



Energy Market Update

16th September 2025

FLAME UK ENERGY MANAGEMENT - WEEKLY MARKET INSIGHT

15 September 2025



Wholesale Market Prices and Trends

Wholesale Gas Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Oct-25 12m	2.80	↓ -9%	↓ -13%	↓ -5%
Oct-25 24m	2.74	↓ -7%	↓ -7%	→ 0%
Oct-25 36m	2.66	↓ -4%	↓ -4%	↑ 2%
Apr-26 12m	2.80	↓ -6%	↓ -4%	↑ 2%
Apr-26 24m	2.65	↓ -3%	↓ -1%	↑ 4%

Wholesale Power Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Oct-25 12m	7.84	↓ -3%	↓ -3%	↑ 6%
Oct-25 24m	7.71	↓ -1%	→ 0%	↑ 9%
Oct-25 36m	7.57	→ 0%	↑ 2%	↑ 9%
Apr-26 12m	7.79	↓ -1%	↑ 3%	↑ 11%
Apr-26 24m	7.53	↓ 1%	↑ 3%	↑ 9%

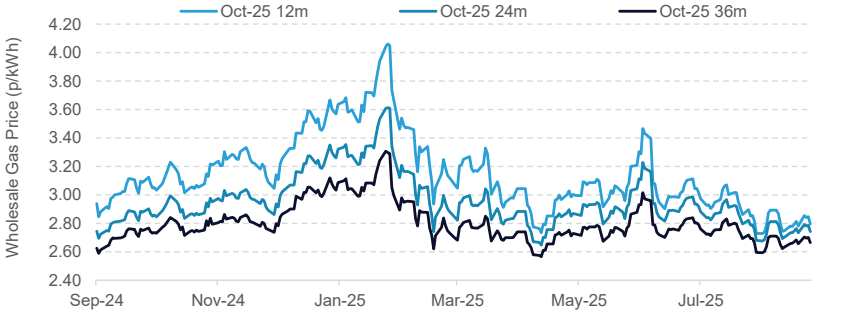
Wider Energy Complex	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Brent (\$/bbl.)	66.99	↓ -9%	↑ 6%	↓ -8%
Coal (\$/t)	102.42	↓ -11%	↓ -8%	↓ -20%
UK Carbon (£/t)	56.11	↑ 4%	↑ 19%	↑ 64%
EU Carbon (€/t)	75.77	→ 1%	↑ 14%	↑ 17%
€/£	0.86	↓ -36%	↑ 2%	↑ 5%

UK NBP Gas

Wholesale Market Drivers

Bearish (Falling)	<p>Hungary has agreed a 10-year gas deal with Shell for 200 mcm/year starting Jan-2026, and Turkey has signed eight gas supply deals securing 15 bcm for the 2026–2028 period, improving regional supply security as Europe continues to shift away from Russian supplies.</p> <p>GDP data from the UK show signs of economic stagnation, and Chinese data also indicate a slowdown in the world's second-largest economy.</p>
Bullish (Rising)	<p>Last week, Poland shot down Russian drones in its airspace, becoming the first NATO country to fire shots in the RUS-UKR conflict. NATO has invoked Article 4, heightening geopolitical concerns in the region.</p> <p>Global gas demand is projected to rise 1.7% in 2025 and follow an upward trajectory over the next decade, with heatwaves and rapid technological growth straining power systems.</p>

