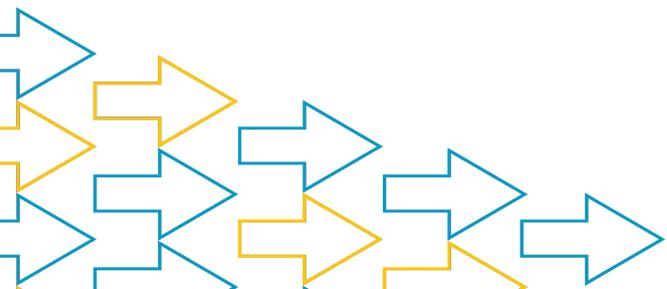




# Market Summary Report

Electricity and Gas  
January 2026



**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](#).

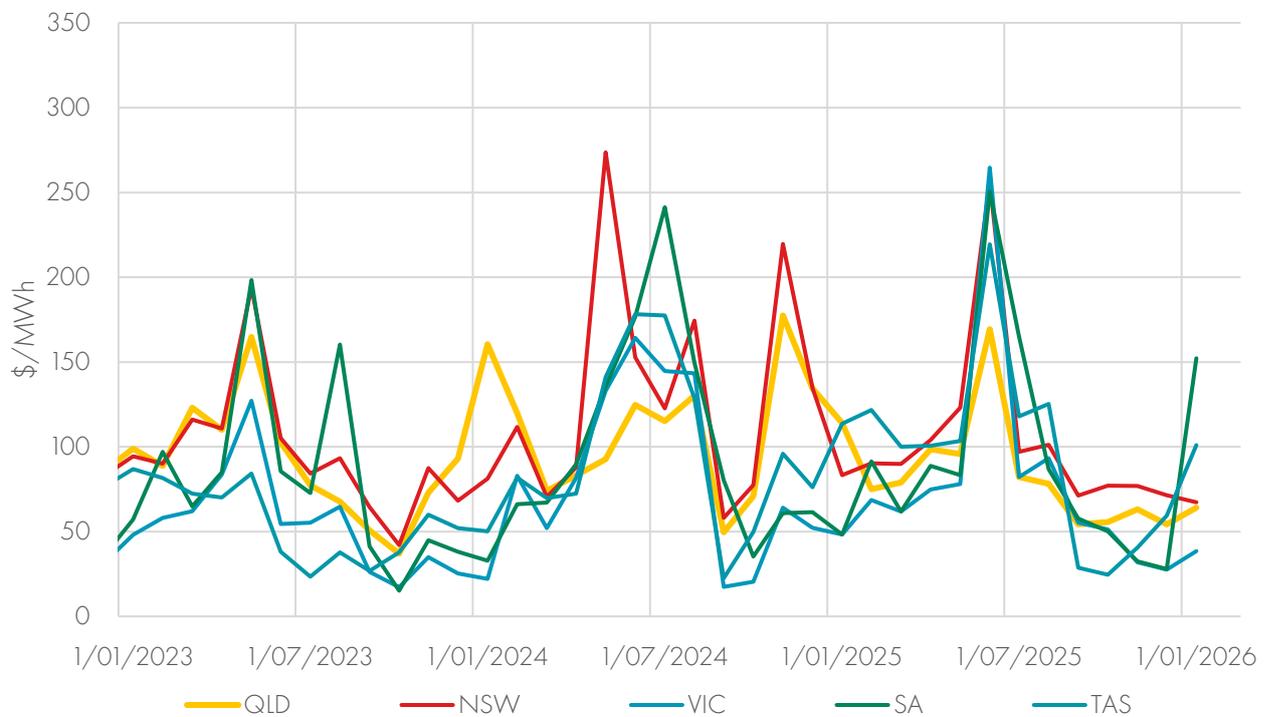
# Spot Prices: National Electricity Market

## January 2026

In January, Queensland saw some volatility with multiple high-price events driven by coal unit trips, constrained Queensland to New South Wales interconnector flows and limited evening battery capacity. New South Wales experienced strong heat-driven demand early in the month but prices generally remained contained, aside from brief spikes linked to interconnector events and low renewables. Victoria recorded record-breaking temperatures and its highest-ever demand at 10.7 GW, with volatility emerging during extreme heat and periods of very low wind. South Australia had the most frequent volatility, including a period of prolonged >\$10k/MWh intervals driven by heat, low wind and evening battery depletion, amplified at times by restricted Victoria to South Australia flows. Tasmania remained largely subdued apart from a brief period of spot price volatility following a Basslink trip, with otherwise soft pricing and stable hydro availability.

Source: DCCEEW, AEMO

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	64.03	19,727.85	3	1,065
NSW	67.22	11,938.05	12	886
VIC	38.55	3,026.01	9	2,641
SA	152.25	20,300.00	75	3,048
TAS	100.93	20,300.00	9	37



Source: NEM Spot Market - AEMO

# Contract Market

## Financial Year 2027 (FY27)

In January, FY27 Queensland contracts carried the strongest upward pressure as repeated coal unit trips, constrained QNI flows and limited evening battery support produced multiple high-price events. New South Wales contract moves were similar, with early-month heat and brief volatility around interconnector disturbances and low wind, but overall risk premia remaining contained. South Australian contracts traded consistently downward despite the extreme heat and low wind periods seen in the spot. Victorian contracts saw intermittent upward pressure driven by record-breaking temperatures, a new 10.7 GW demand peak, low wind stretches and several coal outages, which collectively tightened the market enough to support the FY27 VIC pricing.

