



Energy Wholesale Market Review

Week Ending 10th March 2023



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

Phone: +44 (0)8448 802 489
Email: info@edwtech.com
Website: 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 10/03/2023

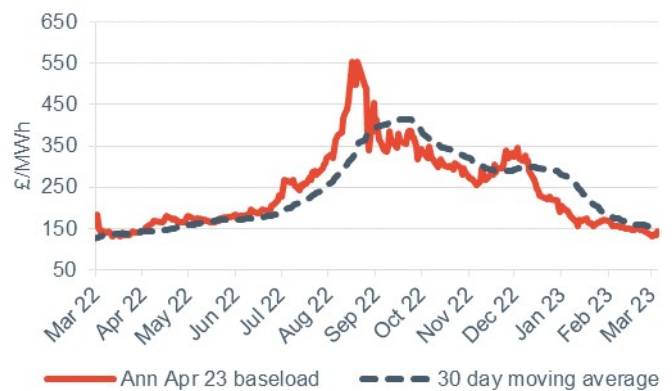
Most power and gas contracts fell this week, with the recent bearish pricing trend continuing from the start of this year. Day-ahead gas fell 3.3% to 118.0p/th, as gas supply levels in the country increased, despite an extended cold period across GB increasing gas for power demand. Day-ahead power fell 26.5% to £100.0/MWh, with forecasted expectations of higher wind power generation acting to decrease prices. Similarly, April 23 gas was up 2.2% at 117.5p/th, and May 23 gas increased 2.5% to 118.7p/th. Most seasonal gas contracts boosted last week, up by 0.6% on average, with both summer 23 and winter 23 gas increasing 2.6% and 1.4% respectively, lifting to 120.0p/th and 143.0p/th. Most seasonal power contracts boosted this week, up on average by 2.8%, as summer 23 and winter 23 expanded 3.1% and 4.1% respectively, rising to £131.0/MWh and £159.0/MWh.

- Baseload electricity Day-ahead power fell 26.5% to £100.0/MWh, following forecasts of increased wind power generation next week.
- April 23 power slipped 1.8% at £124.7/MWh and May 23 power decreased 2.0% to £124.5/MWh.
- Q223 power moved 0.8% higher to £128.0/MWh.
- The annual April 23 contract rose 3.7% to £145.0/MWh, 0.7% higher than the same time last year (£144.0/MWh).

Forward curve comparison



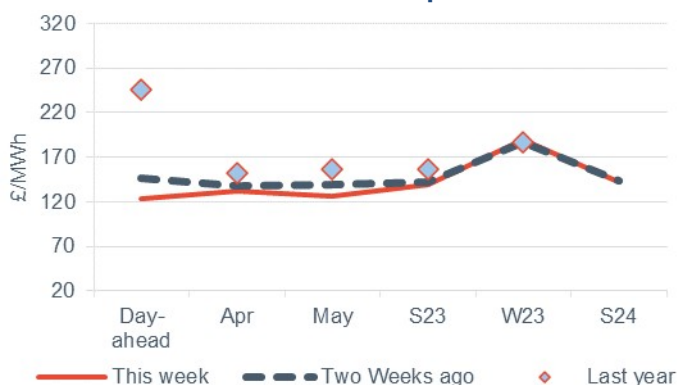
Annual April contract



Peak electricity

- Day-ahead peak power was down 15.4% to £123.30/MWh, following baseload power lower.
- April 23 peak power declined 4.3% at £131.7/MWh, and May 23 peak power decreased 9.3% to £126.25/MWh.
- The annual April 23 peak power rose 0.2% to £164.0/MWh
- This is 4.4% lower than the same time last year (171.6/MWh).

