

Commercial & Industrial

Wholesale market update

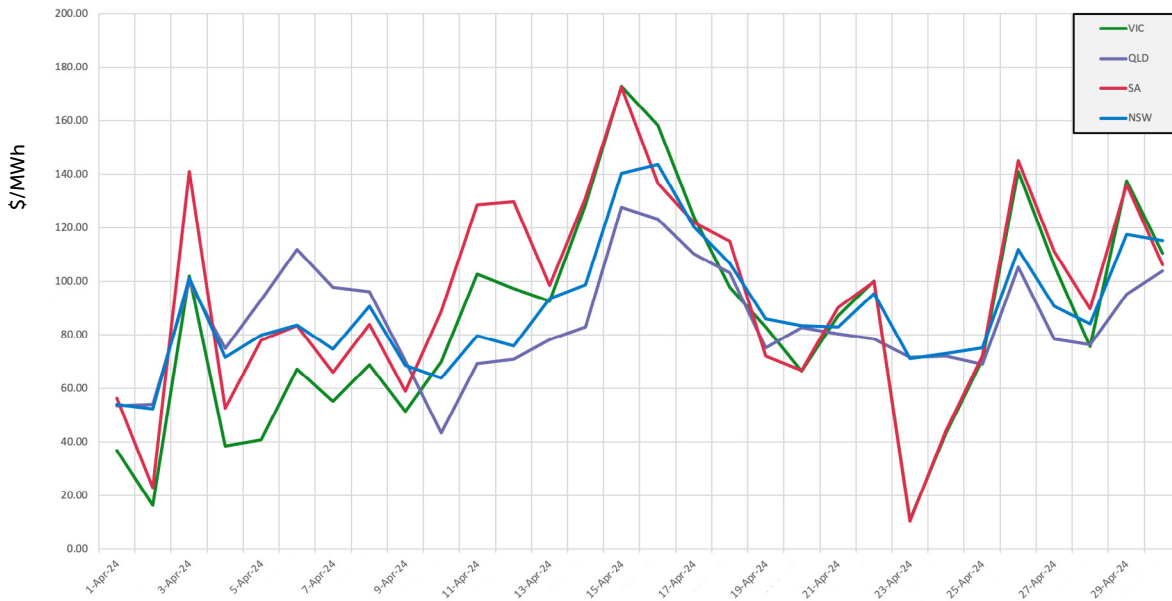
April 2024



EnergyAustralia
LIGHT THE WAY

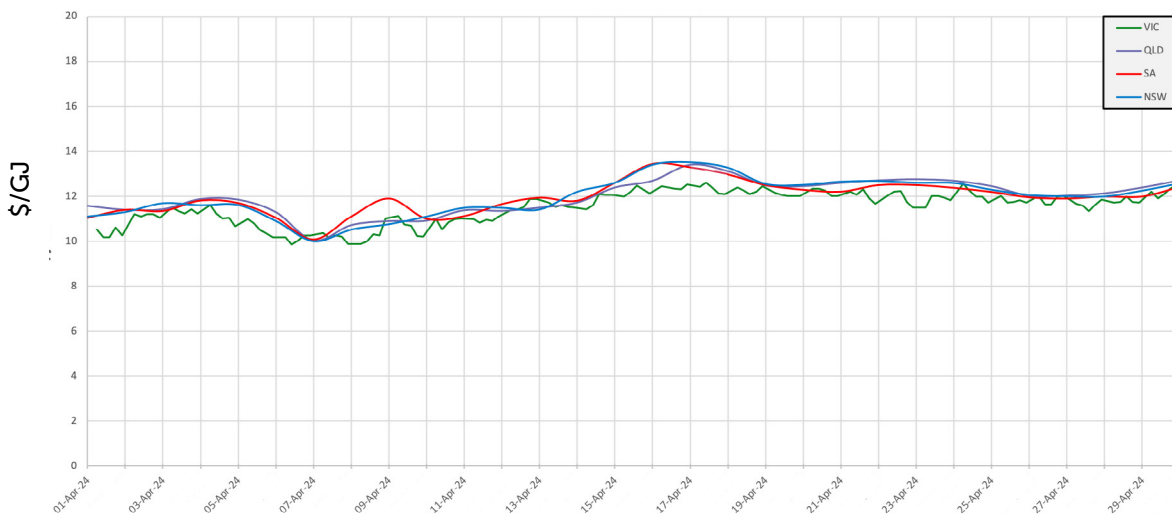
Physical (spot) market summary

April average electricity spot prices



- Average spot prices were up 15% to 60% across all states compared to last month, primarily driven by lower wind generation. Price separation between the north and the south was not material in April.
- A prolonged period of wind drought, observed in mid-April and caused by a high-pressure system, resulted in a historic low for total wind output in April – 10% below the output for the same time last year, despite the addition of 1GW capacity.
- April saw a seasonal reduction in National Electricity Market (NEM) maximum demand compared to March due to the cooler weather, however demand was still at the fourth highest level since 2004.
- Wind drought in SA (lowest daily average wind output at 182 MW) on 3 April pushed the average spot price above \$140/MWh and the dip in spot price on 23 April was again driven by a spike in wind production – the highest in April at 1,247 MW.