### January 2026

State	Previous Close	Period Low	Period High	Closing Price
QLD	86.42	78.25	85.34	81.00
NSW	105.04	94.50	103.95	96.50
VIC	75.26	70.43	74.67	71.82
SA	88.08	84.47	87.84	84.47
TAS	76.53	73.97	76.75	73.97

### FY27 Flat



Source: ASX Data

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# Contract Market

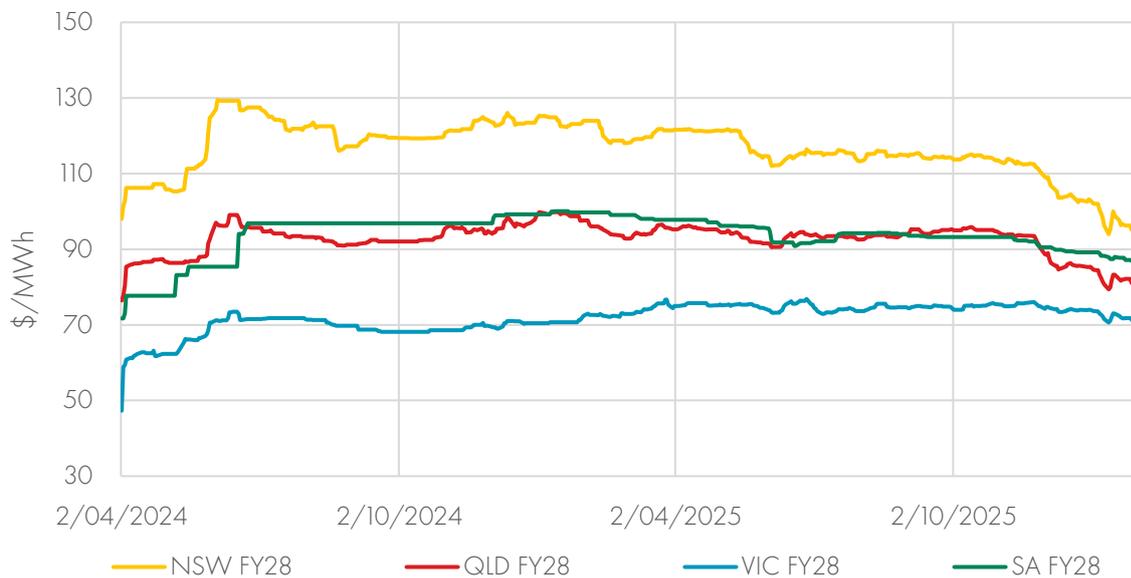
## Financial Year 2028 (FY28)

Through January, FY28 futures across the four NEM regions (NSW, QLD, VIC, SA) traded downwards with some volatility in the curve seen from the high spot prices. Regionally, all four states displayed stable forward pricing, with the spreads between regions maintaining throughout the month. Overall, January FY28 pricing remained steady from the start of the month across NSW, VIC, QLD and SA, consistent with a flat forward curve.

### January 2026

State	Previous Close	Period Low	Period High	Closing Price
QLD	85.40	79.34	84.52	80.28
NSW	102.91	93.90	101.98	93.92
VIC	73.97	70.46	73.67	70.75
SA	89.12	85.92	89.12	85.92
TAS	76.91	74.13	76.02	74.13

