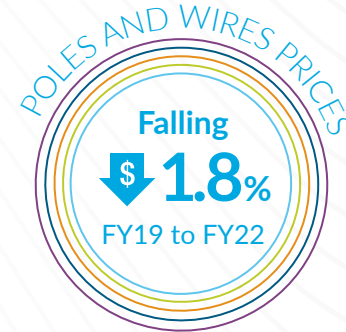
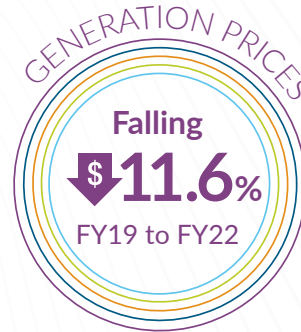


AUSTRALIAN ENERGY MARKET COMMISSION

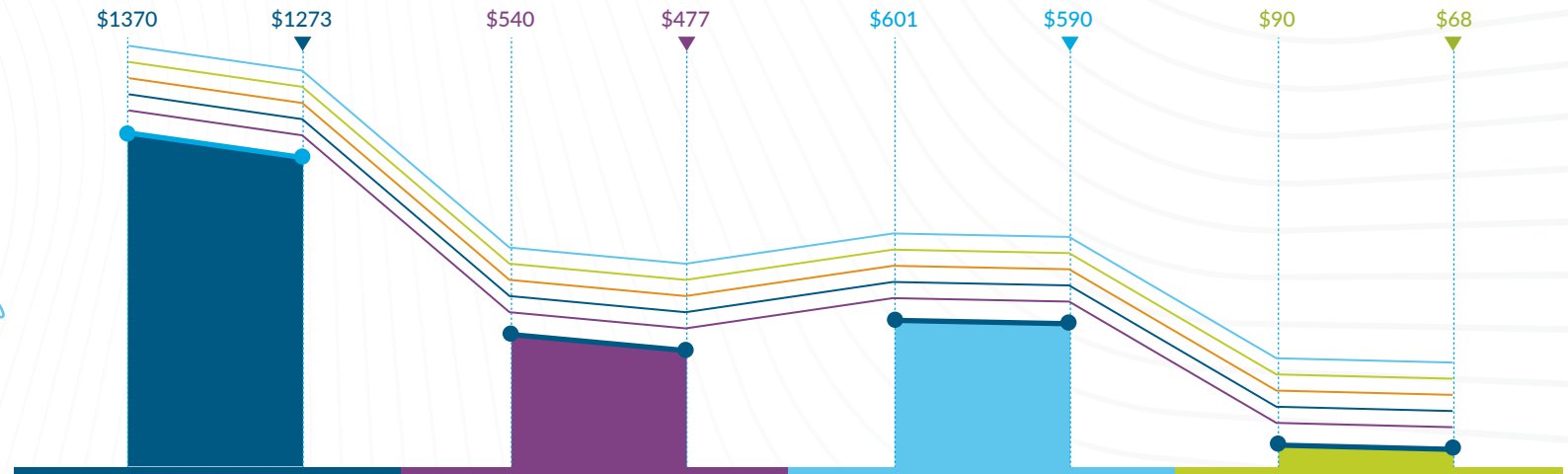
POWER PRICES SET TO FALL OUT TO 2022

RESIDENTIAL ELECTRICITY PRICE TRENDS REPORT 9 DECEMBER 2019

Overall household power prices are estimated to fall from FY19 to FY22 on the back of increasing renewable generation and cuts to regulated network costs. More supply is putting downward pressure on prices. It's important to note that over a decade of analysis we have seen trends change sharply in response to events like generator closures and new policy.



Cost pressures are coming off consumer bills



$$\text{Bill} = \text{USAGE} \times \text{PRICE}$$

Every household is different. Bills change depending on how much power you use and when. Costs are also affected by where you live.



OVERALL SUPPLY COSTS

Bills are estimated to fall as the 3 key drivers indicate price cuts ahead



WHOLESALE

Lots of new renewable projects coming online adding much-needed supply and driving prices down



NETWORKS

Falling distribution and metering costs are driving regulated network charges down



ENVIRONMENTAL POLICY

These costs are falling as subsidies like the 20% renewable energy target are winding down