Wholesale Price Graphs

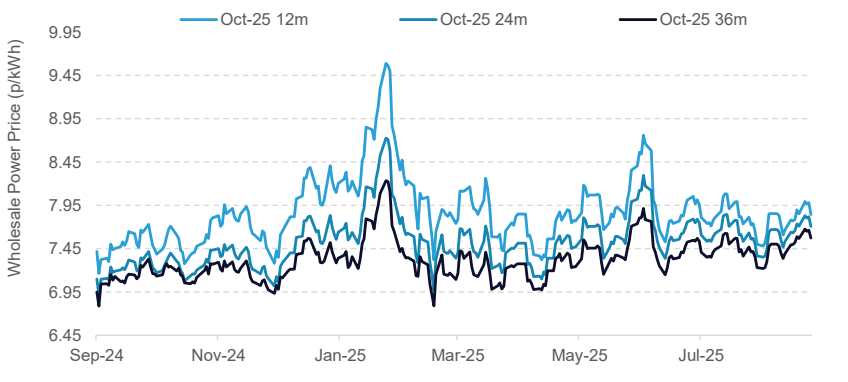


UK Baseload Power

Market Drivers

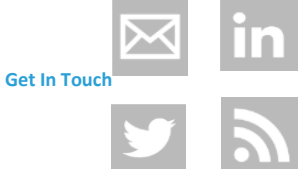
Bearish (Falling)	<p>The US-UK nuclear deal is expected to help secure investment to fund new plants, with the UK's Centrica and US nuclear firm X-Energy set to develop up to 12 advanced modular reactors in England.</p> <p>The EU is launching the Energy Highway initiative to address eight critical bottlenecks in energy infrastructure and has also unveiled a single market roadmap to 2028 and a battery boost package.</p>
Bullish (Rising)	<p>The US CPC has raised the probability of a transition to La Niña conditions between Oct–Dec 2025 to 71%, heightening concerns over winter weather-related risks.</p> <p>Renewable curtailment costs could reach £5bn by 2030, due to grid bottlenecks, adding to consumer energy bills.</p>

Wholesale Price Graphs



Energy Market News:

EU doubles down on Russia gas exit. Addressing the European Parliament on Wednesday, the European Commission President stated that getting rid of "dirty Russian fossil fuels" was the key to boosting Europe's security, strategic independence, and competitiveness. Draft legislation to phase out Russian gas imports by the end of 2027 is currently being debated in the European Parliament. In a bid to tackle eight critically identified bottlenecks in energy infrastructure, a new initiative called Energy Highways is being rolled out. The EU aims to better integrate Iberia with power interconnectors across the Pyrenees to France, connect Cyprus with continental Europe to end its electricity isolation, strengthen power links in the Baltic states, and improve energy supplies in the Balkans and eastern neighbouring states. It also seeks to turn the North Sea into an offshore interconnector hub, develop south and southwest hydrogen corridors, and enhance price stability and energy security in southeastern Europe. The EC also proposes a single market roadmap to 2028 and a battery boost package.



15 September 2025

Market Prices and Trends

Gas (p/therm)	Close	Indicative Price*	% Change	3-Month Variance
Day-Ahead	79.60	78.50	↓ -1.4%	↓ -13%
Oct-25	80.16	78.89	↓ -1.6%	↓ -15%
Nov-25	84.86	83.63	↓ -1.2%	↓ -16%
Dec-25	88.26	87.32	↓ -1.1%	↓ -15%
Jan-26	89.89	89.04	↓ -0.9%	↓ -14%
Q4-25	84.42	83.46	↓ -1.1%	↓ -15%
Q1-26	88.62	87.85	↓ -0.9%	↓ -14%
Winter-25	86.50	85.63	↓ -1.0%	↓ -15%
Summer-26	79.05	78.49	↓ -0.7%	↓ -9%
Winter-26	86.41	86.13	↓ -0.3%	↓ -7%
Summer-27	72.53	72.49	↓ -0.1%	↓ -4%
Winter-27	80.47	80.25	↓ -0.3%	↓ -2%
Summer-28	67.08	66.50	↓ -0.9%	↓ 0%

Baseload (£/MWh)	Close	Indicative Price*	% Change	3-Month Variance
Day-Ahead	14.50	28.50	↑ 96.6%	↓ -46%
Oct-25	74.25	74.30	↑ 0.1%	↓ -15%
Nov-25	84.05	83.50	↓ -0.7%	↓ -8%
Dec-25	85.60	85.50	↓ -0.1%	↓ -8%
Jan-26	87.44	87.44	0.0%	↓ -6%
Q4-25	81.27	81.30	↑ 0.0%	↓ -10%
Q1-26	86.46	85.45	↓ -1.2%	↓ -6%
Winter-25	83.84	83.25	↓ -0.7%	↓ -8%
Summer-26	73.81	74.75	↑ 1.3%	↓ -4%
Winter-26	82.28	82.50	↑ 0.3%	↓ -2%
Summer-27	69.69	70.25	↑ 0.8%	↑ 2%
Winter-27	78.98	79.00	↑ 0.0%	↑ 1%
Summer-28	67.48	68.00	↑ 0.8%	↑ 4%