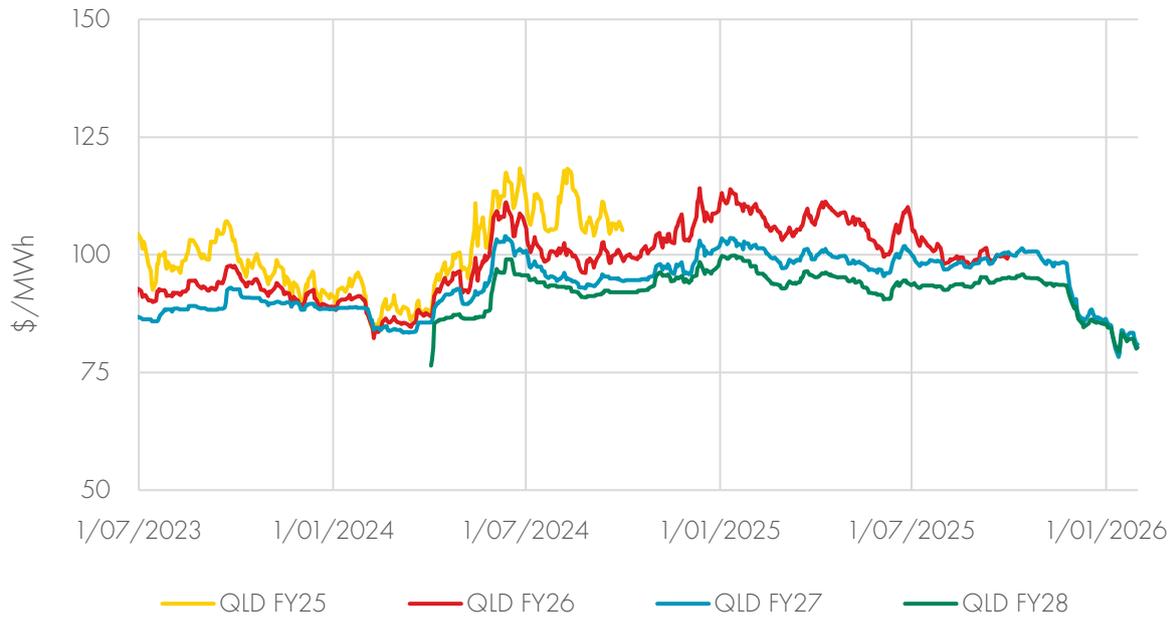
### FY28 Flat



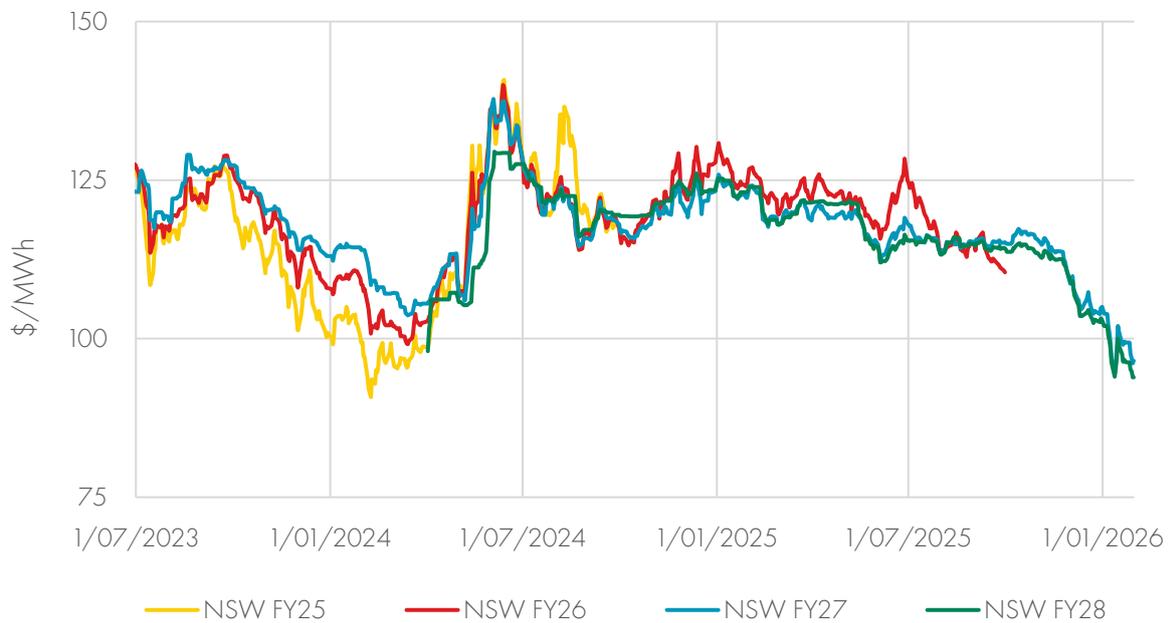
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## Contract Market – QLD Financial Years Flat



## Contract Market – NSW Financial Years Flat



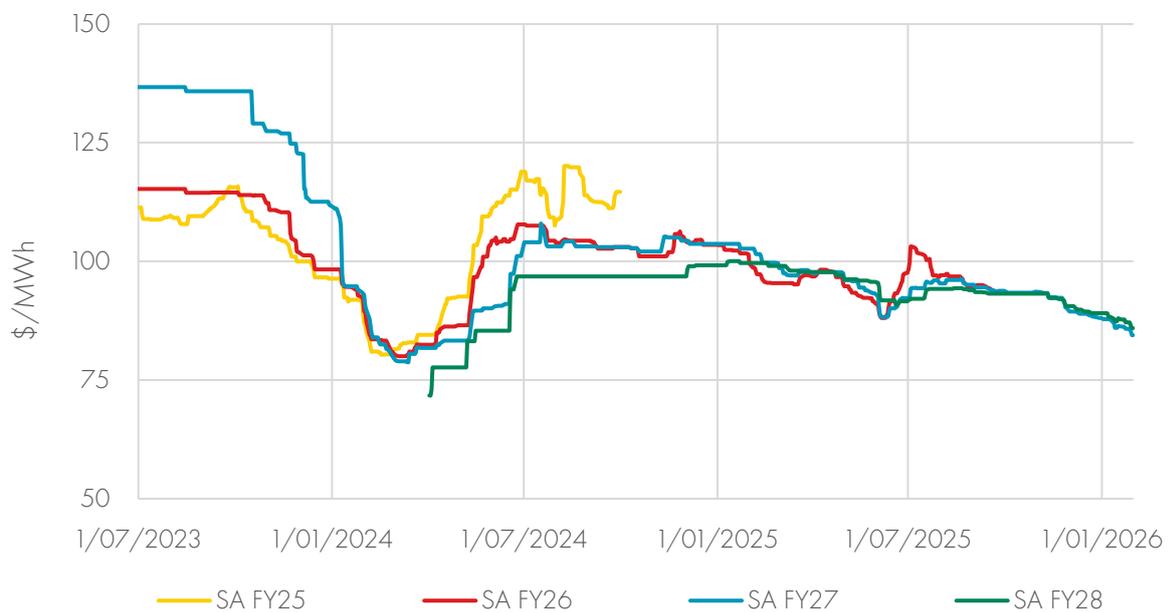
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## Contract Market – VIC Financial Years Flat



