Market Summary Report

Electricity and Gas
October 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 (WEM), 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:

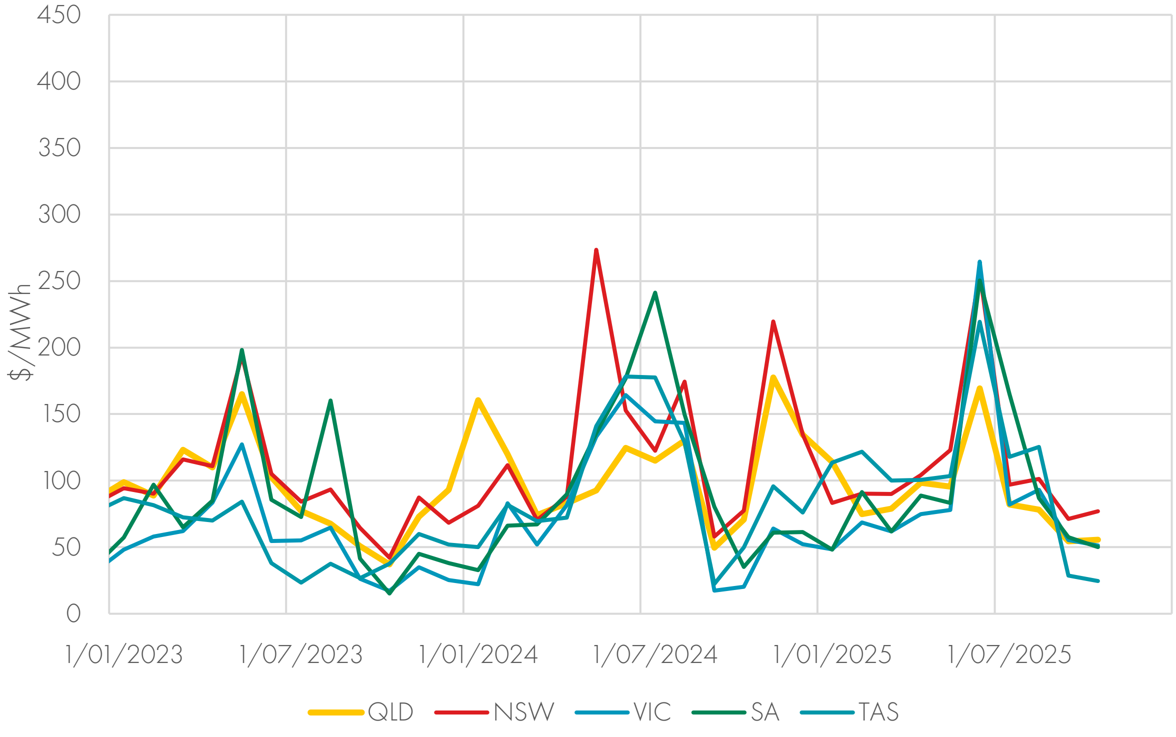
- Tasmanian energy market – a comprehensive weekly report is published by the Office of the Tasmanian Energy Regulator which can be found **here.**
- Western Australia Energy Market – AEMO publishes a detailed market report which can be found **here**.
- NEM Spot Market – AEMO publish a range of detailed 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

Despite constraints impacting multiple interconnectors, coal unit outages, low wind generation and warmer-than-average days, market outcomes remained relatively soft. Available generation responded by ramping up to protect the system, and the first month of Q4 closed with minimal volatility.
Notably, Queensland set an October record for electricity demand, yet spot prices remained low.
A Basslink outage during the month meant that no energy could be imported into Victoria during periods of low wind, which led to elevated midday prices.

October 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	55.66	1,000.00	1	2,859
NSW	77.02	20,300.00	4	2,275
VIC	51.37	550.89	0	3,704
SA	50.17	1,000.00	1	4,074
TAS	24.55	420.87	0	1,147



Source: NEM Spot Market – AEMO

Contract Market

Calendar Year 2026 (CY26)

The market closely watched a combination of transmission line outages on QNI and VNI, alongside significant coal unit outages – all of which had the potential to drive volatility. With these risks front-of-mind, participants had built in a premium across the curve leading into Q4. However, with more subdued conditions than expected in October, the market responded accordingly, with prices readjusting as expectations for future volatility softened.

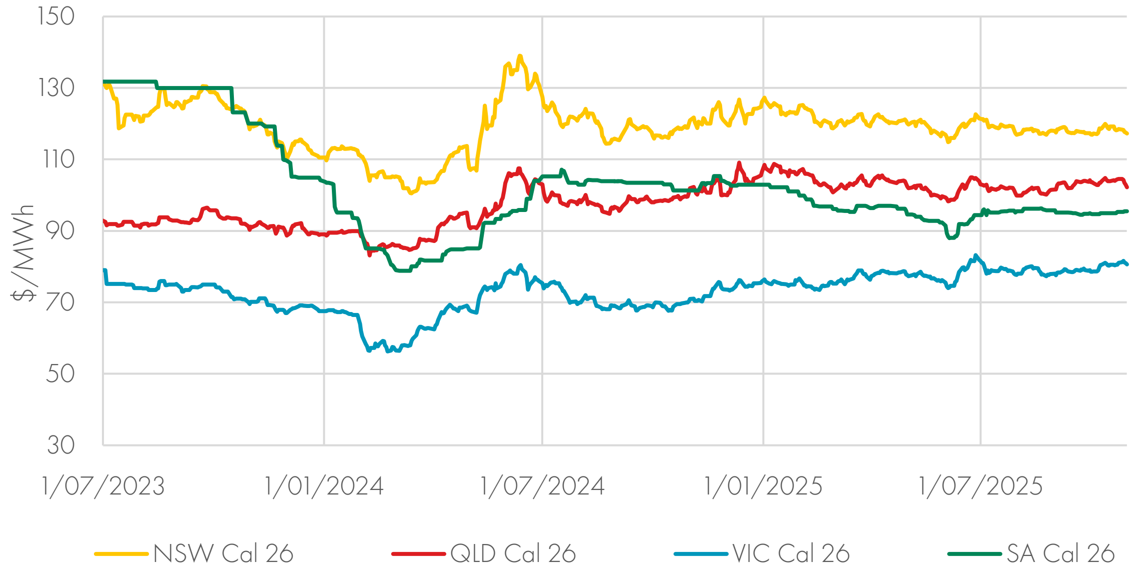
Regionally, there were some exceptions:

- Tasmania closed higher, reflecting the influence of Hydro Tasmania's regulated pricing mechanism, which anchors contract prices independently of broader market softness. Hydro Tasmania's regulated contract pricing reflects a combination of cost-based components (such as generation costs, network charges, and water availability), market-based benchmarks, risk and margin allowances, and regulatory compliance requirements.
- Victoria saw firmer outcomes, likely driven by residual uncertainty and risk premiums that remained embedded in the curve.
- South Australia (SA) also edged up, though trading remains relatively illiquid. SA pricing tends to follow movements in the Victorian curve due to the strong interconnection between the two regions.