Forward curve comparison



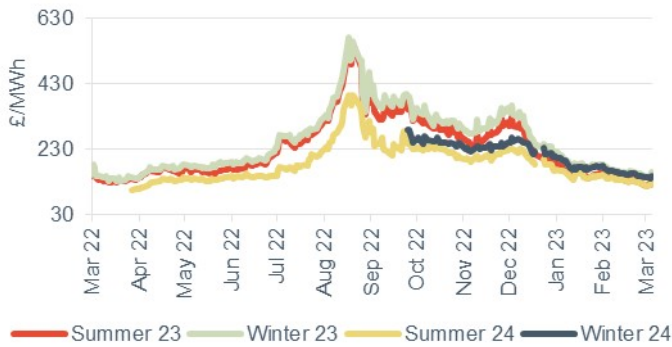
Annual April contract



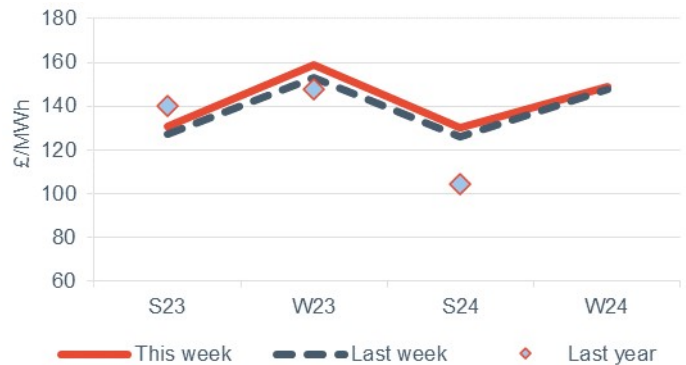


Seasonal power prices

Seasonal baseload power contracts



Seasonal baseload power curve

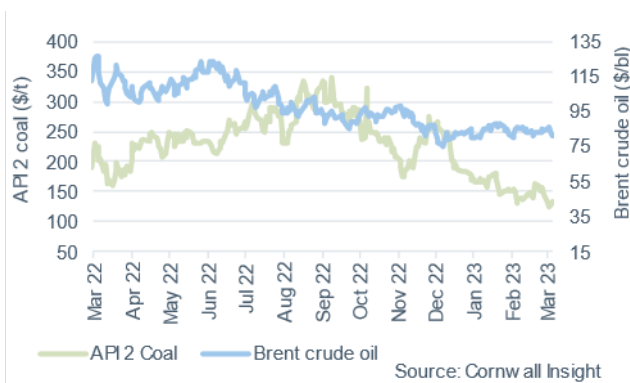


- All seasonal power contracts boosted this week, up on average by 2.8%.
- Summer 23 and winter 23 expanded 3.1% and 4.1% respectively, rising to £131.0/MWh and £159.0/MWh.

- Most seasonal peak power contracts declined this week, down 0.3% on average.
- Summer 23 gas dropped 1.8% to £139.0/MWh, while winter 23 peak power increased 1.1% to £189.0/MWh

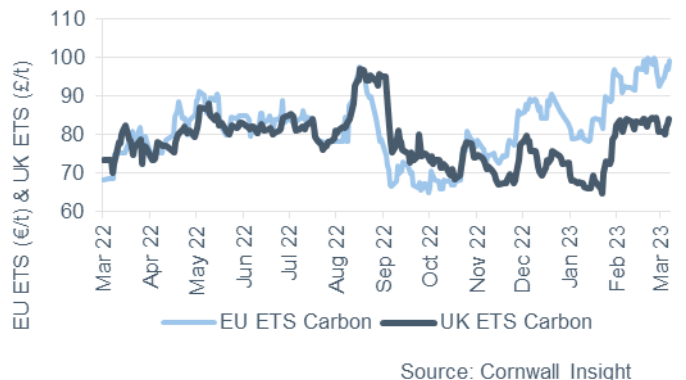
Commodity price movements

Oil and coal



- Brent crude oil fell 0.03% on the previous week to average \$83.69/bl.
- Brent crude saw bearish movements during the past seven days, as potential future Chinese demand rises outweighs the increases in US crude inventory levels.
- Price drops were limited by the supply deficit from Russia, however.
- Prices will increase as a result of the drop in US shale production, allowing OPEC to return as the most influential force in global oil supply.

