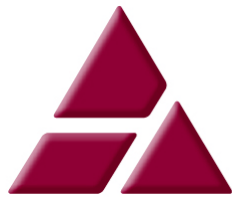




Energy Wholesale Market Review

Week Ending 9th April 2021



edw technology

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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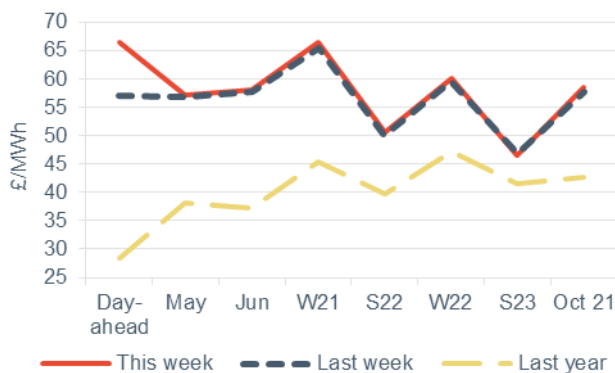
Headlines 09/04/2021

It was a largely bullish week again for gas and power contracts this week. Day-ahead gas rose 3.5% to 52.80p/th, supported by the colder weather experienced across the UK in recent days. Day-ahead power increased 16.7% to £66.5/MWh, following gains made on the gas near curve, whilst also supported by low wind output throughout the week. May 21 gas was up 0.6% at 47.63p/th, and June 21 gas increased 0.7% to 47.70p/th. Seasonal gas contracts largely saw gains this week, up 0.7% on average, with winter 21 gas rising 1.4% to 55.83p/th, while summer 22 gas dropped 0.5% to 41.28p/th. Most seasonal power contracts experienced similar movements, rising on average by 0.9%, as winter 21 and summer 22 expanded 1.5% and 1.0% respectively, rising to £66.50/MWh and £50.60/MWh. Brent crude oil prices fell this week, down 1.4% to average \$63.10/bl. Bearishness stemmed from demand concerns and easing of OPEC+ supply cuts. Prices at the weeks start were largely impacted by the continued uncertainty surrounding Covid-19 travel restrictions, impacting future oil demand growth. EU ETS carbon prices rose this week, rising 4.0% to average €43.32/t. Prices also broke a fresh all-time high again on 6 April at €44.19/t, driven by high EUA demand with auctions recommencing after the Easter break.

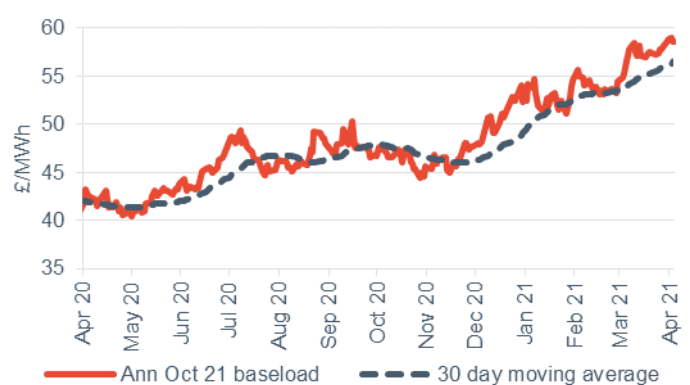
Baseload electricity

- Day-ahead power rose 16.7% to £66.5/MWh, following gains made on the gas near curve and lower wind generation observed throughout the week.
- May 21 power climbed 1.0% at £57.25/MWh and June 21 power increased 0.5% to £58.01/MWh.
- Q321 power moved 1.8% higher to £58.25/MWh.
- The annual October 21 contract rose 1.3% to £58.55/MWh, 37.4% higher than the same time last year (£42.6/MWh).

