Business and Commercial

Wholesale market update

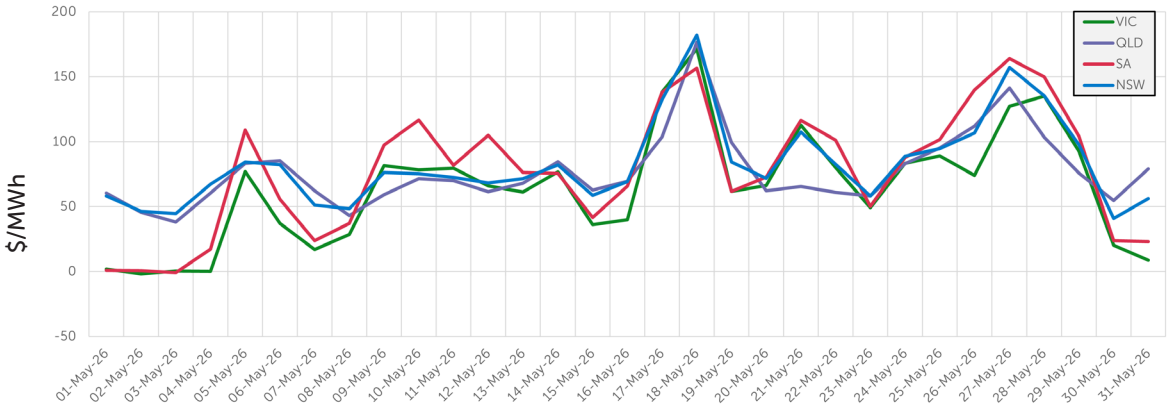
May 2026

EnergyAustralia

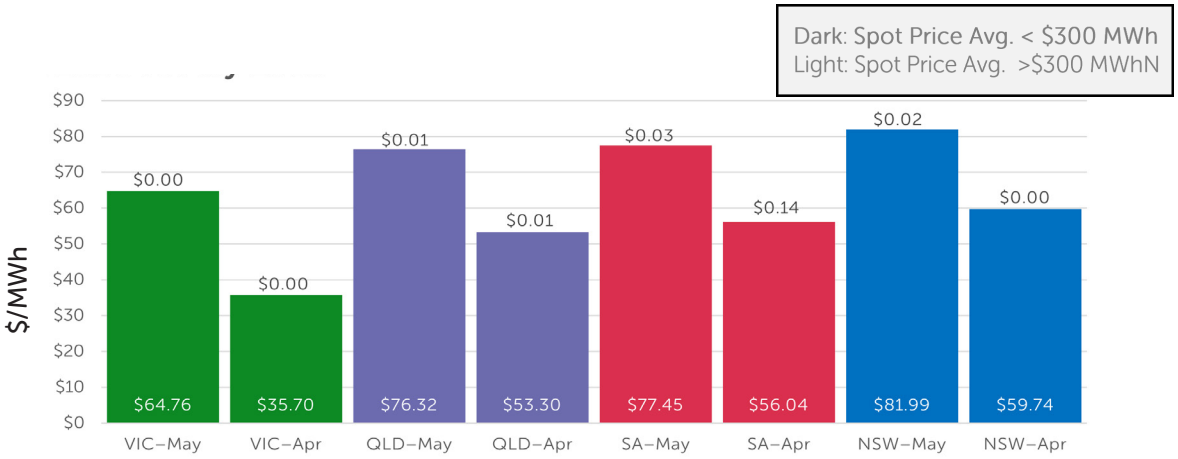
LIGHT THE WAY

Physical (spot) market summary

May average daily electricity spot prices



Average monthly electricity spot prices ($/MWh)



Graph note: The price analysis divides the average spot electricity price into two components:

- The average spot price capped at $300/MWh, and
- The cap return component (also referred to as volatility), which reflects the contribution to the monthly average of spot prices above $300/MWh.
- The absence of the lighter shaded area reflects the limited occurrence of spot prices exceeding $300.

