

Monthly European Energy Market Trends

February-2026

Note: This is a new report that is intended to be issued monthly. The format and content may change slightly over the coming months, based on feedback from readers. Please feel free to send in any comments or suggestions for improvements to info@semopx.com

Contents

1. Introduction.....	3
2. Summary of Trends	4
3. Wholesale Electricity Prices	5
4. Gas Prices.....	7
5. Generation Mix	9
6. Interconnector Flows.....	11
7. Glossary	12

1. Introduction

The retail cost of electricity in Ireland – the price paid by households and businesses – consists of several key cost components. These reflect not just the cost of generating electricity but delivering it to where it is needed, managing the electricity system and government charges.

The wholesale electricity price relates to the cost of generating electricity and, typically, accounts for 30-40% of the retail cost of electricity. The wholesale electricity price is the price that electricity is bought and sold in bulk, typically by electricity generators, retailers and large energy consumers.

This report provides a summary of the latest trends in the factors influencing Western Europe and neighbouring countries wholesale electricity prices with a particular focus on the Single Electricity Market (SEM).

Section 2 provides a summary of the key trends seen in February 2026.

Section 3 compares wholesale electricity prices across key European jurisdictions over November 2025.

Sections 4, 5 and 6 provide further detail on the main drivers for the wholesale electricity prices namely gas prices, generation mix and interconnection.

Section 7 provides a glossary of some of the more technical terms used in this report.

2. Summary of Trends

In February 2026, wholesale electricity prices across Western Europe declined sharply year-on-year, reflecting strong renewable performance in several markets, and muted demand. Regional average prices fell 39% YoY, driven by a 39% reduction in gas prices and a 45% increase in wind generation. Month-on-month, prices dropped 27%, consistent with weaker demand (-18%) and a 34% decline in gas-fired output.

The SEM remained the highest-priced system at €107/MWh, though still 23% below February 2025 and 15% January 2026. Norway followed at €102/MWh. Spain registered the strongest downward movement, with prices falling 77% MoM.

France and Spain remained the lowest-priced systems, widening their gap with the rest of the region.

Gas markets remained highly volatile. The monthly average of 76 p/therm was 39% below last year and 15% below January.

Renewable output showed mixed patterns. Solar generation increased 1% YoY and 52% MoM, while wind output rose 45% YoY but declined 14% MoM. Divergent wind conditions shaped country-level dynamics: SEM recorded a 6% MoM increase in wind generation, while Great Britain experienced a 14% MoM decline, reflected in gas-fired output (SEM -30%; GB -22%). Year-on-year, SEM's wind output fell 11%, pushing gas-fired generation up 7%, whereas GB's 17% wind increase contributed to an 11% reduction in gas output and a 28% YoY drop in prices.

Nuclear availability continued its downward trend, falling 18% MoM and 7% YoY, with declines observed across France, the Netherlands Great Britain, and Spain.

Interconnector flows broadly aligned with price signals. Spain, as the lowest-priced system, increased exports and became a net exporter to France, which in turn exported to its northern neighbours. SEM recorded a 3% increase in exports and a 20% reduction in imports.

3. Wholesale Electricity Prices

Wholesale electricity prices fluctuate over time in Western Europe and neighboring regions based on several factors, including gas prices, renewable generation, interconnection, and seasonal demand.

In February 2025, average wholesale electricity prices in the region were 39% lower year-on-year. This decline aligns to, a 39% reduction in gas prices and a 45% increase in Wind generation. Month-on-month, prices drop by 27% compared to January 2025, aligned to 15% decreased in gas prices. This decrease was also correlated with an average of 18% drop in demand, a 34% decrease in gas generation.

Among the jurisdictions observed, SEM recorded the highest average price, at €107/MWh, standing 23% below the prices for that month last year and 15% below the prices for January 2026.

