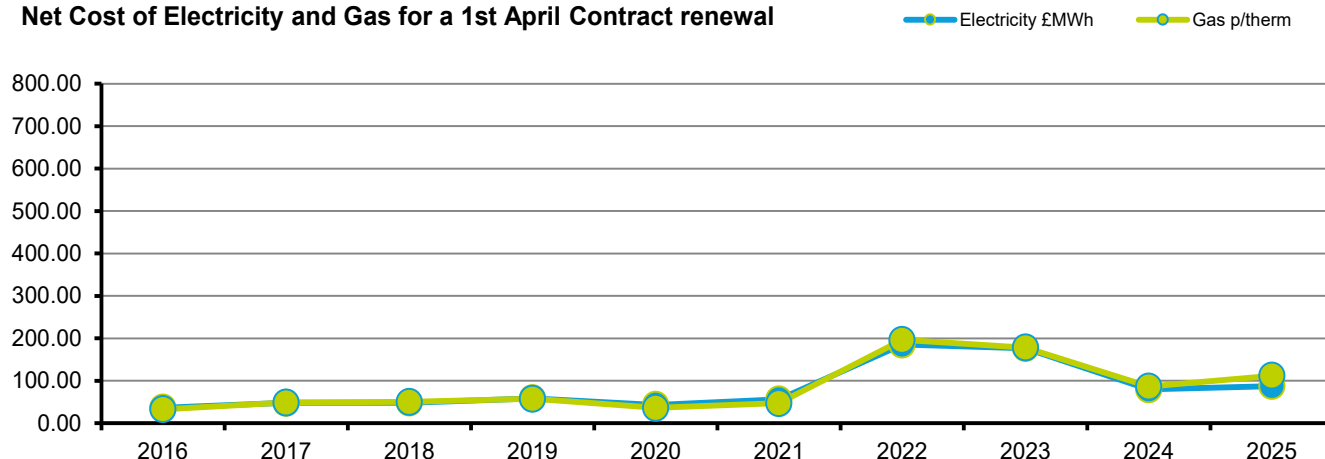


Report issued: 22nd January 2026

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



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

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
47.91	48.41	58.60	43.13	56.15	185.35	176.60	79.66	87.50	73.04

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

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
48.84	50.04	57.73	36.26	47.18	196.35	178.08	86.33	111.98	66.81

Week commencing 12th January 2026

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$63.55	66.90	£73.52	\$95.50
End	\$64.49	76.92	£81.37	\$96.90

Across the week, UK gas prices generally trended firmer through the curve, with UK baseload power broadly following the same direction. Early strength was supported by heightened geopolitical tension linked to Iran, raising concerns over potential LNG supply disruptions. Norwegian supply remained broadly robust despite ongoing and scheduled outages, while UKCS receipts softened and LNG send-out fluctuated due to terminal-specific reductions, though arrivals into the UK and Northwest Europe stayed ample, keeping supply comfortable. Storage withdrawals increased midweek as cooler temperatures lifted demand, before forecasts shifted toward milder conditions later in the month, with February largely unchanged. Wind generation peaked early but then declined below seasonal norms, increasing gas-for-power requirements, while periods of lower nuclear output also added support.

Week commencing 5th January 2026

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$60.16	69.31	£76.47	\$96.50
End	\$63.55	66.90	£73.52	\$95.50

Over the course of the week, UK gas and power markets traded within a relatively narrow range, with prices initially softening before edging higher midweek and ending slightly firmer. The UK gas system fluctuated between long and short positions as demand responded to changing temperatures, with LNG send-out varying and Norwegian supplies remaining broadly robust despite intermittent planned and unplanned maintenance. Weather forecasts shifted frequently, initially signalling colder conditions before turning milder toward the end of the period, with temperatures expected to move above seasonal norms and wind generation recovering after a weaker spell. UK storage levels continued to draw down as withdrawals persisted during the cold snap. In the wider energy complex, oil prices were volatile but generally supported later in the week, driven by geopolitical tensions, ongoing disruption and uncertainty around Venezuelan supply.

Week commencing 29th December 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$62.45	68.53	£75.48	\$95.15
End	\$60.16	69.31	£76.47	\$96.50

Gas prices in the UK were relatively stable to slightly softer amid comfortable imports from Norway and higher LNG send-out volumes. Cold weather and lower wind generation lifted demand for gas-for-power at times, but supply generally met system needs without sharp price spikes. UK wholesale power broadly followed gas with prices supported by firm demand and lower wind output.

Week commencing 15th December 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$61.31	67.58	£71.90	\$97.80
End	\$60.02	68.43	£74.50	\$96.65

The week opened with NBP prices softening across the curve while baseload power strengthened, with the system opening long on the back of strong supply from Norway, higher UKCS receipts, steady LNG sendout, limited storage withdrawals, and muted interconnector flows. By midweek, prices rebounded in both gas and power as the system opened short due to reduced Norwegian flows and lower LNG sendout, although softer gas-for-power demand and improved wind forecasts eased some pressure, with storage injections resuming and continental storage levels remaining relatively healthy. By Friday, gas and power prices extended gains, with the UK system remaining slightly short, while forecasts continued to signal a generally mild but variable outlook with periods of lower wind potentially increasing gas burn.