

Opening of the electricity and gas markets Figures as at 31 March 2013

RETAIL MARKETS

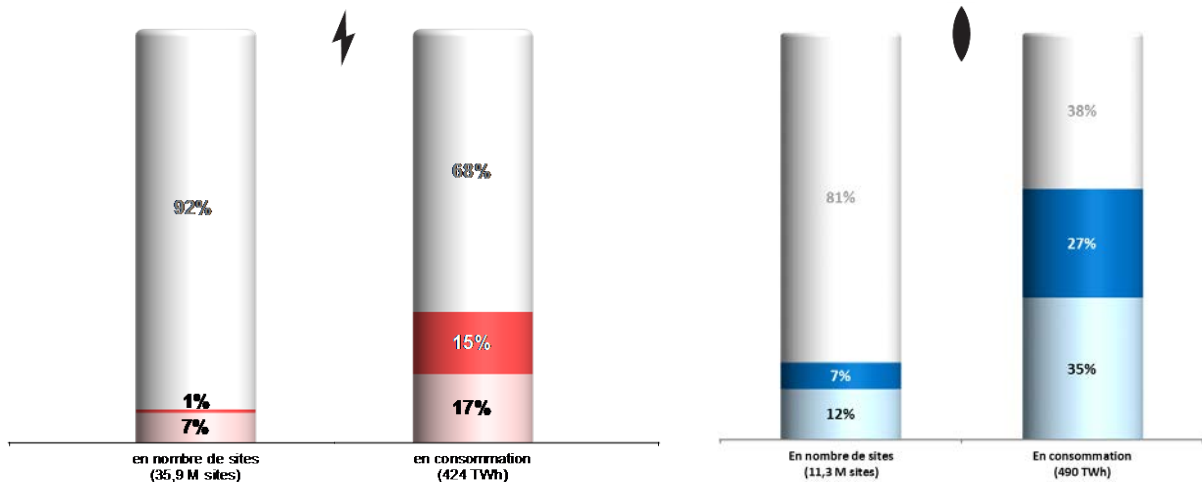
The electricity retail market continues to be dominated by regulated tariffs: as at 31 March 2013, 92% of all sites (representing 68% of consumption) had electricity contracts based on regulated tariffs.

On the gas market, at 31 March 2013, 38% of all gas consumed is furnished through contracts based on regulated tariffs to 81% of sites. Almost two thirds of the consumption is furnished through market-price contracts.

On the electricity market, the cheapest market-price offer is 4% lower than the regulated tariff for an average client consuming 2 400 KWh in Base as well as for the one consuming 8500 KWh in Peak/OffPeak.

On the gas market, the cheapest market-priced contract (apart from fixed price contracts) is 10% lower as for a customer consuming 17,000kWh and living in Paris.

Breakdown of sites per type of contract as at 31 March 2013



■ Alternative suppliers' market-priced contracts ■ Incumbent suppliers' market-priced contracts ■ Contracts at regulated rates

Residential retail markets

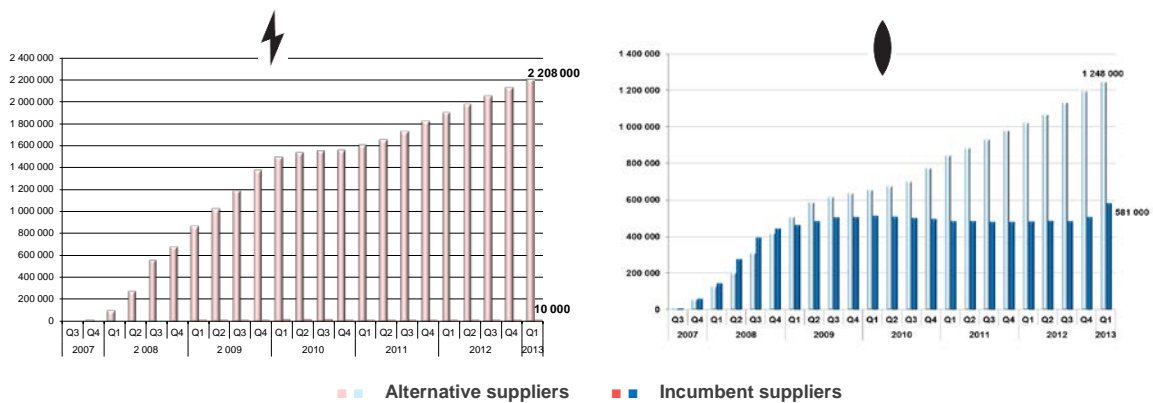
On the electricity market, the opening of the market has grown with 82, 000 additional customers (thus +3.8%) with contracts at market price at the end of the first quarter of 2013 (+75, 000 at the end of the fourth quarter of 2012).

