



# Market Summary Report

Electricity and Gas  
January 2025



**Shell**  
**ENERGY**

## Introduction and Further Reading

This report provides information on wholesale price trends for all regions within the National Electricity Market (NEM), the Western Australia Energy Market, the East Coast Wholesale Gas Market and environmental scheme certificates. Wholesale gas price trends reference the ICAP Gas Forward Price Curve Data, published under permission by ICAP Energy.

Please note that all electricity prices are presented as a \$ per megawatt-hour (MWh) price and all certificate prices as a \$ per certificate price.

You can obtain the latest pricing information for the spot and contract markets on a daily basis from the "Market" section of the Shell Energy Customer Portal.

Tasmanian contract prices are the non-regulated prices published by Hydro Tasmania on a weekly basis. All NEM spot prices are published by the Australian Energy Market Operator (AEMO). NEM contract prices are sourced from the ASX.

Further information can be found at the locations noted below:

- Tasmanian energy market - a comprehensive weekly report is published by the Office of the Tasmanian Energy Regulator which can be found [here](#).
- Western Australia Energy Market - AEMO publishes a detailed market report which can be found [here](#).
- NEM Spot Market - AEMO publish a range of detailed information which can be found [here](#).
- Environmental Certificates - information about environmental certificates can be found [here](#).
- Large-scale Generation Certificates (LGCs) - information about LGCs can be found [here](#). You can also refer to our [Energy Education video on LGCs](#).
- Small-scale Technology Certificates (STCs) - information about the STC program can be found [here](#). You can also refer to our [Energy Education video on STCs](#).
- Victorian Energy Efficiency Certificates (VEECs) - information about the VEEC program can be found [here](#). You can also refer to our [Energy Education video on VEECs](#).
- Energy Saving Certificates (ESCs) - information about the ESC program can be found [here](#). You can also refer to our [Energy Education video on ESCs](#).

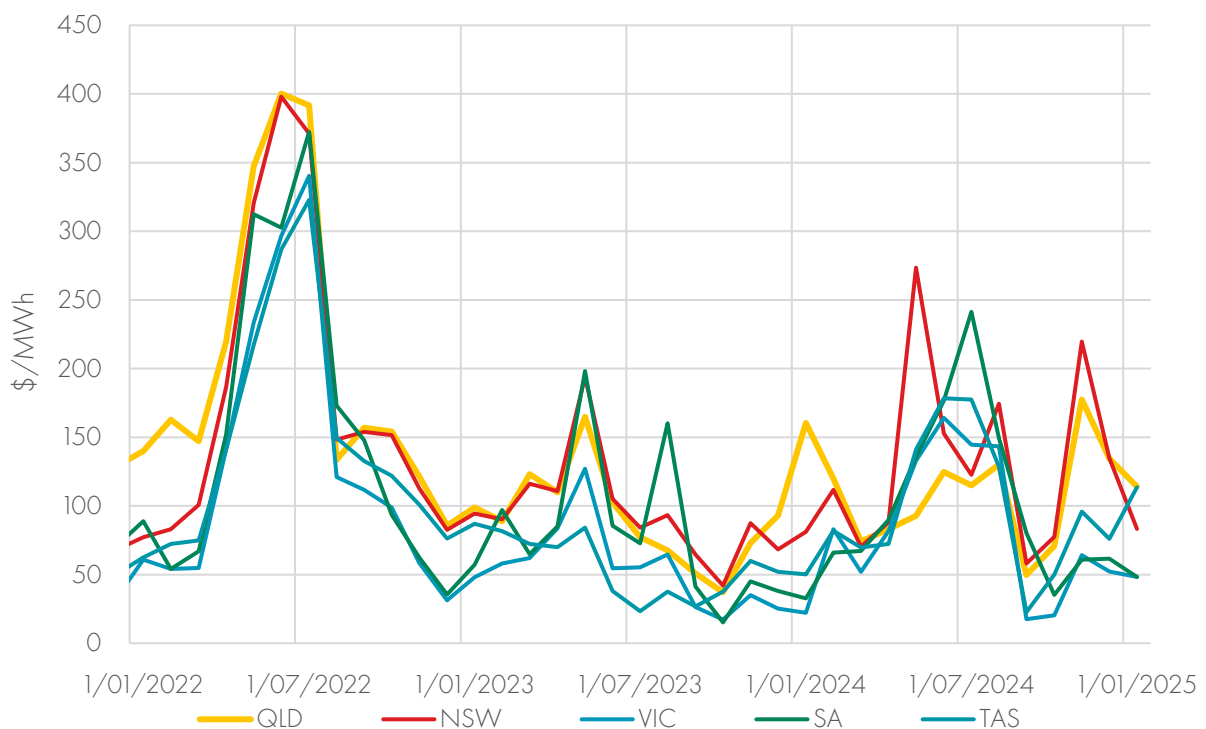
# Spot Prices: National Electricity Market

The start of 2025 was marked by significant heat across the East Coast. Queensland set a new demand record on 22 January, reaching 11,051 MW in the evening. Extreme heat, combined with constraints on wind generation and coal outages, led to notable price volatility in both Queensland and New South Wales.

In Victoria, temperatures soared to more than 40 degrees during the month. However, the system managed these high temperatures with minimal volatility, supported by interconnector energy flows from New South Wales.

## January 2025

State	Average Spot Price	Max 5 Min Spot Price	5 Min Intervals at \$1,000 or Above	5 Min Intervals at \$0 or Below
QLD	114.01	17,304.00	29	1,771
NSW	83.34	17,500.00	10	1,411
VIC	48.35	479.49	0	2,650
SA	48.22	988.92	0	3,077
TAS	113.63	350.36	0	326



Source: NEM Spot Market - AEMO

## Contract Market

Despite the heat and high demand conditions in the spot market, there were no significant price movements in the forward markets. This suggests that market participants may have anticipated the high heat and consequent demand, which are typical for the first quarter of the year, and likely priced in expected volatility.

