

# Weekly Energy Market Report

## 21st June 2017

Over the last week electricity prices have increased and gas prices have decreased. This has mainly been dictated by levels of demand.

Gas prices have dropped due to a decrease in demand. This is due to higher temperatures and a lower requirement for space heating. This is despite a short system and unplanned maintenance. There are also LNG deliveries expected to the UK at the end of June and beginning of July.

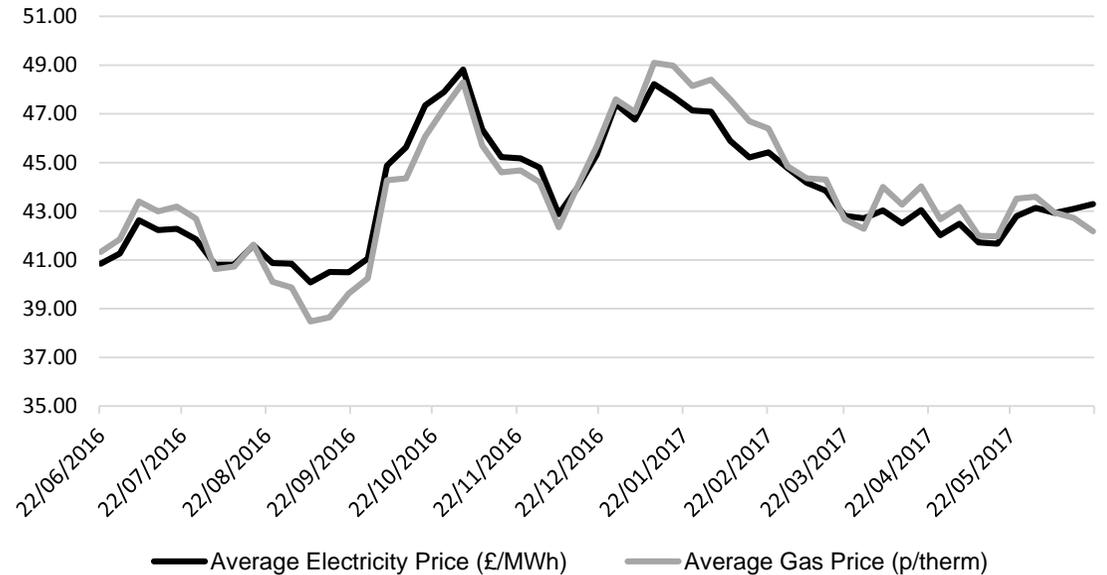
Centrica have announced that the Rough gas storage facility will be permanently closed. This will cause uncertainty for gas prices in the long term as it accounted for 70% of the UK's gas storage capacity. However, it has had little effect on current prices because there is still a large quantity of gas stored at the site that will take up to five years to extract and sell.

Electricity prices have increased mainly because of an increase in demand for air cooling during the heat wave the UK has been experiencing. Wind generation has decreased while there has been an increase in solar generation.

Oil prices have dropped again this week due to further increases in US production.

The pound strengthened after losses following the election result. However, it has weakened again this week.

### YEAR AHEAD PRICING (ENERGY ONLY)



#### Electricity (£/MWh)

Summer Price	Winter Price	Average Price
39.98	46.61	43.30



#### Gas (p/Therm)

Summer Price	Winter Price	Average Price
39.20	45.15	42.18



PRICE MOVEMENTS  
OVER PAST WEEK