April average gas spot prices

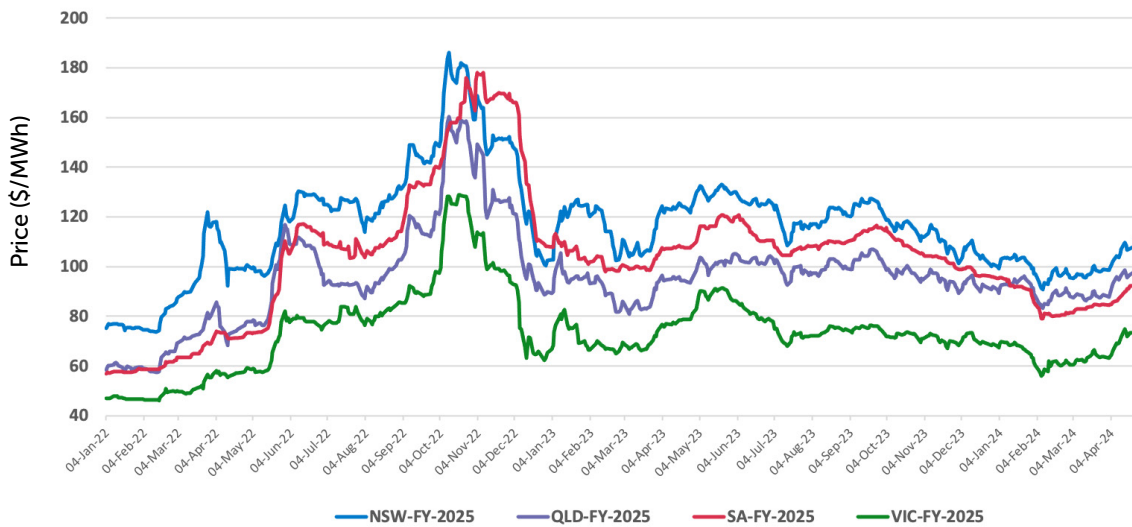


- Gas prices for April have again moved sideways relative to the previous month. The average gas price for the Short Term Trading Market (STTM) only increased by 1 cent per GJ to \$12/GJ, while the Declared Wholesale Gas Market (DWGM) increased by 35 cents per GJ to \$11.51/GJ. Overall, the movement was +1 cent per GJ.
- The STTM and DWGM demands did have an increase of about 5 PJ or 31% coming out of the summer months, with most of that increase coming from the Victorian side. Participants, however, maximised their supply from Longford, used gas stored from close to full Iona storage and flowed more gas from QLD to VIC and NSW via the Southwest Queensland Pipeline (SWQP) and Culcairn injection point on the Moomba to Sydney Pipeline (MSP), which kept a lid

- Iona storage plant was still net refilling, though the refill rate significantly slowed down (by 33%) as the plant was close to full at 23.9 PJ or 98% stored. Other storage facilities such as Dandenong LNG storage and Newcastle Gas Storage were also close to full ahead of winter.
- Gas-fired power generation consumption in the mainland portion of the NEM also increased by 14% to 7 PJ due to significant plant and transmission line outages in the NEM.
- Worth noting that Qenos went into voluntary administration on 17 April, which is a risk to Longford gas production, should the company stop consuming ethane. At this stage, the company is continuing to operate normally in the DWGM and Sydney STTM.
- Lastly, LNG exports in Curtis Island reduced by 7% to ~9.6 PJ due to train outages at Gladstone Liquefied Natural Gas (GLNG). Average daily production for April was 4 PJ/day.