### Financial Year 2026 (FY26)

January 2025

State	Previous Close	Period Low	Period High	Closing Price
QLD	110.90	108.68	113.95	109.96
NSW	129.00	123.64	130.84	126.79
VIC	79.28	76.35	79.79	78.84
SA	103.48	99.50	103.40	99.50
TAS	73.85	72.26	74.75	74.75

### FY26 Flat



Source: ASX Data

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# Contract Market

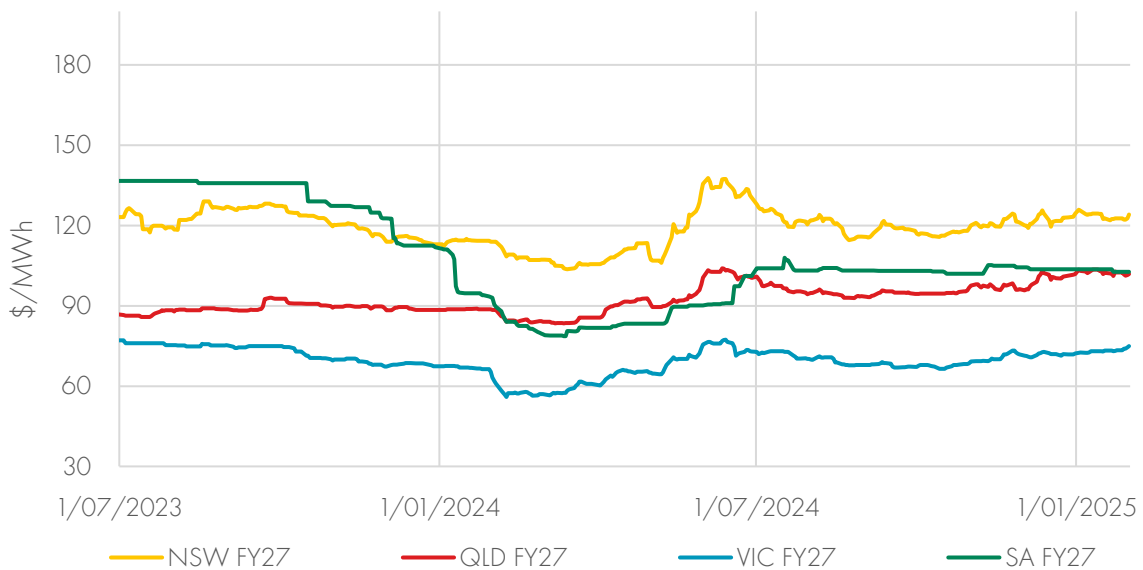
## Financial Year 2027 (FY27)

FY27 contracts experienced similar dynamics to the FY26 movements. Volumes traded in this contract increased in January as the contract moved deeper into the liquid period in the curve.

### January 2025

State	Previous Close	Period Low	Period High	Closing Price
QLD	101.93	101.10	103.56	101.91
NSW	124.45	122.01	125.86	124.07
VIC	72.21	72.42	74.96	74.96
SA	103.70	102.65	103.70	102.65
TAS	65.88	65.96	67.27	67.27

