



Energy Wholesale Market Review

Week Ending 30th April 2021



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Contents

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



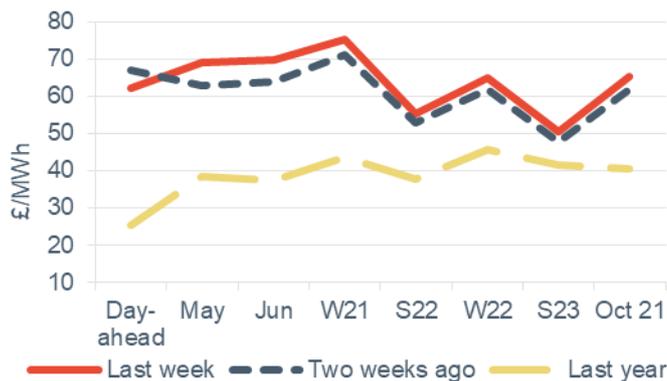
Headlines 30/04/2021

It was a largely bullish week for gas and power markets this week, with exceptions on the day-ahead baseload power contract. Day-ahead gas rose 10.7% to 61.75p/th, supported by a consistently colder week, ultimately offsetting periods of system oversupply. Day-ahead power fell 7.5% to £62.00/MWh, weighed upon by strong and consistent wind generation throughout the week. May 21 gas was up 14.1% at 59.65p/th, and June 21 gas increased 7.9% to 57.34p/th. All seasonal gas contracts boosted this week, up by 4.9% on average, as winter 21 and summer 22 gas increased 9.4% and 6.4% respectively, lifting to 64.89p/th and 45.93p/th. All seasonal power contracts climbed this week, up on average by 4.8%. Winter 21 and summer 22 power rose 6.0% and 4.6% to £75.25/MWh and £55.35/MWh, respectively. Brent crude oil prices rose lifted 0.6% to average \$66.59/bl. Meetings held with OPEC+ members to decide how to mitigate demand impacts from rising cases in India did provide a positive reaction to the market, easing demand concerns and subsequently supporting prices. Similarly, a more positive demand outlook ultimately offset the concerns in India and Asia this week. EU ETS carbon prices rose 4.5% to average €47.48/t. Prices once again broke all-time record highs, reaching a peak of €48.12/t on 28 April.

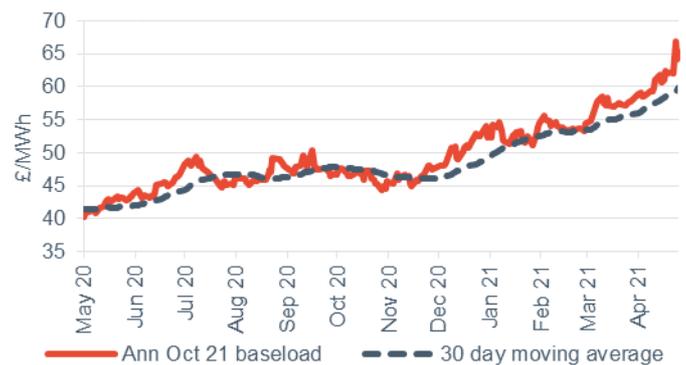
Baseload electricity

- Day-ahead power fell 7.5% to £62.00/MWh, weighed upon by stronger wind generation throughout the week.
- May 21 power climbed 9.6% to £68.90/MWh and June 21 power increased 8.9% to £69.71/MWh.
- Q321 power moved 9.0% higher to £68.70/MWh.
- The annual October 21 contract rose 5.4% to £65.30/MWh, 61.0% higher than the same time last year (£40.55/MWh).

