Legislative Council Select Committee on Electricity Supply, Demand and Prices in New South Wales

GRAPH 1


Trends in supply chain cost components
The below figure shows the expected movements in the supply chain cost components for the representative consumer on a market offer in New South Wales.

![Graph](image)

<table>
<thead>
<tr>
<th>Year</th>
<th>Environmental policies</th>
<th>LRET - LGC cost</th>
<th>SKES - STC cost</th>
<th>Climate Change Fund</th>
<th>Energy saving scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17 Base Year</td>
<td>1.65 $70</td>
<td>0.64 $27</td>
<td>0.36 $15</td>
<td>0.48 $20</td>
<td>0.17 $7</td>
</tr>
<tr>
<td>2017/18 Current Year</td>
<td>1.71 $72</td>
<td>0.76 $33</td>
<td>0.32 $14</td>
<td>0.41 $17</td>
<td>0.21 $9</td>
</tr>
<tr>
<td>2018/19</td>
<td>1.85 $78</td>
<td>0.89 $37</td>
<td>0.33 $14</td>
<td>0.40 $17</td>
<td>0.23 $10</td>
</tr>
<tr>
<td>2019/20</td>
<td>1.98 $83</td>
<td>1.03 $43</td>
<td>0.32 $14</td>
<td>0.39 $16</td>
<td>0.25 $10</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Wholesale</th>
<th>Residual</th>
<th>Market offer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>9.57 $403</td>
<td>1.89 $60</td>
<td>27.74 $1,169</td>
</tr>
<tr>
<td>2017/18</td>
<td>12.41 $524</td>
<td>2.19 $92</td>
<td>30.57 $1,289</td>
</tr>
<tr>
<td>2018/19</td>
<td>10.26 $433</td>
<td>2.25 $95</td>
<td>28.60 $1,214</td>
</tr>
<tr>
<td>2019/20</td>
<td>7.97 $332</td>
<td>2.31 $97</td>
<td>26.69 $1,325</td>
</tr>
</tbody>
</table>

GRAPH 2

Australian Energy Regulator, *Annual volume weighted average spot prices*.

Wholesale NEM spot prices 1999 - 2018

Coal closure

- **Within 15 years, 60% of NSW’s coal capacity will close - 3 plants - 5,880 MW**
  - 2022 Liddell 1680 MW (announced)
  - 2027 Vales Point 1320 MW (50 years of age)
  - 2032 Eraring 2880 MW (announced)

- **Impending coal closures outside NSW - 2 plants - 3,160 MW**
  - 2027 Gladstone QLD 1680 MW
  - 2028 Yallourn VIC 1480 MW

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**NSW wind farms under construction**

- Sapphire 270 MW
- Bodangora 113 MW
- Crookwell 2 91 MW (contracted under ACT auction scheme)
- Silverton 200 MW

- **TOTAL 4 wind farms 674 MW capacity**

**NSW Wind Farms with planning approval**

- **TOTAL 14 wind farms 2,872 MW capacity**