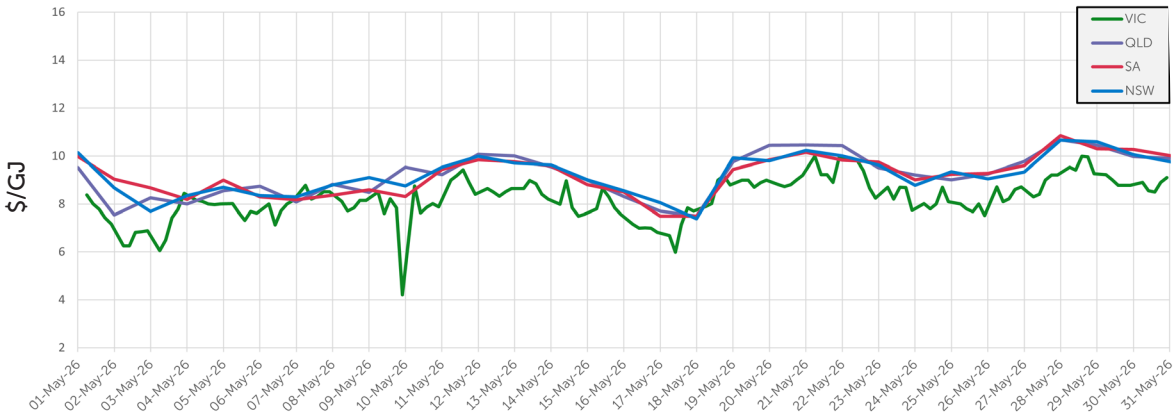
- Demand lifted in May as cooler weather drove heating load, with average demand rising to 21.8 GW (+7.2% MoM, +1.2% YoY) and maximum demand reaching 29.5 GW (+6.5% MoM, –1.6% YoY).

- Spot prices rebounded across the mainland in May, settling in the mid $60 to low $80/MWh. All regions remain well below May 2025, with NSW showing the largest year-on-year decline.

- Wind output rose to an average of 93.5 GWh/day (+8.5% MoM, +17.4% YoY). Solar output fell to an average of 40.9 GWh/day (–27% MoM, +5.5% YoY) on shorter daylight hours.

- Despite the commonly seen pattern of suppressed midday prices, May was a reminder that the market can turn quickly when renewable supply falls short. On 18 May, a National Energy Market (NEM)-wide wind and solar drought inverted the usual duck curve, with spot prices exceeding $300/MWh across NSW, QLD and VIC during middle of the day before subsiding to $100–$140/MWh in the evening.

May average gas spot prices



- Gas prices eased to $9.0/GJ in May (down from $10.2/GJ in April), reflecting a $1.2/GJ drop on average; regional pricing was broadly aligned (QLD/NSW/SA ~$9.2, VIC lower at $8.4).
- The decline was driven by soft demand across both gas-fired generation and the mass market, with mild weather reducing heating needs and overall electricity demand.
- Gas-fired generation was minimal, as strong renewable output, good coal availability, and increased battery participation reduced reliance on gas for firming.
- As a result of weaker demand, IONA storage remained elevated at 24.9PJ at end May.
- Planned and unplanned outages at Curtis Island towards the back end of May and into June, reduced gas demand from Queensland Curtis LNG (QCLNG), Gladstone LNG (GLNG), Australia Pacific LNG (APLNG) from a usual 4.4PJ/d to 3.6PJ/d, a decrease of ~800TJ/d. Combined with high storage levels and limited withdrawal, this drove prices as low as $5–$6/GJ, leaving the market long on gas.