Forward curve comparison



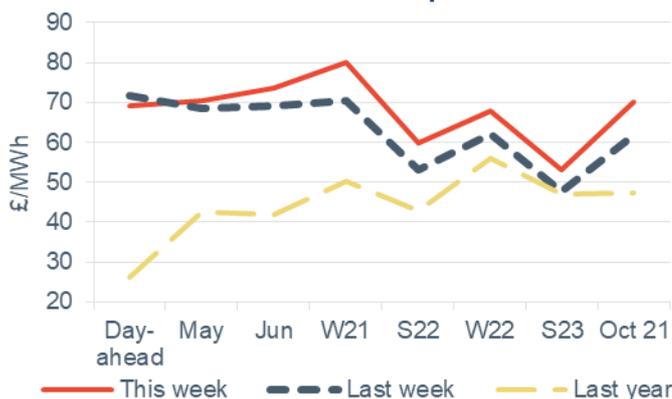
Annual April contract



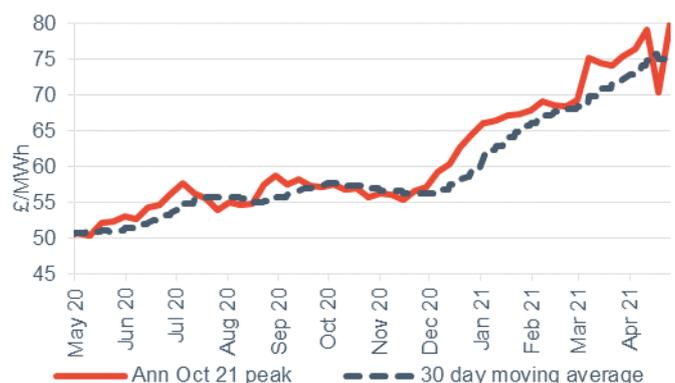
Peak electricity

- Day-ahead peak power was down 3.5% to £69.25/MWh, following its baseload counterpart lower.
- May 21 peak power gained 2.9% to £70.50/MWh, and June 21 peak power increased 6.1% to £73.50/MWh.
- Annual October 21 peak power lost 13.0% to £69.93/MWh.
- This is 47.2% lower than the same time last year (£47.50/MWh).

Forward curve comparison



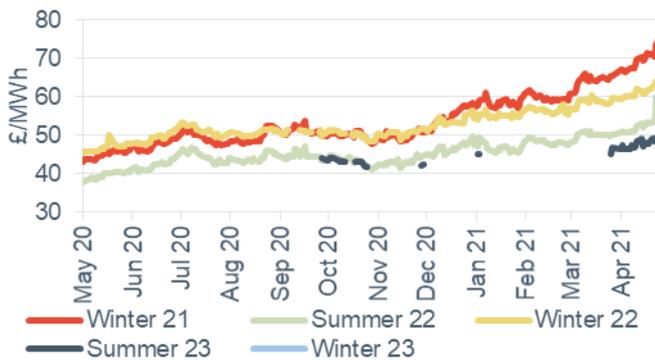
Annual April contract





Seasonal power prices

Seasonal baseload power contracts



- All seasonal power contracts increased this week, up on average by 4.8%.
- Winter 21 and summer 22 gained 6.0% and 4.6% respectively, rising to £75.25/MWh and £55.35/MWh.

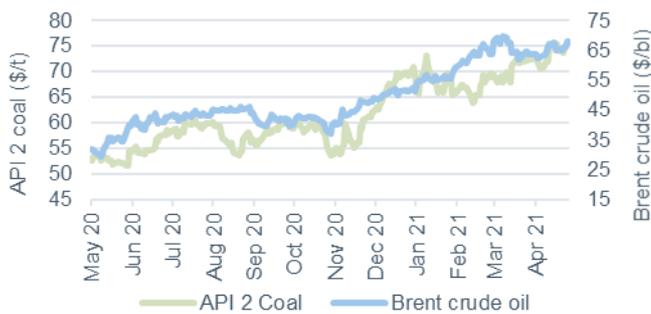
Seasonal baseload power curve



- All seasonal peak power contracts rose this week, up 11.7% on average.
- Winter 21 and summer 22 peak power increased 13.6% and 12.2% to £80.10/MWh and £59.75/MWh, respectively.

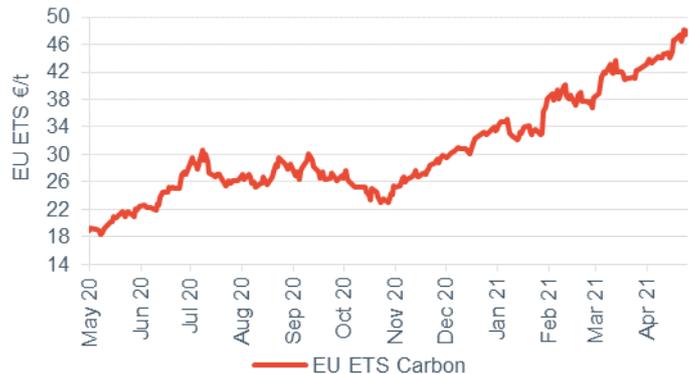
Commodity price movements

Oil and coal



- Brent crude oil prices rose 0.6% to average \$66.59/bbl, this week.
- At the week's start, prices were weighed upon by growing concerns about rapidly climbing infection rates in major oil consuming countries, namely India and Japan. This continued to fuel demand recovery and growth concerns within the market.
- However, meetings held with OPEC+ members to decide how to mitigate demand impacts from rising cases in India did provide a positive reaction to the market, easing demand concerns and subsequently supporting prices.