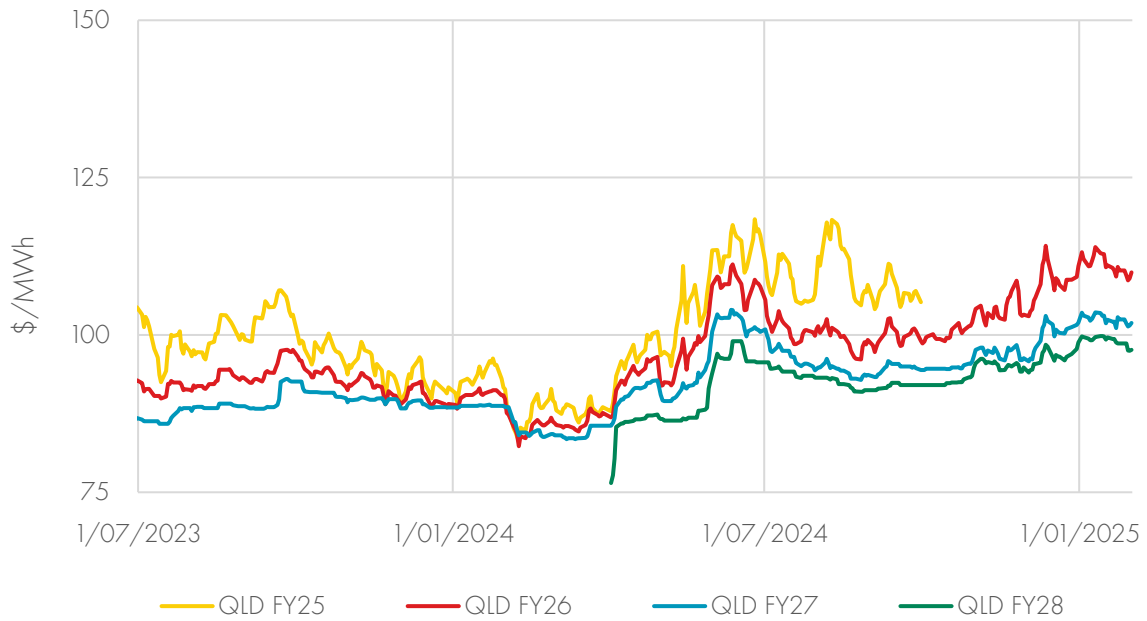
### FY27 Flat



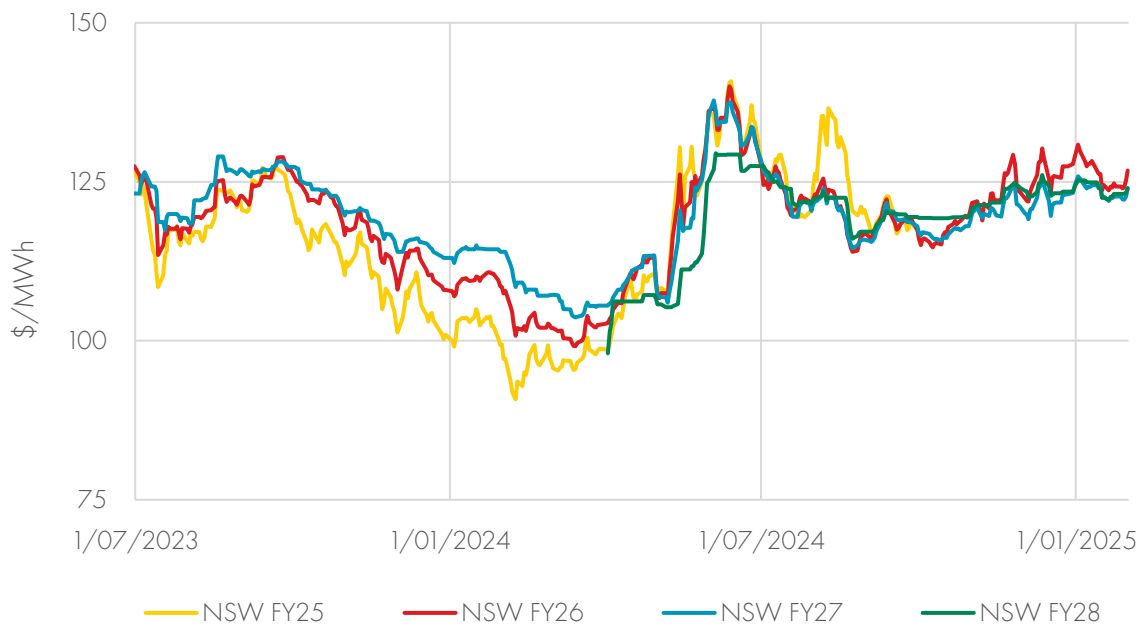
Source: ASX Data

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## Contract Market – QLD Financial Years Flat



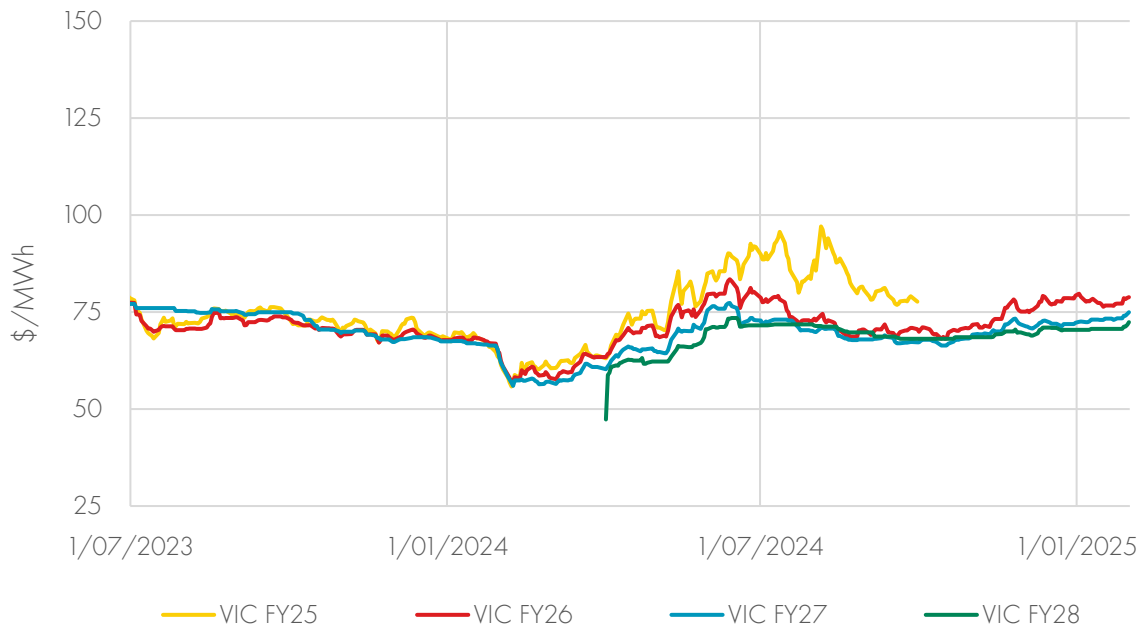
## Contract Market – NSW Financial Years Flat



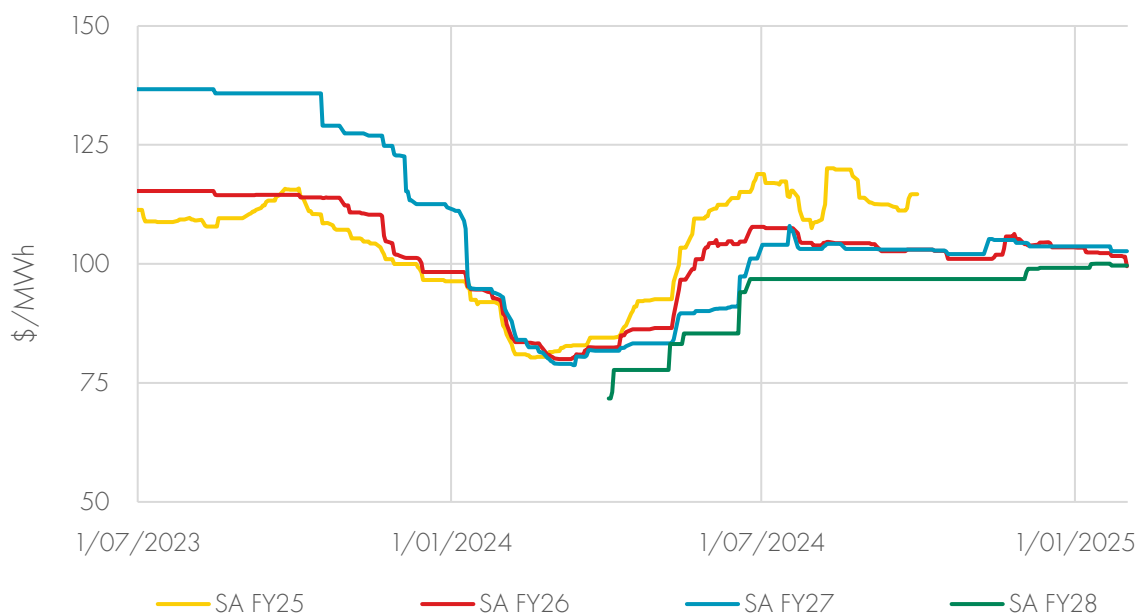
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## Contract Market – VIC Financial Years Flat



