



ENERGY NEWSLETTER

Energy bills are driven by both the price of energy on the wholesale market and Third-Party Costs (TPCs). TPCs include non-energy costs set by the government, network (the National Grid), policy and system costs and electricity transmission/distribution costs. This pricing report focuses on the wholesale element of an energy price to help you keep track and understand the wholesale energy market and the factors affecting the price of your contracts.

June Energy Market:

In the UK, temperatures are forecasted to average 16°C in week 25, which is closer to seasonal norms. This should reduce gas demand and increase supplies. Additionally, wind generation is predicted to be 20% above seasonal levels until the end of the week, which should help keep prices stable.

Current trends in the energy market indicate a rise in power contract prices due to decreased solar generation. Gas prices have also increased because of new unplanned outages in the Norwegian Shelf and ongoing outages at the Visund field. However, weather conditions are expected to moderate these impacts.

Given the current market conditions, it may be an ideal time for businesses to lock in energy rates for their next contracts before prices are expected to rise in October. Implementing energy efficiency measures, such as checking and adjusting heating schedules during warmer months and using air conditioning and fans wisely, can also help reduce consumption and running costs.

Considering the unpredictable nature of the energy market, it is essential to factor in various influences such as weather, currency fluctuations, and changes in supply and demand. These insights aim to empower businesses to make well-informed decisions regarding their energy procurement and needs.



Bullish Factors (*Upward pressure on markets*):

- Decreased solar generation
- Unplanned outages in Norway



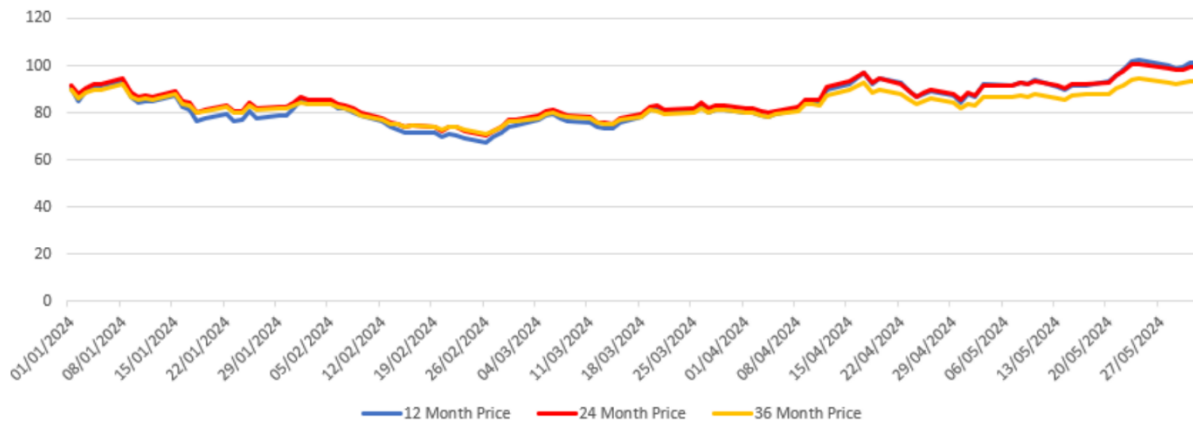
Bearish Factors (*Downward pressure on markets*):

- Temperatures close to seasonal norms
- Wind generation above seasonal norms
- Gas demand reduced

WHOLESALE PRICES

Wholesale Gas Prices

June 2024



Wholesale Electric Prices

June 2024

