

Electricity Prices

March 2015

Release date: 13 March 2015

<i>Seniti</i>	Mar 15	Feb 15	Jan 15	Dec 14
Electricity*	75.00	80.27	87.79	88.69

*Electricity prices are per Kilowatt hour

Electricity price drop continues

Electricity price fell again over the month of March by a further 6.57% to 75 seniti, effective 1st March 2015. This is in addition to the decline of the previous month where electricity price fell by 5.27 seniti over the month of February (effective 1st February 2015). The fall in electricity prices over March was mainly driven by the decrease in the price of diesel fuel. This price decrease is currently the lowest electricity price since May 2009. In addition, Tonga Power Ltd.'s subsidized tariff for lower income households that was implemented last month will no longer be applied this month. This is due to the constant decreases of electricity prices for all electricity consumers.

Over the year, electricity prices dropped by 3.81% due to the constant decline of global energy prices. Tonga Power Ltd.'s tariff reduction has fallen by 18% having an impact on the power bill at \$5.27 for every 100 Kilowatt hour of electricity consumed. Furthermore, the NRBT expects the decrease in electricity prices to ease March inflation by around 0.7 percentage points over the year.

	Electricity Prices				1 month change %	1 year change %
	As at month (Seniti per Kilowatt hour)					
	Mar-15	Feb-15	Jan-15	Mar-14		
Electricity	75.00	80.27	87.79	91.73	-6.6	-3.8
Contribution to inflation (ppts) *	N/A	N/A	N/A	N/A	-1.1	-0.7

*NRBT estimate

Sources: Tonga Power Limited

