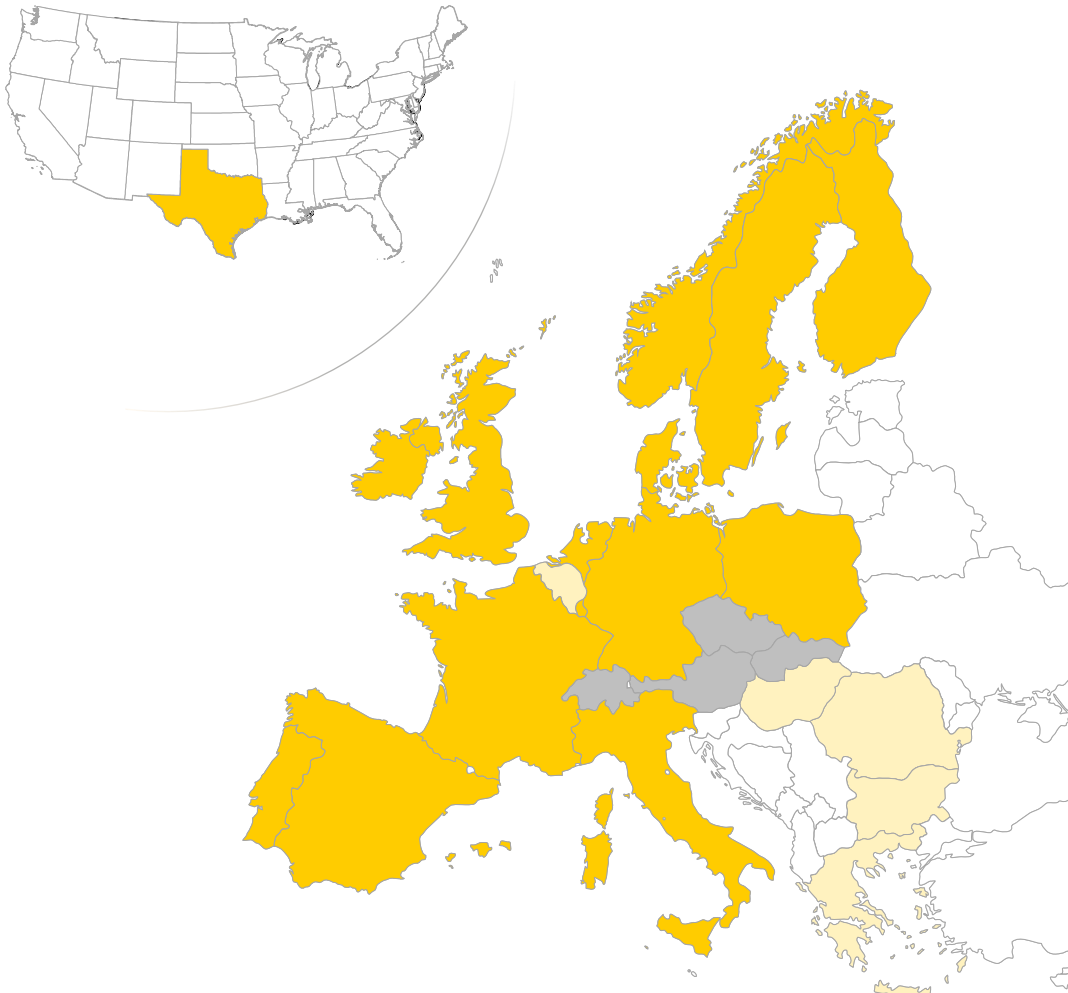


# GB Wholesale Market Summary May 2021

Published June 2021



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# Executive Summary

- May saw power prices rise to £72/MWh driven by the continued increase in gas and carbon prices
- The UK-ETS debuted on 19<sup>th</sup> May with allowances trading between £45–50/tCO<sub>2</sub>, ~8% higher than EU-ETS
- Driven by higher gas and carbon prices, thermal generation in May decreased to 9 TWh as renewables output increased
- Wind assets saw increased profitability in May as both load factors and capture prices increased by 11% and 12% respectively, relative to April
- Year-on-year, system demand has recovered from the economic slowdown caused by COVID-19, driving up carbon emissions to 91% above 2020 levels

	Monthly value <sup>1</sup>	Month-on-month change	Year-on-year change	Slide reference(s)
<b>Power prices</b> £/MWh	72.3	+5.7 (8.5%)	+50.3 (229.6%)	<u>5</u> , <u>6</u>
<b>Gas prices</b> £/MWh	22.2	+3.6 (19.2%)	+18.3 (460.0%)	<u>7</u>
<b>Carbon<sup>2</sup> prices</b> £/tCO <sub>2</sub>	64.8	+8.1 (14.2%)	+29.1 (81.1%)	<u>7</u>
<b>Transmission demand</b> TWh	20.6	-0.2 (0.9%)	+3.7 (22.2%)	<u>10</u>
<b>Low carbon<sup>3</sup> generation</b> TWh	11.2	+0.5 (4.9%)	-1.2 (9.4%)	<u>11</u> , <u>12</u>
<b>Thermal<sup>4</sup> generation</b> TWh	8.9	-1.5 (14.6%)	+4.5 (103.2%)	<u>11</u> , <u>12</u>
<b>Carbon emissions</b> MtCO <sub>2</sub> e	3.9	-0.6 (13.4%)	+1.9 (90.5%)	<u>14</u>
<b>Grid carbon intensity</b> gCO <sub>2</sub> e/kWh	216.5	-23.4 (9.8%)	+84.0 (63.4%)	<u>14</u>
<b>Wind load factors<sup>5</sup></b> %	26.7	+2.5 (10.8%)	-0.4 (1.3%)	<u>20</u>
<b>Wind capture prices<sup>5</sup></b> £/MWh	67.1	+7.3 (12.1%)	+50.9 (314.9%)	<u>22</u>

\*all data presented in this report is as collated on 7<sup>th</sup> of June 2021

1) Values averaged over the calendar month. 2) Includes CPS and EU-ETS until 18th of May 2021 and from 19th of May onwards, includes CPS and UK ETS. 3) Includes renewables and nuclear generation 4) Includes CCGTs, coal and other fossil plants. 5) Average of onshore and offshore wind

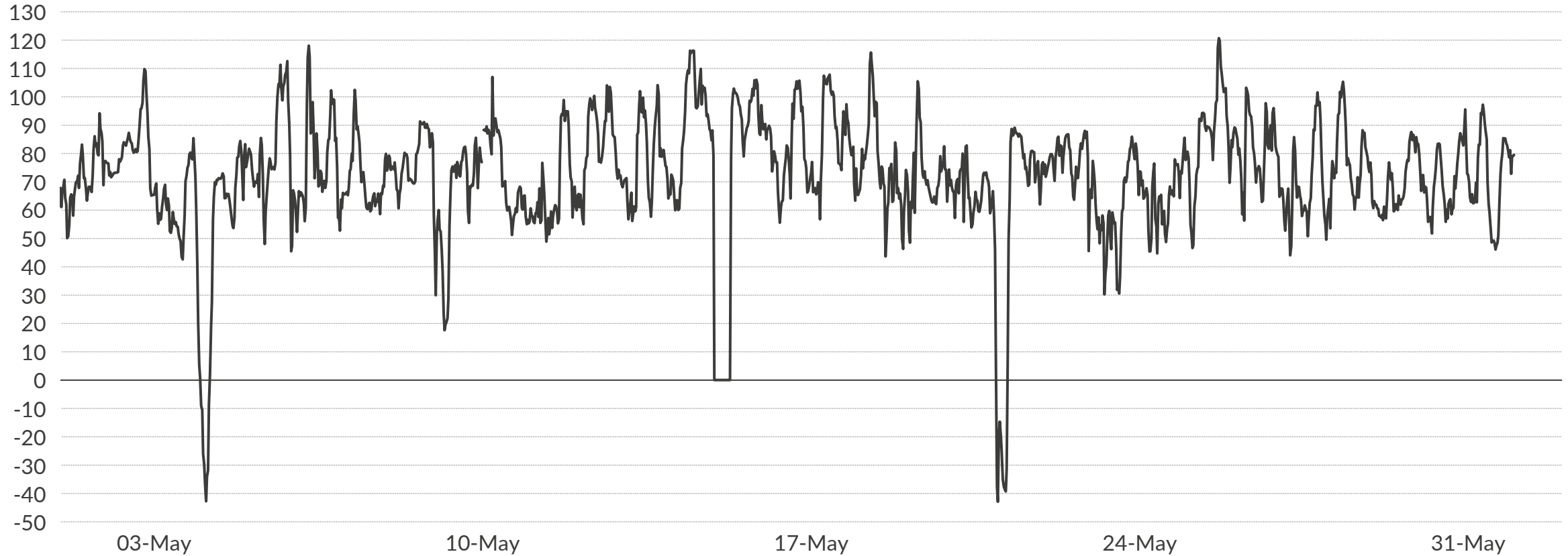
Sources: Aurora Energy Research, Thomson Reuters, National Grid, Ofgem, Elexon