Norway maintained the upward trend in prices observed since January 2026, closing February at an average of 102 €/MWh. This positioned it as the second most expensive system, just 5 €/MWh below the SEM. As a result, after several years consistently closing with a net export position through its interconnectors, Norway ended February as a net importer from continental European countries and Great Britain.

Spain recorded the largest drop in prices, with a 77% decrease compared to January 2026.

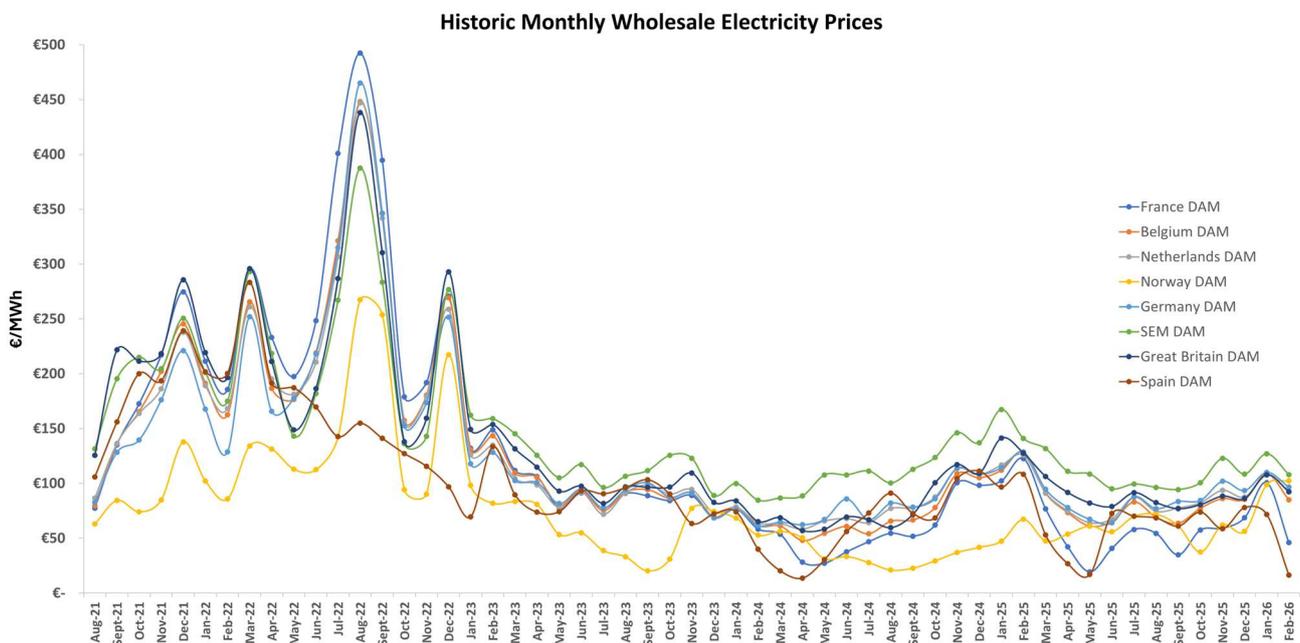


Figure 1: Historical Average Monthly Wholesale Prices in European Jurisdictions

Data source: Montel EnAppSys [BE, FR, GB, NO, NE], ENTSO-E transparency platform [DE, SP], SEMOpX [SEM]