Futures electricity market summary

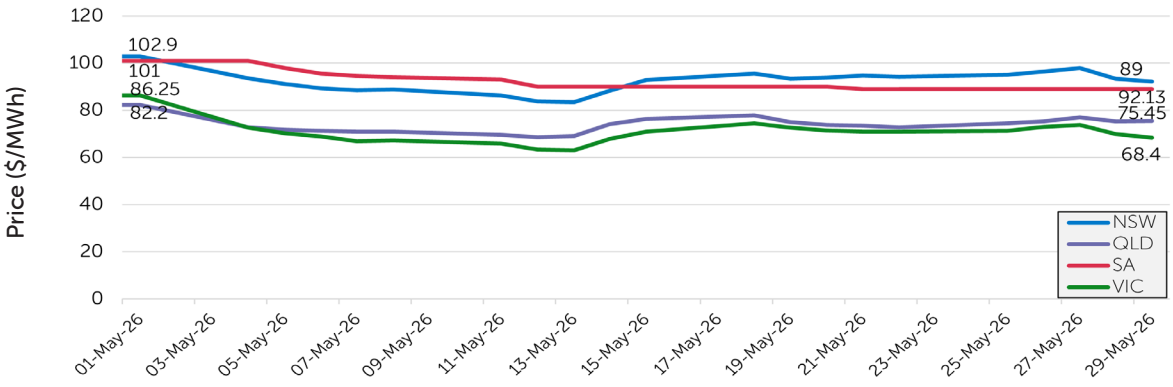
As touched on in the spot market summary May started slowly with the current-quarter (Q226) swap settling net weaker over the month across most regions. SA (-12.75% to $89.00/MWh) and VIC (-8.80% to $68.40/MWh) led the falls and NSW eased -4.17% to $92.13/MWh. QLD (+2.31% to $75.45/MWh) was the only region to firm with several interconnector outages limiting imports during periods of high renewable output in the southern states.

The general softness in spot has flowed through into the longer-dated contracts. The FY27 strip declined across all mainland regions, closing roughly 5–8% below month-open levels (NSW -7.35%, QLD -7.97%, VIC -7.77%, SA -4.93%). Prices bottomed out in mid-May before stabilising, as a brief but severe wind drought underscored the persistence of upside risk. The downward trend has carried into early June, as a return to typical wind conditions and muted heating demand (driven by unseasonably warm weather) continue to pressure the curve.

Q2-26 Swap Contracts			
Region	Peak	End of May	Change
NSW	$98.0 /MWh	$92.1 /MWh	▼ $5.9
QLD	$77.8 /MWh	$75.5 /MWh	▼ $2.4
VIC	$75.0 /MWh	$68.4 /MWh	▼ $6.6
SA	$102.0 /MWh	$89.0 /MWh	▼$13.0

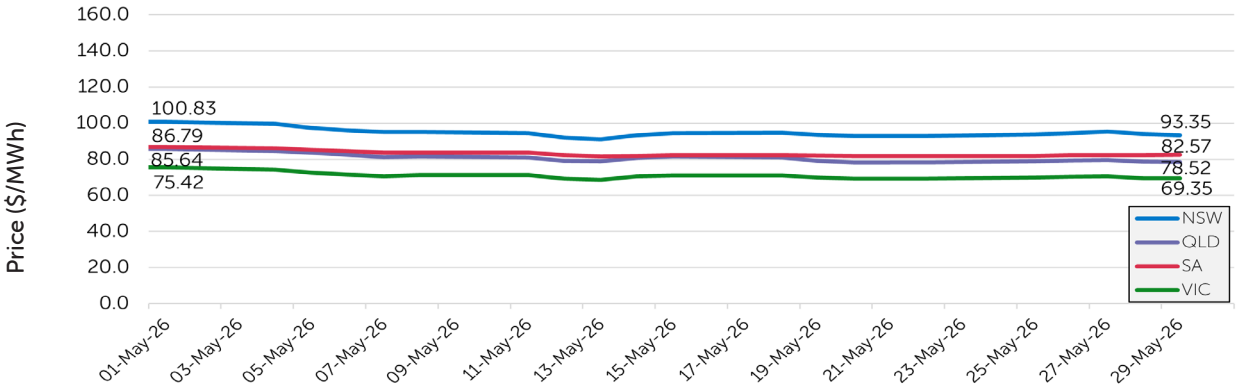
FY27 Swap Contracts			
Region	Peak	End of May	Change
NSW	$100.8 /MWh	$93.4 /MWh	▼ $7.4
QLD	$85.3 /MWh	$78.5 /MWh	▼ $6.8
VIC	$75.2 /MWh	$69.4 /MWh	▼ $5.8
SA	$86.9 /MWh	$82.6 /MWh	▼ $4.3