## Contract Market – SA Financial Years Flat



Source: ASX Data

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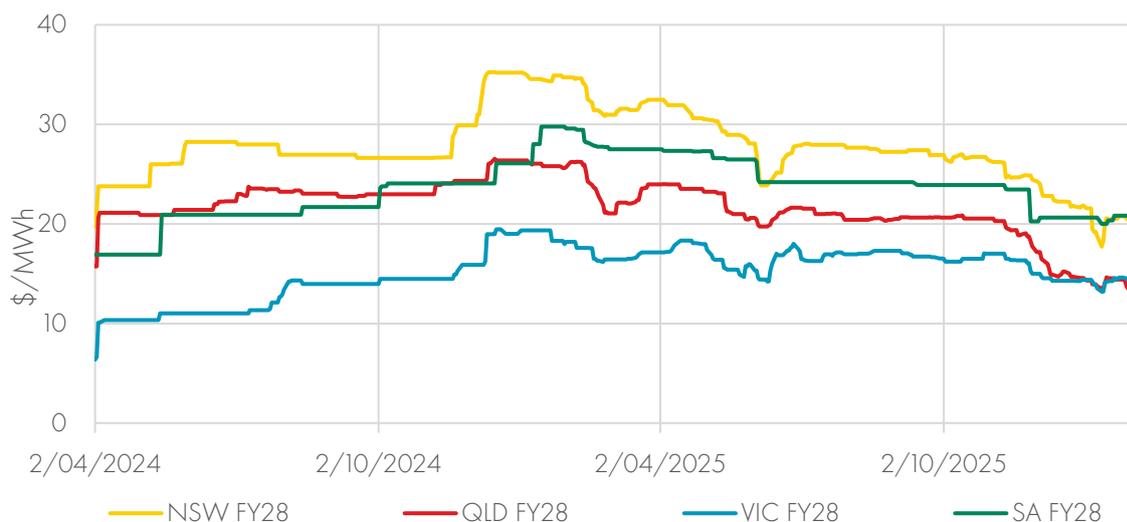
## Cap Contract Market

The Cap Contract curve followed a similar direction to the swap curve throughout January. NSW, QLD and VIC initially sold off early in the month until heat arrived in the spot market which lifted the curve back to levels seen at the start of January. The spread between the regions remained relatively stable with NSW and SA continuing to trade at a premium to QLD and VIC. Additionally, the spread between the FY contracts has remained relatively stable with FY27 trading at a premium to FY28 across all regions - although there was a high volume of contracts traded for FY27 compared with FY28.

### Financial Year 2027 (FY27)



### Financial Year 2028 (FY28)



Source: ASX Data

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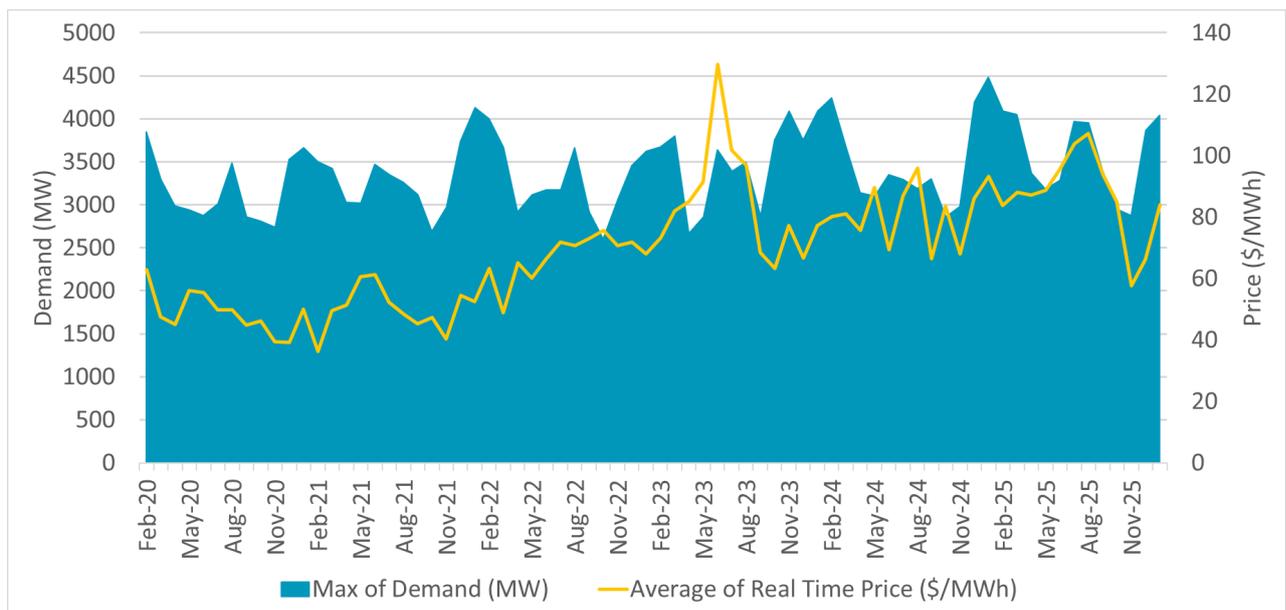
# Western Australia Energy Market (WEM)