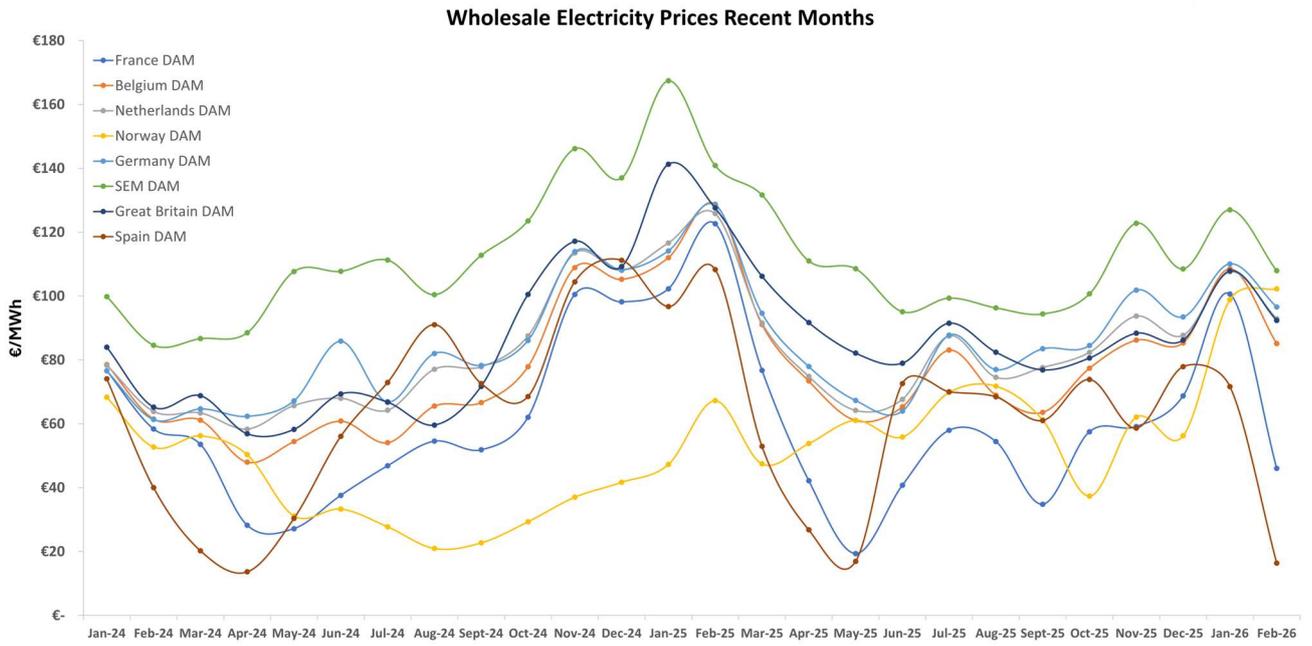


Figure 2: Average Wholesale Prices Recent Months - Jan 2024 to Feb. 2026

Data source: Montel EnAppSys [BE, FR, GB, NO, NE], ENTSO-E transparency platform [DE, SP], SEMOpX [SEM]

4. Gas Prices

Gas prices have a substantial impact on wholesale electricity costs across Western Europe and neighboring regions. Markets with a high dependence on gas-fired generation, such as SEM, are particularly affected.

Gas prices in February 2026 remained highly variable closing with an average price off 76 p/Therm, 39% below the prices on February last year and 15% under January prices.

Prices were influenced by shifting weather forecasts, declining storage levels and recurring geopolitical developments.