## Contract Market – SA Financial Years Flat



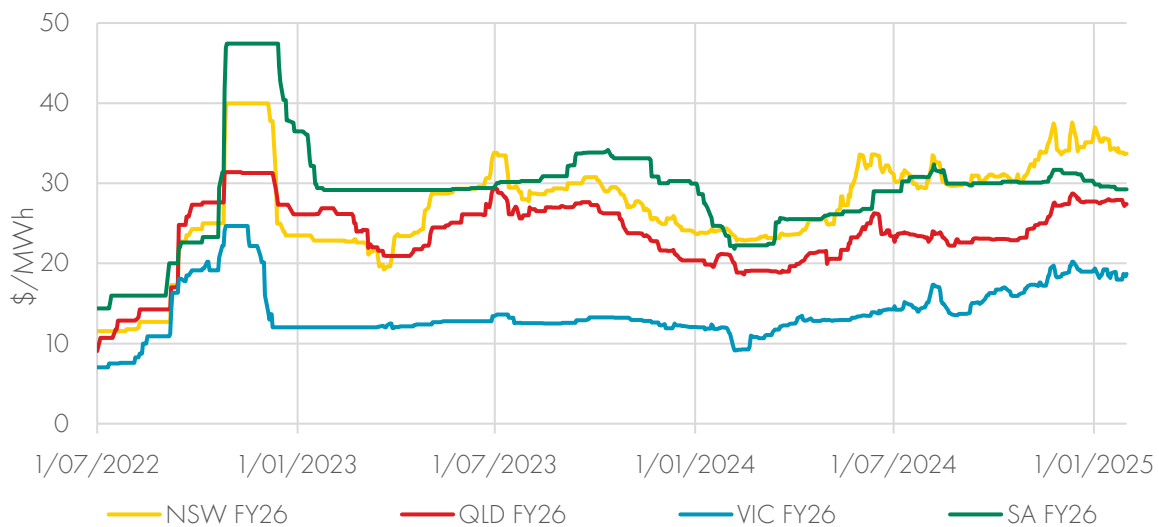
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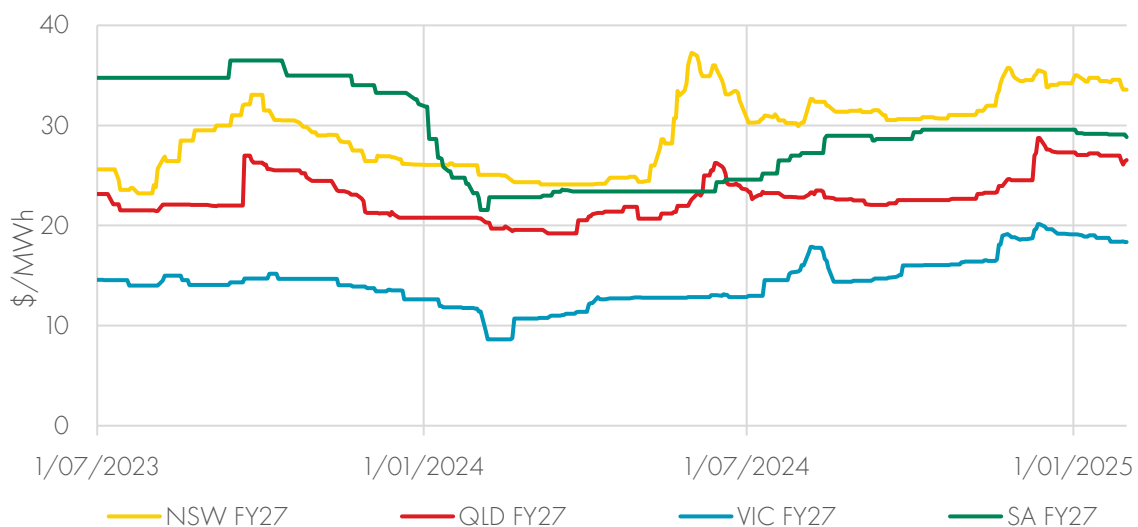
# Cap Contract Market

January proved to be a subdued month for caps across the board. Qld caps traded relatively flat, while the rest of the NEM cap contracts saw a decline. The soft spot conditions in January, coupled with minimal cap payouts, likely led participants to adjust expectations for future high-demand periods, which was reflected in the cap market.

## Financial Year 2026 (FY26)



## Financial Year 2027 (FY27)



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# Western Australia Energy Market (WEM)

