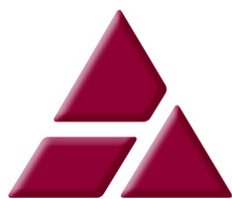




Energy Wholesale Market Review

Week Ending 6th April 2021



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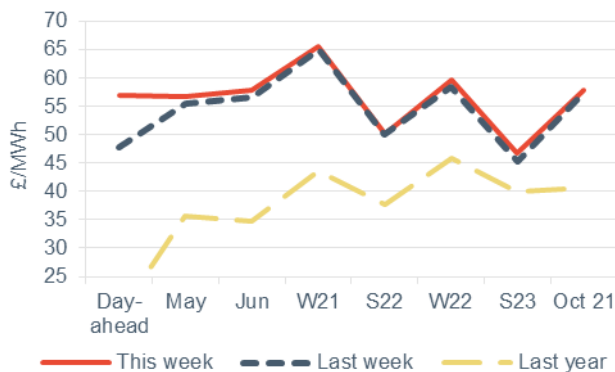
Headlines 06/04/2021

Last week was largely bullish GB for gas and power markets, with some exceptions in longer-dated contracts across gas and power. Day-ahead gas rose 9.7% to 51.00p/th, supported by gradually declining temperatures as the week progressed and delayed LNG tanker arrivals into GB. Similarly, day-ahead power jumped 19.4% to £57.00/MWh, following the gas curve higher and benefitting from periods of reduced wind generation throughout the week. Most seasonal gas contracts increased last week, up by 0.3% on average, as winter 21 and summer 22 gas climbed 1.1% and 0.2% respectively, lifting to 55.08p/th and 41.48p/th. Most seasonal power contracts gained last week, up on average by 1.4%, Winter 21 and summer 22 power moved 0.9% and 0.2% higher to £65.50/MWh and £50.10/MWh, respectively. Brent crude oil prices rose 1.4% to average \$64.00/bl, last week. Disruption on the Suez Canal continued to support prices last week, with tankers continuing to be diverted away from their usual shipping routes. However, the disruption was cleared mid-week, capping any further price rises as a result. EU ETS carbon prices lifted 0.8% to average €41.64/t. Gains on the Brent crude market fed through to carbon prices last week, and are still relatively high when compared to recent months. Similarly, cooler weather forecasts for across parts of Europe next week will support prices.

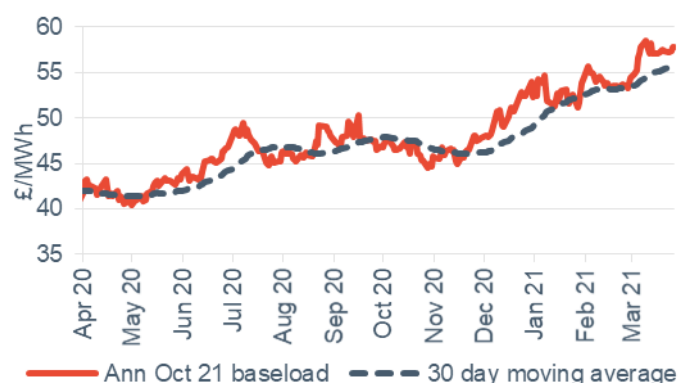
Baseload electricity

- Day-ahead power rose 19.4% to £57.00/MWh, following the gas curve higher and benefitting from periods of reduced wind generation as the week continued.
- May 21 power climbed 2.3% to £56.70/MWh and June 21 power increased 1.9% to £57.75/MWh.
- Q321 power moved 2.3% higher to £57.20/MWh.
- The annual October 21 contract rose 0.6% to £57.80/MWh, 42.3% higher than the same time last year (£40.61/MWh).