Carbon



- EU ETS carbon prices climbed 4.5% to average €47.48/t. Prices once again broke all-time record highs, reaching a peak of €48.12/t on 28 April.
- EU ETS carbon continues to rise to unprecedented highs, also drawing on the sustained price rises made in Brent crude markets.
- This week in particular, carbon prices benefitted from 'last-minute' compliance buying for the EU ETS, with the cut off deadline on 30 April. Friday marked the final day to surrender EUA's for 2020 emissions compliance.

Supplier tariff movements

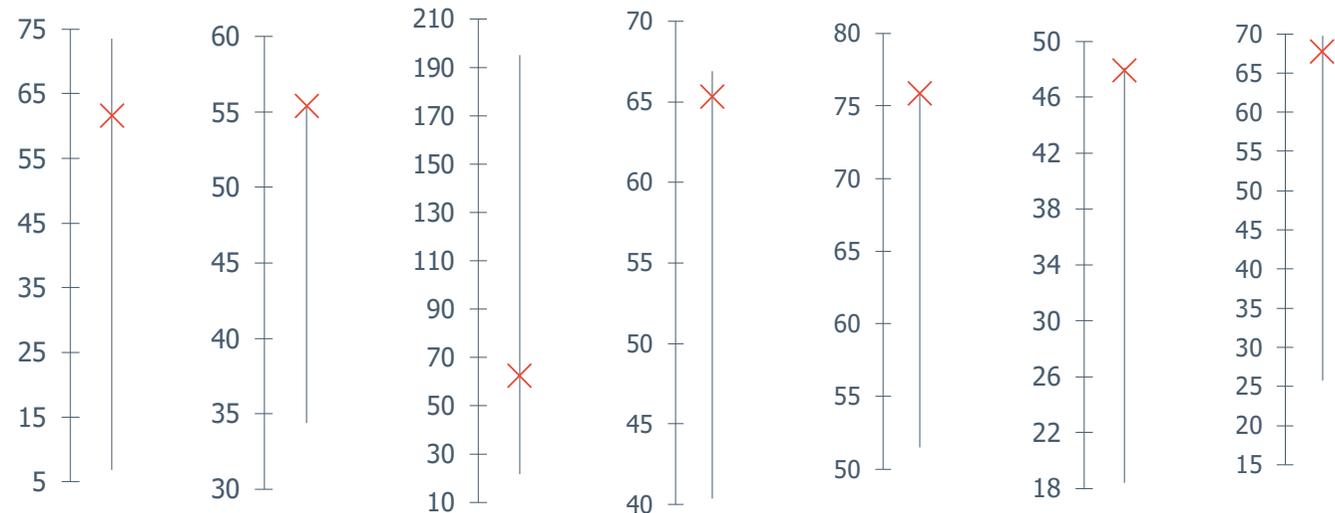
There were no suppliers that decreased the price of their cheapest available tariffs between 17 April and 24 April. 11 suppliers increased the price of their cheapest available tariffs between 17 April and 24 April. MoneyPlus Energy increased its tariff by the greatest amount with an increase of £95/year to £1,136/year on average. PFP Energy put through the second highest increase of £85/year to £1,032/year on average which meant the supplier fell out of the cheapest 20 tariffs (Figure 2) where it was positioned in 15th place on 17 April. Scottish Power put through the third highest increase of £84/year to £1,138/year on average.



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	30 Apr 21	61.75	55.41	62.00	65.30	75.85	47.90	67.75
Last week	23 Apr 21	55.80	51.25	67.00	61.95	74.10	46.64	65.66
Four weeks ago	1 Apr 21	51.00	48.28	57.00	57.80	72.50	42.42	63.83
Last year	1 May 20	13.60	34.95	25.25	40.55	52.85	19.15	26.00
Year-on-year % change		354.0%	58.5%	145.5%	61.0%	43.5%	150.1%	160.6%
12-month high		73.50	55.41	195.00	66.90	75.85	48.12	69.80
12-month low		6.85	34.37	21.50	40.38	51.50	18.40	25.73

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 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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