Forward curve comparison



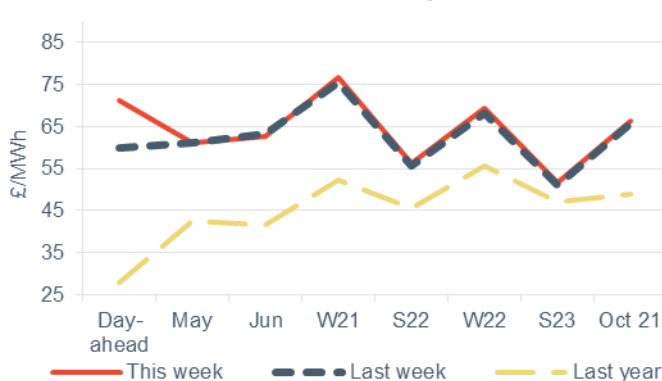
Annual April contract



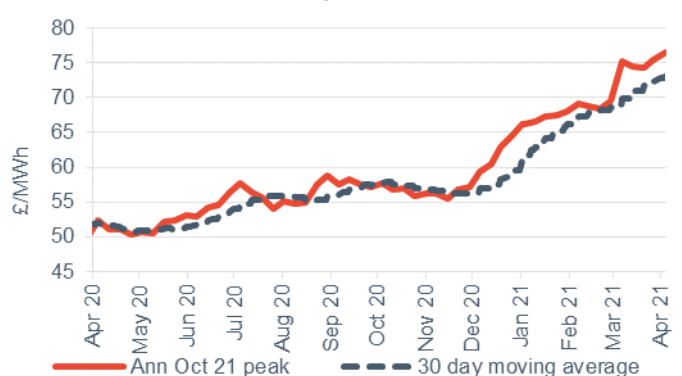
Peak electricity

- Day-ahead peak power was up 18.8% to £71.25/MWh, following gains made from its baseload counterpart.
- May 21 peak power gained 0.1% at £61.17/MWh, and June 21 peak power decreased 0.7% to £62.8/MWh.
- The annual October 21 peak power lost 1.1% to £66.33/MWh.
- This is 35.7% lower than the same time last year (48.88/MWh).

Forward curve comparison



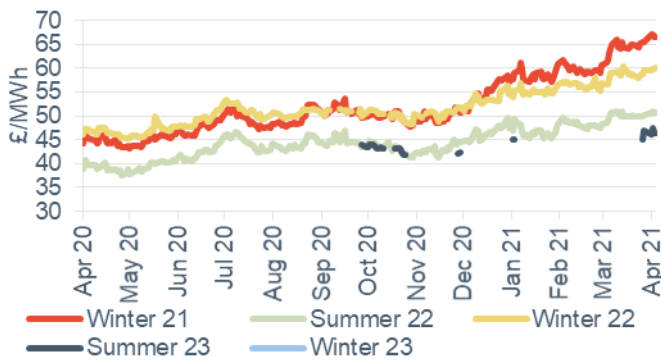
Annual April contract





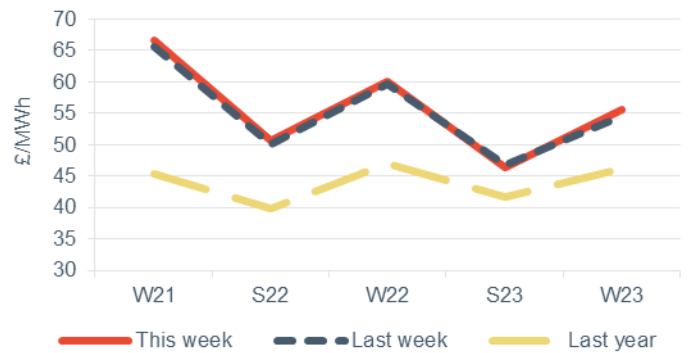
Seasonal power prices

Seasonal baseload power contracts



- Most seasonal power contracts boosted this week, up on average by 0.9%.
- Winter 21 and summer 22 expanded 1.5% and 1.0% respectively, rising to £66.50/MWh and £50.60/MWh.

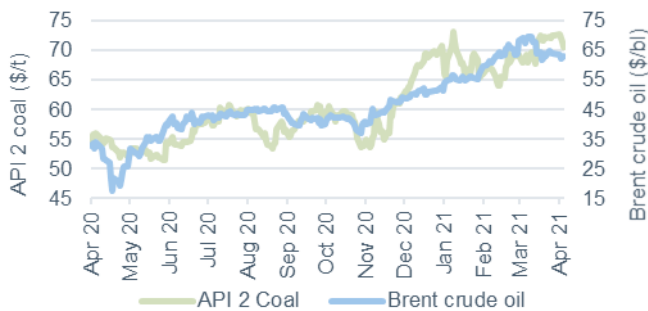
Seasonal baseload power curve



- All seasonal peak power contracts increased this 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.

