

# Electricity Prices

## July 2015

Release date: 27 July 2015

Seniti	Jul 15	Jun 15	May 15	Apr 15
Electricity*	83.11	80.15	80.15	75.00

\*Electricity prices are per Kilowatt hour

## Electricity prices increase by almost 3 seniti

Electricity prices rose by 3.69% (2.96 seniti) to 83.11 seniti, effective 1<sup>st</sup> July 2015 due to the increase in the price of diesel over June. This is the second increase in electricity prices since December 2013. Brent Crude oil prices rose by 11.7% over May but dropped by 2.6% over June. The increase of crude prices over May could have contributed to the rise in electricity. Furthermore, despite the drop of global oil prices over June, the Tongan Pa'anga depreciated against the U.S. Dollar which would have exacerbated costs.

In annual terms, electricity prices dropped by 8.4% (9 seniti) as a result of the general decline in world oil prices. The NRBT expects that the yearly fall in electricity prices will further ease the headline inflation rate by around 1.4 percentage points.

	Electricity Prices				1 month change	1 year change
	As at month (Seniti per Kilowatt hour)					
	Jul-15	Jun-15	May-15	Jul-14	%	%
Electricity	83.11	80.15	80.15	91.73	3.7	-8.4
Contribution to inflation (ppts) *	N/A	N/A	N/A	N/A	0.6	-1.4

\*NRBT estimate

Source: Tonga Power Limited