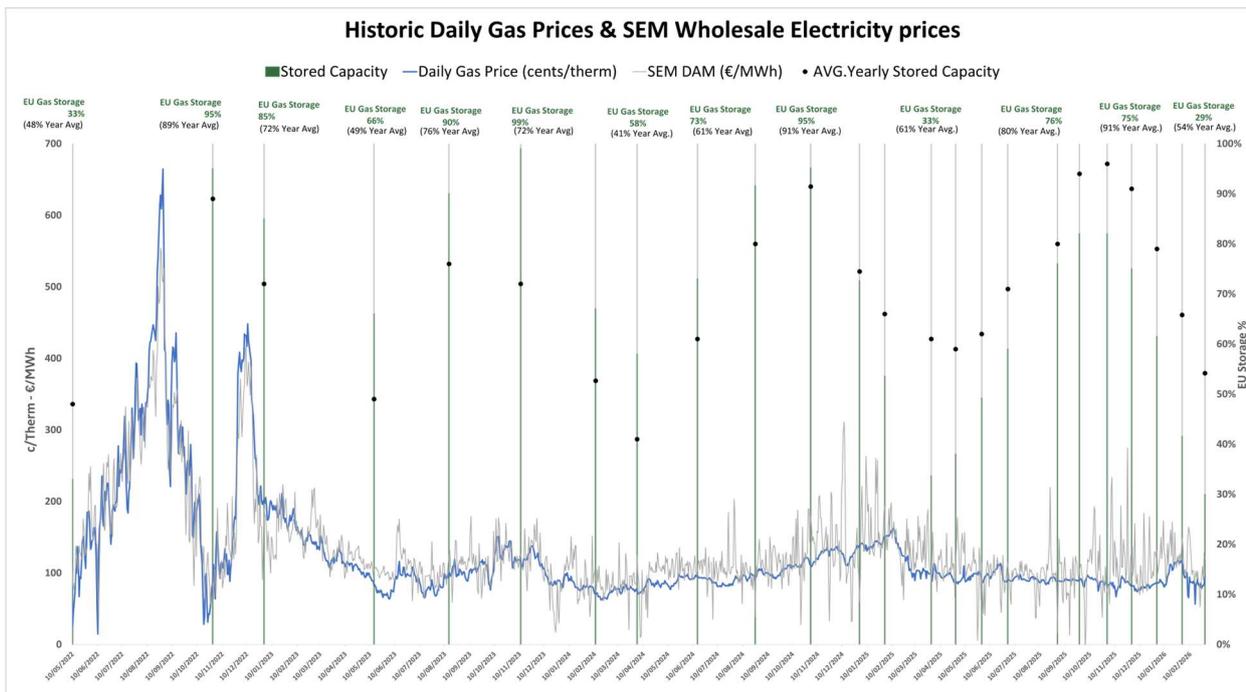


Figure 3: Historical Gas Prices

Data source: GMO operational Data Daily gas price, ENTSO-g Gas dashboard

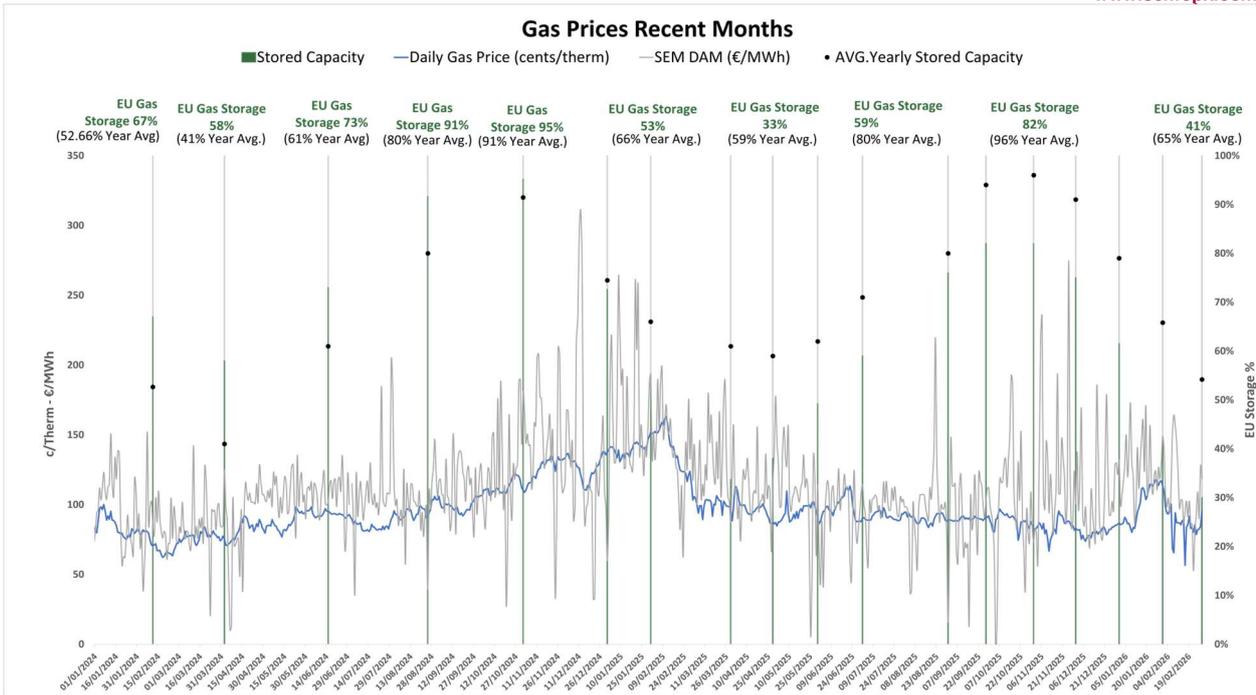


Figure 4: Gas Prices Recent Months - Jan 2024 to February 2026.

Data source: GMO operational Data Daily gas price, ENTSO-g Gas dashboard

5. Generation Mix

The generation mix continues to play a crucial role in shaping wholesale electricity prices across Western Europe and neighboring regions. Generally, a higher share of renewables results in lower prices, while lower renewable output increases reliance on conventional generation.

In February 2026, solar generation increased by 1% year-on-year and by 52% compared to January 2026. Wind generation rose 45% year-on-year but declined 14% month-on-month.

The impact of renewable generation varied considerably across countries. Although SEM and Great Britain are geographically close and both rely significantly on renewable output, they experienced different wind-generation patterns. Month-to-month, SEM recorded a 6% increase in wind generation, while GB experienced a 14% decline. These wind shifts were directly reflected in gas-fired generation: SEM reduced its gas-fired output by 30%, compared with a 22% decrease in GB. As a result, SEM exhibited a sharper reduction in wholesale prices, falling 15% compared to January 2026, versus a 14% decline in GB.

Year-on-year, SEM recorded an 11% decrease in wind generation, which translated into a 7% increase in gas-fired output. GB, on the other hand, increased wind generation by 17%, leading to an 11% reduction in gas-fired output and a resulting 28% year-on-year drop in wholesale prices compared to February 2025.

