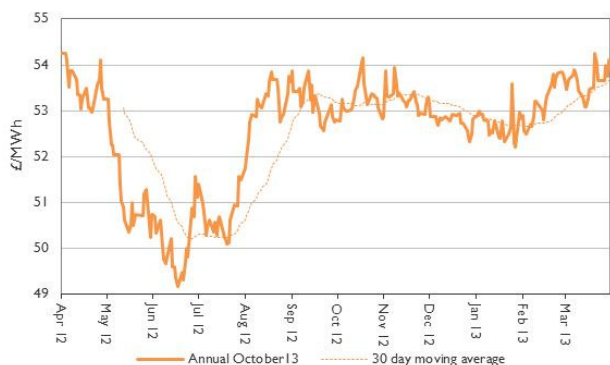
Headlines

Power and gas prices have decreased this week as concerns about supply security have faded and oil prices dropped. Annual power fell 1.2% to a three-week low of £53.3/MWh and annual gas dropped 1.1% to 68.8/th. Day-ahead power prices dropped as low-carbon generation increased and demand fell. The day-ahead baseload power contract dropped 14.3% to a monthly low of £51.4/MWh, while the day-ahead gas price slumped 17% to 68.0p/th. Gas generation was more profitable this week as a result of lower gas prices, the annual clean spark spread rose 5% to £3.1/MWh. The annual clean dark spread slipped as a result of lower power prices, the spread dropped 1% to £24.3/MWh. The clean dark spread is now at a £21.2/MWh premium to the clean spark spread. Our clean spreads are now inclusive of carbon price support, which is £0.9/MWh for gas and £1.6/MWh for coal. Carbon prices have lost 4% week-on-week over worries about the upcoming vote on carbon support measures. Month-ahead Brent crude oil fell 3.4% to a weekly average of \$105.1/bl on concerns over lower oil demand.

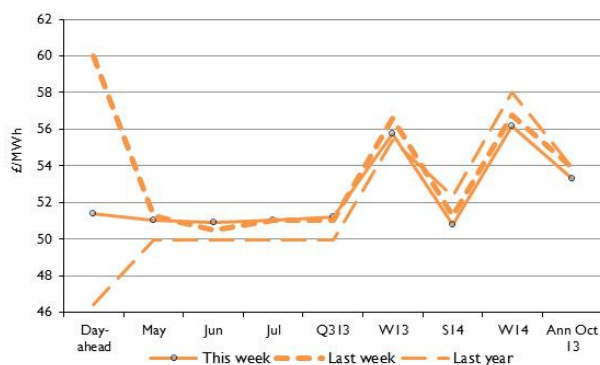
Baseload electricity

- Annual prices followed a decrease in their gas counterparts this week as concerns about supplies eased.
- Annual April 13 baseload power fell 1.2% to a three-week low of £53.3/MWh.
- Day-ahead power dropped 14.3% to a one-month low of £51.4/MWh.
- Despite the fall, day-ahead power is now 5.2% below last month and 11% above last year.

Annual April contract



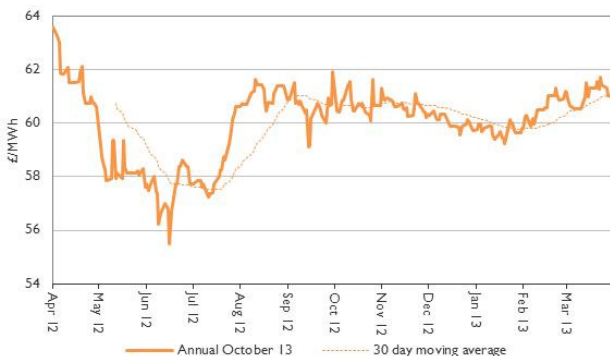
Forward curve comparison



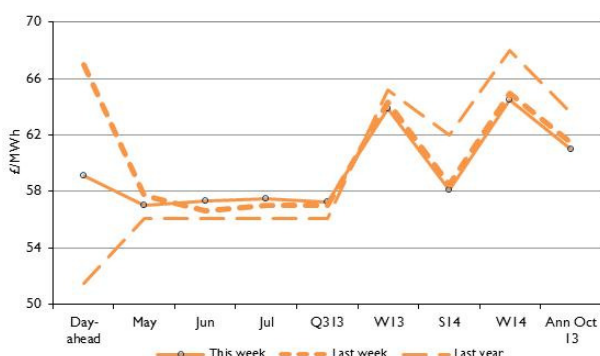
Peak electricity

- Peak power prices followed the trend in the gas market.
- The annual October 2013 peak power contract fell 0.7% to £61.0/MWh.
- Day-ahead peak electricity dropped 11.7% to £59.2/MWh.
- The contract is now 5% lower than last month but 15% higher than last year.