## WEM Short-Term Energy Market (STEM) and Balancing Prices

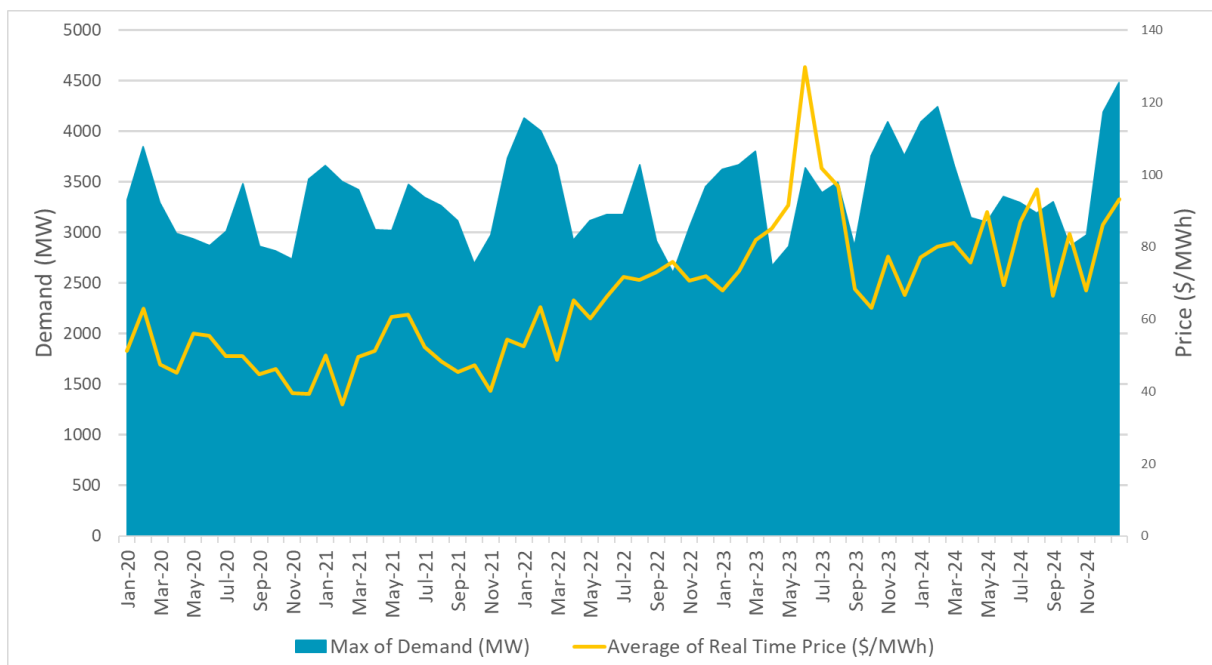
Demand fluctuated significantly in January, dropping to a low of 803MW on the 18th and reaching a new record of 4,484MW on the 20th, with an average of 2,300MW for the month.

The Wholesale Electricity Market (WEM) saw the Market Price Cap (MPC) increase from \$738 to \$1,000. There were MPC events on eight days, with an average price of \$93 for the month. Notably, the number of hours at the maximum price significantly reduced to less than four hours, much lower than the 2024 average.

A coal generator experienced a drop of approximately 200MW during the first half of the month, and there were multiple gas turbine (GT) and wind farm (WF) outages throughout January.

The first large-scale Battery Energy Storage System (BESS) in the WEM became operational, marking a significant milestone in energy storage.

WEM Summary Statistics	
Average Real Time Price	\$93.24/MWh
Max 5 Min Real Time Price	\$1000/MWh
5 Min Intervals at \$100 or Above	3459
5 Min Intervals at \$0 or Below	678



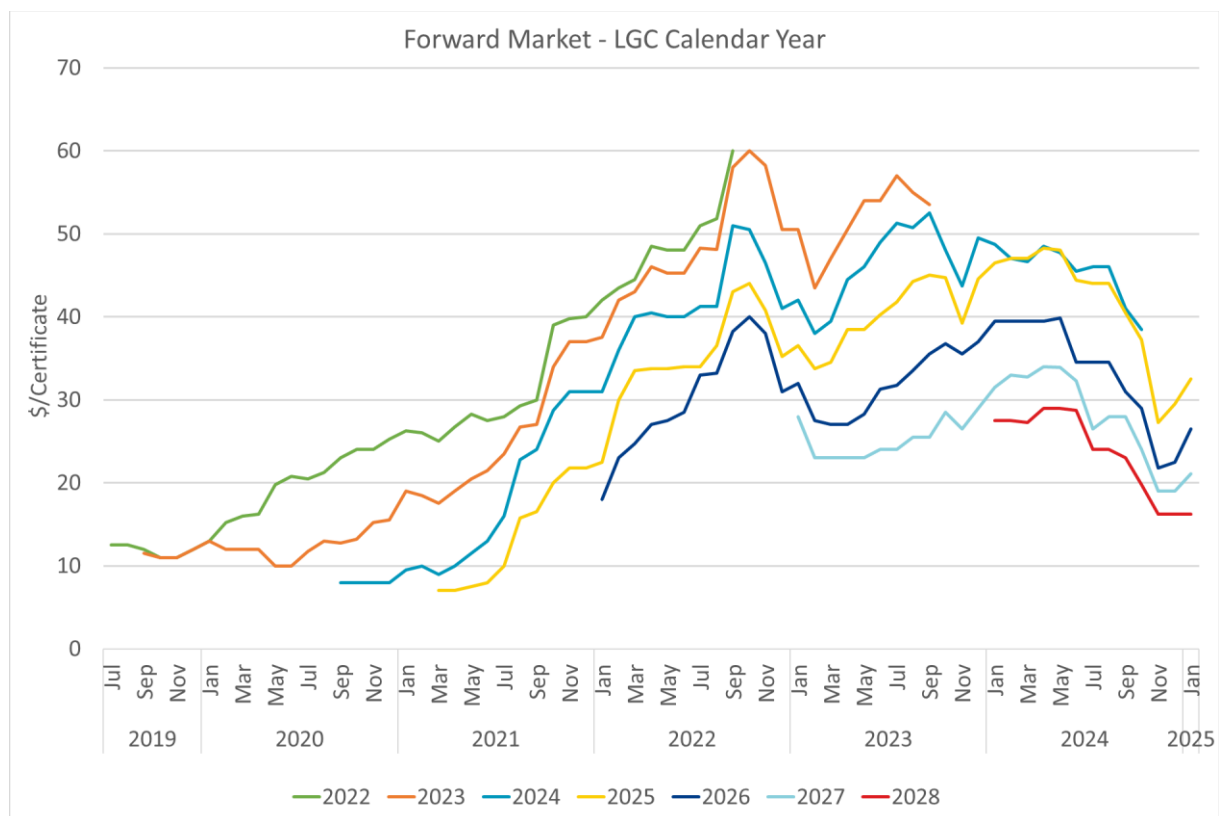
Source: Western Australia Energy Market - AEMO

# Emission Schemes

## Large Scale Generation Certificates (LGCs)

Typically, January sees a rally in the spot contract market as liable entities rush to source certificates eligible for surrender in that year. However, January was a less volatile month for Large-scale Generation Certificates (LGCs), with both the spot and the rest of the curve softening and minimal market reaction to the 2024 option expiry. This suggests that participants were well-positioned and able to correct their positions with the available market liquidity.

