



in association with

# ENERGY MARKET FOCUS Tuesday 15 February 2022

## HEADLINES

This morning, day-ahead gas decreased 14.00p/th to 174.00p/th, with demand forecast lower tomorrow. March 22 gas lowered 15.79p/th to 180.71p/th and Q222 gas dropped 13.28p/th to 181.30p/th, as European banks announced yesterday that they would provide funding to expand oil and gas production. Day-ahead power lost £21.75/MWh to £153.25/MWh, with wind generation forecast higher tomorrow while consumption is expected to decrease. April 22 power lost £11.00/MWh to £172.00/MWh and Q222 power curtailed £10.50/MWh to £171.00/MWh. Brent crude oil went down \$0.48/bl to \$94.00/bl, amid reports that some Russian troops in districts adjacent to Ukraine are returning to bases. EU ETS carbon rose €0.33/t to €90.74/t and UK ETS carbon increased £1.35/t to £83.75/t.

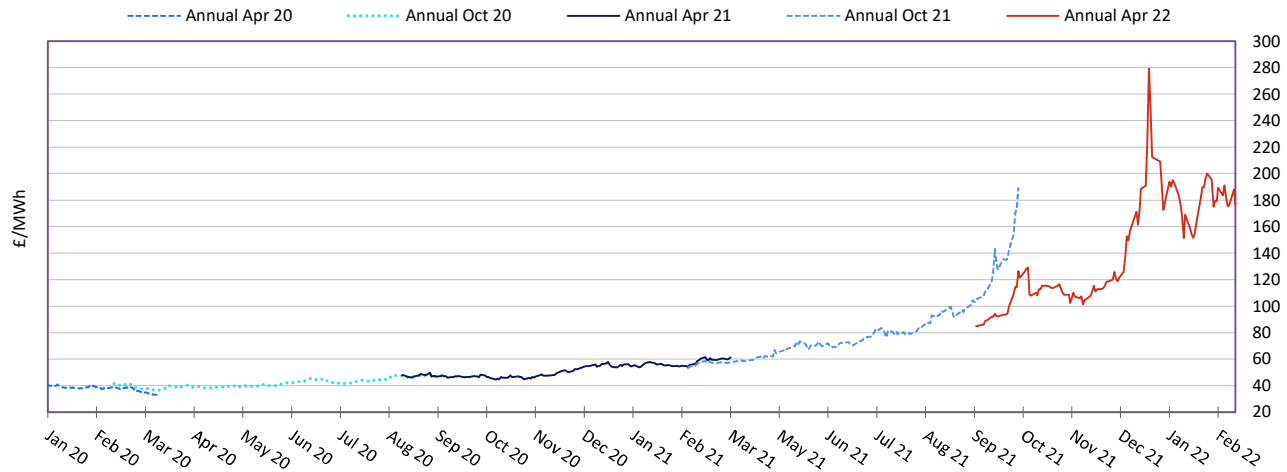
## PRICE MARKERS OPENING TUESDAY 15 FEBRUARY 2022

Contract	Baseload Electricity (£/MWh)			Gas (p/th)		
	15 Feb	Change from 14 Feb		15 Feb	Change from 14 Feb	
Day-ahead	153.25	-21.75	▼	174.00	-14.00	▼
Mar-22	170.00	-10.70	▼	180.71	-15.79	▼
Apr-22	172.00	-11.00	▼	181.11	-14.42	▼
Q222	171.00	-10.50	▼	181.30	-13.28	▼
Summer 22	170.50	-10.75	▼	181.74	-13.29	▼
Winter 22	183.00	-12.00	▼	191.14	-12.15	▼
Summer 23	119.00	-3.15	▼	115.45	-5.47	▼
Winter 23	128.00	2.00	▲	124.12	-1.38	▼

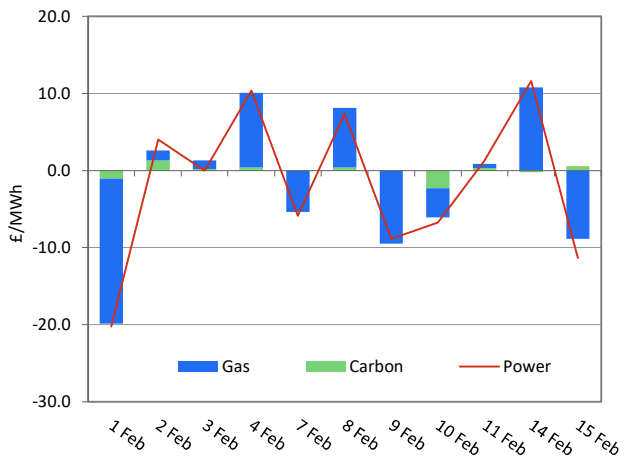
## PRICE TRENDS

Unless indicated gas, coal, electricity and carbon pricing information is sourced from Drax Power