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

Average energy prices increased month-on-month to \$78.47/MWh. This reflects higher energy demand due to warmer temperatures throughout the day and lower wind generation on average overnight and in the morning. However, average energy prices fell compared to January 2025 by \$14.63. The SWIS now has 6 BESS delivering on average 560 MW at peak interval compared to ~200 MW at peak interval on average 1 year ago. Volatility decreased month-over-month with only one trading interval at Max Offer Price.

Source: AEMO, ESM

WEM Summary Statistics	
Average Real Time Price	\$83.97/MWh
Max 5 Min Real Time Price	\$1000/MWh
5 Min Intervals at \$100 or Above	1589
5 Min Intervals at \$0 or Below	154



Source: Western Australia Energy Market - AEMO

# Emission Schemes

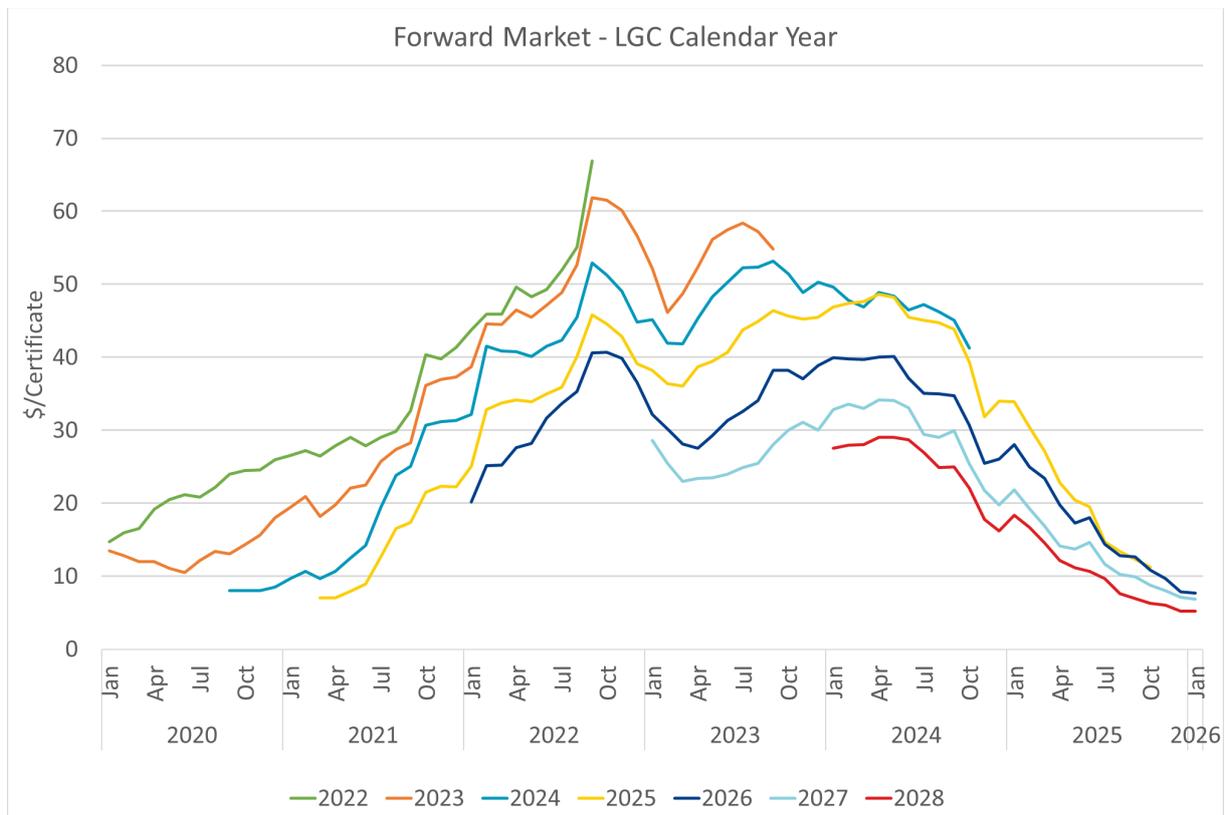
## Large Scale Generation Certificates (LGCs)

The LGC market softened again through January, extending the downward momentum seen at the end of 2025. Trading activity remained thin, with sentiment shaped largely by ongoing policy and certificate-scheme developments.

Historically, spot prices have risen in January as participants true-up positions ahead of the February compliance surrender, however, this year, there was no shortage of sellers willing to offer volume.

