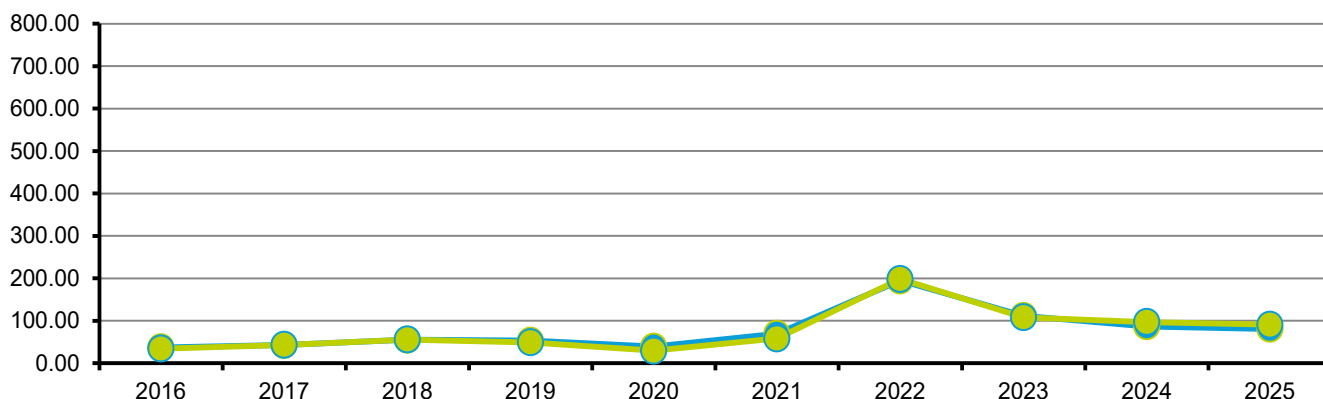


Report issued: 28th May 2025

Net Cost of Electricity and Gas for a 1st October Contract renewal

Electricity £MWh Gas p/therm



Electricity: base load cost - excludes distribution, taxation and supplier margin and costs

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
37.2	42.7	55.28	53.2	39.25	69.35	194.75	111.6	86.78	81

Gas: core gas cost - excludes distribution, taxation and supplier margin and costs

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
34.44	43.15	55.81	49.18	29.51	58.2	198.68	108.18	96.93	90.96

Week commencing 19th May 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$64.75	91.95	£83.33	\$99.20
End	\$63.97	85.54	£79.16	\$95.00

Pricing was varied across the week, gas markets were mostly being driven by recent geopolitical developments, such as the trade conflicts between China and the United States and the peace talks between Russia and Ukraine. Colder weather forecasts and ongoing unscheduled disruptions in Norway also pushed prices upward early on. The end of the week saw a fall from their highs as markets priced in the return of Norwegian flows. With storage levels still being a major story in gas markets, LNG shippers are starting to see higher demand out of Asia now summer temperatures come into play and increase the overall level of cooling demand. This increase in demand could be bullish driver for European markets as they attempt to compete for LNG supply.

Week commencing 05th May 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$61.42	83.96	£78.10	\$97.35
End	\$63.25	87.92	£79.71	\$97.95

Markets rose early in the week driven by weather forecasts indicating a significant cooldown in temperatures through the beginning of the week. It was confirmed that only two laden LNG vessels were on the horizon, with expectations to arrive in Britain by 18th May. This low level of inbound LNG served as a bullish indicator for prompt UK gas prices. Temps across the UK were forecast to pick up towards the end of the week, with above seasonal norms expected to continue into the following week, reducing expected domestic heating demand. Curve prices continued to be impacted by the news of the EU removing Russian gas from its system by 2027.

Week commencing 12th May 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$63.25	87.92	£79.71	\$97.95
End	\$64.92	88.45	£80.42	\$95.00

The news of the U.S. and China agreeing to temporarily reduce tariffs on each other's goods boosted energy consumption and the prospects for the global economy, this saw markets open higher to start the week. The new weather projections indicated warmer-than-normal temperatures across Europe for the next two weeks and this partially offset this bullish market trend. Traders kept a careful eye on the peace negotiations between Russia and Ukraine. With Putin deciding not to make his way to Turkey and in turn Trump most likely not attending the talks, hopes for any resolutions were reduced adding more pressure to prices.

Week commencing 28th April 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$66.68	82.12	£78.48	\$93.00
End	\$61.42	83.96	£78.10	\$97.35

Overall the Markets remained stable throughout the week, tightness was alleviated by the continued trade war between China and the United States, which weighed on global energy demand. LNG deliveries into Europe have been strong in recent weeks, with some countries seeing record imports, adding to the downward pressure. As summer maintenance began, large fields like Kollsnes and Troll field are expected to see a major drop in flows. Though storage replenishment has begun to pick up a little, EU storage is now at 40%, still below the five-year seasonal average of 50%.