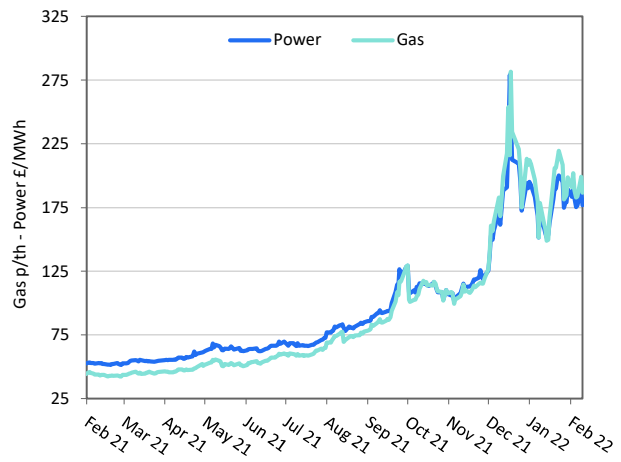
## POWER ANNUAL BASELOAD



## POWER YEAR APR 22 DRIVERS



## POWER AND GAS YEAR APR 22



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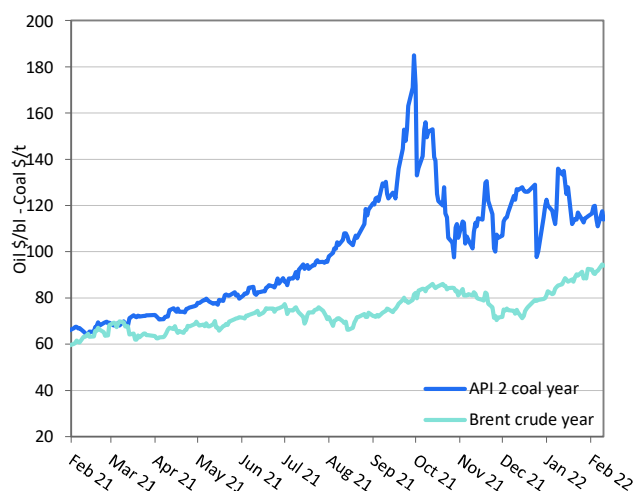
# ENERGY MARKET FOCUS

Tuesday 15 February 2022

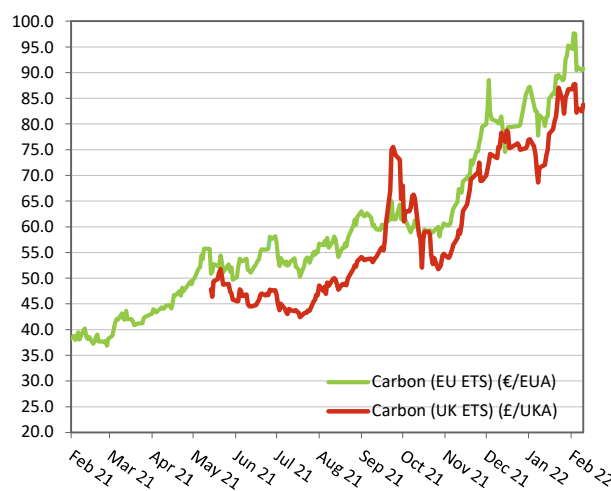
## Commodities

	15 Feb	Change from 14 Feb		15 Feb	Change from 14 Feb
Brent crude \$/bl	94.00	-0.48	▼	Carbon Dec 2021 EUA €/t	90.74 0.33 ▲
Gas oil \$/t	828.25	-10.25	▼	Carbon Dec 2021 CER €/t	0.30 0.00 ▶
Coal 2021 \$/t	114.00	-3.50	▼	Carbon Dec 2021 UKA £/t	83.75 1.35 ▲

## CRUDE OIL AND COAL



## EU & UK ETS CARBON DECEMBER 2022



## GLOSSARY

### Commodities

#### Carbon

European Union Emissions Trading Scheme carbon is quoted as OTC latest opening prices. All carbon prices are in euros per tonne (€/EUA).

#### Coal

Coal is quoted as OTC latest opening prices. All coal prices are in US dollars per tonne (\$/t).

#### Electricity

UK power base-load is quoted as OTC latest opening prices. All UK electricity prices are in pounds per megawatt hour (£/MWh). French electricity is quoted as OTC latest opening prices and is in €/MWh.

#### Gas

UK National Balancing Point (NBP) gas is quoted as OTC latest opening prices. All UK gas prices are in pence per therm (p/th).

#### Oil

Brent crude oil is quoted as OTC latest opening prices. All Brent crude oil prices are in US dollars per barrel (\$/bl). Gas oil is quoted as OTC latest opening prices in \$/t.

### Language/terms

**Bearish** – a bearish market shows a general decline in prices over a period of time.

**Bullish** – a bullish market shows a general increase in prices over a period of time.

**Curve** – a graph of forward prices over a future time period.

**Margin** – the indicated UK imbalance of a given settlement period. It is the difference between the sum of the indicated generation available, and the national demand forecast made by National Grid.

**Over-the-counter (OTC)** – the trade of a commodity directly between two parties, often on standardised terms.

**Spark/Dark spread** – the theoretical net income of a gas/coal-fired power plant from selling electricity, having purchased the necessary fuel. The clean spark/dark spread is this net income adjusted for the cost of carbon.

### Power year April 2022 drivers chart

This chart plots daily changes in annual gas, carbon and power prices expressed in common units of £/MWh. Conversions from reported prices have been made using standard conversion factors.

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