During the month, the Clean Energy Regulator (CER) reiterated that participants may begin registering under the Renewable Electricity Guarantee of Origin (REGO) scheme. While facilities can participate in both the RET and REGO schemes, a single unit of electricity cannot be used to create both an LGC and a REGO, and no transparent price discovery for REGOs has yet emerged. The REGO framework – designed to operate beyond the RET’s 2030 expiry and to broaden eligibility to electricity not currently covered under the RET (e.g., energy dispatched from storage or generation below baseline) – remained a key focus for market participants assessing medium-term supply dynamics.

Source: CER



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

## Small Scale Technology Certificates (STCs)

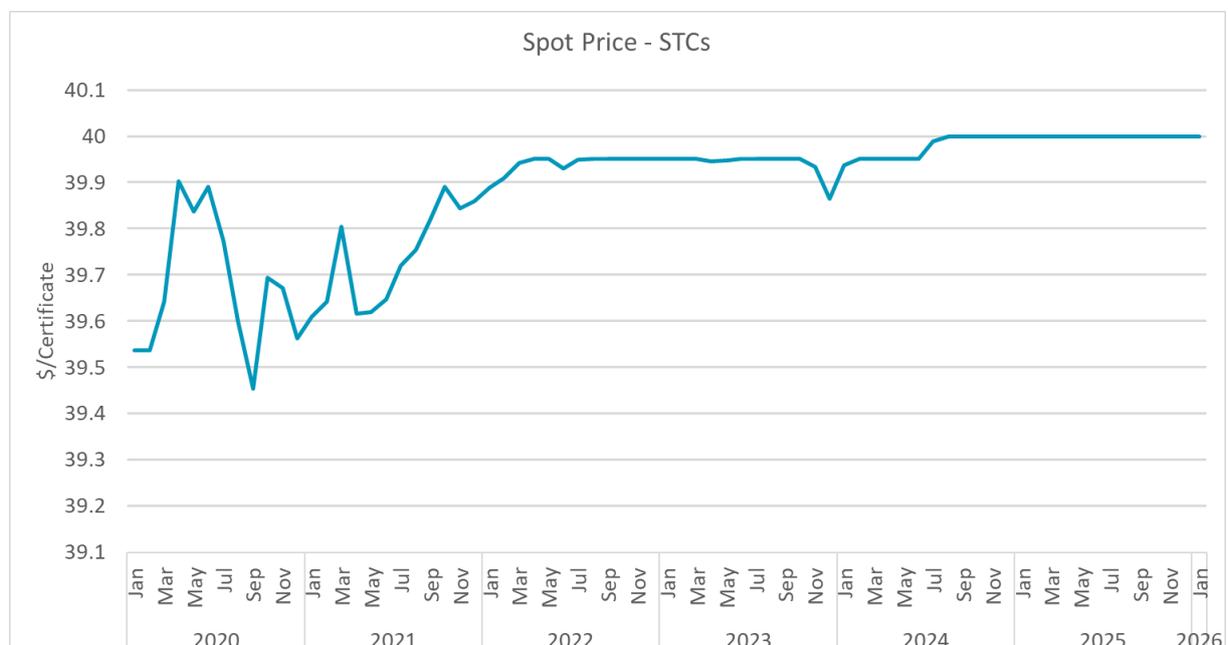
The STC market saw heightened activity through January, following December’s federal announcement that the program’s funding envelope will expand significantly – from A\$2.3 billion to around A\$7.2 billion over the next four years – to accelerate behind-the-meter battery storage uptake. The enlarged scheme aims to support more than two million battery installations by 2030, adding roughly 40 GWh of distributed storage. Over 160,000 systems have been installed to date, delivering more than 3.6 GWh of storage since launch.

Despite the scale of the expansion, existing scheme parameters remain unchanged. Eligibility continues to extend to systems up to 100 kWh, STC creation remains capped at 50 kWh of usable capacity, and both the tiered certificate structure and biannual deeming-rate reduction schedule continue to apply. As participants digested the implications of the enlarged federal budget for future certificate supply, market activity remained firm, with attention centred on installation rates and the operational details of battery eligibility under the revised funding envelope.

Supply continued to outpace government purchasing during the month. The Clearing House remained in surplus, swelling to over 6 million STCs, as Commonwealth buying struggled to keep pace with registrations. Creators therefore opted to sell certificates directly into the secondary market to maintain cash flow rather than wait in the Clearing House queue.

Trading reflected this dynamic. STCs for 2025 surrender traded down to \$39.60 in January, softening as supply pressures persisted and expectations for higher future issuance under the expanded program became more widely priced.

Source: DCCEEW



Source: Shell Energy Customer STEP Portal

## Peak Reduction Certificates (PRCs)

The PRC market remained steady throughout January, with spot prices holding near \$2.90 as certificate creation continued to track below historical levels. This was an expected outcome given both the seasonal slowdown and the recent shift of BESS activity out of the PRC program and into the STC scheme. Total creation for the month sat just under one million certificates and market liquidity remained modest as participants awaited clearer signals on 2023/24 compliance obligations ahead of the March surrender deadline.

