

LASER Energy Price Update



April 2023

Electricity

Electricity prices for April look to remain the same until October where they are due to increase by 8%.

Gas

Gas prices for April are set to increase by 6% but in October they are due to decrease by around 12%.

Pricing Forecasts

Electricity and gas prices are anticipated to continue softening in April based on current fundamental outlooks.

Key fundamentals to watch in April:

- Gas demand – Levels of demand destruction across Europe and changes to current muted Asian demand.
- Liquefied Natural Gas (LNG) deliveries – LNG has become a dominant source of supply to Europe, high levels of LNG will be required to continue to be attracted this summer to meet demand.
- North Sea Maintenance – The first of two heavy and long North Sea maintenance schedules for this summer will start in April, limiting supply to the UK and Europe.

| ELECTRICITY | | | | Your year-on-year price forecast | | |
|-------------|---------------------------------|---------------|-------------|----------------------------------|---------------------|----------------------|
| | Period | Timeframe | % Purchased | % Increase Low Case | % Increase Mid Case | % Increase High Case |
| PIA | Oct 22-Sept 23 → Oct 23-Sept 24 | 12 Month View | 79% | 6.8% | 7.8% | 33.9% |
| PWP | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 60% | -9.7% | -8.2% | 39.2% |
| FSAR | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 58% | -9.5% | -7.9% | 43.0% |
| PC1 | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 100% | 42.2% | 42.2% | 42.2% |
| April PIA | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 100% | 85.7% | 85.7% | 85.7% |

| GAS | | | | Your year-on-year price forecast | | |
|-----------|---------------------------------|---------------|-------------|----------------------------------|---------------------|----------------------|
| | Period | Timeframe | % Purchased | % Increase Low Case | % Increase Mid Case | % Increase High Case |
| PIA | Oct 22-Sept 23 → Oct 23-Sept 24 | 12 Month View | 80% | -12.8% | -11.9% | 14.8% |
| PWP | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 59% | -20.5% | -19.3% | 38.1% |
| FSAR | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 60% | -25.9% | -24.8% | 31.4% |
| PC1 | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 100% | 62.8% | 62.8% | 62.8% |
| April PIA | Apr 22-Mar 23 → Apr 23-Mar 24 | 12 Month View | 100% | 89.7% | 89.7% | 89.7% |

Energy Bill Relief Scheme (EBRS) and Energy Bill Discount Scheme (EBDS) Pricing Impacts

EBDS, running from April 1st 2023 – March 31st 2024, will provide extended support from high and volatile market conditions following the end of EBRS. The level of EBDS support however is lower than was provided under EBRS. EBDS will apply an automatic discount to customer invoices, up to a maximum value, if achieved wholesale commodity prices exceed the set thresholds of 30.2p/kWh and 10.7p/kWh for electricity and gas respectively. However, at this stage, LASER anticipates only April PIA electricity will be eligible for support under EBDS.