October 2025

State	Previous Close	Period Low	Period High	Closing Price
QLD	104.20	102.24	104.77	102.24
NSW	117.32	116.93	119.94	117.21
VIC	79.00	78.55	81.57	80.62
SA	94.91	94.71	95.52	95.52
TAS	84.30	83.25	86.68	86.68

CY26 Flat



Source: ASX Data

Contract Market

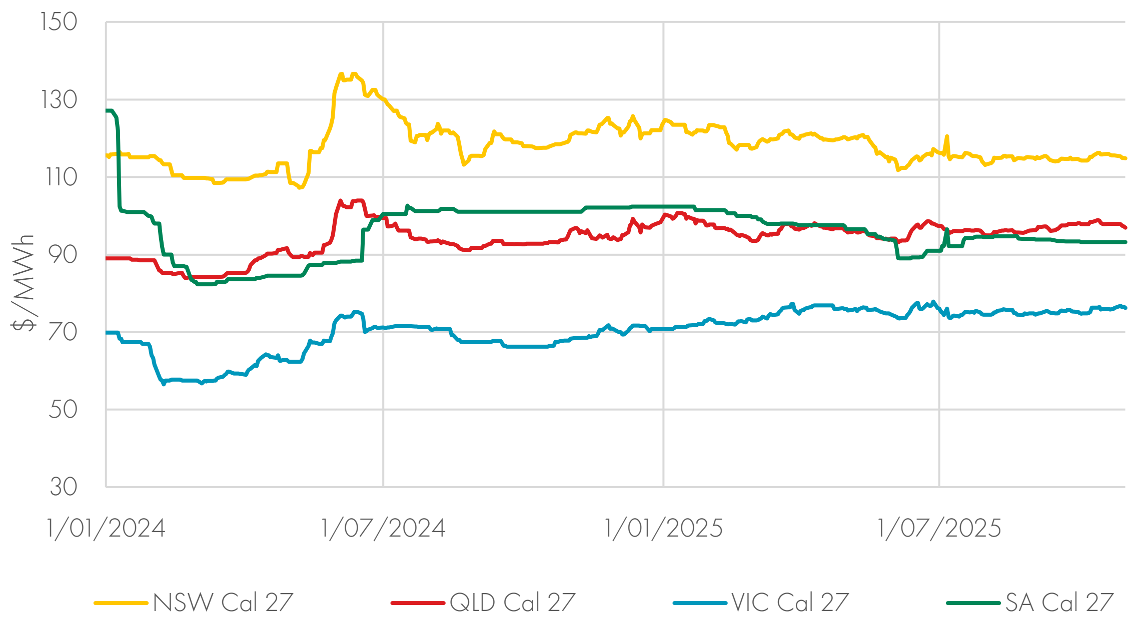
Calendar Year 2027 (CY27)

CY27 markets followed the trend of CY26, with increased trading activity observed. Market interest in this period grew, likely driven by a rise in option activity as participants sought optionality and flexibility. This increase in liquidity also reflects broader confidence in the market's ability to price risk further out the curve, particularly as structural uncertainties – such as coal retirements, interconnector upgrades, and renewable integration – continue to shape long-term expectations.

October 2025

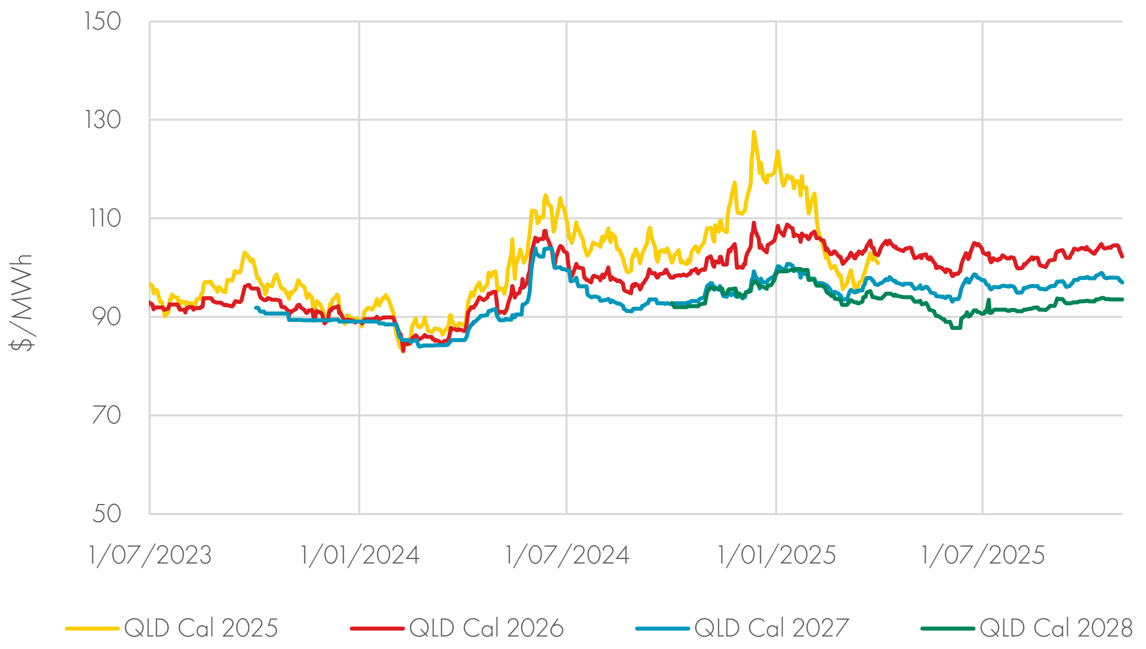
State	Previous Close	Period Low	Period High	Closing Price
QLD	98.12	96.97	98.94	96.97
NSW	114.66	114.27	116.28	114.85
VIC	75.21	74.77	76.80	76.25
SA	93.39	93.22	93.39	93.22
TAS	74.63	73.30	74.51	74.41