On the gas market, 125, 000 additional customers subscribed to a market-price contract (+7.3 %) over the first quarter of 2013 (up from 87, 000 over Q4 2012).

On the electricity market, as at 31 March 2013, 2, 218, 000 sites, out of a total 31 million, have contracts based on market prices, 2, 208, 000 of which are with an alternative supplier.

On the gas market, 1.8 million sites, out of a total 10.6 million, have contracts based on market prices, 1.2 million of which are with an alternative supplier.

Number of residential customers with market-price contracts



Non residential retail markets

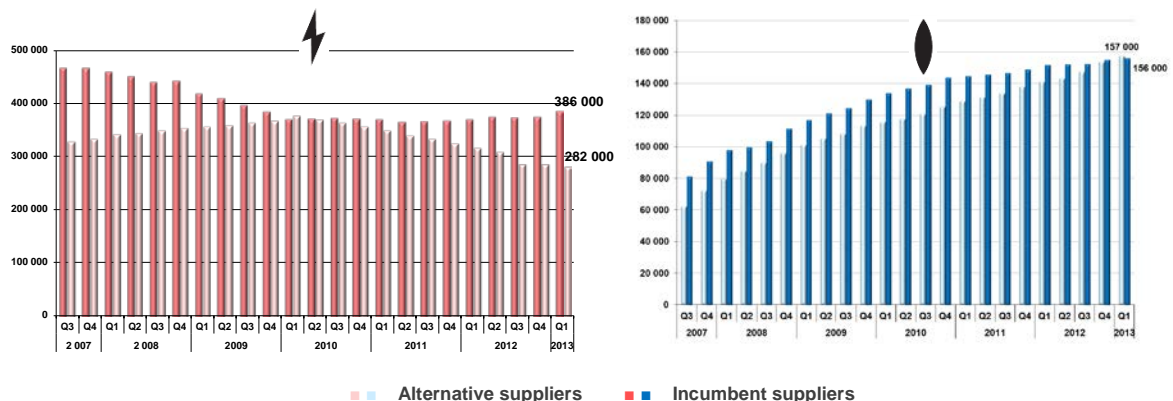
On the electricity market, the number of customers with market-price contracts has raised by 1% compared to the previous quarter with 6,000 additional customers.

On the gas market, there are 4, 800 additional customers with market-price contracts (representing a 1.6% gain) accrued over the first quarter of 2013 (+9, 000 during the fourth quarter of 2012).

As at 31 March 2013, 668,000 sites, out of a total 4.9 million, have electricity contracts based on market prices , 386, 000 sites are with an alternative supplier.

On the gas market, 314, 000 sites, out of a total 675, 000 sites, have market-price contracts, 157, 000 of which are with an alternative supplier

Number of non-residential customers with market-price contracts



All figures shown in this section were provided by network operators and energy suppliers and analyzed by the CRE.

WHOLESALE MARKETS

Electricity wholesale market

On the spot market for electricity (day-ahead and intraday), traded volumes remained unchanged from the previous quarter and increased compared to the first quarter of 2012 (+13%). **Regarding the term contracts market, traded volumes decreased** by 6% compared to the previous quarter to reach 144 TWh, and were stable compared to the first quarter of 2012. This decrease in volumes is caused by a large drop on the annual maturity, while activity was stable concerning quarterly and monthly contracts. The decrease in volumes is mainly due to a fall in traded volumes on the brokers platforms which concentrate most of the trading activity on the term products. The drop in volumes was less significant at the power exchange, but very important in term of proportion to the total traded volumes on this market venue.

The day-ahead baseload prices on EPEX SPOT established on average at € 54.3 /MWh, corresponding to an increase of 17% compared to the previous quarter but a decrease of 2.5% compared to the first quarter of 2012. **The spread between French and German prices strongly increased during the quarter**, from € 4.9 /MWh to € 12.0 /MWh. French baseload prices remained higher than German ones during the whole period. **The spreads on calendar contracts continued to widen between France and Germany:** baseload prices decreased in France (€ -4.0 /MWh) and in Germany (€ -4.5 /MWh), respectively averaging € 45.3 /MWh and € 42.2 /MWh.