Wider Energy Complex	Close	Current Offer	% Change	3-Month Variance
Brent (\$/bbl)	66.99	67.27	↑ 0.4%	↓ -9%
Coal (\$/t)	102.42	102.42	0.0%	↓ -11%
UK Carbon (£/t)	56.36	56.39	↑ 0.1%	↑ 4%
EU Carbon (€/t)	76.02	75.69	↓ -0.4%	↑ 1%
€/£	0.865	0.864	↓ -0.1%	↑ 2%
€/€/\$	1.173	1.174	↑ 0.0%	↑ 1%

Current Market Drivers

Trump stated he is prepared to impose new sanctions on Russia if NATO nations stop buying Russian oil and take similar measures, highlighting his ongoing stalling technique on taking decisive action against Moscow. Recent data from China, the world's second-largest economy, show that factory output and retail sales growth have slumped to a 12-month low, signalling that ongoing economic turmoil continues to weigh on global performance. The UK is scheduled to receive its initial LNG cargo for Sep-25, marking the first shipment in two months, providing some bearish pressure to the near-curve by aiding mid-range storage replenishment ahead of winter. A slight recovery in Norwegian flows and an oversupplied system have been offset by MRS injections, limiting downside to gas. Falling wind generation, boosting gas-for-power demand, is supporting day-ahead baseload prices. UK gas futures are neutral-bearish this morning, with positive fundamentals providing some downside along the near-curve, despite ongoing RUS-UKR geopolitical uncertainty and Trump's limited response to it.

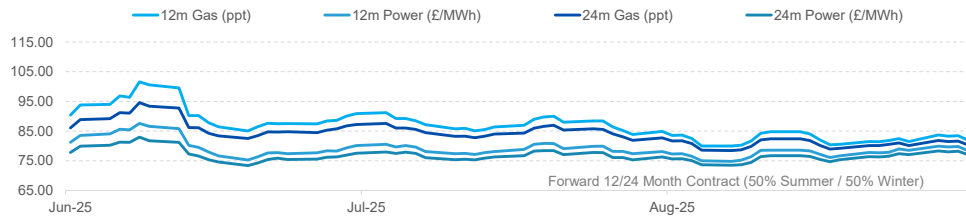
Market Focus

US-UK to sign nuclear energy pact. During Trump's state visit to the UK this week, a deal between the two countries to boost nuclear power is expected to be unveiled, helping to secure investment to fund new plants. In recent months the UK government has launched a major initiative to expand its nuclear energy capacity, pledging £14 billion to the new Sizewell C nuclear plant. The collaboration is designed to accelerate new projects and investments, with the UK's Centrica and US nuclear firm X-Energy set to develop up to 12 advanced modular reactors in England. Meanwhile, an £11 billion initiative to build advanced data centres powered by SMRs at the previous Cottam coal-fired power station is also on the cards, backed by UK Holtec International, France's EDF and Tritax. British Prime Minister Starmer said these projects would put the UK on course for a golden age of nuclear that will drive down household bills in the long run. The new partnership is set to aid cooperation with nuclear regulation, allowing safety assessments approved in one country to be used to support reviews in the other.

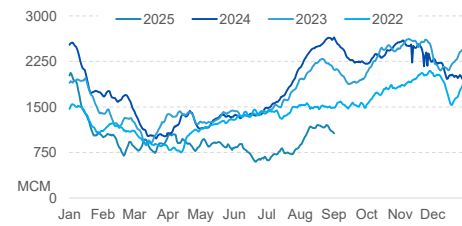
US to push G7 for steep tariff on China and India over Russian oil imports. According to four sources familiar with the matter, the US is set to pressure G7 nations to impose higher tariffs on China and India for their continued purchases of Russian oil, in a bid to push Moscow into negotiating peace. Finance ministers from the G7 are scheduled for a video call on Friday to discuss the US's Russian sanctions proposal. While an official figure has not been released, talks of between 50-100% have been discussed. However, while the EU has been considering higher secondary sanctions on China, they are wary of imposing hefty tariffs on two major trading partners, due to potential economic fallout and expected retaliation from Beijing. The bloc is also aiming to finalise a trade agreement with India in the coming weeks, to strengthen ties with the growing Asian power. Meanwhile, Canada, a G7 nation, has also been making efforts to rekindle relations with China and India as it diversifies its economy away from the US. Trump's two-week tariff threat deadline on Russia has come to pass, without further escalation.