- I. System performance
- II. Company performance (available to subscribers only)
- III. Plant performance

# Half-hourly EPEX spot price for May

EPEX spot price<sup>1</sup>  
£/MWh

Monthly average price in May 2021:  
£72.25/MWh



1) Half-hourly EPEX is the volume-weighted reference price over that half-hour interval, as provided by EPEX Spot

# Historic monthly average EPEX spot price

Average EPEX spot price<sup>1</sup>,  
£/MWh



— Average monthly spot price — Annual average spot price (x) Month-on-month difference (x) Year-on-year difference

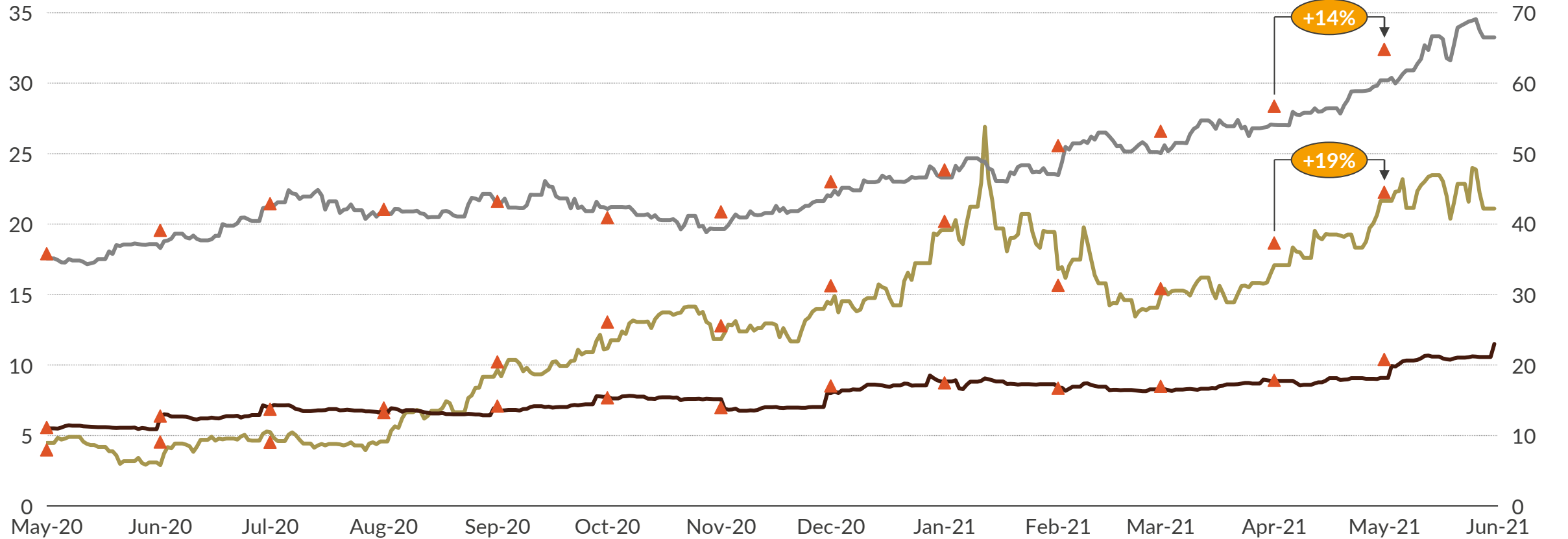
1) Average monthly EPEX is the average over the month of the volume-weighted reference prices for each half-hour interval.

# Historic fuel prices

## Gas, Coal and Carbon daily prices

Gas/Coal price  
£/MWh

Carbon price<sup>1</sup>  
£/tCO<sub>2</sub>

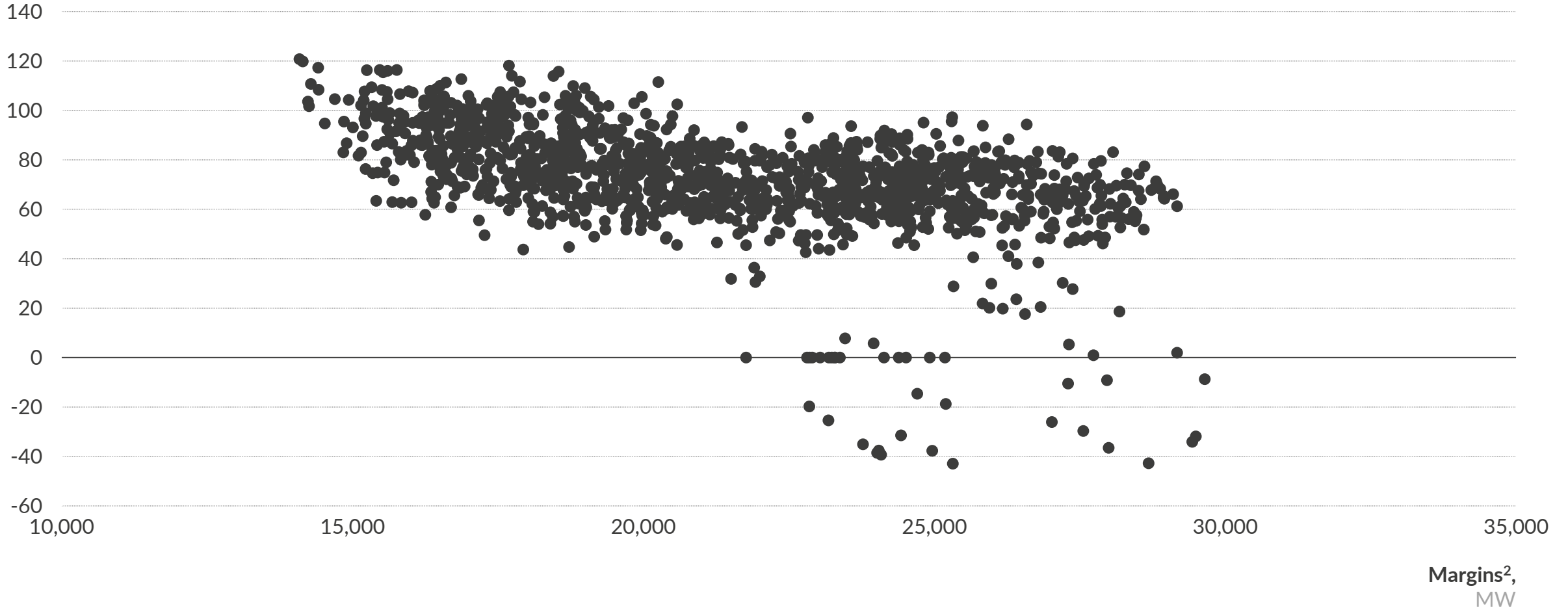


— Gas — Coal — Carbon ▲ Monthly average (x) Month-on-month difference

1) Includes CPS and EU-ETS until 18th of May 2021 and from 19th of May 2021 onwards, includes CPS and UK ETS.