The average nuclear generation rate decreased in the first quarter of 2013 and stood at 85.6% against 87.4% in the same period in 2012, reflecting a decrease in the availability of nuclear power plants (86.4% in 2013 against 88.6% in 2012 in the first quarter). **Hydro storage level declined reaching the end of March 45%** (against 70% in early January) following the seasonality observed for several years. **Imports also increased compared to the previous quarter**, due to increase in the electricity consumption (+10.5%). The net export balance is 7.3 TWh, down sharply at 41% compared to the fourth quarter of 2012.

Gas wholesale market

Day-ahead prices in Europe increased sharply during the last part of March. The European markets were affected by supply difficulties at the UK National Balancing Point (NBP), temperatures below the seasonal norms, very low stock levels and LNG imports still limited. Historical day-ahead prices spikes were registered on 22 March at the NBP (€ 41.97/MWh) and on 25 March at Zeebrugge, the NCG and the TTF (around € 41/MWh). The North PEG reached € 39.2/MWh, its highest level since the cold spell in early February 2012 (€ 45.6/MWh).

The day-ahead prices spread between the North and the South PEGs widened again during the 1st quarter of 2013. The spread established on average at € 2.25/MWh, increasing sharply compared to the previous quarter (€ 0.57/MWh) and reaching levels similar to those of the 3rd quarter 2012 (€ 2.74/MWh). With the saturation of GRTgaz's North-South link, prices at the South PEG are still sensible to the global LNG markets and trend to converge to the Spanish prices. Thus, the high levels registered during the quarter at the South PEG can be related to the strong upward trend of Asian LNG prices.

Volumes traded on the wholesale gas market in France increased by 22% against the previous quarter and by 25% compared to the 1st quarter of 2012. This increase was essentially led by Season contracts, especially those for delivery during the winter 2013/2014. The spot market also contributed to this trend, with traded volumes increasing by 29% against the previous quarter and by 22% over the 1st quarter of 2012.

CO₂ wholesale market

Regarding the CO₂ market, the 3rd Phase of the EU Emissions Trading Scheme (EU ETS) started on the 1st of January 2013, with around 50% of emissions allowances to be auctioned. For the power sector, 100% of allowances are to be auctioned, except for some EU Member States which were temporarily excluded from the full auctioning obligation for 2013. Auctions were organised on the common European platform (EEX) for 25 EU Member States, and on the two individual auction platforms- EEX for Germany and ECX for the United Kingdom.

EUA spot prices dropped during the first quarter of 2013 with an average price of €4.64/t, i.e. a decrease of 37% versus the fourth quarter of 2012 and a decrease of 39% versus the first quarter of 2012. Carbon prices were particularly low due to the economic crisis, the accumulated surplus of allowances since 2010 and **uncertainty around the backloading measure proposed by the European Commission in November 2012.** Indeed, the European Parliament's ITRE committee voted against the backloading measure in January whereas the ENVI committee voted in favour of it in February. **The CER spot price fell by 82% during the first quarter 2013** compared to the previous quarter, from €0.90/t to €0.16/t and was

close to zero during several weeks. This was in particular due to the exclusion of certain CER products from the EU ETS from the end of the Phase 2 compliance period.

Total EUA and CER volumes traded via exchange and brokers decreased by 22% during the first quarter 2013 versus the fourth quarter 2012, i.e. a decrease from 4,114 Mt to 3,220 Mt. During the first quarter 2013, EUA volumes traded on exchanges (2,361 Mt) decreased by 1% and EUA volumes traded via brokers (586 Mt) decreased by 17% versus the previous quarter. Volumes exchanged on the CER market strongly decreased during the first quarter 2013 versus the fourth quarter 2012, i.e. -73% on exchanges (175 Mt) and -74% on broker platforms (98 Mt). During the first quarter 2013, EUA volumes traded on exchanges were mainly term contracts – around 207 Mt were spot contracts, 1,445 Mt were Dec. 2013 contracts and 232 Mt were Dec. 2014 contracts.

Définitions

Since the total market opening as of 1st July 2007, consumers can choose from two different types of contracts:

- *Contracts at regulated end-user price: regulated tariffs offered only by incumbent suppliers.*
- *Contracts at market price are offered by both, incumbent and alternative suppliers, that fixe freely their prices.*

The market is divided into two categories of segments:

- *Residential sites, which are the households.*
- *Non residential sites, which regroup all the other consumers: professionals, large industrial sites, administrations, etc.*

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