

Commercial & Industrial

Wholesale market update

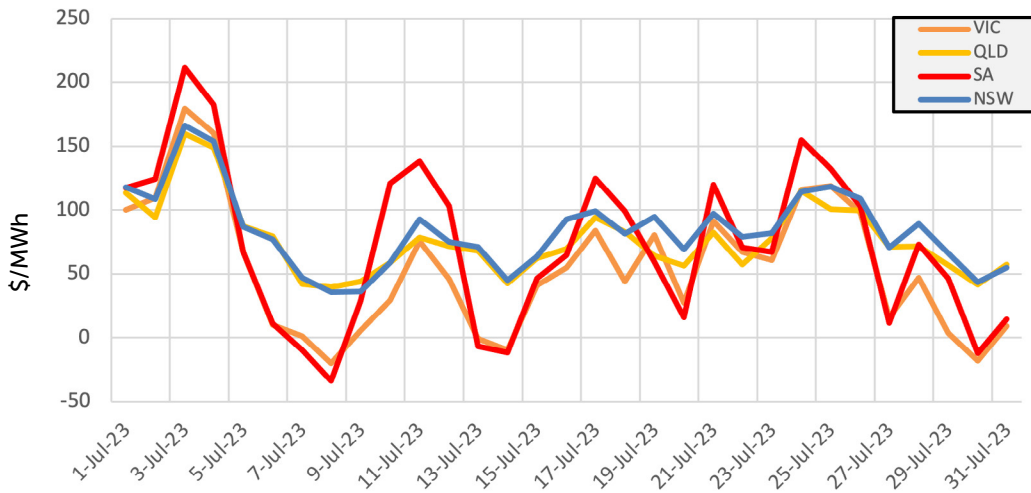
July 2023



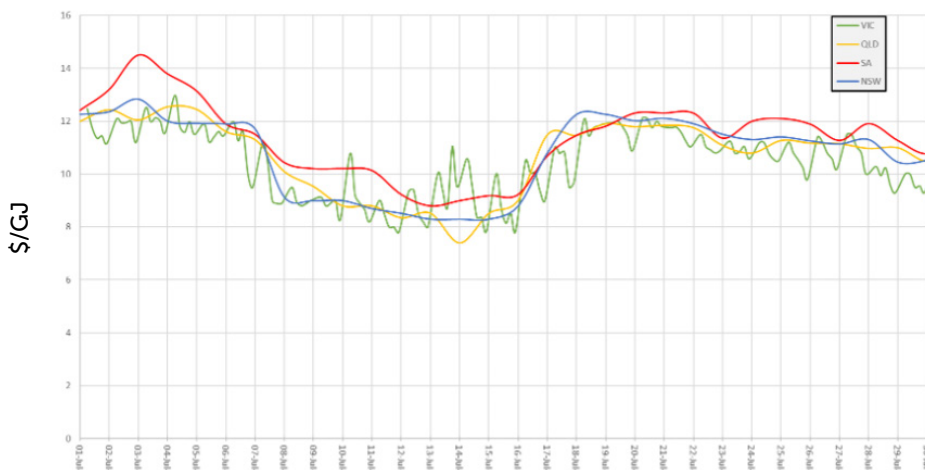
EnergyAustralia
LIGHT THE WAY

Physical (SPOT) market summary

July average electricity spot prices



July average gas spot prices



- Electricity SPOT prices have continued to fall through July in NSW, QLD and SA due to mild winter temperatures, strong wind generation and stable baseload supply
- Utility solar output saw a 15% increase from the lowest point in June which is in line with the seasonal trend
- There was a National Electricity Market (NEM) wide wind output record set on 7 July at 7:25PM with a new high of 8,128MW
- The Market Price Cap increased to \$16,600/MWh on 1 July
- Wholesale gas prices were predominately in the \$8–12 / GJ range for July. This is significantly lower than the 12 months prior due to IONA gas storage having an inventory above 20 PJ (the highest in history for this time of the year) and milder conditions than average in Victoria resulting in reduced demand