# Half-hourly spot prices against half-hourly system margins for May

EPEX spot price<sup>1</sup>,  
£/MWh

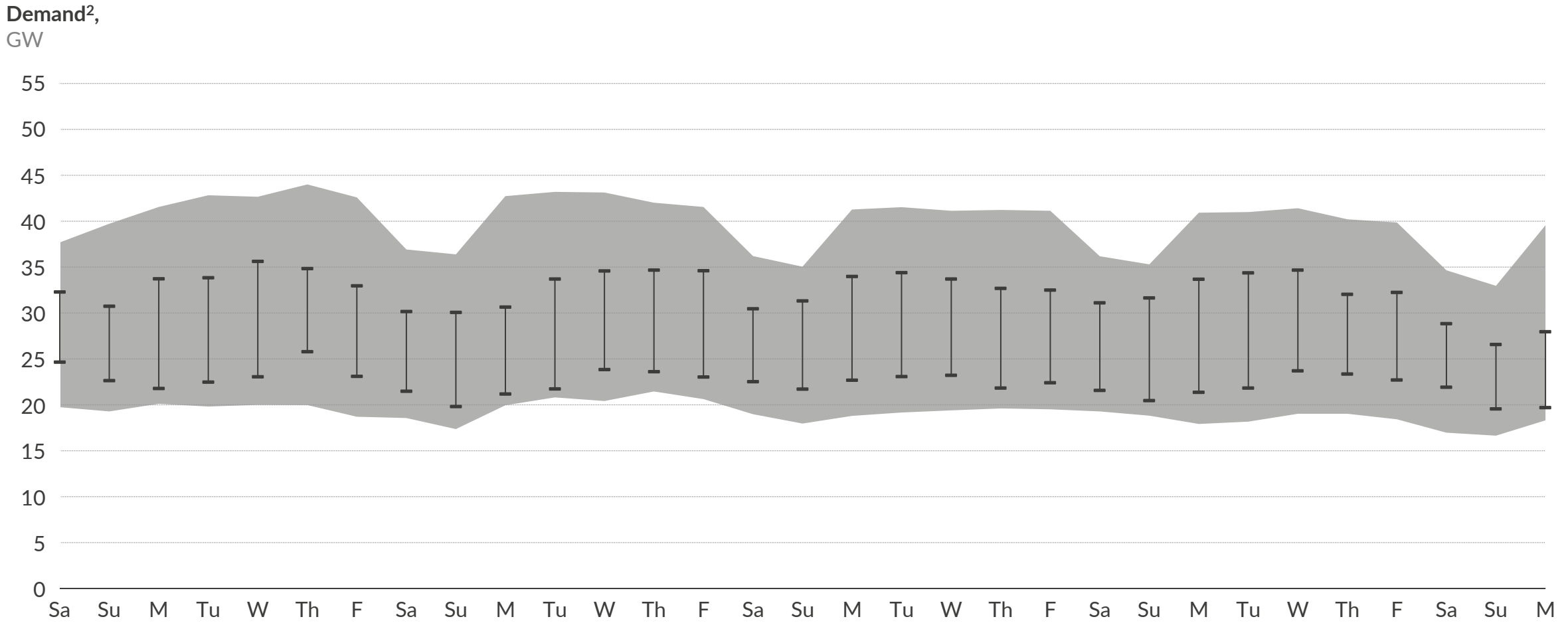


1) Half-hourly EPEX is the volume-weighted reference price over that half-hour interval, as provided by EPEX Spot. 2) Margins are calculated as the difference between MEL and Demand for each half-hour period. Demand data presented here is Initial Transmission System Demand Out-Turn, and does not include embedded demand. MEL is calculated as the sum of all transmission BM units reporting MEL values in each half-hour. Where a BMU gives multiple values in a half-hour, only the least is taken. Sources: Elaxon, National Grid, Thomson Reuters, Aurora Energy Research



# Daily May max and min demand

## Relative to historic May max and min demand since 2010<sup>1</sup>

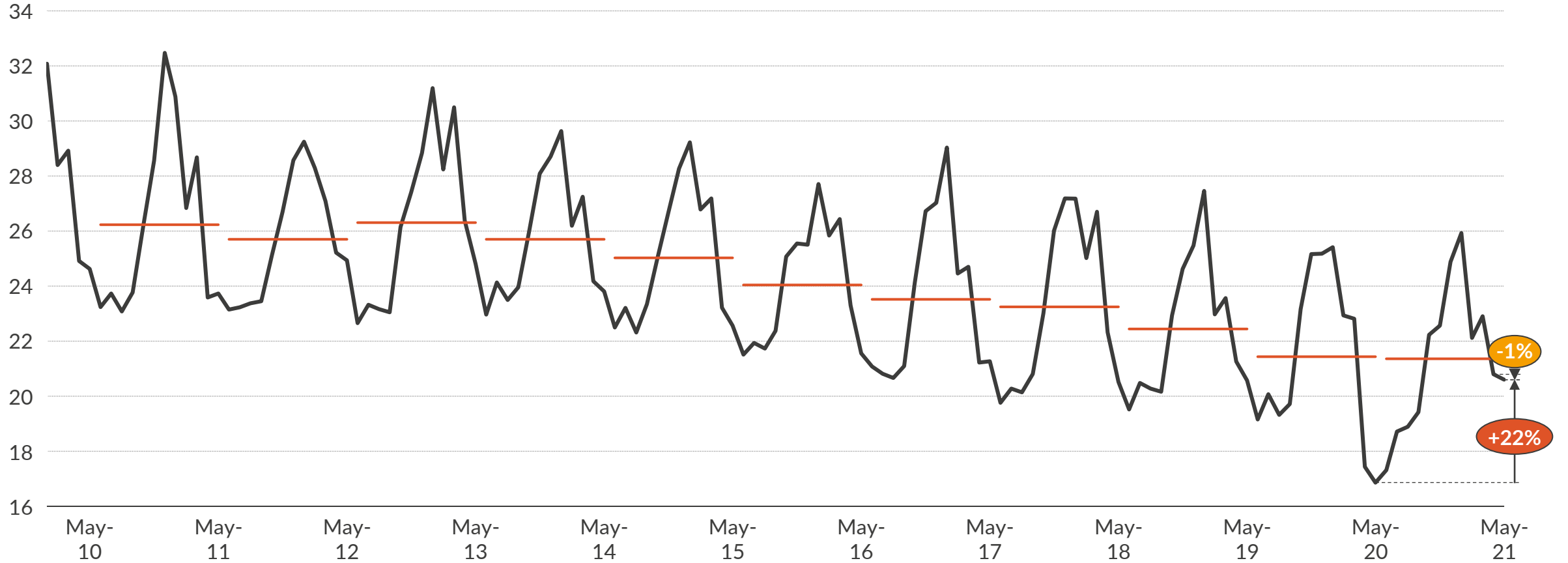


I Daily range ■ Historic maximum/minimum

1) Data from previous years is matched to the nearest weekday within the current month, to maintain the weekly demand pattern. 2) Demand data presented here is Initial Transmission System Demand Out-Turn, and does not include embedded demand.

