

# Electricity Authority weekly security of supply report 1 August 2024

## Key points

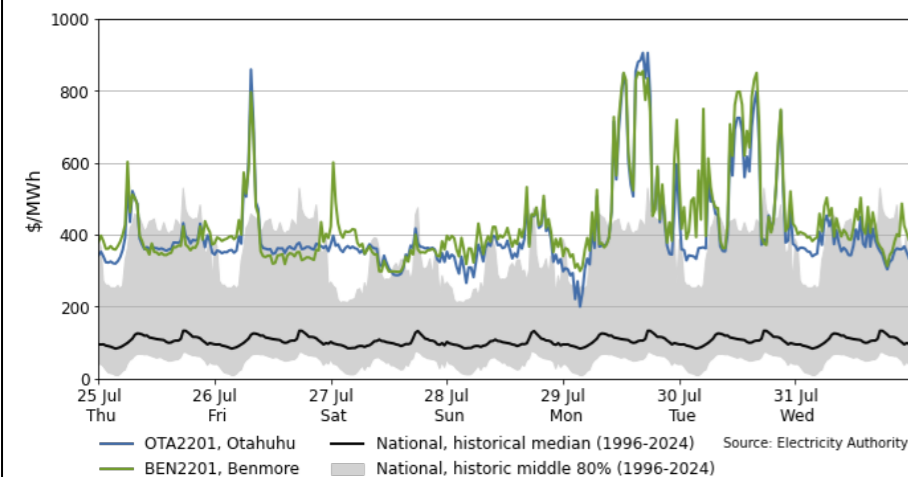
**National average spot price** between 25-31 July was \$420/MWh, with most prices (middle 50%) sitting between \$345/MWh-\$443/MWh. Prices remain high due to low hydro storage and high gas prices. Wind and demand forecasting inaccuracies contributed to the particularly high prices seen on Friday, Monday and Tuesday, with the Ōtāhuhu spot price reaching a maximum of \$905/MWh on Monday afternoon.

The **coal stockpile** at Huntly was 231kt as of 19 July, as reported by Genesis in their FY24 Q4 Performance Report.

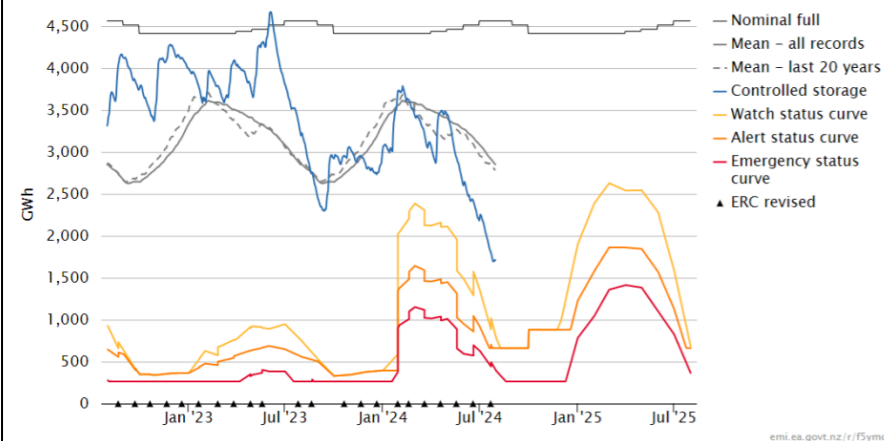
Controlled **hydro storage** has increased slightly over the last few days and is ~38% nominally full and ~60% of historic mean as of 30 July. The electricity risk curves were last updated on 22 July and are constantly reviewed.

The amount of **generation on outage** most days between 25-31 July was close to average for this time of year, with the exception of Friday when Huntly unit 5 was on outage. The amount of generation on outage between 1-7 August is expected to be close or above average.

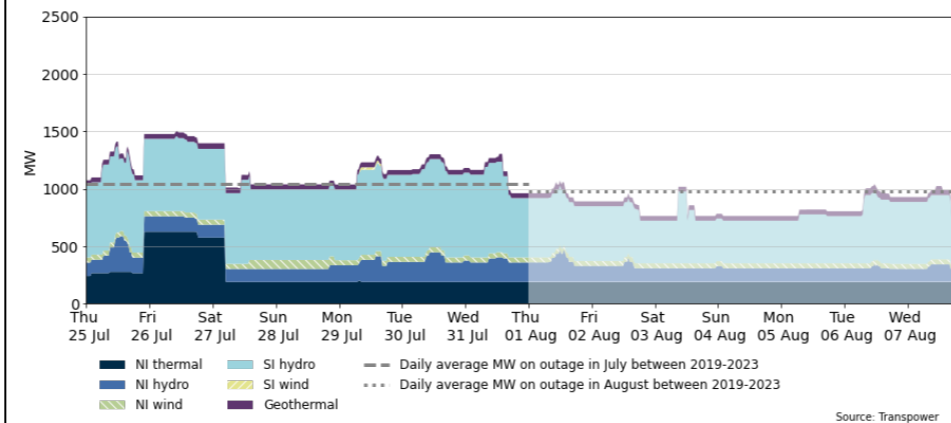
**Figure 1: Wholesale spot prices at Ōtāhuhu and Benmore**