Futures electricity market summary

2025 CAL FWD SWAP

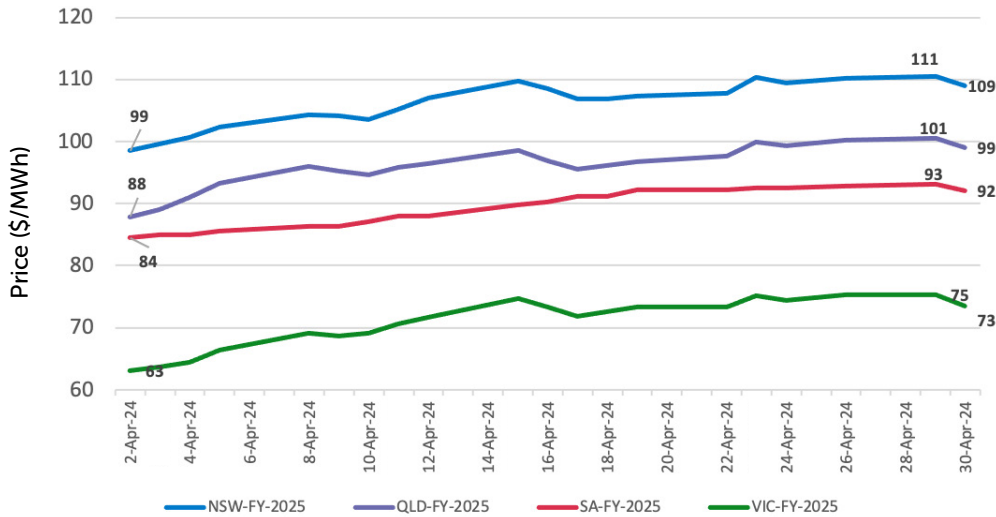


- All NEM regions experienced higher spot prices, translating to higher swap futures for FY-25 and FY-26 in April 2024.
- VIC experienced a significant lift in spot prices, which averaged \$84.80/MWh for the month, an increase of \$32.80/MWh on March 2024. VIC often traded at a premium to NSW and QLD and settled at similar levels to NSW (\$89.83/MWh) and QLD (\$84.81/MWh).
- The week from 11 to 18 April 2024 saw average VIC prices of \$121, peaking on 15 April at \$172/MWh.
- The higher VIC spot prices were caused by low wind generation and both planned and unplanned outages at Yallourn Power Station.
- The FY-25 and FY-26 futures swap contracts increased in price across all regions. VIC lifted by 16.5% in FY-25 off the strong spot prices. NSW and QLD also rose, with the FY-25 NSW reaching a maximum of \$110.55/MWh on 29 April 2024.
- The SA prices rose, but limited trading and liquidity prevented it from matching the uplift experienced by VIC.

FY-25 Futures Swap Contract (\$/MWh)

Region	Max Trade Price (29-Apr-24)	Average Trade Price	1st Trade Day (2-Apr-24)	Last Trade Day (30-Apr-24)	Variance (Last minus 1st) \$/MWh	Variance %
NSW	111	106	98.6	109.0	10.4	10.6%
QLD	96	96	87.9	99.1	11.2	12.7%
VIC	75	71	63.1	73.5	10.4	16.5%
SA	93	89	84.5	92.1	7.6	9.0%

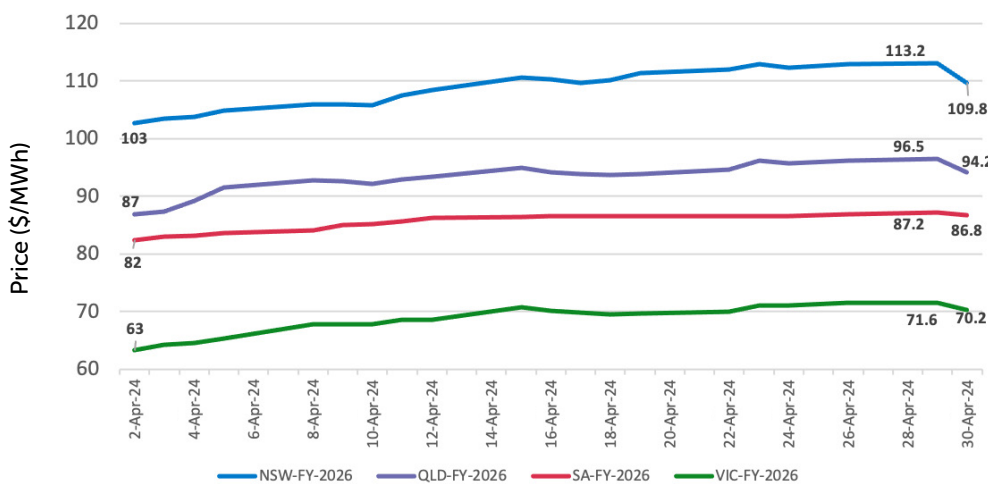
FY-25 Swap Price by Region (Apr-24)



- The FY-26 NSW reached a maximum of \$113.15 on 29 April. The curve retreated by \$3.40/MWh on 30 April, coinciding with an article published by the Guardian, which discussed the Eraring Power Station generator being extended by up to four more years via an agreement between Origin Energy and the NSW Government.

FY-26 Futures Swap Curve (\$/MWh)						
Region	Max Trade Price (29-Apr-24)	Average Trade Price	1st Trade Day (2-Apr-24)	Last Trade Day (30-Apr-24)	Variance (Last minus 1st) \$/MWh	Variance %
NSW	113	109	102.7	109.8	7.0	6.9%
QLD	93	93	86.9	94.2	7.3	8.4%
VIC	72	69	63.2	70.2	7.0	11.0%
SA	87	86	82.4	86.8	4.4	5.3%

FY-26 Swap Price by Region (Apr-24)



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