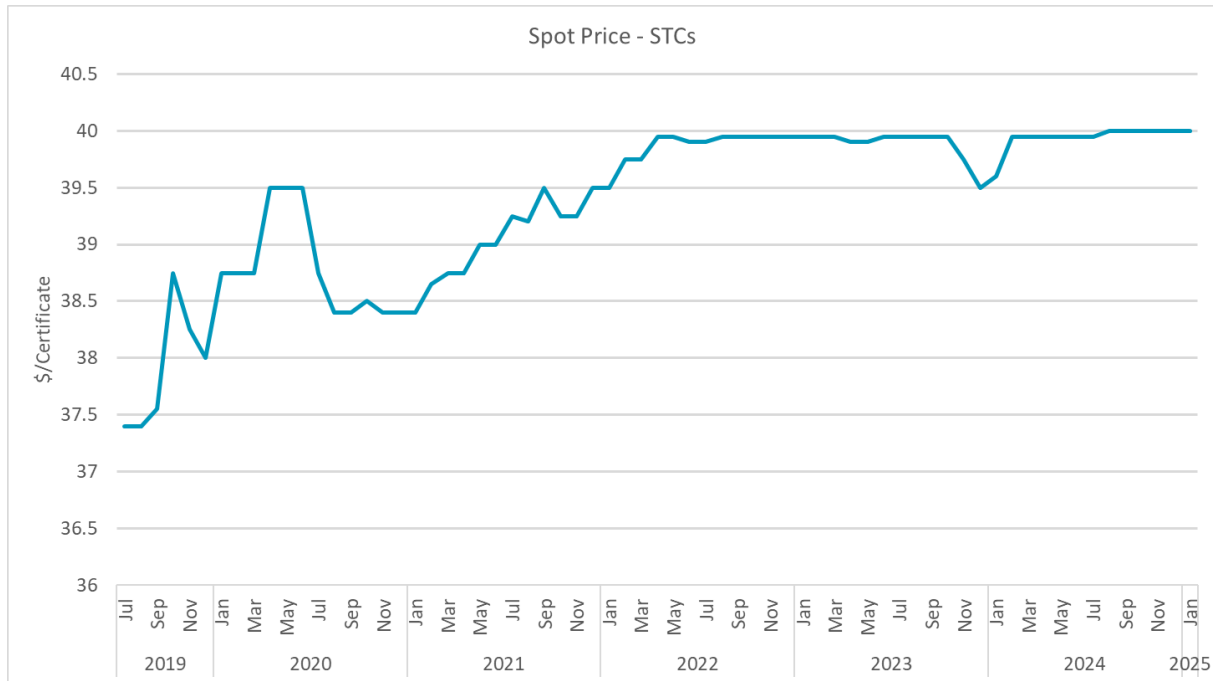
The downward trend in the back end of the curve could indicate that participants are bearish on long-term certificates due to the forecast build-out of renewables in the system.



Source: Shell Energy Customer STEP Portal

## Small Scale Technology Certificates (STCs)

January saw a higher than usual amount of over-the-counter trading of STCs. Typically, as we approach surrender, creators anticipate the clearing house to enter a deficit and sell certificates at the ceiling price of \$40, rather than trading them in the market. However, this month witnessed significant volumes of certificates being sold to the market at \$39.90 or below. Notably, most of these certificates were 2025 eligible, meaning they cannot be surrendered until 2026.



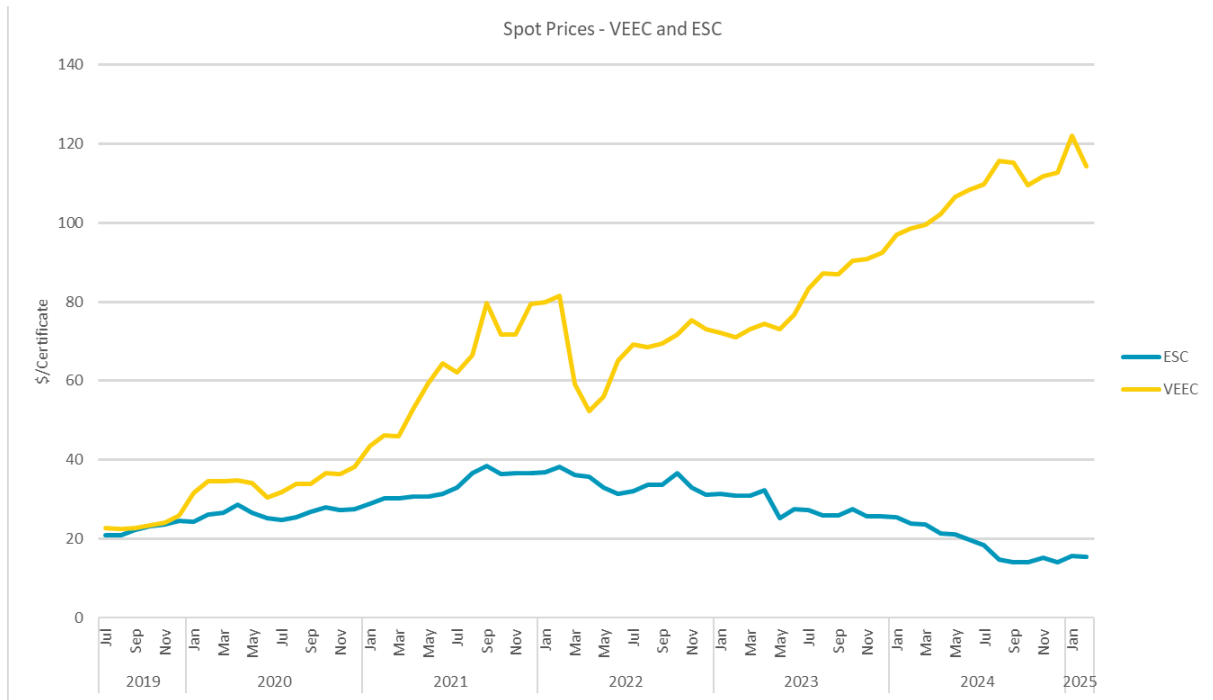
Source: Shell Energy Customer STEP Portal

## Victorian Energy Efficiency Certificates (VEECs)

The announcement of new targets for 2026 drove lower spot market activity in January, which put downward pressure on prices, as buyers waited for confirmation of new targets or deliberately held back to hedge future positions, anticipating a healthier supply-demand balance closer to 2026. Certificate creation has been relatively healthy, possibly due to creators pushing to register and sell certificates as they observe the falling spot price and changing buyer dynamics. The VEEC spot price closed at \$112.10 at the end of the month.