CY27 Flat

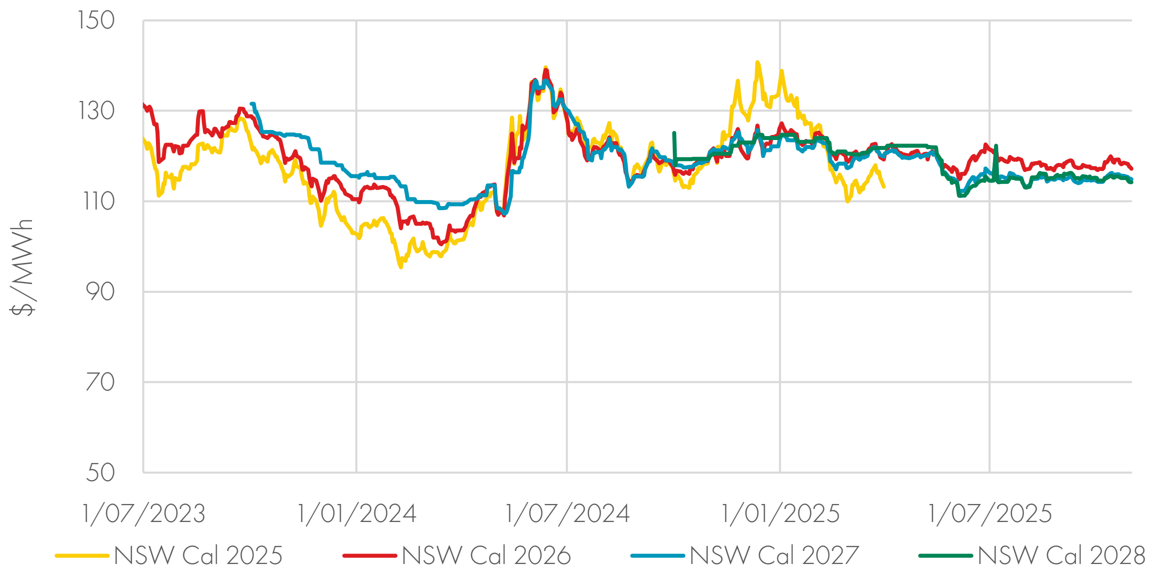


Source: ASX Data

Contract Market – QLD Calendar Years Flat

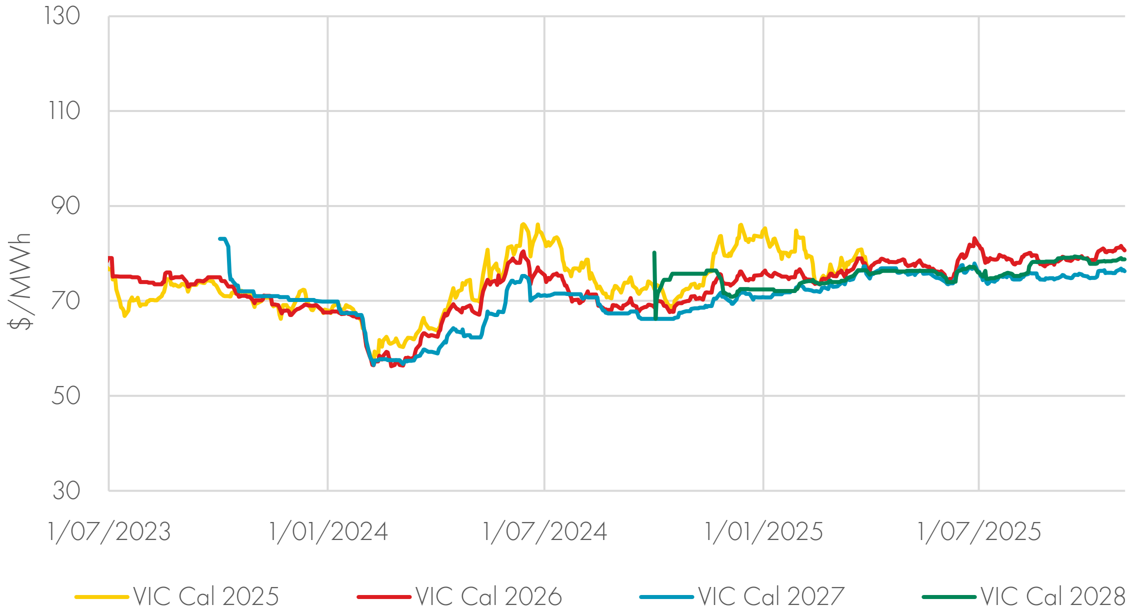


Contract Market – NSW Calendar Years Flat

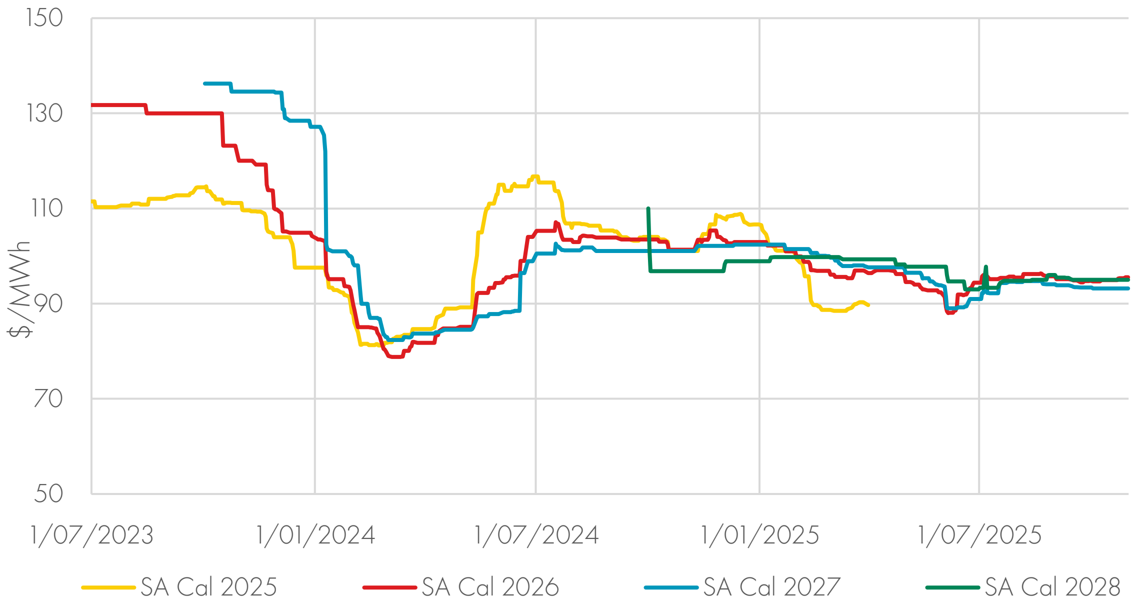


Source: ASX Data

Contract Market – VIC Calendar Years Flat



Contract Market – SA Calendar Years Flat

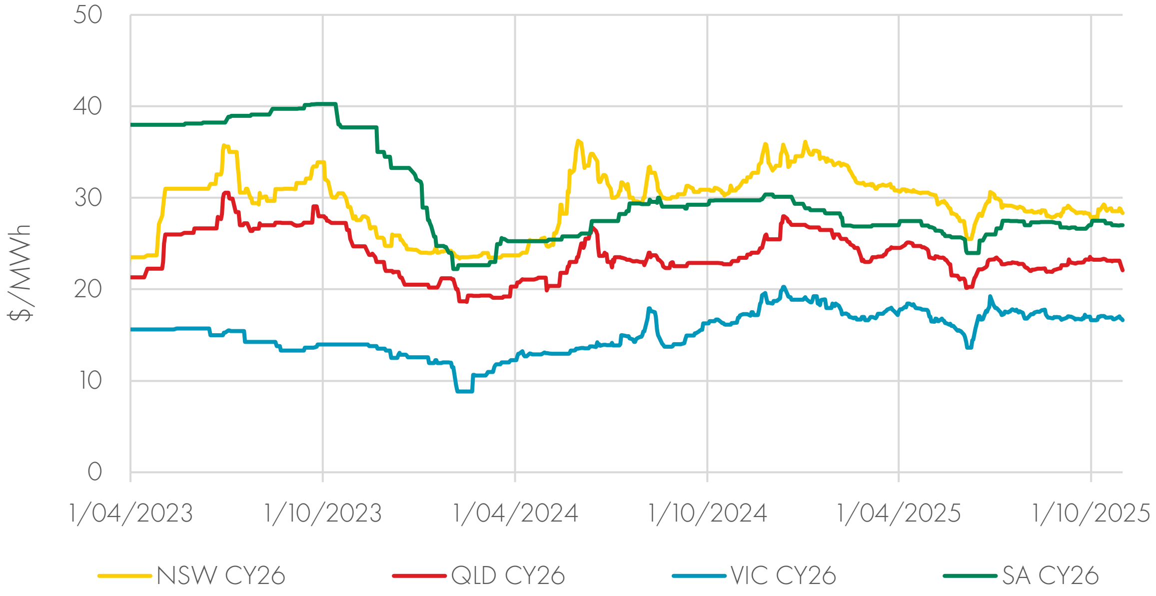


Source: ASX Data

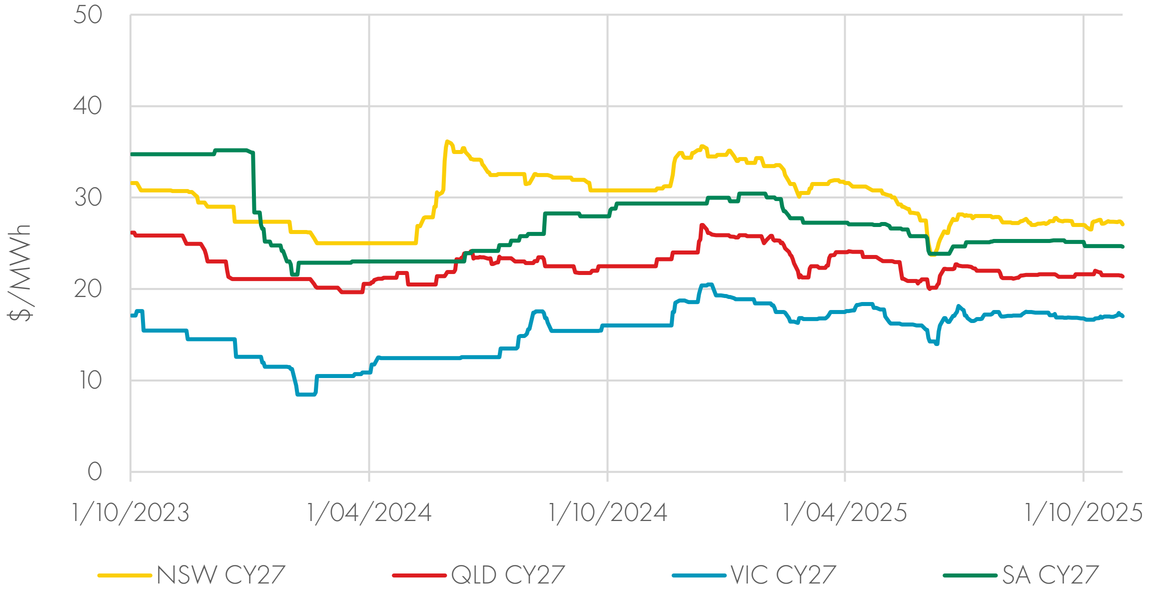
Cap Contract Market

The NSW cap contract experienced a brief rally early in the month following news of a Vales Point outage extension, which introduced a degree of nervousness among market participants. However, prices later stabilised as the immediate risk was reassessed. In Victoria, trading was choppy, driven by concerns around potential issues at Yallourn, intermittent periods of low wind generation, and a Basslink outage. Queensland and South Australia cap contracts remained relatively stable.