Q2-26 Swap



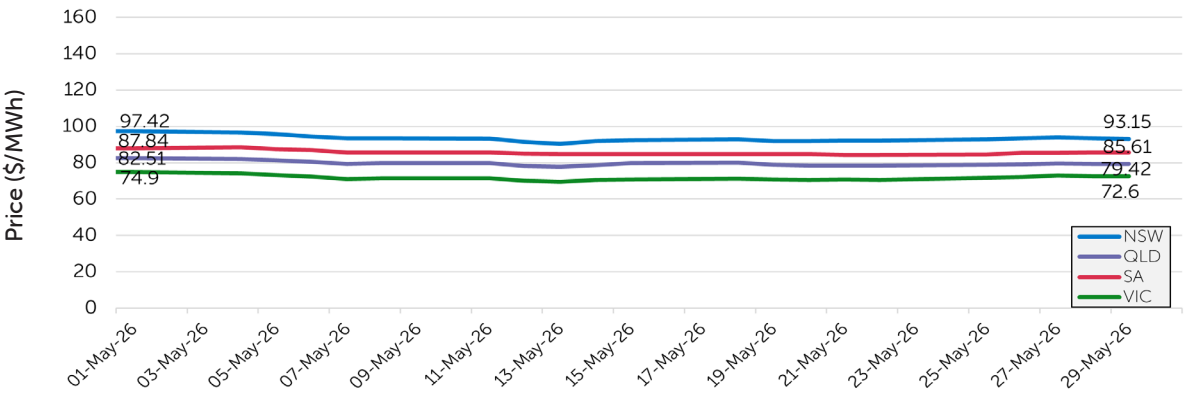
2026 Q2 Swap						
Region	Max trade price	Average trade price	Opening Price (1 May 2026)"	Last trade day (29 May 2026)	Variance (last minus open) $/MWh	Variance %
NSW	98.0	91.8	102.9	92.1	(10.8)	-10.5%
QLD	77.8	73.3	82.2	75.5	(6.8)	-8.2%
VIC	75.0	92.0	86.3	68.4	(17.9)	-20.7%
SA	102.0	70.0	101.0	89.0	(12.0)	-11.9%

FY27 Swap curves (May 2026)



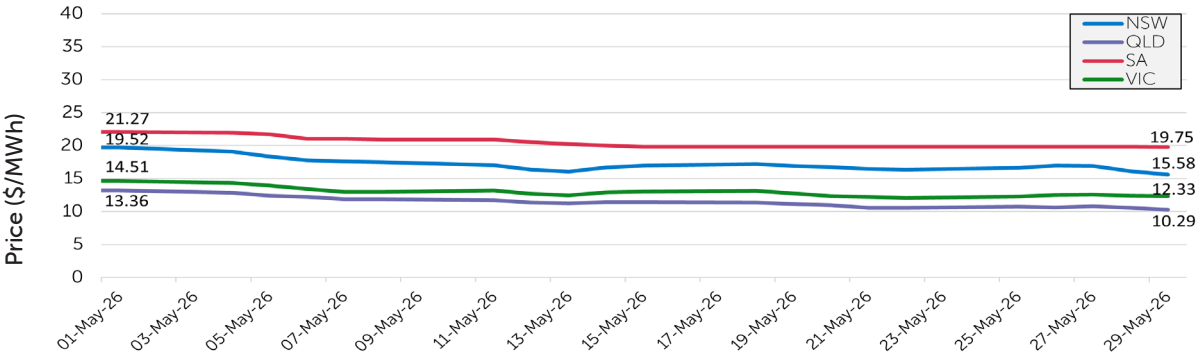
FY27 swap curve ($/MWh)						
Region	Max trade price	Average trade price	Opening Price (1 May 2026)	Last trade day (29 May 2026)	Variance (last minus open) $/MWh	Variance %
NSW	100.8	94.6	100.8	93.4	-7.5	-7.4%
QLD	85.3	80.4	85.6	78.5	-7.1	-8.3%
VIC	75.2	70.6	75.4	69.4	-6.1	-8.0%
SA	86.9	83.0	86.8	82.6	-4.2	-4.9%