Forward curve comparison



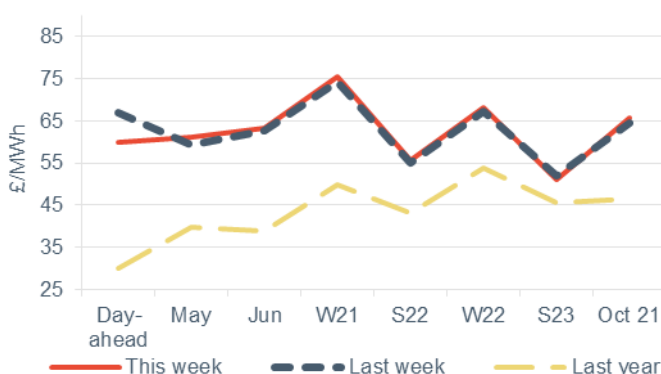
Annual April contract



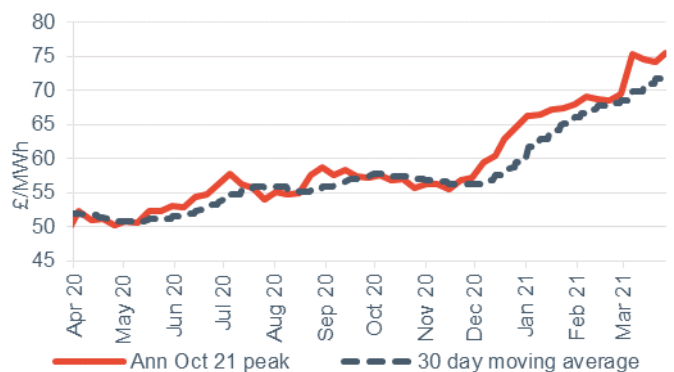
Peak electricity

- Day-ahead peak power was down 10.2% to £60.00/MWh, counteracting trends observed from its baseload counterpart.
- May 21 peak power gained 2.9% to £61.12/MWh, and June 21 peak power increased 0.8% to £63.25/MWh.
- Annual October 21 peak power lost 1.6% to £65.59/MWh.
- This is 41.1% lower than the same time last year (£46.50/MWh).

Forward curve comparison



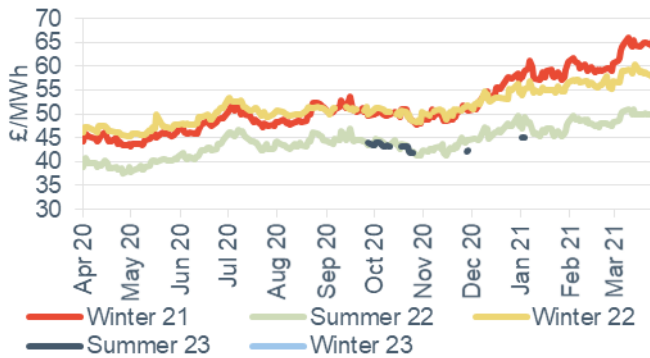
Annual April contract





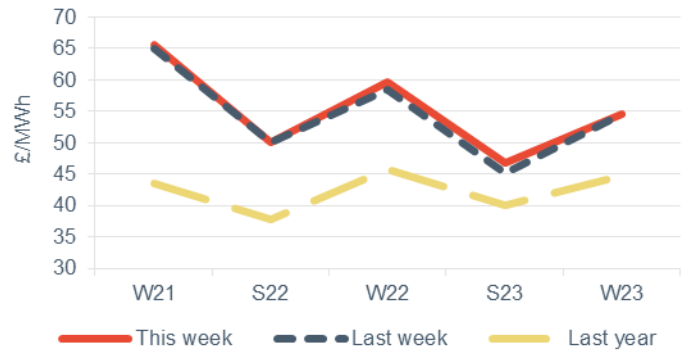
Seasonal power prices

Seasonal baseload power contracts



- Most seasonal power contracts rose last week, up on average by 1.4%.
- Winter 21 and summer 22 lifted 0.9% and 0.2% respectively, rising to £65.50/MWh and £50.10/MWh.

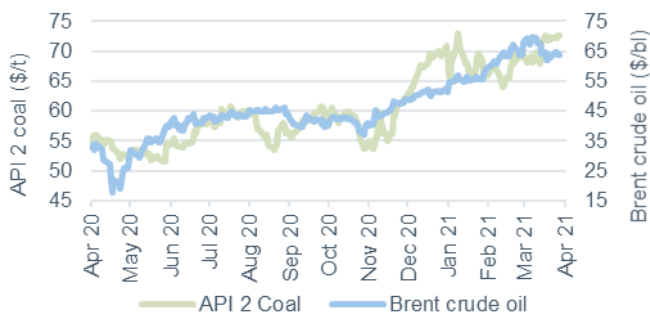
Seasonal baseload power curve



- Most seasonal peak power contracts increased last week, up 0.6% on average.
- Winter 21 and summer 22 peak power increased 1.6% and 1.5% to £75.42/MWh and £55.76/MWh, respectively.

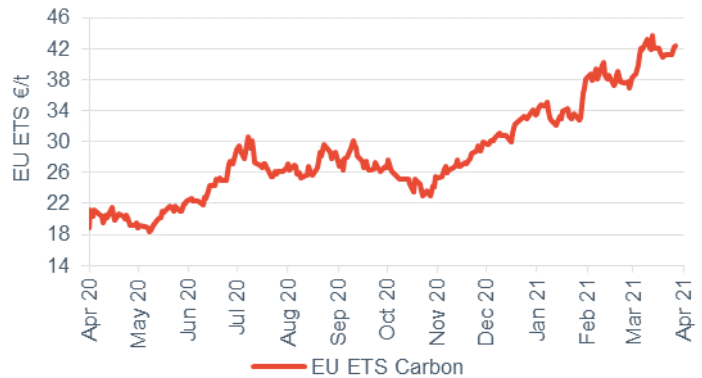
Commodity price movements

Oil and coal



- Brent crude oil prices rose 1.4% to average \$64.00/bl, last week.
- Disruption on the Suez Canal continued to support prices last week, with tankers continuing to be diverted away from their usual shipping routes. However, the disruption was cleared mid-week, capping any further price rises as a result.
- The return of additional and stricter lockdown measures in some major European economies also weighed on prices. Similarly, case numbers rising in these select countries has prompted demand concerns from the Continent.