## Energy Saving Certificates (ESCs)

ESC spot prices remained stable in January, closing at \$14.35. However, creation was low, averaging approximately 50k certificates per week. The lack of price movement despite low creation was primarily driven by a high volume of certificates being held in registries.



Source: Shell Energy Customer STEP Portal

## Peak Reduction Certificates (PRCs)

January was a volatile month for PRCs, with the market trading up \$0.15 and closing at \$2.66. This volatility could be attributed to liable entities purchasing in preparation for the 23/24 surrender, which will occur this quarter.

# Gas Forward Market

## Calendar Year 2025 (CY25)

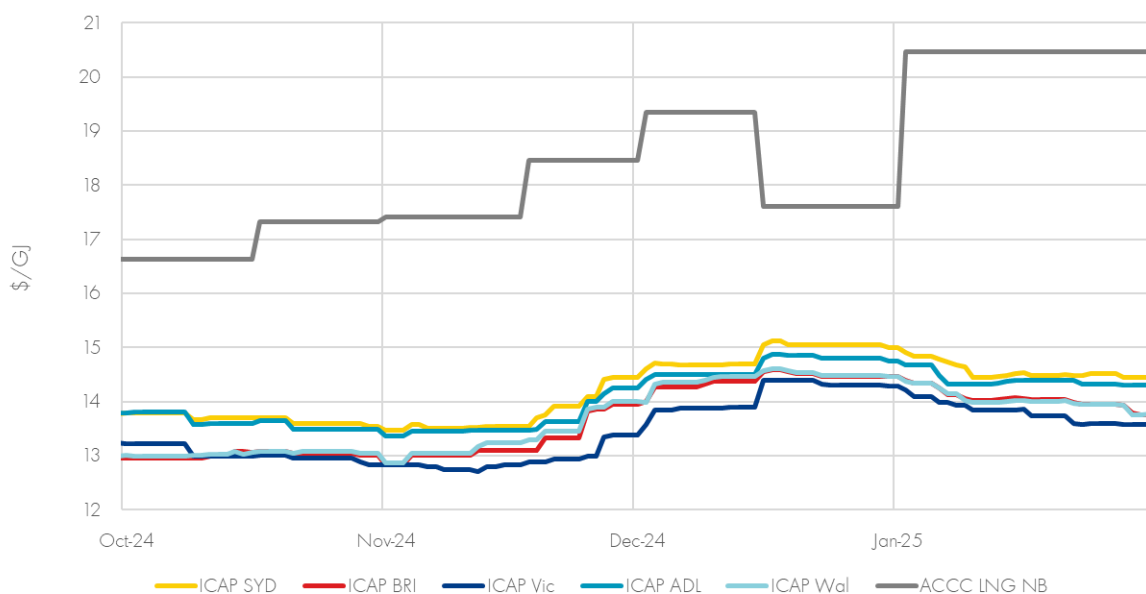
January 2025 saw a reduction in all domestic forward contract prices for Calendar Year 2025 (CY25). In particular, the Victorian CY25 contract gave back most of its 6.8% December gain, failing by 5%. Higher flows into the Iona gas storage facility – which ended the month at approximately 78% full – dampened market sentiment. Traded volumes are, however, typically lower over the January holiday period and increase in February.

The reduction in domestic prices contrasted with a rising ACCC LNG Netback price, up 16.2% over the month as competition for LNG cargoes from European buyers pushed up prices in Asia. The ACCC Netback price is now at a 48.5% premium to the Wallumbilla CY25 price, a new record for the CY25 contract.

### January 2025, \$/GJ

Market	Period Low	Period High	Opening Price	Closing Price	Monthly Change	Monthly Change (%)
ICAP Brisbane	\$13.76	\$14.48	\$14.48	\$13.76	-\$0.71	-4.9%
ICAP Sydney	\$14.45	\$14.99	\$14.99	\$14.46	-\$0.54	-3.6%
ICAP Adelaide	\$14.31	\$14.75	\$14.75	\$14.31	-\$0.43	-2.9%
ICAP Victoria	\$13.58	\$14.30	\$14.30	\$13.59	-\$0.71	-5.0%
ICAP Wallumbilla	\$13.76	\$14.48	\$14.48	\$13.78	-\$0.70	-4.8%
ACCC LNG NB	\$17.61	\$20.47	\$17.61	\$20.47	\$2.86	16.2%

### CY25 Flat Calendar Year | 1 October 2024 to date



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Source: ICAP Energy Gas Forward Price Curve Data, ACCC historical and forward short-term LNG netback price (<https://www.accc.gov.au/regulated-infrastructure/energy/gas-inquiry-2017-25/lng-netback-price-series>)