Calendar Year 2026 (CY26)



Calendar Year 2027 (CY27)



Source: ASX Data

Western Australia Energy Market (WEM)

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

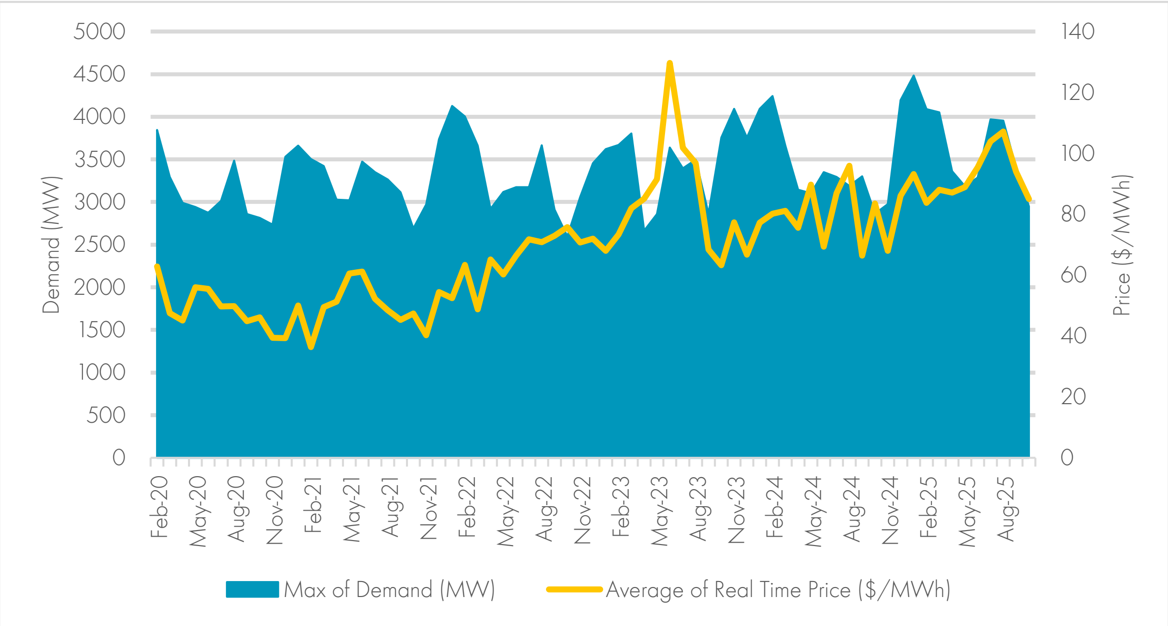
October saw moderate to high demand in the first half of the month, driven by unseasonably low minimum temperatures. The second week experienced price volatility, largely due to a significant increase in generator outages. However, price outcomes for the remainder of the month were relatively subdued, supported by milder weather, lower demand (excluding a spike on 20 October), and the return of generator capacity from outage.

A key development during the month was the addition of Emergency System Restart (ESR) battery energy storage system (BESS) capacity, which brought total operating BESS capacity to 1,385 MW. Three more projects were committed: Muchea (164 MW / 905 MWh), Wagerup (100 MW / 200 MWh), and Merredin (100 MW / 400 MWh). The increase in BESS capacity is contributing to a reduction in negative pricing outcomes, as batteries absorb excess generation during solar hours.

The Quarterly Energy Dynamics (QED) Q3 2025 report, released by AEMO on 30 October, provided context for these trends. Notably, Balancing Prices remained relatively stable throughout Q3, though there was some upward pressure from fuel cost increases and generator outages, which likely carried into early October. Gas-fired generation continued to dominate the supply mix, while renewables – particularly rooftop solar – helped suppress daytime prices. Operational demand was slightly higher than the same period in 2024, driven by warmer weather and increased economic activity. The Reserve Capacity Mechanism (RCM) also remained a key focus, with ongoing capacity auctions and planning processes shaping expectations for future supply.

Souce: AEMO

WEM Summary Statistics	
Average Real Time Price	93.91
Max 5 Min Real Time Price	470.06
5 Min Intervals at $100 or Above	3483
5 Min Intervals at $0 or Below	617



Source: Western Australia Energy Market – AEMO

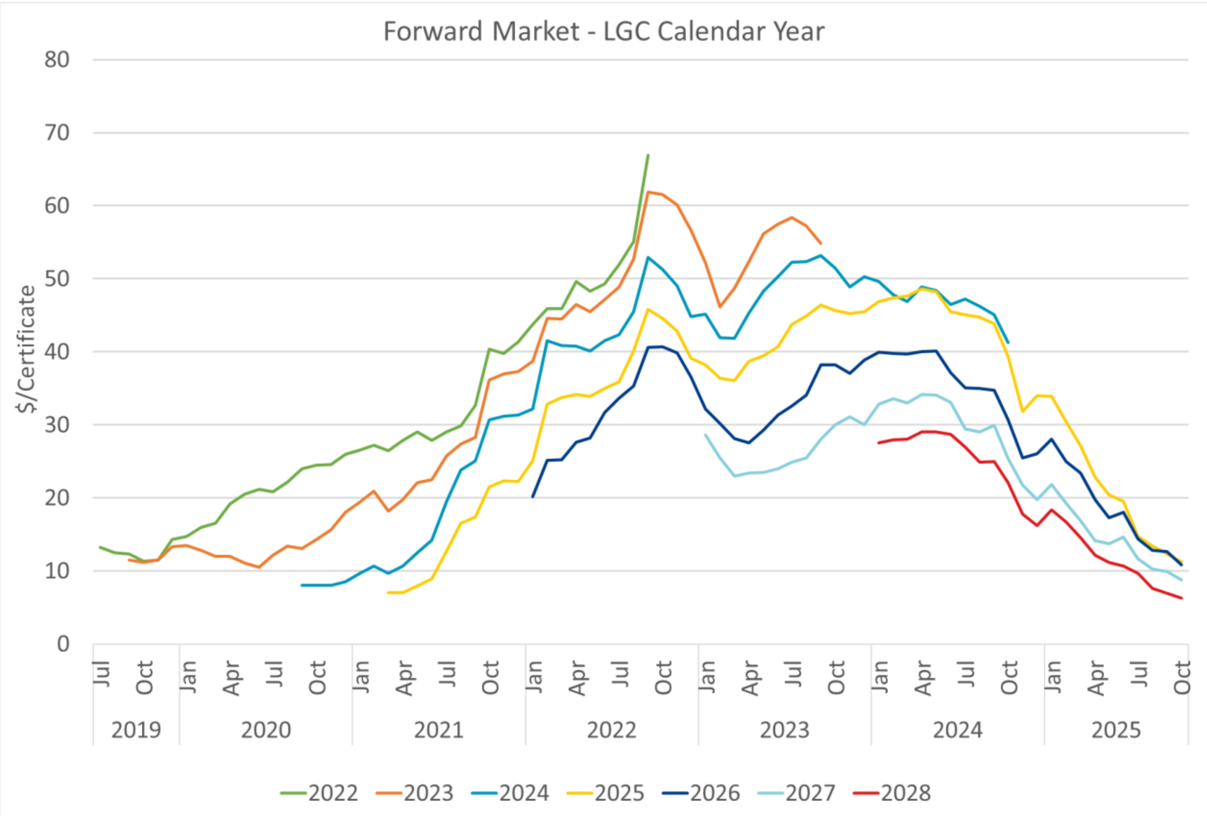
Emission Schemes

Large Scale Generation Certificates (LGCs)

Trading activity picked up at the back end of the curve, with increased volumes reflecting growing interest in longer-dated contracts. As of the latest data, CY25 creation LGCs are priced at $10.50/MWh (or 1.05 cents/kWh), declining steadily to $4.50/MWh (or 0.45 cents/kWh) for LGCs created in 2030.