EU doubles down on Russia gas exit. Addressing the European Parliament on Wednesday, the European Commission President stated that getting rid of "dirty Russian fossil fuels" was the key to boosting Europe's security, strategic independence, and competitiveness. Draft legislation to phase out Russian gas imports by the end of 2027 is currently being debated in the European Parliament. In a bid to tackle eight critically identified bottlenecks in energy infrastructure, a new initiative called Energy Highways is being rolled out. The EU aims to better integrate Iberia with power interconnectors across the Pyrenees to France, connect Cyprus with continental Europe to end its electricity isolation, strengthen power links in the Baltic states, and improve energy supplies in the Balkans and eastern neighbouring states. It also seeks to turn the North Sea into an offshore interconnector hub, develop south and southwest hydrogen corridors, and enhance price stability and energy security in southeastern Europe. The EC also proposes a single market roadmap to 2028 and a battery boost package.

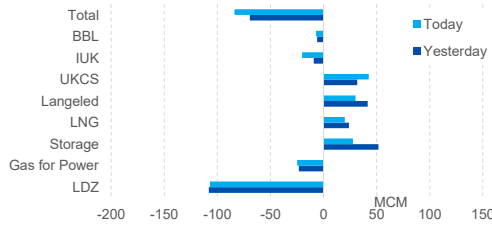
Forward Curve Price Action



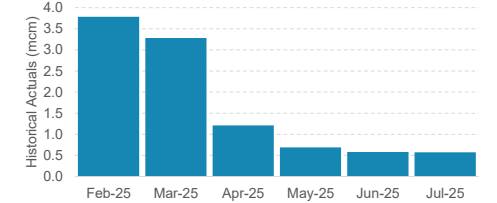
UK Gas Storage Level



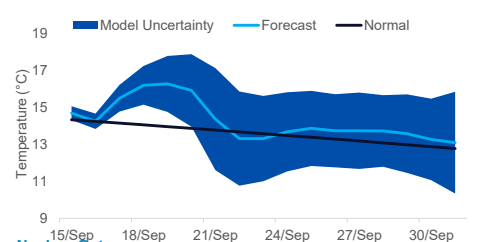
UK Gas Supply/Demand Sources



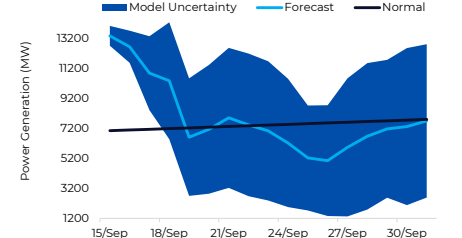
Historical Monthly LNG Supply



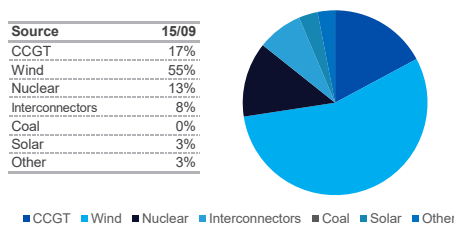
Temperature Forecast



Wind Power Generation Forecast



Power Generation Mix (Last 24 Hours)

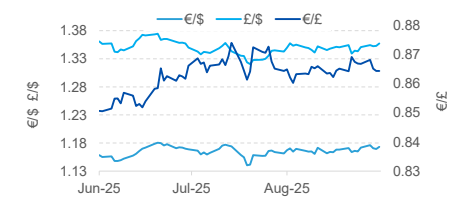


Nuclear Outages

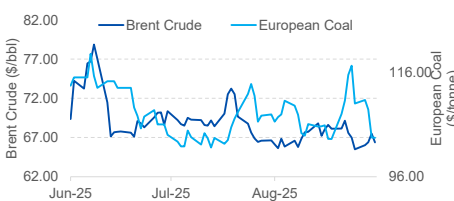
Facility	Capacity (MW)	Start Date	End Date
Hartlepool 1	595	28/04/25	16/09/25
Hartlepool 2	595	04/06/25	27/09/25
Heysham 2-7	615	07/08/25	14/09/25
Heysham 2-8	615	09/09/25	02/10/25

Current online capacity: 4080 MW (63%)

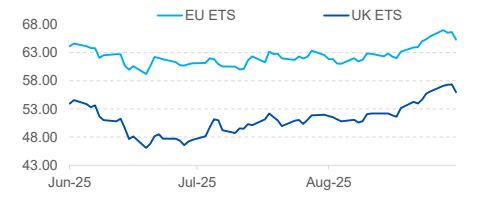
UK, EU and US Currencies



Brent Crude vs European Coal



Emissions Trading Scheme Carbon



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