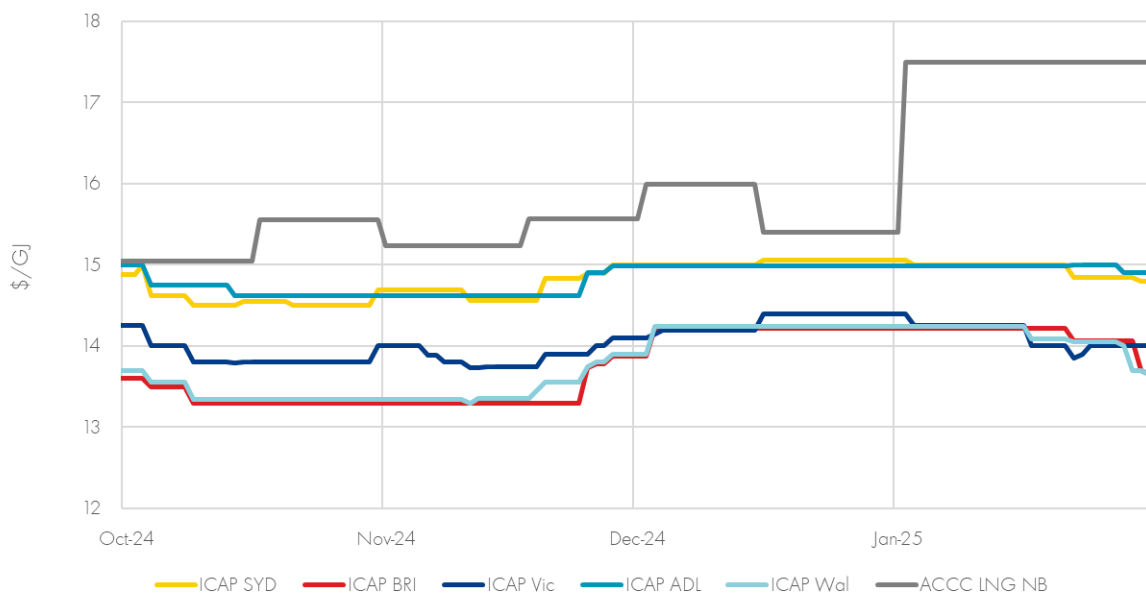
## Calendar Year 2026 (CY26)

Domestic forward contract prices for Calendar Year 2026 (CY26) followed CY25 prices lower in January, albeit with smaller decreases. Prices in both the Queensland markets of Brisbane and Wallumbilla decreased by at least 4%, while southern markets were relatively more stable. The higher price in southern markets reflects uncertainty around future gas production and physical transportation limits to those locations compared to anticipated demand.

### January 2025, \$/GJ

Market	Period Low	Period High	Opening Price	Closing Price	Monthly Change	Monthly Change (%)
ICAP Brisbane	\$13.65	\$14.21	\$14.21	\$13.65	-\$0.56	-4.0%
ICAP Sydney	\$14.80	\$15.06	\$15.06	\$14.80	-\$0.26	-1.7%
ICAP Adelaide	\$14.90	\$15.00	\$14.99	\$14.90	-\$0.09	-0.6%
ICAP Victoria	\$13.85	\$14.40	\$14.40	\$14.00	-\$0.40	-2.8%
ICAP Wallumbilla	\$13.65	\$14.24	\$14.24	\$13.65	-\$0.59	-4.1%
ACCC LNG NB	\$15.40	\$17.50	\$15.40	\$17.50	\$2.10	13.6%

### CY26 Flat Calendar Year | 1 October 2024 to date



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Source: ICAP Energy Gas Forward Price Curve Data, ACCC historical and forward short-term LNG netback price (<https://www.accc.gov.au/regulated-infrastructure/energy/gas-inquiry-2017-25/lng-netback-price-series>)

## Spot Prices: East Coast Gas Market

Despite high gas-powered generation (GPG) utilisation throughout January, spot prices remained relatively subdued compared to the first half of December. Lower commercial and industrial gas usage over the holiday period helped to balance the market in a period that can experience high electricity-induced volatility.

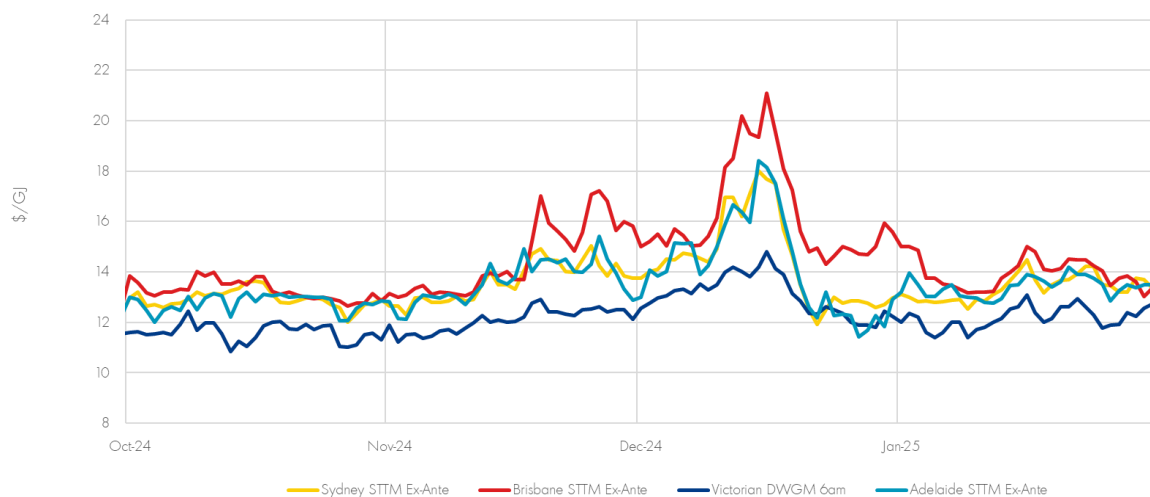
All markets except Victoria averaged in the \$13/GJ range, with the Brisbane STTM<sup>1</sup> experiencing the highest prices across all spot markets. The contraction in spreads compared to late last year was in part due to higher pipeline capacity availability and marginally lower LNG production despite high international prices.

### January 2025, \$/GJ

Market	Average Spot Price	Minimum Spot Price	Maximum Spot Price
Brisbane STTM <sup>1</sup>	\$13.94	\$13.02	\$15.00
Sydney STTM	\$13.36	\$12.52	\$14.49
Adelaide STTM	\$13.40	\$12.75	\$14.19
Victorian DWGM <sup>2</sup> 6am	\$12.18	\$11.40	\$13.08

<sup>1</sup>STTM = Short Term Trading Market, <sup>2</sup>DWGM = Declared Wholesale Gas Market. The STTM and DWGM markets represent the daily balancing markets administered by AEMO, which primarily serve to balance wholesale supply with end consumer demand.

### Gas Spot Prices | 1 October 2024 to date



Source: AEMO Market Data



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