The Clean Energy Regulator's Quarterly Carbon Market data was released on 17 October 2025, with the full report expected later this year. The data showed that spot LGC prices remained volatile heading into the surrender period, though the overall trajectory continues to trend downward.

The quarter saw strong LGC creation, supported by ongoing renewable generation growth. Notably, solar project approvals in Q2 and Q3 outpaced wind, indicating a shift in the development pipeline. A standout feature of the quarter was the record volume of voluntary surrender, with more than nine million LGCs retired – the highest ever for a single quarter – highlighting the growing role of voluntary climate commitments in driving certificate demand.



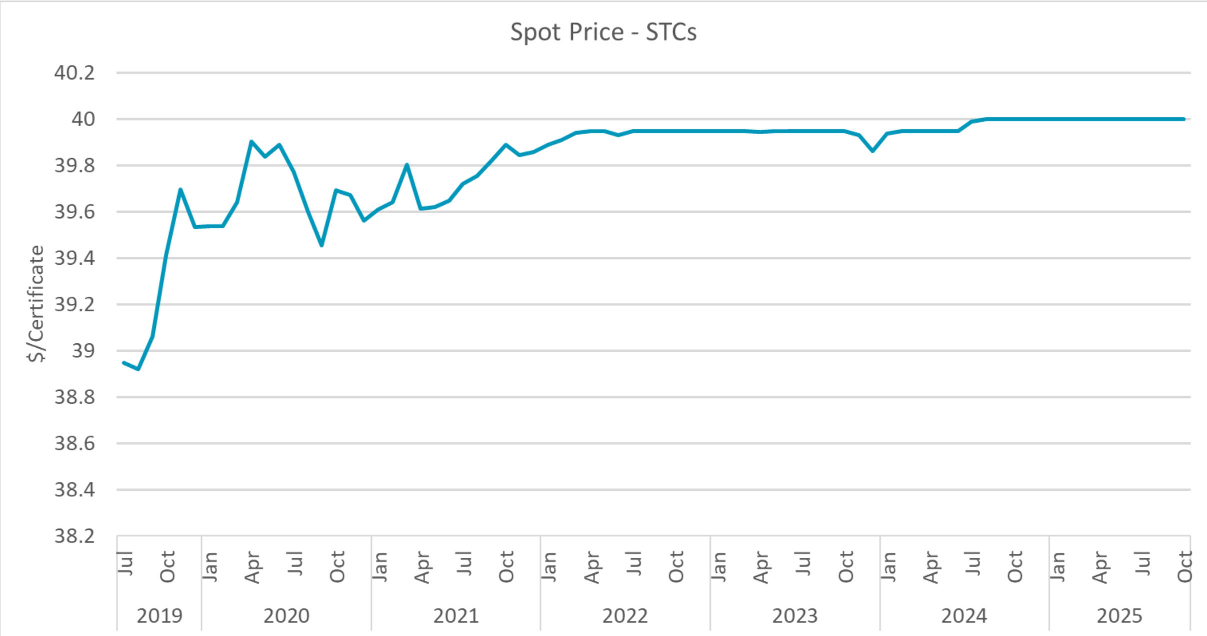
Source: Shell Energy Customer Strategically Timed Energy Procurement (STEP) Portal

Small Scale Technology Certificates (STCs)

The Small-scale Technology Certificate (STC) market remained at penalty price levels, with the Clearing House fluctuating in and out of deficit throughout the quarter. While small volumes traded over-the-counter below the penalty rate, the broader market remained tight. With surrender obligations due in November, further deficits in the Clearing House may emerge.

The Australian Government continued its periodic purchasing of STCs from small-scale battery installations, which made up approximately 75% of all STC creation under the scheme during October creation from solar PV installations remained healthy and consistent with previous volumes, supporting overall supply.

According to the Quarterly Carbon Market data released on 17 October 2025, cumulative validated battery capacity installed in September reached more than 1 million kWh, with the majority of capacity located in New South Wales. The most common battery size installed was in the 15 – 20 kWh range. Overall, STC supply remains strong, with creation on track to meet the estimated annual target of approximately 25 million certificates.



Source: Shell Energy Customer STEP Portal

Peak Reduction Certificates (PRCs)

Trading in the PRCs softened slightly in October, with trading around $2.75 in anticipation of a regulator target announcement foreshadowed earlier in the year. On 31 October 2025, the regulator revised the 2026-27 Peak Demand Reduction Scheme (PDRS) target to 0.5%. This means that the total target certificates that need to be surrendered drop from more than 60 million, to around 5 million for the 2026-27 year. The regulator noted that the revised target reflects current market conditions and is intended to prevent participants from incurring penalties due to certificate shortages. New eligible activities may include large-scale commercial and industrial batteries, battery systems for apartment complexes, and electric vehicle charging infrastructure. The market moved from $2.75 down to $2.50 and then settled around $2.60.

Choppy prices were likely due to participants digesting the impacts of the new target on the supply demand balance and assessing whether there will be adequate supply. The regulator also announced that it intends to consult before the end of the year on expanding the PDRS to new activities, which may include commercial and industrial-scale batteries, batteries for apartments, electric vehicle charging, and combining PDRS incentives with the Australian Government's Cheaper Home Batteries Program (CHBP).