FY28 Swap curves (May 2026)



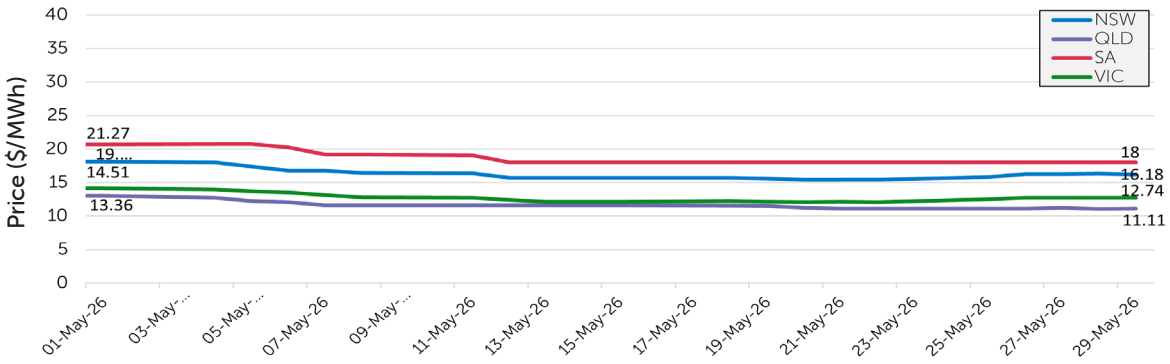
FY28 swap curve ($/MWh)						
Region	Max trade price	Average trade price	Opening Price (1 May 2026)	Last trade day (29 May 2026)	Variance (last minus open) $/MWh	Variance %
NSW	97.7	93.3	97.4	93.2	-4.3	-4.4%
QLD	82.7	79.5	82.5	79.4	-3.1	-3.7%
VIC	75.1	71.7	74.9	72.6	-2.3	-3.1%
SA	88.8	85.6	87.8	85.6	-2.2	-2.5%

FY27 FWD CAP (May 2026)



FY27 Cap curve ($/MWh)						
Region	Max trade price	Average trade price	Opening Price (1 May 2026)	Last trade day (29 May 2026)	Variance (last minus open) $/MWh	Variance %
NSW	19.4	17.1	19.7	15.6	-4.0	-20.3%
QLD	12.9	11.4	13.2	10.3	-2.9	-21.9%
VIC	14.5	12.9	14.6	12.3	-2.3	-15.7%
SA	22.0	20.4	22.1	19.8	-2.3	-10.4%

FY28 FWD CAP (May 2026)



FY28 Cap curve ($/MWh)						
Region	Max trade price	Average trade price	Opening Price (1 May 2026)	Last trade day (29 May 2026)	Variance (last minus open) $/MWh	Variance %
NSW	18.1	16.2	18.1	16.2	-2.0	-11.0%
QLD	12.8	11.6	13.0	11.1	-1.9	-14.5%
VIC	14.1	12.7	14.1	12.7	-1.4	-9.8%
SA	20.8	18.7	20.7	18.0	-2.7	-12.9%

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