Spain and France continued to show the lowest prices among the systems analysed, widening their gap to nearly half the price levels observed in the rest of the countries. Spain posted an average price of 16.41 €/MWh, 85% lower than in February 2025 and 77% lower than in January 2026. The month-to-month decline aligned to a 14% reduction in demand, a 43% decrease in gas-fired generation, and despite a 26% drop in wind output, solar generation increased by 84%. Compared with 2025, gas generation fell by 28%, wind output grew by 62%, and solar generation rose by 29%.

France followed a similar pattern to Spain, with demand falling 18% compared to January. Wind generation increased by 4% month-on-month, solar rose by 25%, and gas-fired output dropped by 66%. Year-on-year, wind generation increased by 69%, accompanied by a 55% reduction in gas-fired generation.

Total nuclear generation continued its downward trend, ending the month 18% below January 2026 levels and 7% below the previous year, in which, France also recorded an 18% month-on-month and 2% year-on-year decrease. The Netherlands saw a 16% MoM and 4% YoY decline, Great Britain recorded a 12% MoM and 13% YoY drop, and Spain posted a 12% MoM and 18% YoY reduction.



Figure 5: Generation Mix and Prices in Selected European Jurisdictions – February 2026.

Data source: Montel EnAppSys [Prices - BE, FR, GB, NO, NE], Fraunhofer Energy-Charts [Fuel Mix - BE, FR, GB, NO, NE], ENTSO-E transparency platform [DE, SP], SEMOpx [SEM]

6. Interconnector Flows

Interconnection plays a key role in enhancing the efficiency and stability of the electricity market across Western Europe and neighboring regions by enabling electricity to flow from low-price areas to high-price areas.

