

AUCTION REPORT 2013 QUARTER 2

PREPARED BY: SETTLEMENTS & PRUDENTIALS

VERSION: 2.0

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FINAL

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Version Release History

| VERSION | DATE | CHANGES |
|---------|-------------|---|
| 1.0 | 27-Apr-2012 | Initial version. |
| 2.0 | 26-Feb-2014 | Corrected Tranche 2 prices for 2014Q3. Added note discussing June 2013 auction date. |

1 Introduction

Section 3.18 of the National Electricity Rules (NER) authorises AEMO to conduct Settlement Residue Auctions. Clause 3.18.5 requires AEMO to establish a Settlement Residue Committee (SRC). One function of the SRC is to report on the auctions conducted by AEMO (clause 3.18.5(b)(3)). The purpose of this document is to report on the auctions conducted by AEMO on 17 June 2013 and the distribution of residues for 2013 Quarter 2.

Note that all prices quoted in this report exclude GST.

2 Participation

To be eligible as an Auction Participant, Market Customers, Generators and Traders must enter into an Auction Participation Agreement (APA) with AEMO.

Prior to these auctions, 37 APA holders were able to bid at the Auctions and 16 participants lodged bids.¹

3 Auction Conducted

AEMO conducted a single auction covering the twelve quarters on 17 June 2013 as follows.

Table 3.1 - Auction Conducted 17 June 2013

| QUARTER | TRANCHE OFFERED THIS AUCTION | PORTION OFFERED THIS AUCTION * | PORTION AUCTIONED TO DATE |
|----------------|------------------------------|--------------------------------|---------------------------|
| 2013 Quarter 3 | Tranche 12 of 12 | 8.33% | 100.00% |
| 2013 Quarter 4 | Tranche 11 of 12 | 8.33% | 91.67% |
| 2014 Quarter 1 | Tranche 10 of 12 | 8.33% | 83.33% |
| 2014 Quarter 2 | Tranche 9 of 12 | 8.33% | 75.00% |
| 2014 Quarter 3 | Tranche 8 of 12 | 8.33% | 66.67% |
| 2014 Quarter 4 | Tranche 7 of 12 | 8.33% | 58.33% |
| 2015 Quarter 1 | Tranche 6 of 12 | 8.33% | 50.00% |
| 2015 Quarter 2 | Tranche 5 of 12 | 8.33% | 41.67% |
| 2015 Quarter 3 | Tranche 4 of 12 | 8.33% | 33.33% |
| 2015 Quarter 4 | Tranche 3 of 12 | 8.33% | 25.00% |
| 2016 Quarter 1 | Tranche 2 of 12 | 8.33% | 16.67% |
| 2016 Quarter 2 | Tranche 1 of 12 | 8.33% | 8.33% |

* On 28 February 2012, AEMO advised Auction Participants that the directors of Electrade II, a participant in the Settlement Residue Auction (SRA), had taken steps for the winding up of the company. Under clause 13.4 of the Auction Participation Agreement, AEMO terminated the agreement and all Settlements Residue Distribution Agreements (SRDA) between the participant and AEMO. Under clause 6.1(b)(iii) of the SRA Auction Rules, units previously allocated to the participant become unallocated and are to be offered in the last auction of each quarter. The following units became unallocated as a result of the termination.

¹ This compares with 36 APA holders and 18 participants who lodged bids for the last auction (2013 Quarter 1), and 36 APA holders and 15 participants who lodged bids at the 2012 Quarter 4 auction.

Table 3.2 - Unallocated Units resulted from Termination of SRDAs

| SRDA | 2013 Q3 | 2013 Q4 | 2014 Q1 | 2014 Q2 |
|------------|---------|---------|---------|---------|
| Qld to NSW | 50 | | | |
| SA to Vic | | | | |
| Vic to SA | | 1 | 10 | |
| NSW to Vic | | | | 30 |
| Vic to NSW | | 10 | 47 | 5 |

Unallocated units for 2013 Quarter 3 were offered in the auction conducted on 17 June 2013. Unallocated units for the other quarters will be auctioned in subsequent auctions (ie, 2013 Quarter 4 in September 2013, 2014 Quarter 1 in December 2013 etc.). The portion offered for 2013 Quarter 3 shown in Table 3.1 does not include these unallocated units.

When the June 2013 auction was scheduled in AEMO's system, the Queen's Birthday holiday was not defined as a NEM public holiday². Subsequently, QLD reinstated the public holiday in June 2013, and the holiday became a NEM-wide public holiday. Due to the late notification of the change and AEMO's system being temporarily unavailable, the June 2013 auction date was not changed to account for the NEM-wide public holiday.