# Monthly historical demand on the transmission system

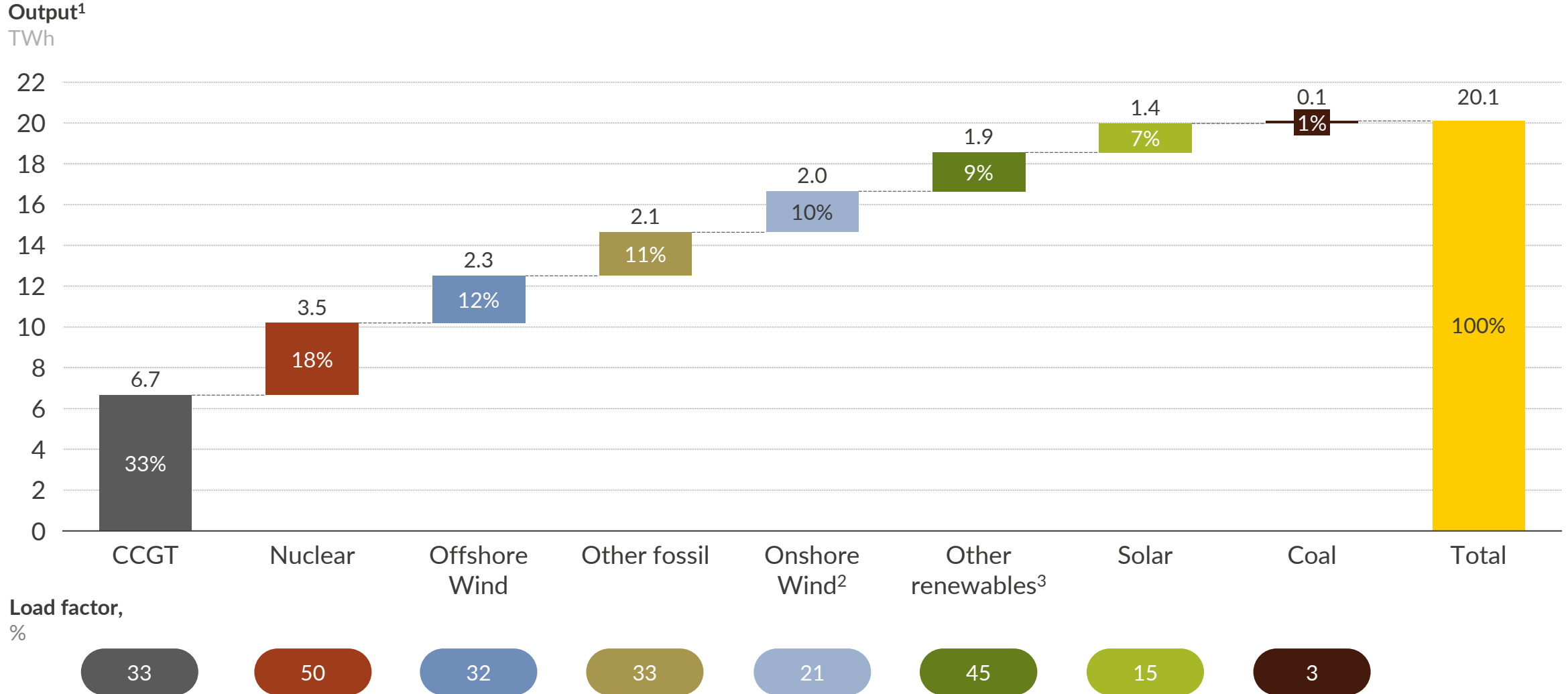
Total demand<sup>1</sup>,  
TWh



— Total monthly demand — Annual average demand (x) Month-on-month difference (x) Year-on-year difference

1) Demand data presented here is Initial Transmission System Demand Out-Turn, and includes station transformer load, pumped storage demand and interconnector demand, but does not include embedded demand.

# Monthly fuel mix breakdown

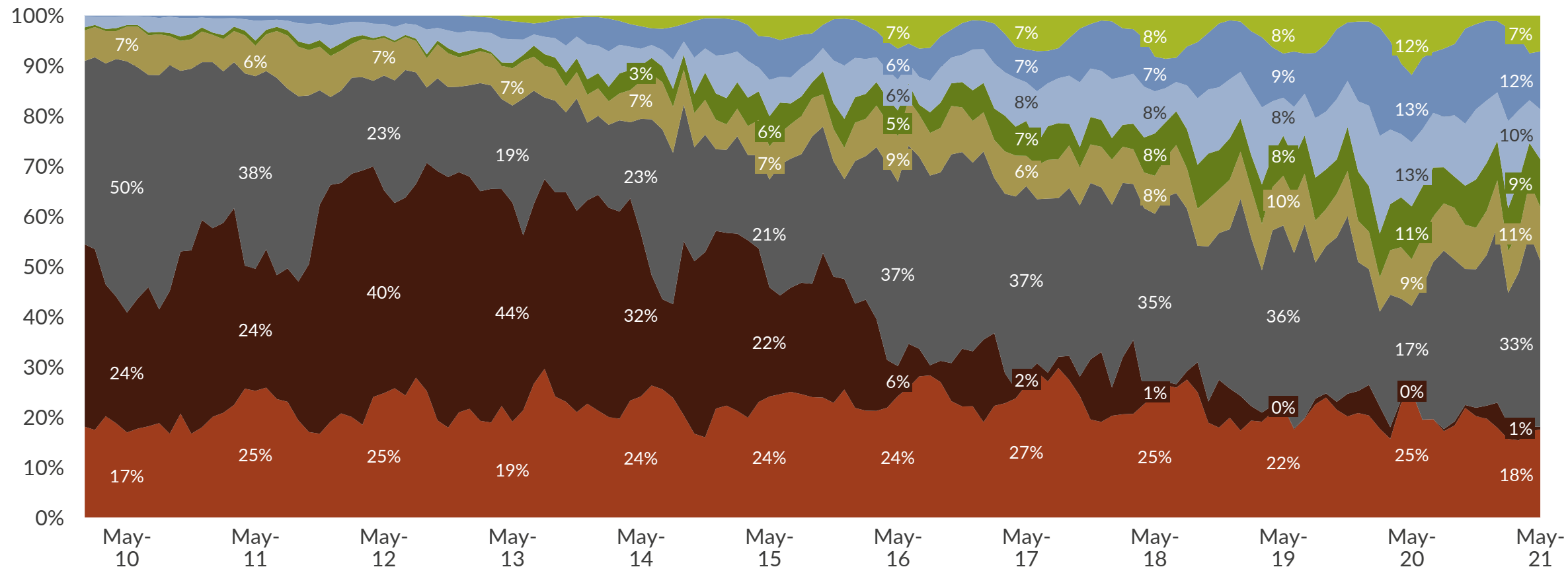


1) Includes outputs from generators registered as BM Units as well as embedded wind and solar PV assets. All numbers are rounded to 0.1 TWh which means that subtotals may not sum to total value. 2) Other fossil includes oil, CHP-CCGT and OCGT. 3) Other renewables includes biomass and hydro.