Source: IPART

## Victorian Energy Efficiency Certificates (VEECs)

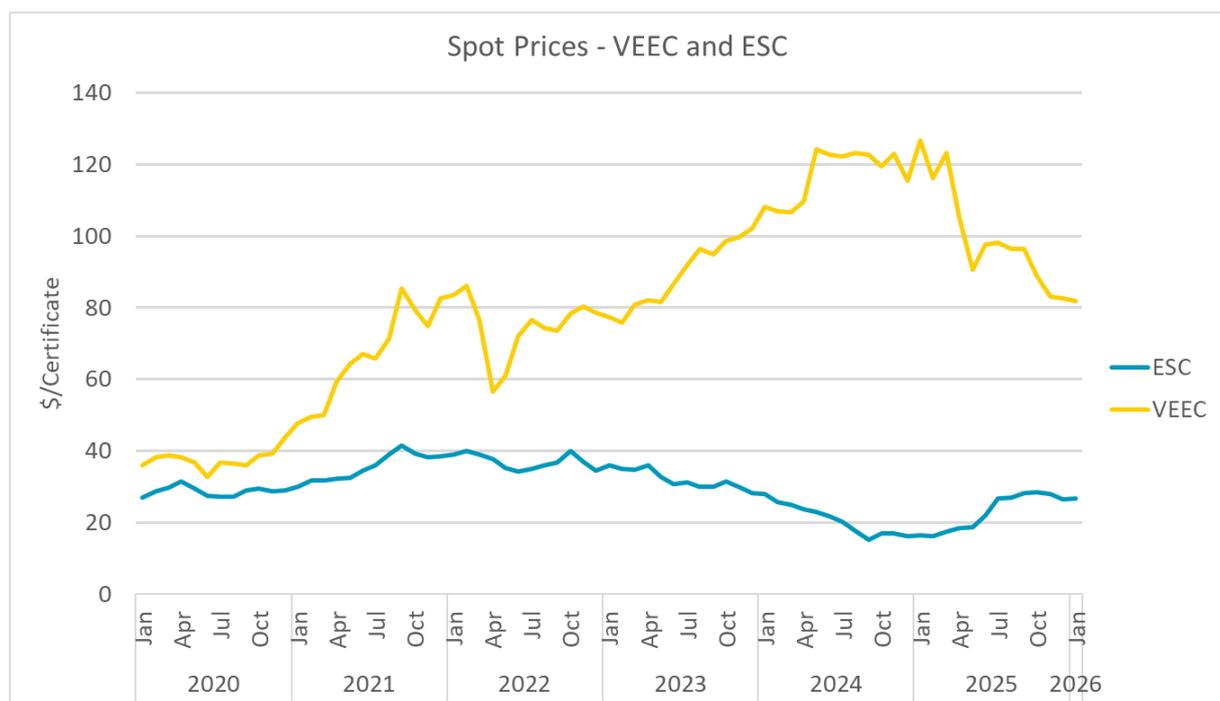
VEECs traded steadily higher through January, recovering from December's sub-\$80 levels and largely consolidating in the high-\$70s to low-\$80s range, with spot prices moving from around \$76-\$79 early in the month toward ~\$80-\$81 by month-end. Trading was relatively light, but price firmness was supported by continued certificate creation and stable forward-market interest, with most 2026 vintages holding near the \$80 mark. The January market showed mild upward drift but no significant volatility, reflecting balanced supply conditions and the market's ongoing adjustment to the revised 2026 VEU target and reduced factors announced earlier.

Source: VEU

## Energy Saving Certificates (ESCs)

ESCs remained very stable and directionally unchanged throughout January, mostly holding between \$22.65 and \$23.00, with only minor intra-week fluctuations of \$0.10-\$0.20 despite notably low certificate creation levels. Certificate registrations for January were more than 40% lower year-on-year, yet the spot market remained firm due to substantial inventories held by participants.

