

February Market Report

13 March 2026



Keeping you updated
with the latest trends,
news and forecasts in
the UK energy market.

ENERGY MARKET WATCH



Market analysis

February 2026

Commentary

February proved to be an interesting month across energy markets. Power and gas prices generally began the month bearish, with declines persisting throughout the first two weeks before stabilising around the middle of the month. When compared to historical movements, we observed a general trend of relatively fair pricing across the period, particularly on power. Downwards shifts occurred earlier than the typical local bottom seen in March or April in most years.

Key drivers

Global temperatures – Across Europe, temperature forecasts at the beginning of the month indicated a milder outlook, which largely materialised by mid-month. Central and North-Western European temperatures climbed as much as 8°C above the mean in some countries, helping to offset bullish pressures associated with low gas storage. US Henry Hub prices continued to rise amid a significant cold spell, affecting states as far south as Florida – breaking records not seen for decades in many areas. The West Coast in particular experienced prolonged sub-zero temperatures, which may create a lagged effect on LNG supply for March.

UK Liquefied Natural Gas imports – LNG Imports into the UK remained strong throughout February, supporting the initial downward movement in prices due to ample supply from the US. According to market analysis, weekly LNG arrivals in February reached their highest levels since March 2023, reaching almost 700k tonnes of LNG by mid-month. Combined with relatively low UK demand, this surplus contributed to increased export flows into North-West Europe.

Brent crude oil – The global benchmark for crude oil pricing, showed signs of stabilisation. Volatility remained relatively limited, with Asian markets experiencing low demand. Carbon markets, however, saw large decreases in the first half of February, pulling UK power prices down with it. This was linked to criticism from Italy that the EU ETS is stifling industrial growth; specifically in the UK. There is still much debate around whether the EU and UK transmission schemes can operate as one.

Commodity overview

*Note that the profiled rate differs to the wholesale market rate, taking into account estimated consumption of Zenergi customers.

Commodity	Unit	Price – 01/02/26	Price – 28/02/26	% Change
Gas (12-Month profiled*)	p/therm	82.49	78.81	-4.46%
Power (12-Month profiled*)	£/MWh	81.51	72.04	-11.62%
Brent Oil	\$/bbl	70.69	70.75	+0.08%
Coal	\$/tonne	103.47	113.76	+9.94%
Carbon	£/tonne	61.89	45.18	-27.00%

Gas prices decreased by:

2.42%

Power prices decreased by:

9.51%



Overall volatility was in line with expectations, with a predominantly bearish trajectory underpinning the market, pushing gas and power prices to low levels. The second half of the month offered stability, allowing execution of favourable power pricing.”

Wholesale market graphs



Electricity market prices (p/kwh)



Gas market prices (p/kwh)



Recommendation

We advise clients, given how unpredictable long-term markets are to consider a risk approach which aligns with their business needs and affordability.

Rising non-commodity charges over the next few years will no doubt have an impact on costs, some of which are largely unforecastable.

Therefore, taking a more conservative approach may be wise for both fixed and flexible contracting (lengthier contracts, targeted renewal points etc.)

Callum Taylor
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About the Market Watch team

Whether you are looking for a fixed price contract and want to ensure you are buying at the right time, or are embarking on a more flexible arrangement, our team are here to support you.

We are energy industry experts dedicated to continuously monitoring market conditions on your behalf. We play a crucial role in delivering valuable insights and empowering you to make well-informed decisions. With a deep understanding of your needs and risk appetites, we tailor our approach to suit your requirements.



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About Zenergi

Zenergi supports and empowers organisations' journey to net zero. With a unique range of services, we tailor sustainable solutions for our customers. What sets us apart? We drive major reductions in costs, energy consumption and carbon emissions with our market-leading procurement service; informed advice, and unrivalled engineering expertise.

Let us simplify and accelerate your journey to a more sustainable future, we're here to guide you every step of the way.

Find out more

For more information about Zenergi's Social Value strategy, visit www.zenergi.co.uk/social-value

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