

Electricity Prices

February 2015

Release date: 13 March 2015

<i>Seniti</i>	Feb 15	Jan 15	Dec 14	Nov 14
Electricity*	80.27	87.79	88.69	91.73

*Electricity prices are per Kilowatt hour

Electricity price falls again for the month

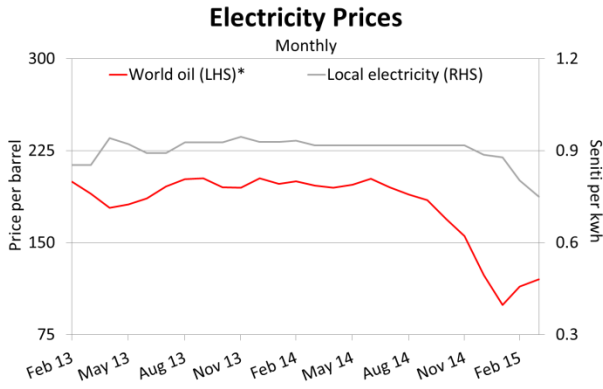
Electricity price fell again over the month of February by 7.52 seniti per kilowatt hour, effective 1st February 2015. This is a further decline from last month's price review reaching the lowest it has been since March 2013. The decrease in electricity prices over the month was mainly due to the fall in the price of diesel fuel. Additionally, Tonga Power Ltd.'s subsidized tariff by government for lower income houses was implemented at the beginning of this month.

Over the year, electricity prices dropped by 1.7% driven by constant decreases in global energy prices. Additionally, electricity consumption is expected to increase given the reduction in electricity prices. The NRBT expects the fall in prices to ease February inflation by around 0.3 percentage points over the year.

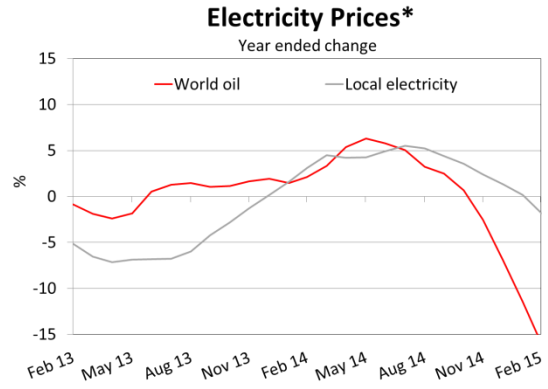
	Electricity Prices				1 month change	1 year change
	As at month (Seniti per Kilowatt hour)					
	Feb-15	Jan-15	Dec-14	Feb-14	%	%
Electricity	80.27	87.79	88.69	93.21	-8.6	-1.7
Contribution to inflation (ppts) *	N/A	N/A	N/A	N/A	-1.5	-0.3

*NRBT estimate

Sources: Tonga Power Limited



* Average price, month-ended
Sources: Reuters; Bloomberg; Tonga Power Limited



* Year-ended average
Sources: Reuters; Bloomberg; Tonga Power Limited