Source: IPART



Source: Shell Energy Customer STEP Portal

# Gas Forward Market

## Calendar Year 2026 (CY26)

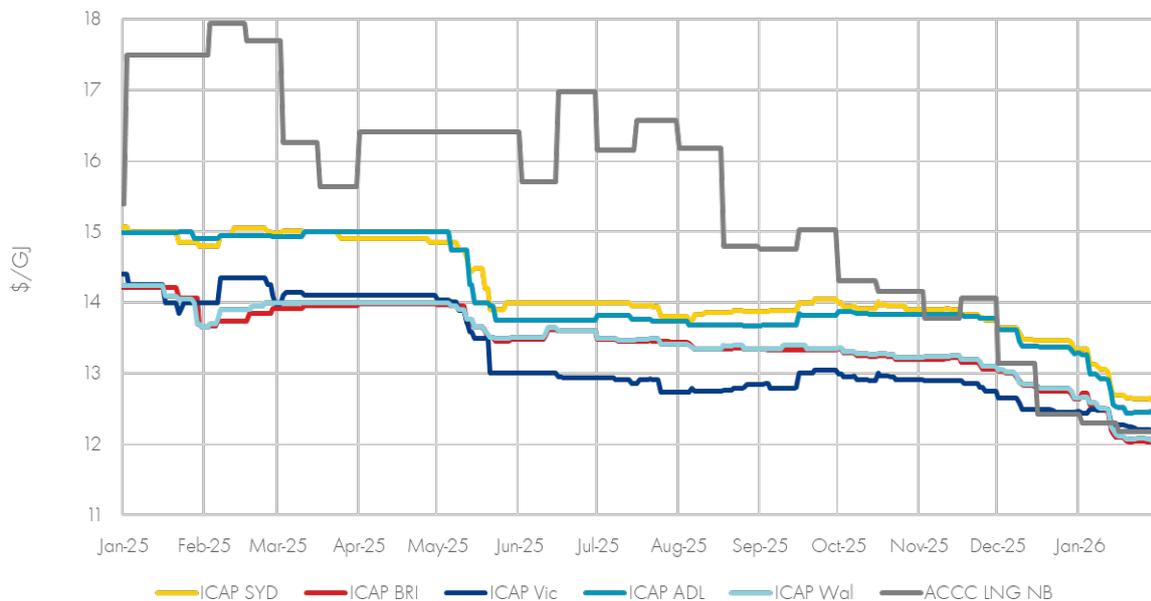
Forward prices for CY26 declined again in January. Weak spot market outcomes for 2025 in all regions led to a bearish market sentiment and continued selling, putting downward pressure on prices.

ACCC LNG NB prices for CY26 decreased in January. Geopolitical tensions early in the month saw prices rise, but the continuation of a well-supplied market eventually led to price falls. This has further increased the backwardation in LNG forward contracts.

### January 2026, \$/GJ

Market	Period Low	Period High	Opening Price	Closing Price	Monthly Change (\$/GJ)	Monthly Change (%)
ICAP Brisbane	\$12.02	\$12.73	\$12.65	\$12.02	-\$0.62	-4.9%
ICAP Sydney	\$12.61	\$13.35	\$13.35	\$12.61	-\$0.74	-5.5%
ICAP Adelaide	\$12.43	\$13.29	\$13.29	\$12.44	-\$0.85	-6.4%
ICAP Victoria	\$12.20	\$12.48	\$12.46	\$12.20	-\$0.26	-2.1%
ICAP Wallumbilla	\$12.04	\$12.66	\$12.66	\$12.04	-\$0.62	-4.9%
ACCC LNG NB	\$14.74	\$17.95	\$14.06	\$12.17	-\$1.89	-13.4%

### CY26 Flat Calendar Year | 1 January 2025 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

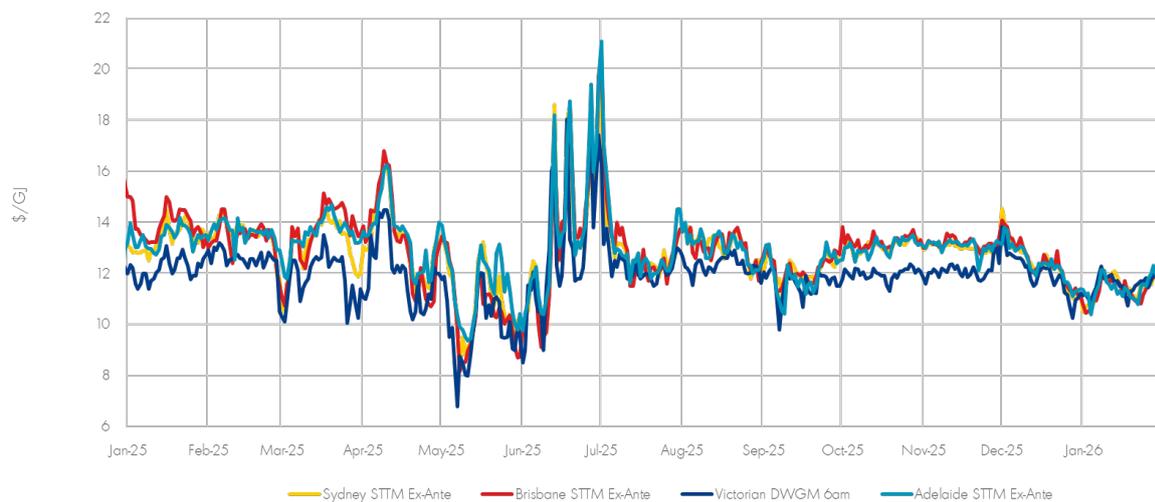
Spot prices were relatively flat in January compared to December. Lower commercial and industrial gas usage over the holiday period and ample supply helped to balance the market.

### January 2026, \$/GJ

Market	Average Spot Price	Minimum Spot Price	Maximum Spot Price
Brisbane STTM <sup>1</sup>	\$11.33	\$10.45	\$11.96
Sydney STTM	\$11.46	\$10.50	\$12.12
Adelaide STTM	\$11.40	\$10.40	\$12.15
Victorian DWGM <sup>2</sup> 6am	\$11.56	\$10.93	\$12.27

<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 January 2025 to date



Source: AEMO Market Data



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**Shell Energy Retail Pty Ltd**  
**ABN 87 126 175 460**

Level 30, 275 George Street, Brisbane Qld 4000

Phone 13 23 76

[shellenergy.com.au](https://shellenergy.com.au)