Carbon (UK and EU ETS)



- Both EU and UK ETS schemes saw their average price this week fall, with a 0.5% decrease to EU ETS carbon (€96.71/t), and UK ETS carbon seeing a 1.7% decline (£81.91/t).
- Following the approach of the 2023 contract settlement deadline of 30 April, confirmed by the European Council in order to raise funds for the RepowerEU plan, demand for EU allowance (EUA) certificates has grown

Supplier tariff movements

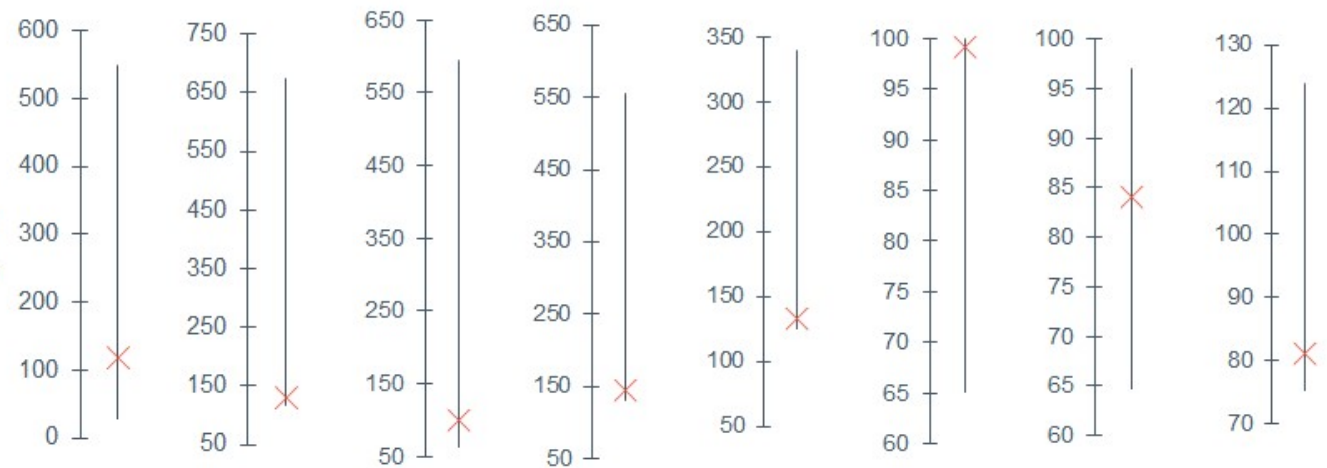
Octopus Energy continued to offer the cheapest variable tariff on the market at 4 March with its Flexible Octopus October 2022 v1 tariff, priced at £2,485/year on average, £15/year below the Energy Price Guarantee (EPG) level. Similarly, Octopus Energy continued to offer the cheapest prepayment tariff at 4 March with its Flexible Octopus Key and Card October 2022 v1 tariff, priced at £2,544/year on average, £35/year below the prepayment EPG level.



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	10 Mar 23	118.00	131.50	100.00	145.00	133.00	99.10	84.00	81.00
Last week	3 Mar 23	122.00	129.00	136.00	139.88	146.00	92.45	80.75	84.55
Four weeks ago	10 Feb 23	136.00	150.00	140.00	157.50	137.00	92.40	84.00	86.20
Last year	11 Mar 22	295.00	156.05	230.00	144.00	205.00	75.00	72.50	111.20
Year-on-year % change		-60.0%	-15.7%	-56.5%	0.7%	-35.1%	32.1%	15.9%	-27.2%
12-month high		548.00	674.50	595.00	555.00	340.00	100.00	97.00	123.80
12-month low		28.00	117.20	63.00	130.25	126.00	65.09	64.75	75.35

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

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.