Carbon



- EU ETS carbon prices rose 0.8% last week to average €41.64/t.
- Gains on the Brent crude market fed through to carbon prices last week, and are still relatively high when compared to recent months. Similarly, cooler weather forecasts for across parts of Europe next week will support prices.
- Prices will still continue to feel the effects of rising Coronavirus infection rates on the Continent, fuelling demand uncertainty.

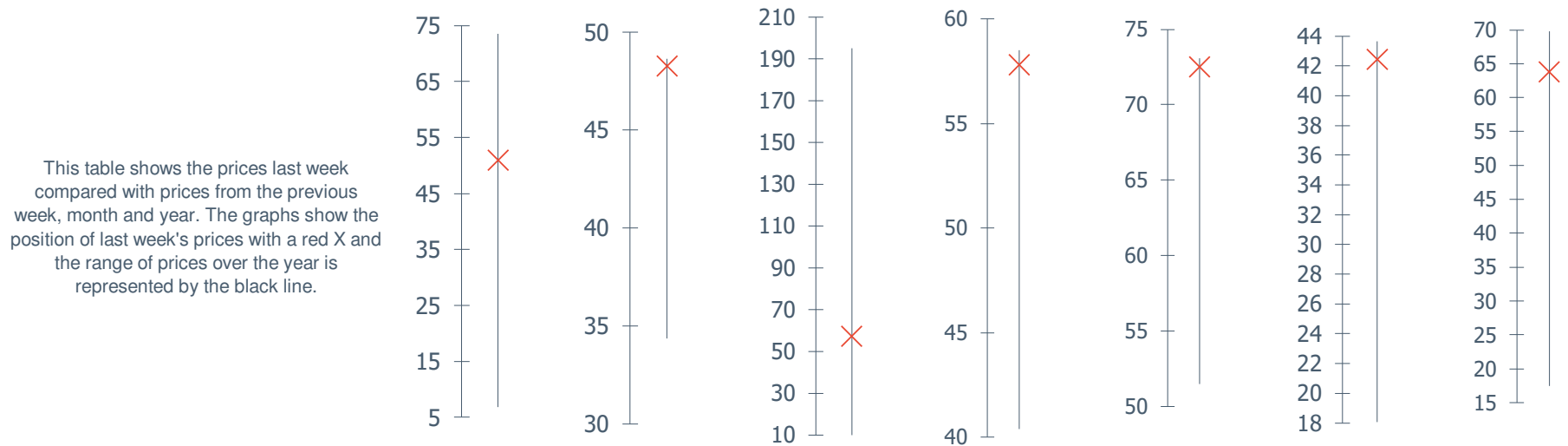
Supplier tariff movements

Three suppliers decreased the price of their cheapest available tariffs between 20 March and 27 March. Orbit Energy reduced its cheapest tariff by the greatest amount with a decrease of £146/year to £874/year on average, which made it the second cheapest tariff on the market. Shell Energy decreased its tariff by £122/year to £988/year on average, whilst Ovo Energy reduced its cheapest tariff by £4/year to £993/year on average. Four suppliers increased the price of their cheapest available tariffs between 20 March and 27 March. EDF Energy increased its cheapest tariff by the greatest amount of £29/year to £1,072/year on average. Pure Planet and So Energy also increased their tariffs by £24 and £22/year to £990 and £1,020/year on average, respectively.



Wholesale price snapshot

		Gas (p/th)		Electricity (£/MWh)		Coal	Carbon	Brent crude
		Day-ahead	Year-ahead	Day-ahead	Year-ahead	(\$/t)	(€/t)	(\$/bl)
This week	1 Apr 21	51.00	48.28	57.00	57.80	72.50	42.42	63.83
Last week	26 Mar 21	46.50	47.95	47.75	57.45	72.00	41.15	63.00
Four weeks ago	5 Mar 21	44.70	44.68	67.00	54.45	69.35	38.20	68.22
Last year	3 Apr 20	16.00	36.40	18.50	40.61	54.30	18.06	32.94
Year-on-year % change		218.8%	32.6%	208.1%	42.3%	33.5%	134.9%	93.8%
12-month high		73.50	48.65	195.00	58.50	73.10	43.63	69.80
12-month low		6.85	34.37	10.00	40.38	51.50	18.06	17.53





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 20 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.

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