In February 2026, interconnector flows broadly followed market price signals. However, an unusual pattern was observed between Belgium and the Netherlands: despite Belgium recording a lower average price than the Netherlands, flows moved predominantly from the Netherlands into Belgium.

Spain, as the lowest-priced market in the region, increased its export flows and was a net exporter to France. Consequently, France became a net exporter to the rest of its neighbouring markets and did not import from Great Britain or Germany during the month.

Great Britain, remained a net importer. However, flows from Belgium and the Netherlands declined, consistent with GB's shift toward becoming a lower-cost system compared with Germany and the Netherlands.

SEM recorded a 3% increase in exports and a 20% decrease in imports.

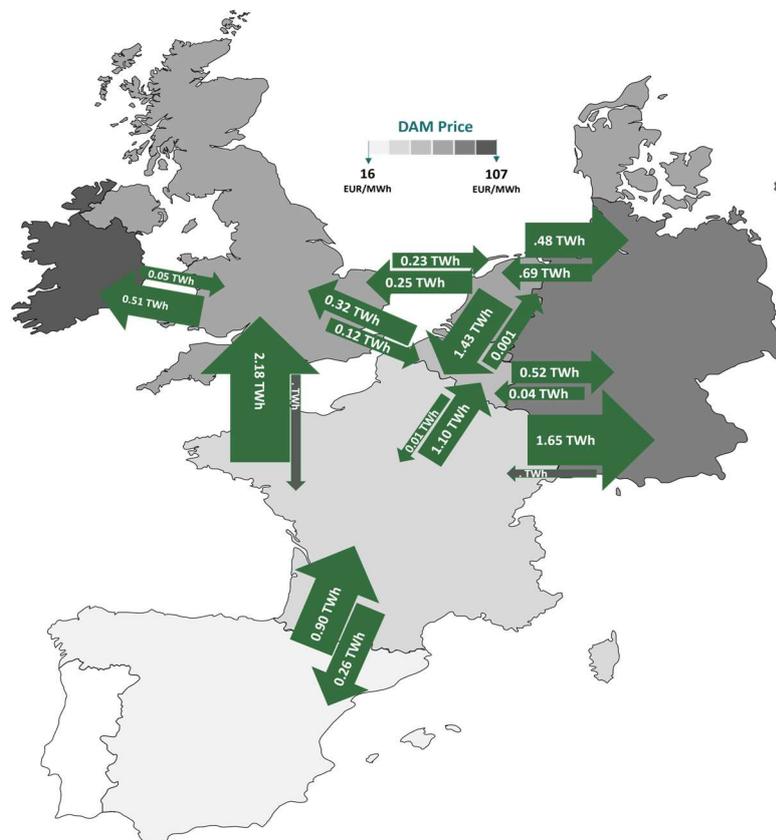


Figure 6: Europe Interconnector Physical Flows - February 2026.

Data source: Fraunhofer Energy-Charts, ENTSO-e transparency platform, SEMOpX

7. Glossary

The glossary provides a description of the key terms used in the report.

Term	Definition
Average Monthly Wholesale Prices	Refers to the average of the hourly day-ahead wholesale electricity prices for a given month.
Capacity Factor	Is a measure of how much energy a generator produces relative to its technical maximum energy output. It is especially relevant for renewable sources like wind or solar where generation levels are variable dependent on the wind or solar intensity.
Day-Ahead Market (DAM)	The Day-Ahead Market is the forward electricity market where electricity is bought and sold one day in advance of the actual delivery. It is the key index for wholesale electricity prices.
Wholesale Electricity Price	Refers to the prices for which electricity is bought and sold in bulk, typically by electricity generators, retailers and large energy consumers. It is a key component of the cost electricity but represents only part of the total cost of electricity supply.
SEM	The Single Electricity Market is the electricity market arrangements that cover the island of Ireland namely Ireland and Northern Ireland.