Futures electricity market summary

2024 CAL FWD SWAP



- The balance of 2023 SWAPS have fallen in price by 30%, while CAPS have fallen up to 80% over the month of July
- Winter 2023 has been relatively mild compared to previous years which has seen the Q3 2023 CAPS fall to under \$4 in all regions except SA
- CAL24 SWAPS have fallen in price by around 5% this month. There are two forces contributing to this drop; the extreme heatwave in the northern hemisphere has made the market believe the same could happen in the southern hemisphere, however the Bureau of Meteorology (BOM) has not yet declared that an El Nino will form, tempering those views
- Higher Q1 2024 CAP prices in NSW (\$43) and QLD (\$58) suggests we might experience hot periods and extreme demand. Consequently, NSW and QLD will feel the biggest stress from this, due mainly to Callide C Power Station being unavailable until after Q1 2024
- Looking ahead to 2025, there were news stories that Eraring Power Station would remain open past 2025 with 2 out of the 4 units available, and that the government may possibly fund the cost of the extension. At this time this remains speculation, however the conjecture is that this could be a likely scenario, as replacement generation is taking longer than expected to be established.

Join us at Sydney Zoo for an unmissable customer event

The Commercial and Industrial team at EnergyAustralia is hosting a customer event at Sydney Zoo in Western Sydney and we'd be excited if you, as our valued customer, could join us. This is a great opportunity to learn about what is happening in the wholesale market with an update from members of our electricity and gas trading teams, the regulatory and governance team and you'll gain some valuable insights into the commercial solar energy market. Plus, we are happy to welcome a special guest, Guy Olian from Smart Ease – a fintech organisation specialising in funding decarbonisation and digitisation technologies for businesses.

Where: Meerkat Wing, Sydney Zoo, 700 Great Western Highway, Bungarribee NSW

When: Tuesday 12 September, 11.00am to 3.30pm (approx.)

What: Presentations and light lunch

Numbers are limited. To register your attendance please email tyf.wallace@energyaustralia.com.au and include;

- Your organisation
- First and last name of all who'd like to attend
- Any dietary requirements

If you have any questions or would like to know more, please reach out to your account manager or our customer care team on [1300 362 466](tel:1300362466).

Compensation charges related to June 2022 market suspension

The Australia Energy Market Commission still negotiating with Generators

The Australian Energy Market Commission (AEMC) continues to finalise negotiations for compensation with Generators that were directed on by Australian Energy Market Operator (AEMO) during June's 2022 market suspension. EnergyAustralia have sought clarification from the AEMC on timing and order of magnitude of potential compensations charges that might be passed through to Participants (retailers) to recover from end users.

Unfortunately, we have not been provided with details at this time but we will share information with you, our valued customers when it comes to hand. If you wish to learn more about the events and charges from the market suspension, you can [watch our webinar](#) on the topic (you'll find the video towards the middle of the page) or [read](#) the latest compensation update from AEMO.

Demand response

Did you know demand response can help businesses generate a revenue?

As Australia makes its clean energy transition, there are times when peak demand and extreme weather can risk energy shortages or even blackouts across the country. One way businesses can help is to participate in EnergyAustralia's Demand Response program – where large companies can earn financial rewards when they reduce their energy use and take pressure off the grid.

To learn more about how your business may take advantage of this program, you can [read more on our website](#), call your Account Manager, or register your interest by [submitting a form](#).

EnergyAustralia's energy management tool

InsightsPro, EnergyAustralia's energy management portal for large business customers, provides valuable insights to help you make better informed energy decisions for your business.

Your unique InsightsPro account has already been set up. Whether you are a new user or have logged on before, simply click on the 'log in' button to return to your dashboard or click on the 'Activate' button for instructions to access your account. Or you can read more about the many benefits of [InsightsPro](#).

[Activate](#)[Log in](#)

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