Source: NSW Climate and Energy Action

Victorian Energy Efficiency Certificates (VEECs)

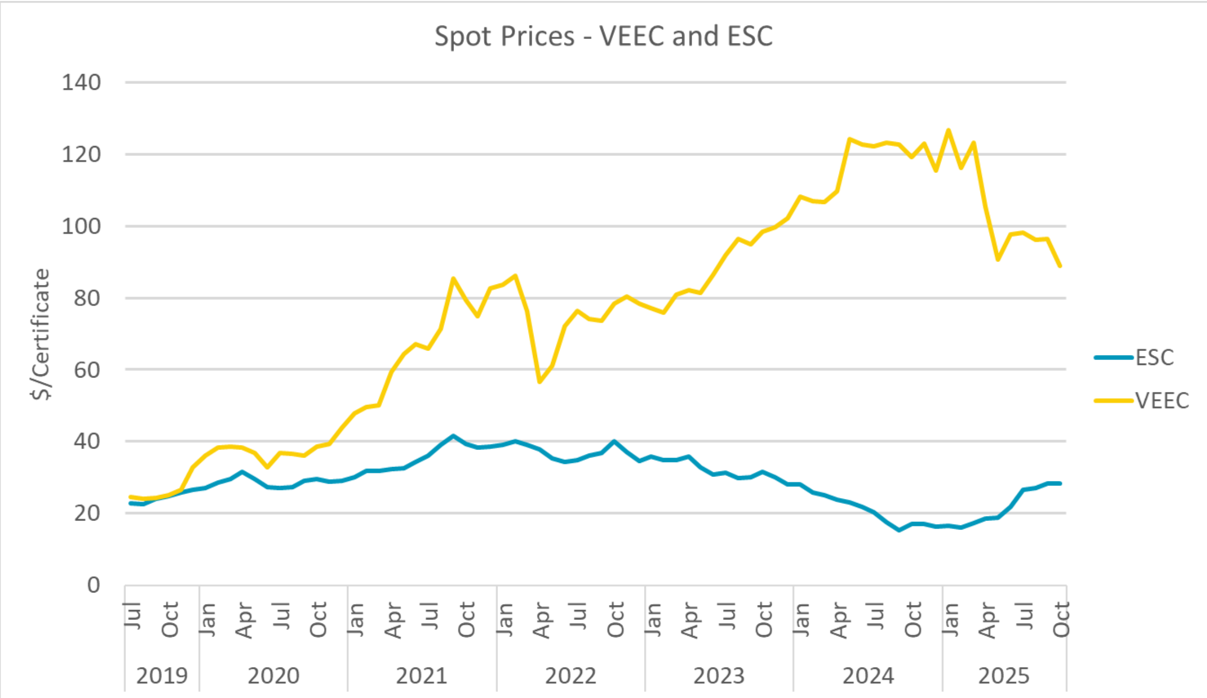
On 2 October 2025, the Victorian Energy Upgrades (VEU) program announced the release of legislative amendments introducing a new activity for commercial and industrial solar photovoltaic (PV) systems. This allows businesses installing solar systems between 30 kW and 200 kW to generate Victorian Energy Efficiency Certificates (VEECs). The update also included changes to high-efficiency motor activities, an extension of the induction cooktop activity, and revised definitions and eligibility criteria for residential premises. The announcement of this activity led to a significant sell off in the market, with the price of the VEECs dropping from $87.75 to $77.75 over the month. This was likely due to the market view that these new activities, combined with the 2026 and 2027 target revisions, would ease supply-demand constraints.

Source: Essential Services Commission

Energy Saving Certificates (ESCs)

The ESC market remained relatively stable from a pricing perspective throughout October, despite a notable drop in certificate creation. Only around 150,000 certificates were created during the month, marking a significant decline compared to previous months.

Source: TESSA Portal, IPART



Source: Shell Energy Customer STEP Portal

Gas Forward Market

Calendar Year 2025 (CY25)

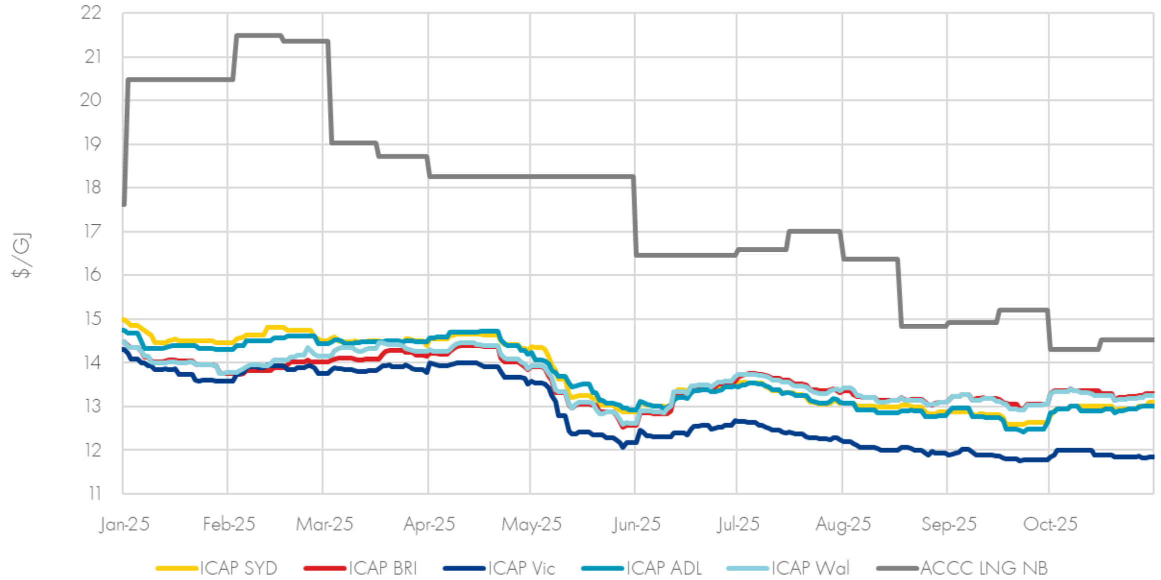
Domestic forward prices for CY25 were flat in October. A soft power market and warmer temperatures limited demand while supply, particularly from Queensland producers and the Longford facility, remained robust. Prices are generally lower than the same time last year, with Victoria leading the way with an 8% decline compared to October 2024.

The ACCC LNG NB price declined again in October. A well-supplied global market and weak demand, particularly from price-sensitive Asian importers, combined to push prices lower.