**Figure 2: Hydro storage and Electricity Risk Curves**



**Figure 3: Generation by type on outage**



**Figure 4: Domestic electricity prices by component without inflation adjustment**

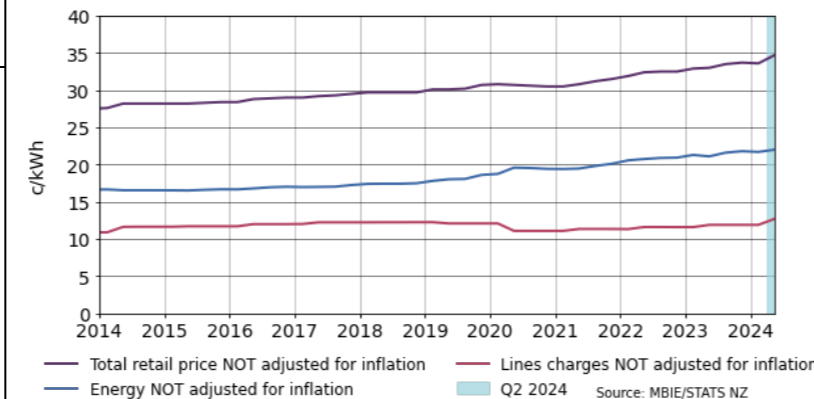


Figure 4 shows the domestic electricity prices by component without adjusting for inflation, up to 14 May 2024. In the last 12 months, nominal values have risen by 5.2%. For a typical household using 8,000kWh annually, this equates to an extra \$136 per year on their electricity bill compared to one year ago. Increases in both energy costs and line charges have contributed to rising electricity prices. However, our analysis of the 2022/23 Retail Gross Margin data indicates retailers are at least partly absorbing this increase in costs rather than passing it on to consumers<sup>1</sup>.

**Table 1: Notable planned outages (active 1 August 2024)**

Plant	MW Loss	Start	End
Manapouri Unit 6	128	13-Nov-23	10-Mar-25
Manapouri Unit 4	128	16-Feb-24	18-Sep-25
Stratford Peaker 2*	100	28-Aug-23	23-Sep-24
Benmore Unit 1	95	29-Jul-24	02-Aug-24

\*Stratford Peaker 2 was previously scheduled to return from outage on 2 September 2024. This has now been extended to 23 September 2024.

**Figure 5: Disconnection trend – 14 day moving average**



Figure 5 shows disconnection trends for unique ICPs from 1 January-26 July in 2023 and 2024. The number of disconnections is currently higher than at the same time last year, and has generally been higher in 2024 than 2023. The average as of 26 July (the most recent data available) was 84 disconnections.

**Figure 6: Number of consumer switches between retailers**

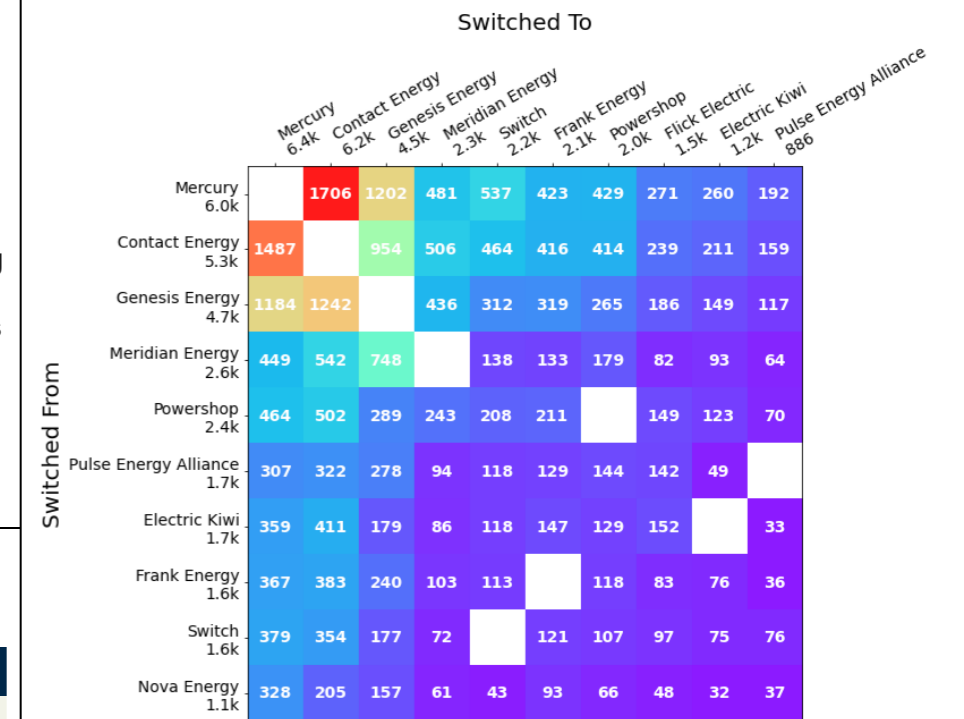


Figure 6 shows switching between retailers for July 2024. The 10 retailers with the most consumer switches are shown, with the old retailer on the vertical axis and the new retailer on the horizontal axis. It shows competition in action as retailers gain and lose retail customers to each other. The highest number of switches between two retailers in July was 1,706 from Mercury to Contact Energy.

<sup>1</sup> <https://www.ea.govt.nz/news/general-news/new-retail-gross-margin-and-internal-transfer-price-data-published/>