Sources: Elaxon, Sheffield Solar, National Grid, Aurora Energy Research

# Historical fuel mix breakdown

Output<sup>1</sup>  
% of total

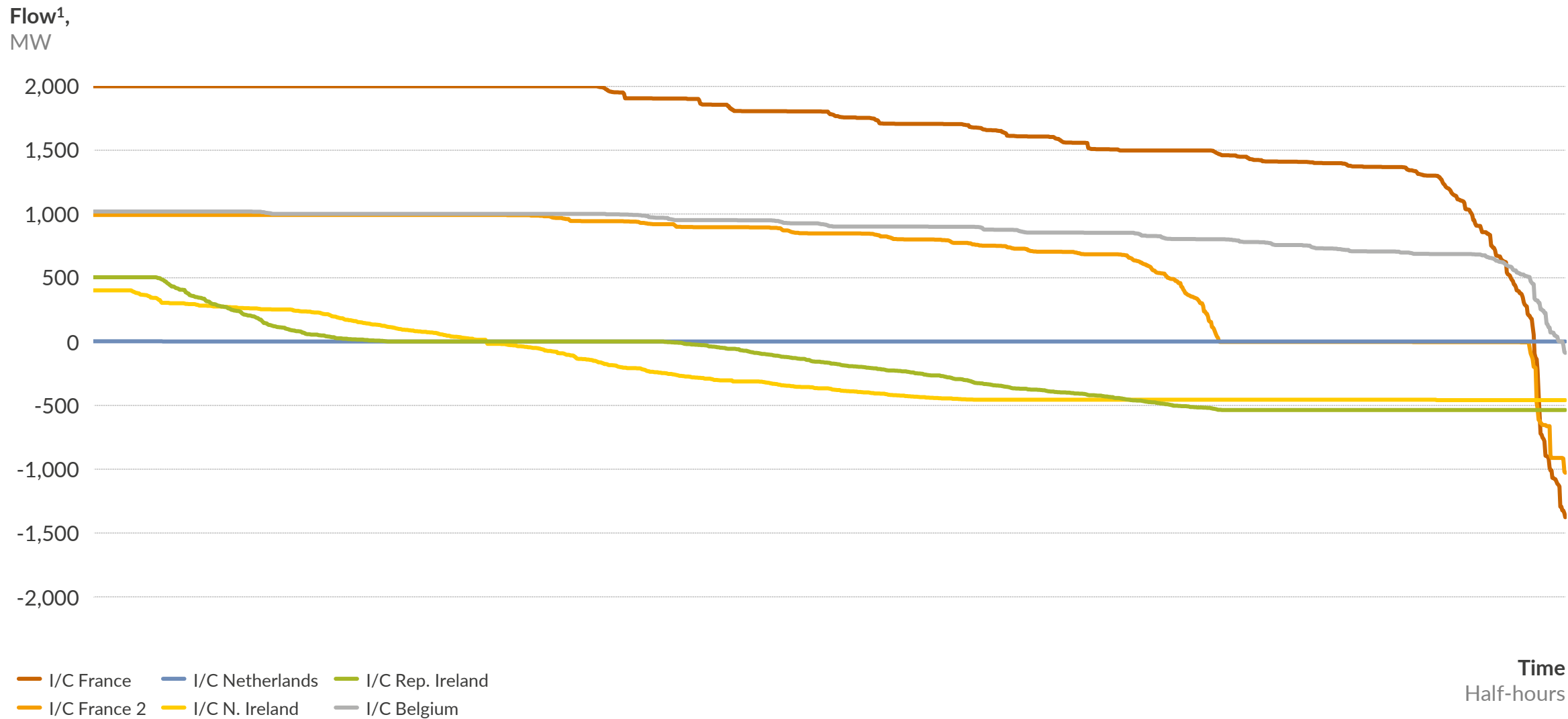


■ Nuclear 
 ■ Coal 
 ■ CCGT 
 ■ Other fossil<sup>2</sup>
■ Other renewables<sup>3</sup>
■ Onshore Wind 
 ■ Offshore Wind 
 ■ Solar

1) Includes outputs from generators registered as BM Units as well as embedded wind and solar PV. 2) Other fossil includes oil, CHP-CCGT and OCGT. 3) Other renewables includes biomass and hydro.

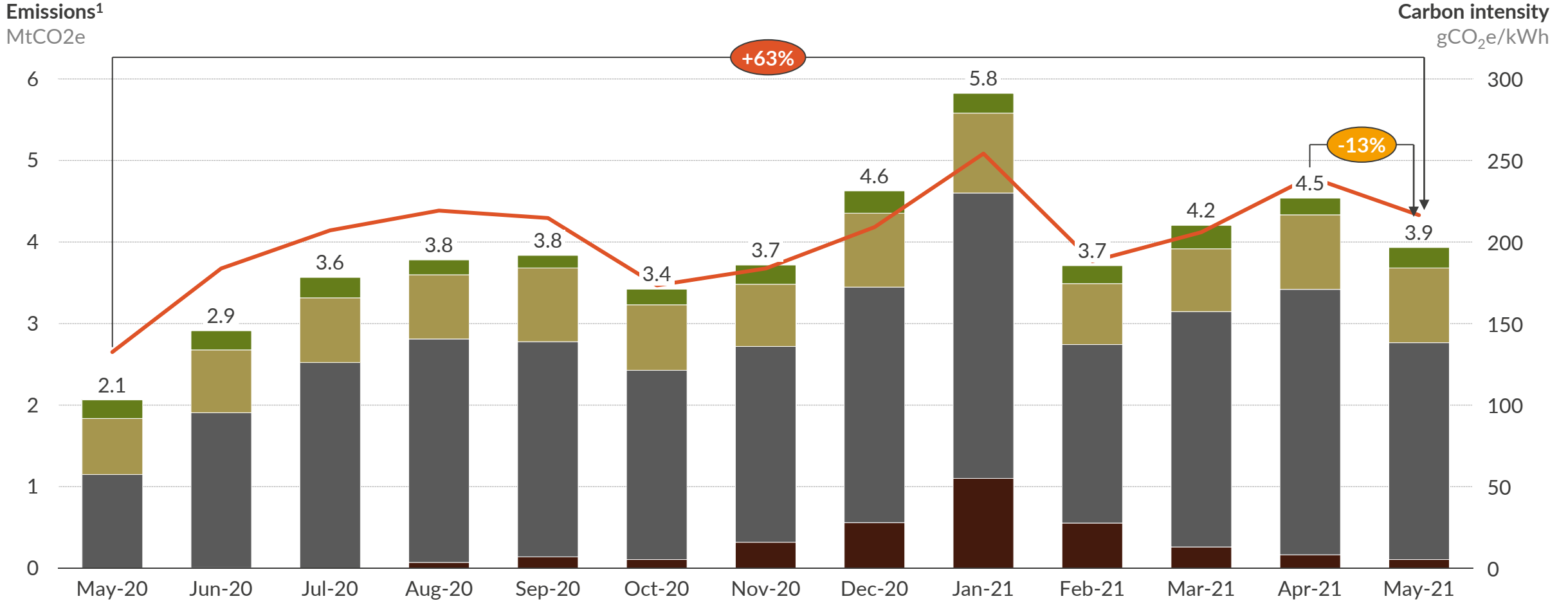
# Monthly interconnector flow duration curve

## Flow in each half-hour for GB interconnectors



1) Positive flow is imports into GB, negative flow is exports.

# Monthly emissions by technology



■ Biomass 
 ■ Other fossil<sup>2</sup>
■ CCGT 
 ■ Coal 
 — System carbon intensity 
 x Month-on-month difference 
 x Year-on-year difference

1) Please refer to Appendix for details of methodology employed to calculate emission amounts. Includes all Balancing Mechanism plants. 2) Other fossil includes oil, OCGT and gas CHP-CCGT.

