



# COMMERCIAL ENERGY MARKET REPORT

**FEBRUARY 2025**

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Presented By  
**Watt Utilities**

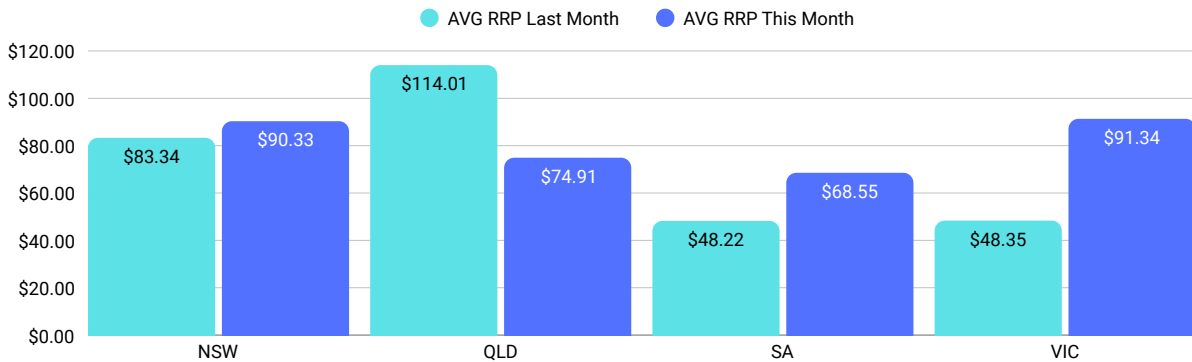
# COMMERCIAL ENERGY MARKET REPORT - FEBRUARY 2025

## Market Summary

- In February 2025, the National Electricity Market (NEM) saw mixed spot price movements. Queensland experienced a drop in spot prices, while New South Wales, Victoria, and South Australia saw increases compared to January 2025.
- Spot prices in Victoria and South Australia surged due to heatwaves, with temperatures nearing 40°C, increasing demand.
- Wholesale futures prices drifted lower in February across all states except Victoria, where contracts saw slight gains.

## NEM SPOT PRICE

RRP - January 2025 vs February 2025



## Australian Power Index - 12 Months



## Analysis

- Queensland prices dropped significantly due to lower peak temperatures (33°C vs 37°C in January), reducing maximum demand.
- Victoria & South Australia saw price surges due to extreme heatwaves, with peak temperatures nearing 40°C, pushing demand higher.
- New South Wales faced price spikes driven by transmission constraints and reduced coal generation availability.



## NEW SOUTH WALES



### Market Rates

Spot prices rose 8.4% compared to January 2025.

### Factors

High demand, transmission constraints, and reduced coal generation led to price increases. Increased renewable generation helped stabilise average prices.



## QUEENSLAND



### Market Rates

Spot prices fell 34.3% from January 2025 levels.

### Factors

Cooler temperatures reduced demand. No price spikes above \$1,000/MWh were recorded. Strong solar generation also contributed to lower prices.





## SOUTH AUSTRALIA

### Market Rates

Prices surged 89.5% month-on-month.

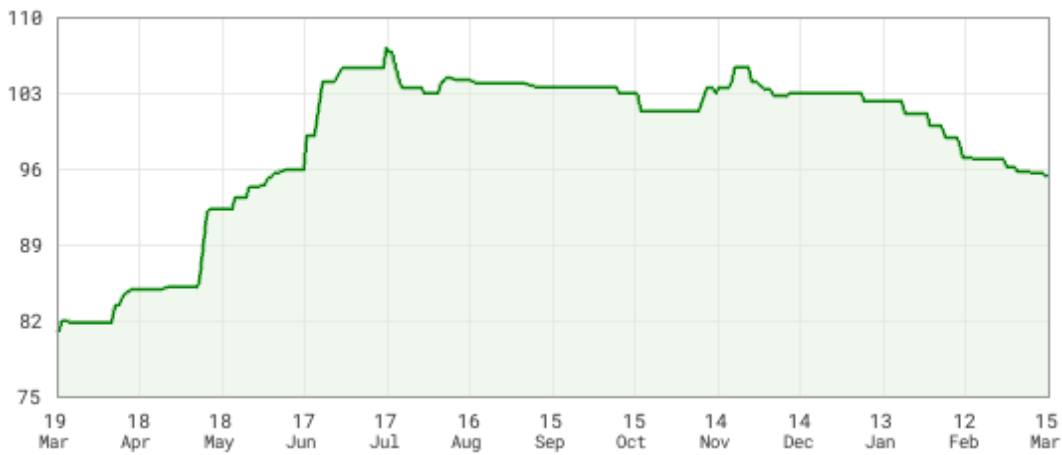
### Factors

High temperatures increased demand. Wind variability led to reliance on gas generation, adding volatility. Negative pricing also occurred due to excess solar supply.