October 2025, $/GJ

Market	Period Low	Period High	Opening Price	Closing Price	Monthly Change	Monthly Change (%)
ICAP Brisbane	$13.15	$13.40	$13.30	$13.29	-$0.01	-0.1%
ICAP Sydney	$12.80	$13.09	$12.80	$13.09	$0.29	2.3%
ICAP Adelaide	$12.85	$13.02	$12.85	$13.02	$0.17	1.3%
ICAP Victoria	$11.83	$12.00	$11.85	$11.84	-$0.01	-0.1%
ICAP Wallumbilla	$13.15	$13.40	$13.05	$13.24	$0.20	1.5%
ACCC LNG NB	$14.29	$21.47	$15.21	$14.51	-$0.70	-4.6%

CY25 Flat Calendar Year | 1 January 2025 to date



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)

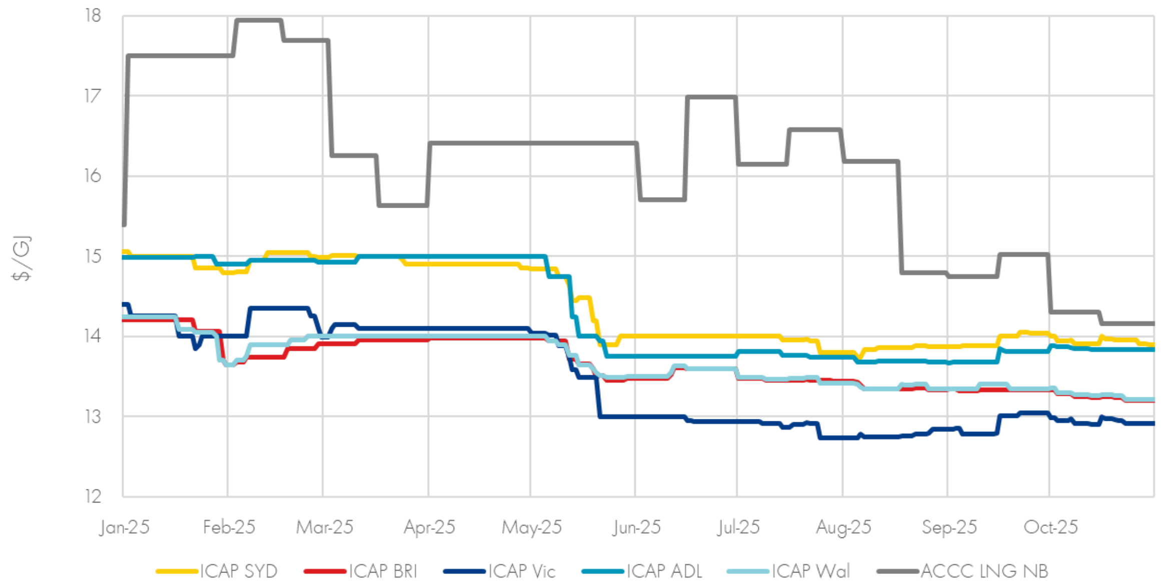
All CY26 markets decreased in October. While there are fewer winter 2026 sellers compared to September, lower prices were driven by weak buying intertest, particularly for the first quarter of 2026. All contract prices have declined over the last year. For example, the Sydney CY26 contract has declined approximately 6% in the 12 months to October 2025.

ACCC LNG NB prices for CY26 followed CY25 lower. However, lower than average European gas storage levels leading into the northern winter has been a continual watch point for the LNG market. Higher than anticipated winter usage may lead to unexpected price volatility.

October 2025, $/GJ

Market	Period Low	Period High	Opening Price	Closing Price	Monthly Change	Monthly Change (%)
ICAP Brisbane	$13.20	$13.34	$13.34	$13.20	-$0.14	-1.0%
ICAP Sydney	$13.90	$14.01	$14.00	$13.90	-$0.10	-0.7%
ICAP Adelaide	$13.84	$13.88	$13.88	$13.84	-$0.04	-0.3%
ICAP Victoria	$12.90	$13.00	$12.99	$12.91	-$0.08	-0.6%
ICAP Wallumbilla	$13.22	$13.35	$13.35	$13.22	-$0.14	-1.0%
ACCC LNG NB	$15.64	$17.95	$15.02	$14.16	-$0.86	-5.7%

CY26 Flat Calendar Year | 1 January 2025 to date



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

Spot prices were marginally higher in October compared to the previous month. This was driven by purchasing from GLNG in Queensland. Spot market prices have generally remained in the $12 to $14 per gigajoule range over the last year, with the exception of periods in June and July when low wind in southern states necessitated higher GPG usage.

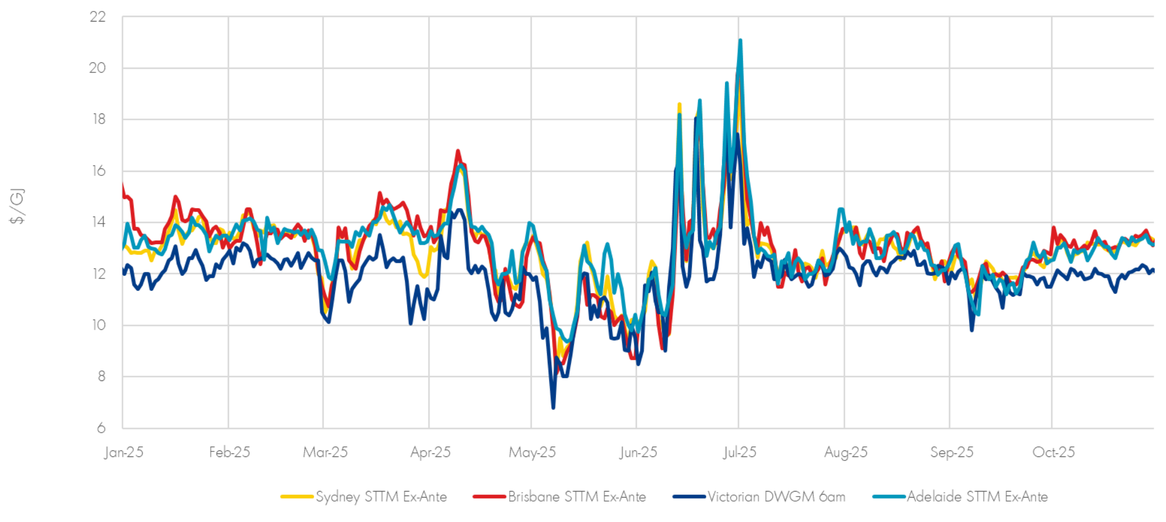
Storage levels at the Iona Gas Storage Facility ended October down approximately 1% to 11.614PJ, which is the lowest point for this time of the year since 2019. Declines in storage inventory are unusual this late in the year, but it remains to be seen if this will impact market sentiment heading into winter next year.

October 2025, $/GJ

Market	Average Spot Price	Minimum Spot Price	Maximum Spot Price
Brisbane STTM[1]	$13.26	$12.90	$13.81
Sydney STTM	$13.08	$12.50	$13.51
Adelaide STTM	$13.05	$12.46	$13.51
Victorian DWGM[2] 6am	$11.98	$11.30	$12.35

[1]STTM = Short Term Trading Market, [2]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 January 2025 to date



Source: AEMO Market Data

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