# Agenda

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I. System performance

II. Company performance (available to subscribers only)

III. Plant performance

# Agenda

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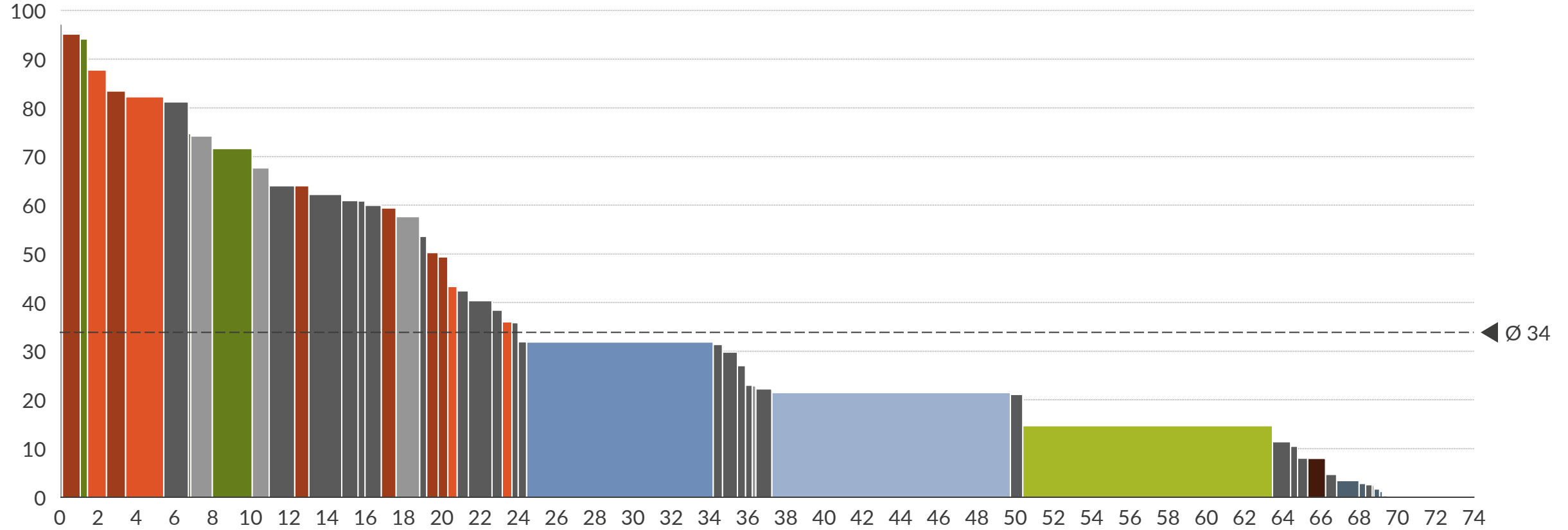
- I. System performance
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- III. Plant performance



# Plant utilisation – load factors by plant

Load factor<sup>1</sup>  
%

Column width reflects capacity



Capacity, GW

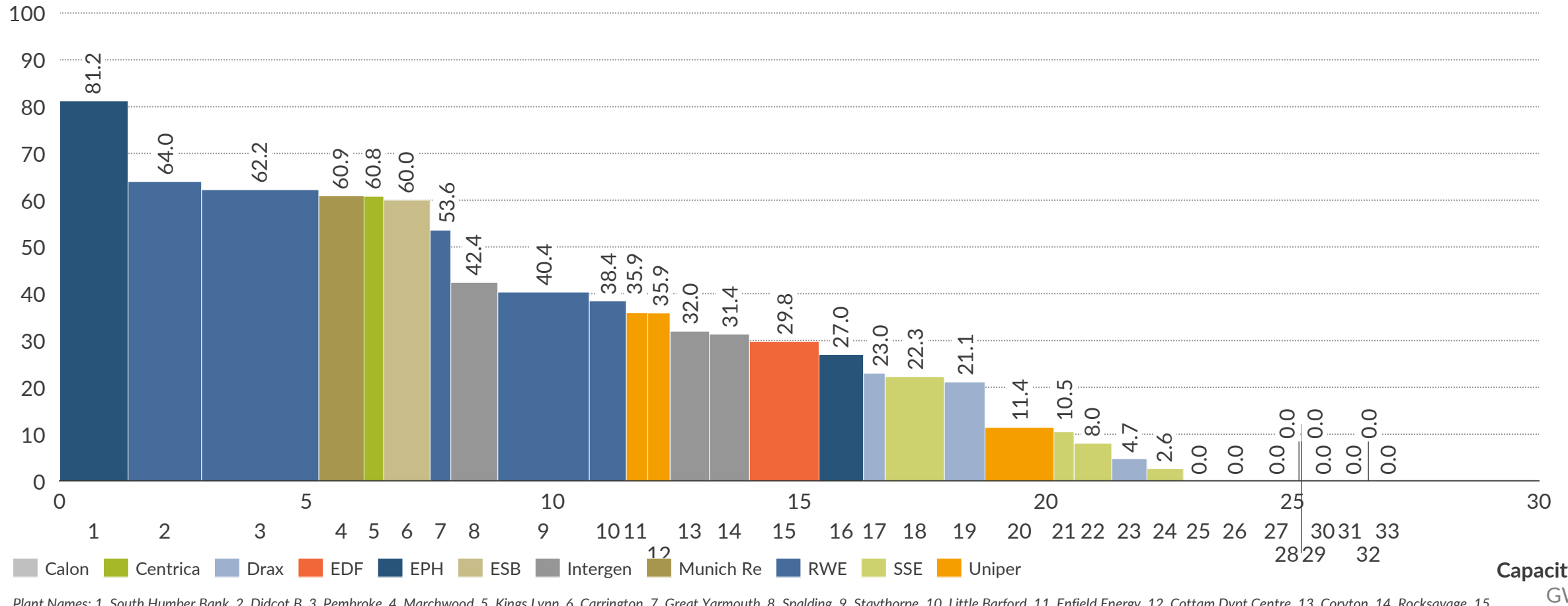
■ Biomass   
 ■ Coal   
 ■ Hydro   
 ■ Nuclear   
 ■ Offshore Wind   
 ■ Onshore Wind   
 ■ Solar  
■ CCGT   
 ■ Gas CHP-CCGT   
 ■ Interconnector   
 ■ OCGT   
 ■ Oil   
 ■ Pumped Storage

1) Represents 60 plants with highest capacity according to the Balancing Mechanism (BM) database, as well as aggregated data for wind and solar. Capacity of each plant represents the sum of capacities of all its generators that have been active at least once in the last three months. Please refer to Appendix for a detailed description of the data used and categories presented  
 Sources: Aurora Energy Research, Elexon, BEIS

# CCGT plant utilisation – by plant

**Full load hours<sup>1</sup>**  
% of total for the period

Column width reflects capacity



Legend: Calon, Centrica, Drax, EDF, EPH, ESB, Intergen, Munich Re, RWE, SSE, Uniper

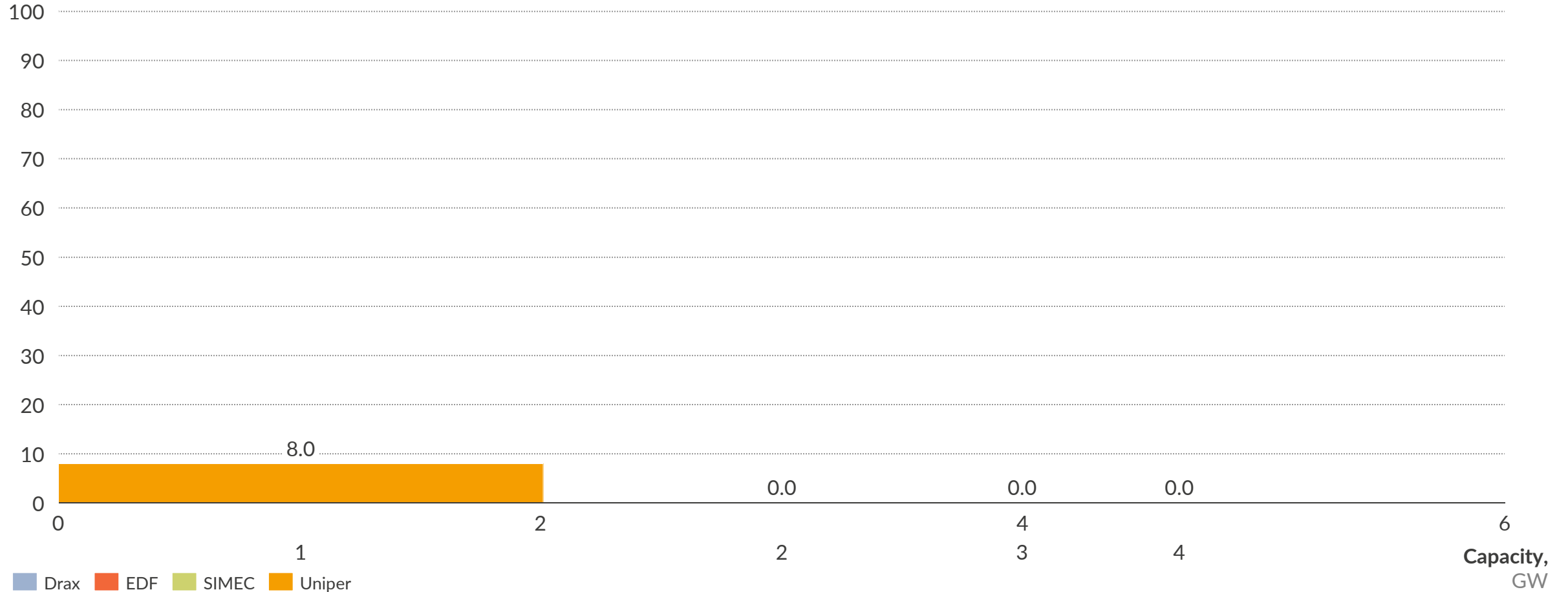
Plant Names: 1. South Humber Bank, 2. Didcot B, 3. Pembroke, 4. Marchwood, 5. Kings Lynn, 6. Carrington, 7. Great Yarmouth, 8. Spalding, 9. Staythorpe, 10. Little Barford, 11. Enfield Energy, 12. Cottam Dvpt Centre, 13. Coryton, 14. Rocksavage, 15. West Burton B, 16. Langage, 17. Shoreham, 18. Peterhead, 19. Damhead Creek, 20. Connahs Quay, 21. Seabank 2, 22. Keadby, 23. Rye House, 24. Medway, 25. Killingholme 2, 26. Sutton Bridge, 27. Seabank 1, 28. Glanford Brigg, 29. Killingholme 1, 30. Severn, 31. Corby, 32. Peterborough, 33. Baglan Bay.