SA Base Cal Futures 2026

19 Mar 2024 - 14 Mar 2025



## VICTORIA

### Market Rates

Spot prices jumped 41.8% compared to January.

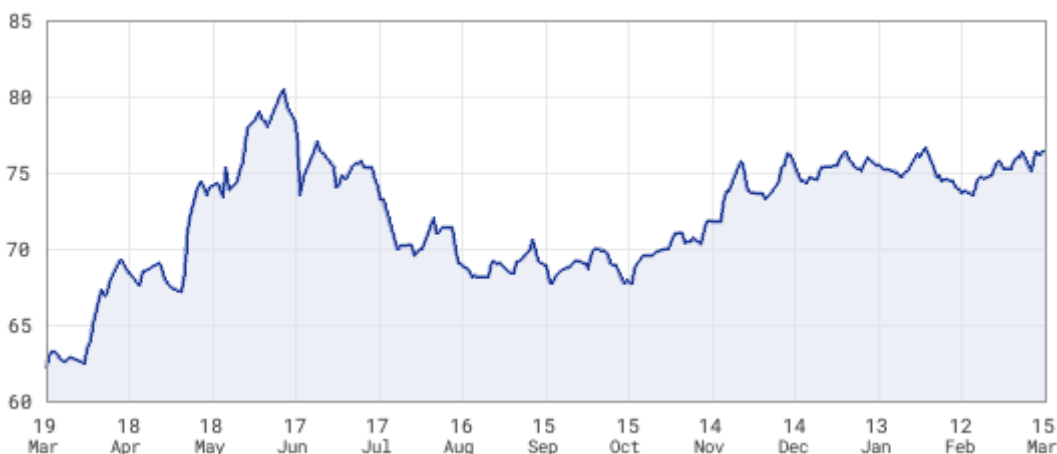
### Factors

Peak summer demand and gas reliance drove price increases. Heatwaves caused stress on generation assets.



VIC Base Cal Futures 2026

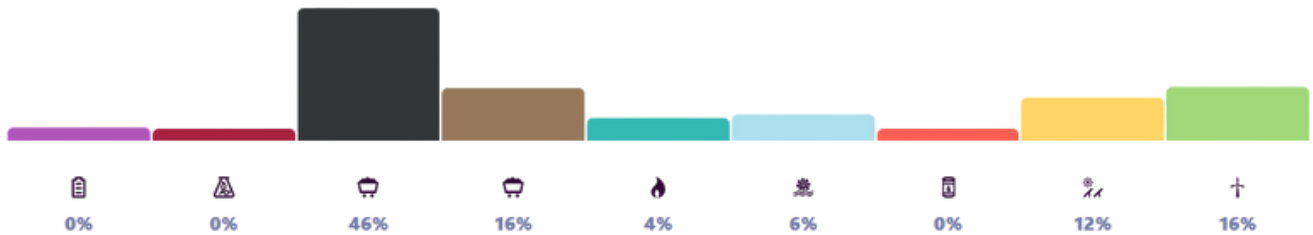
19 Mar 2024 - 14 Mar 2025



## AEMO FUEL MIX - LAST 90 DAYS

### Mix Summary

Total breakdown of fuel used



Black & Brown coal combined accounted for 62% of energy production in the NEM for the previous 90 days from March 15th 2025, followed by wind 16%, Solar 12%, hydro 6% and gas 4%.

## WATT'S NEWS

Watt Utilities is now proudly offering commercial and business LPG gas services, enabling you to conveniently manage both your electricity and gas through a single, expert point of contact.

By consolidating your energy services with us, you'll benefit from the best available market rates at any given time, streamlined billing, and simplified management.



## INDUSTRY NEWS

- **Battery Expansion:** EnergyAustralia has announced plans to develop a 300 MW / 1,200 MWh battery in Victoria, expected to be operational by 2026.
- **Transmission Upgrades:** AEMO confirmed new transmission capacity upgrades between Victoria and New South Wales to improve energy flows and reliability.
- **Renewable Growth:** South Australia reached 78% renewable energy penetration for the month, highlighting increased wind and solar output.

## FURTHER READING



**SME Energy Costs: A Practical Guide for Australian Business**

[Read the Article](#)



**AEMC Updates Market Price Cap and Cumulative Price Threshold for 2025-26: What You Need to Know**

[Read the Article](#)

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