Annual April contract



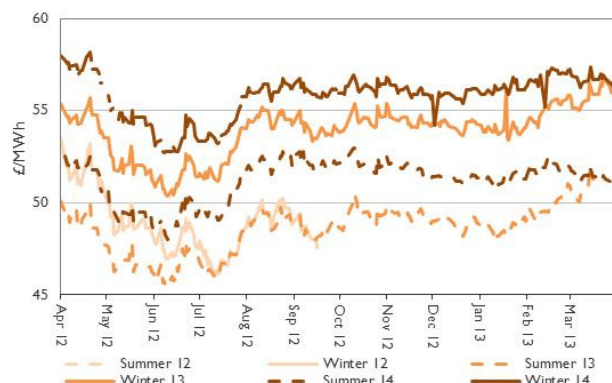
Forward curve comparison





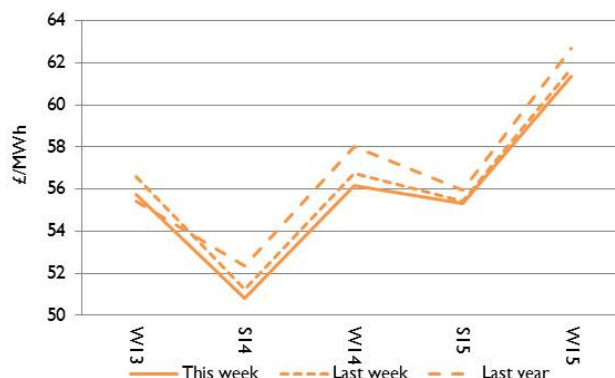
Seasonal power prices

Seasonal power contracts



- Winter power contracts were down 1% on average. Winter 13 electricity fell 1.5% to £56.6/MWh.
- On average summer power contracts were down 0.5%. Summer 14 slipped 0.9% to £50.8/MWh.

Seasonal power curve



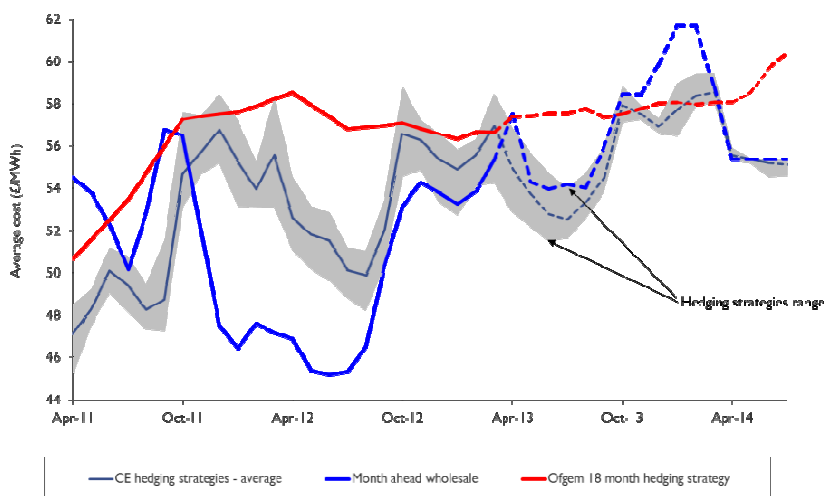
- The winter 13 power contract is now 1.1% higher than last month's level of £55.2/MWh.
- Winter 13 power is now 0.6% above the price in 2012, which was £55.4 MWh.

Supplier hedging strategies

Cold weather and supply have pushed up UK electricity and gas contracts during March. Average month-ahead wholesale gas prices for the last four weeks have increased by 7% compared with the previous month's figures, while month-ahead electricity prices climbed 5.6%. There has been an increase in suppliers' cost-based notional hedging strategies, prices are likely to reduce again during the summer, but the fall will be not match the large drop seen in summer 2012. It is therefore unlikely there will be a price reduction before next winter. Electricity prices for this winter are expected to be 2% higher than last year. The Department of Energy and Climate Change released its estimates of the impact of policies on consumer bills. DECC said its policies have reduced gas and power bills by 5% and by 2020 bills will have been reduced by 11%.

Although both Ofgem's and our assessments show a similar overall trend, the incorporation of nearer-term prices makes our assessments more volatile than Ofgem's smoothed quarterly and seasonally based approach.

Electricity





Wholesale price snapshot

Key market indicators:

12/04/2013

	Gas (p/th)		Electricity (£/MWh)		Wood Pellets (€/t)		Coal (\$/t)	Carbon (€/t)	Brent crude (\$/bl)
	Day-ahead	Year-ahead	Day-ahead	Year-ahead	Month-ahead	Year-ahead			
This week 12 Apr 13	68.00	68.78	51.40	53.28	110.78	118.39	94.00	4.25	104.11
Last week 5 Apr 13	81.50	69.55	60.00	53.93	111.42	117.37	93.65	5.00	106.28
Last month 15 Mar 13	72.50	68.68	54.20	53.45	112.96	119.14	94.25	3.84	109.47
Last year 13 Apr 12	60.85	67.63	46.40	53.88	107.26	113.57	113.70	7.24	121.18
Year-on-year % change	12%	2%	11%	(1%)	3%	4.2%	(17%)	(41%)	(14%)
Year high	118.00	71.15	86.00	54.25	114.02	112.23	113.70	9.05	121.18
Year low	52.00	60.45	39.95	47.93	80.68	107.74	90.10	3.45	89.14
This table shows the price this week compared with prices from the previous week, month and year. The graphs show the position of this 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 11 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 60 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.

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