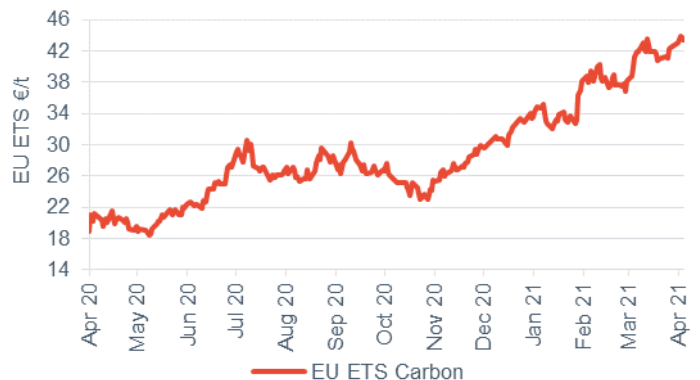
Commodity price movements

Oil and coal



- Brent crude oil prices fell this week, down 1.4% to average \$63.10/bl. Brent crude prices favoured more bearish fundamentals this week, with demand concerns and easing of supply cuts weighing.
- Prices at the weeks start were predominately negatively affected by the news of on-going future demand growth concerns following announcements in the UK that it could extend the current ban on foreign travel past 17 May, should the prevalence of Covid-19 cases continue to increase overseas.
- Meetings held between Saudi Arabia and OPEC+ members also concluded a general easing to supply cuts into May.

Carbon



- EU ETS carbon prices rose this week, rising 4.0% to average €43.32/t. Prices also broke a fresh all-time high again on 6 April at €44.19/t.
- Carbon markets continued upward movement this week, in spite of more bearish fundamentals presented in wider commodity markets
- A contributing factor to the notable gains made in carbon markets this week was the higher EUA auction demand following the bank holiday period. To put into context, reports indicated around 6.2mn bids for approximately 3.3mn of allowances.

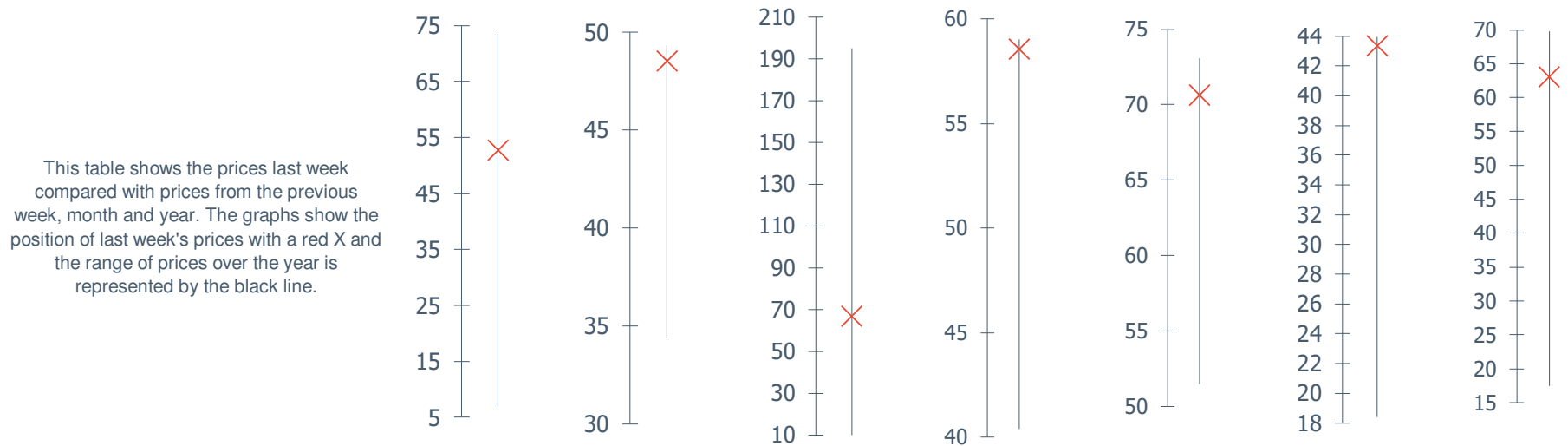
Supplier tariff movements

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	9 Apr 21	52.80	48.56	66.50	58.55	70.65	43.36	63.06
Last week	1 Apr 21	51.00	48.28	57.00	57.80	72.50	42.42	63.83
Four weeks ago	12 Mar 21	46.80	47.28	67.00	57.78	68.00	41.90	69.80
Last year	9 Apr 20	15.45	37.40	28.35	42.60	55.95	21.16	34.19
Year-on-year % change		241.7%	29.8%	134.6%	37.4%	26.3%	104.9%	84.4%
12-month high		73.50	49.34	195.00	59.02	73.10	43.94	69.80
12-month low		6.85	34.37	10.00	40.38	51.50	18.40	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.

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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