

MEDIA RELEASE - FOR IMMEDIATE RELEASE

South Australia Makes Up 79% Of All Extreme Electricity Price Spikes, Finds New Study By Energyse

Analysis of wholesale electricity spot prices in Australia reveals that 79% of all periods with a wholesale price greater than \$5,000/MWh occurred in South Australia.

BRISBANE, AUSTRALIA - 29 FEBRUARY 2024: South Australia makes up 79% of all events on the National Electricity Market (NEM) with a price greater than \$5,000/MWh in the 6 months to December 2023, according to a new study by Energyse.

Energyse: <https://energyse.com.au/>

The analysis also found that while South Australia doesn't have the highest average volume-weighted electricity prices, it does have the greatest volatility, with an average of 76% more volatility than the other 4 states on the NEM.

This analysis involved Energyse analysing 260 weekly wholesale electricity spot prices on the National Electricity Market (NEM) for the year to September 2023. Pricing was analysed for Queensland, New South Wales, Victoria, Tasmania and South Australia. Extreme event data from the AER was analysed for the period July 2023 to December 2023.

Most extreme price events: South Australia recorded 11 of the 14 events (79%) on the NEM with a price over \$5,000/MWh in the 6 months to December 2023. An event is recorded if the average price is over \$5,000 for a 30 minute period. For reference, typical electricity spot prices in Australia are about \$100/MWh, meaning that these events represent a 50x spike in price.

Greatest price volatility: South Australia has the greatest price volatility of any state in the NEM for the year to September 2023, with a volatility 76% higher than the average of the other 4 states (QLD, NSW, Vic and Tas).

Highest prices: NSW has the highest wholesale electricity prices, at an average rate of \$115/MWh for the year to September 2023.

Second highest prices: Queensland has the second highest wholesale electricity prices, at an average rate of \$113/MWh for the year to September 2023.

Lowest prices: Tasmania recorded the lowest average electricity spot prices, at \$70/MWh. They were closely followed by Victoria, at \$71/MWh.

Most wind & solar renewable capacity: South Australia had the most wind and solar renewable capacity at 30 June 2023, with this making up 47.1% of their electricity generation capacity (36.8% wind and 10.2% grid scale solar).

“The most recent data suggests that South Australia has seen more wholesale electricity price volatility than any other state on the NEM. Whilst the average spot prices haven’t been the highest in the nation, there is very high volatility, leading to erratic price movements. 79% of all extreme price events in the 6 months to December 2023 occurred in South Australia, demonstrating how over-represented they are in this data,” Energyse founder Louis Fredheim said.

Energyse: <https://energyse.com.au/>

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About Energyse

Energyse helps Australians save money and reduce their carbon footprint by comparing electricity and gas providers in Australia. Users can find utility providers with the best prices based on their usage patterns, as well as compare the green credentials of each provider.

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