1) Includes all CCGT plants of the presented companies that report to the Balancing Mechanism

# Coal plant utilisation – by plant

**Full load hours<sup>1</sup>**  
% of total for the period

Column width reflects capacity



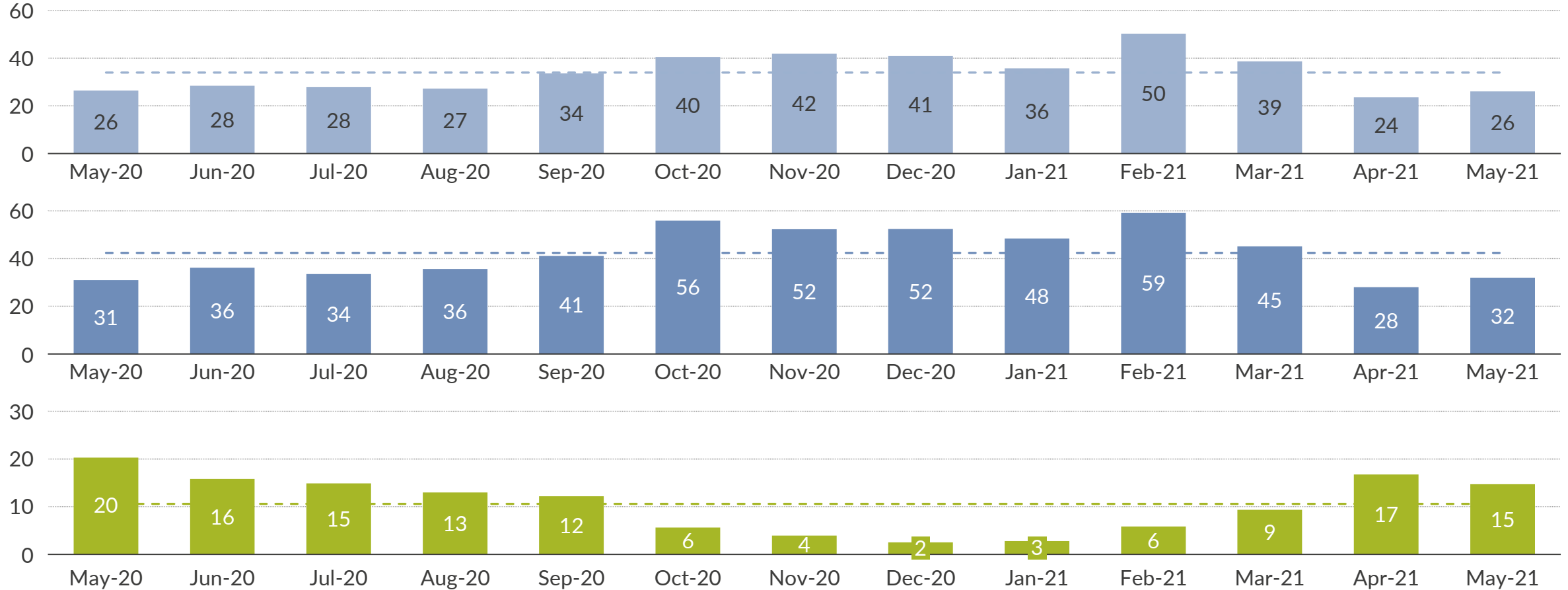
Plant Names: 1. Ratcliffe, 2. West Burton, 3. Uskmouth, 4. Drax Coal.

1) Includes all coal plants of the presented companies that report to the Balancing Mechanism

# Monthly load factors by technology

## Average load factor<sup>1</sup>

%

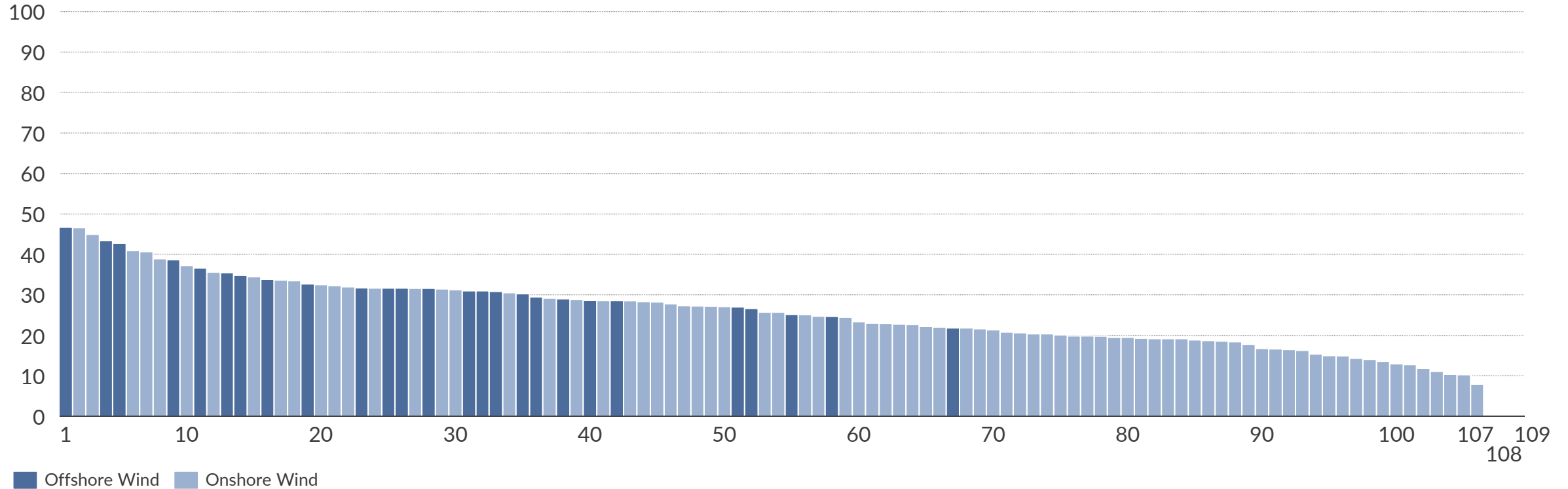


■ Onshore Wind    - - Onshore average    ■ Offshore Wind    - - Offshore Average    ■ Solar    - - Solar Average

1) Includes outputs from generators registered as BM Units as well as embedded wind and solar PV

# Wind farm utilisation – load factor by wind farm

Load factor<sup>1</sup>  
%

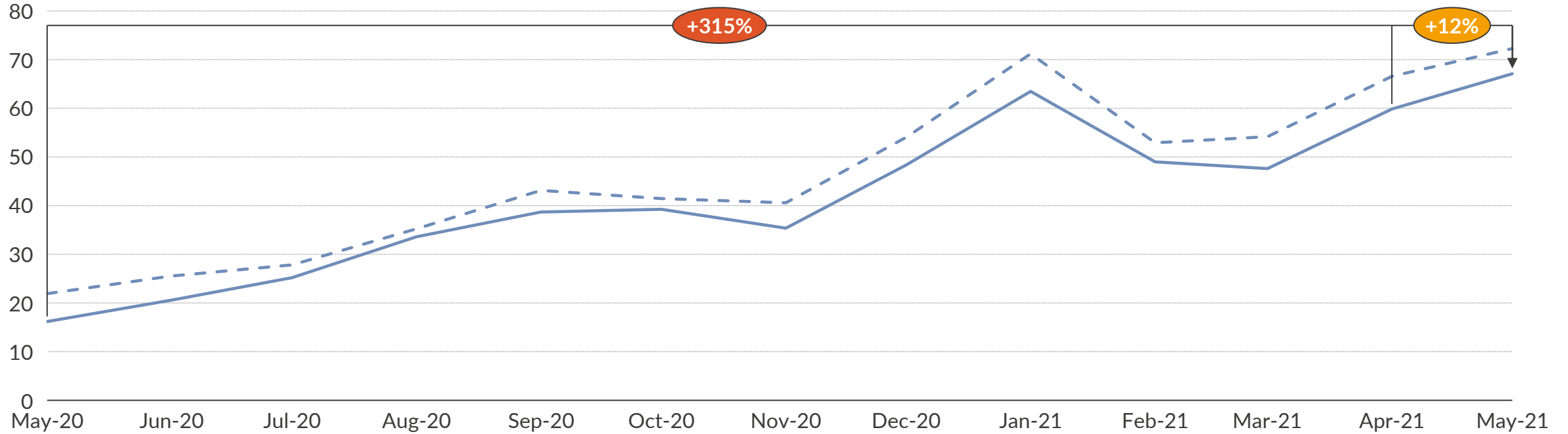


Plant Names: 1. Galloper, 2. Gordonstown, 3. Cour, 4. Hywind Scotland, 5. Rampion, 6. Sanquhar Community, 7. Brockloch Rig 2, 8. Blackcraig, 9. East Anglia One, 10. Carraig Gheal, 11. London Array, 12. Dorenell, 13. Hornsea 1 , 14. Dudgeon, 15. Fallago Rig, 16. Westermost Rough, 17. Halsary Windfarm, 18. Corriegarth, 19. Walney Extension, 20. Aikengall 2, 21. Assel Valley, 22. Kilbraur, 23. West of Duddon Sands, 24. A Chruach, 25. Burbo Extension, 26. Greater Gabbard, 27. Kilgallioch, 28. Beatrice, 29. Auchrobert, 30. Crystal Rig, 31. Gunfleet Sands, 32. Sheringham Shoals, 33. Race Bank, 34. An Suidhe, 35. Lincs, 36. Thanet, 37. Galawhistle, 38. Gwynt y Mor, 39. Dalswinton, 40. Walney, 41. Whiteside Hill, 42. Aberdeen, 43. Glen App, 44. Hill of Glaschyle, 45. Andershaw, 46. Freasdail, 47. Coire Na Cloiche, 48. Gordonbush, 49. Pen y Cymoedd, 50. Minsca, 51. Burbo Bank, 52. Humber, 53. Bad a Cheo, 54. Baillie, 55. Ormonde, 56. Millennium, 57. Beinn An Tuirc , 58. Barrow, 59. Tullymurdoch, 60. Rothes Extension, 61. Beinneun, 62. Stronelairg, 63. Airies, 64. Farr, 65. Dersalloch, 66. Afton, 67. Robin Rigg, 68. Clyde, 69. Camster, 70. Embedded Wind, 71. Griffin, 72. Mark Hill, 73. Burn of Whilk, 74. Dunmaglass, 75. Arecleoch, 76. Glens of Foudland, 77. Minnygap, 78. Middle Muir, 79. Strathy North, 80. Braes of Doune, 81. Mid Hill, 82. Clashindarroch, 83. Corriemoillie, 84. Goole Fields, 85. Berry Burn, 86. Kype Muir, 87. Tullo, 88. Harburnhead, 89. Tullo Extension, 90. Toddleburn, 91. Ewe Hill, 92. Hadyard Hill, 93. Bhlaraidh, 94. Edinbane, 95. Craig, 96. Hare Hill Extension, 97. Harestanes, 98. Dun Law Extension, 99. Beinn Tharsuinn, 100. Hill of Towie, 101. Lochluichart, 102. Black Law, 103. Glenchamber, 104. Moy, 105. Whitelee, 106. Clachan Flats, 107. Brownieleys, 108. Kincardine, 109. Keith Hill.

1) Represents UK wind farms reporting Balancing Mechanism Unit data. Figures presented reflect Final Physical Notification (FPN) expectations reported to the grid, which are not always representative of actual production

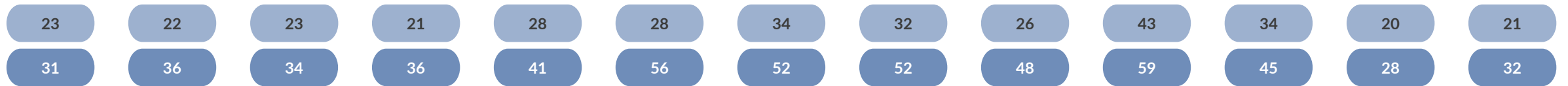
# Wind capture price versus baseload price

Price  
£/MWh



## Wind load factors

%



--- Baseload<sup>1</sup> — Wind Capture<sup>2</sup> (x) Month-on-month difference (x) Year-on-year difference

1) Baseload price is the average monthly EPEX price; 2) Wind capture price is the load-weighted monthly average EPEX price across all wind Balancing Mechanism plants for all half-hourly periods

## Data used

- Output values used in this summary reflect the sum of Final Physical Notifications (FPN) submitted by all BM Units of a given plant that have been active over the last three months.
- Capacity values used in this summary reflect the sum of capacities of individual BM Units, as reported to the Balancing Mechanism, that have been active over the last three months. They reflect long-term capacities and exclude temporary fluctuations due e.g. to plant failures or scheduled maintenance.
- Prices used in this summary are the EPEX half-hourly Reference Prices for half-hourly, two-hourly and four-hourly spot products.

## Categories presented

- Full-load hours represent the plants' load factors, calculated as the ratio of the output produced in a given month to the maximum possible output given the plants' capacity.
- Running hours represent the proportion of time in a given month when a plant has been active, i.e. when at least one of its BM Units produced output greater than zero.
- Capture prices (or average output-weighted prices) are calculated as an average of EPEX half-hourly prices per MWh weighted by the plants' corresponding half-hourly outputs for all periods.
- Average gross margins are calculated as a sum of the uplift and inframarginal rent. Uplift is calculated as the difference between the EPEX price and the system marginal cost (SMC). SMC is the maximum marginal cost of all the plants with at least one generator producing above 80% of its installed capacity in a given half-hour.
- Emissions are calculated as plant output divided by electrical efficiency, multiplied by theoretical carbon content of the fuel input. The carbon content of fuel inputs is sourced from BEIS's Greenhouse gas reporting – Conversion factors 2016. System carbon intensity is calculated as the total emission divided by total electricity generated.

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