4 Auction Results

This section of the report details the public results for the auction conducted on 17 June 2013 for the relevant quarters.

Sections 4.1 to 4.12 give the results for each quarters for which auctions have been conducted. Section 4.13 shows the clearing price results for each directional interconnector.

All units offered to date have been sold.

² In QLD the public holiday had been moved to Oct-2013, while other jurisdictions continued to observe the holiday in Jun-2013. Therefore the holiday was not a public holiday in each of the NEM jurisdictions.

4.1 July – September 2013 (2013 Quarter 3)

Table 4.1 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.1 - Auction Results – July to September 2013 (Q3)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|--------------|----------------|----------------|----------------|--------------|----------------|-----------------|
| T1 Clearing Price | \$500.00 | \$9,504.12 | \$3,000.00 | \$908.60 | \$926.00 | \$4,500.07 | |
| T2 Clearing Price | \$401.45 | \$9,500.00 | \$3,300.00 | \$912.12 | \$625.00 | \$4,660.29 | |
| T3 Clearing Price | \$276.00 | \$9,206.06 | \$3,685.00 | \$650.00 | \$526.00 | \$4,164.00 | |
| T4 Clearing Price | \$226.00 | \$7,800.00 | \$3,885.00 | \$1,037.00 | \$825.00 | \$3,801.45 | |
| T5 Clearing Price | \$412.00 | \$7,916.00 | \$4,150.00 | \$1,050.00 | \$808.52 | \$3,026.00 | |
| T6 Clearing Price | \$300.00 | \$8,407.72 | \$4,500.00 | \$1,100.00 | \$699.00 | \$3,108.63 | |
| T7 Clearing Price | \$300.00 | \$8,001.00 | \$4,000.00 | \$1,250.00 | \$526.00 | \$4,000.00 | |
| T8 Clearing Price | \$220.00 | \$7,111.00 | \$2,900.00 | \$2,000.00 | \$500.00 | \$3,425.00 | |
| T9 Clearing Price | \$195.00 | \$5,403.43 | \$1,806.14 | \$5,500.00 | \$425.00 | \$4,500.00 | |
| T10 Clearing Price | \$175.52 | \$4,005.00 | \$1,504.00 | \$6,823.00 | \$303.00 | \$3,200.00 | |
| T11 Clearing Price | \$230.85 | \$2,760.00 | \$1,420.00 | \$7,486.00 | \$275.41 | \$4,904.15 | |
| T12 Clearing Price | \$923.00 | \$1,329.00 | \$1,257.00 | \$20,142.00 | \$350.00 | \$1,980.00 | |
| Weighted Average Clearing Price of units auctioned | \$357.13 | \$6,418.92 | \$2,933.66 | \$4,163.39 | \$565.08 | \$3,772.47 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Purchase Payments | \$196,421.90 | \$7,702,700.60 | \$1,173,463.62 | \$2,914,373.76 | \$734,604.44 | \$5,658,698.75 | \$18,380,263.07 |

4.2 October – December 2013 (2013 Quarter 4)

Table 4.2 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.2 - Auction Results – October to December 2013 (Q4)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| T1 Clearing Price | \$1,250.00 | \$8,377.00 | \$3,300.00 | \$7,345.00 | \$1,001.45 | \$6,326.00 | |
| T2 Clearing Price | \$1,205.04 | \$8,402.00 | \$3,685.00 | \$6,109.00 | \$926.00 | \$5,500.10 | |
| T3 Clearing Price | \$762.00 | \$7,523.00 | \$3,420.00 | \$8,994.00 | \$1,050.00 | \$5,626.00 | |
| T4 Clearing Price | \$986.00 | \$6,900.00 | \$3,406.52 | \$7,909.52 | \$1,107.41 | \$5,109.52 | |
| T5 Clearing Price | \$850.00 | \$7,015.00 | \$3,402.00 | \$7,500.00 | \$999.00 | \$5,442.00 | |
| T6 Clearing Price | \$850.00 | \$6,750.00 | \$2,800.00 | \$6,722.00 | \$741.00 | \$5,167.00 | |
| T7 Clearing Price | \$801.40 | \$6,480.00 | \$2,398.00 | \$3,907.82 | \$504.09 | \$4,825.00 | |
| T8 Clearing Price | \$476.00 | \$5,343.00 | \$2,120.00 | \$3,015.00 | \$425.00 | \$5,012.00 | |
| T9 Clearing Price | \$501.00 | \$3,828.00 | \$1,800.07 | \$3,317.00 | \$950.00 | \$4,700.00 | |
| T10 Clearing Price | \$800.00 | \$2,567.00 | \$1,501.00 | \$3,350.36 | \$756.00 | \$4,103.01 | |
| T11 Clearing Price | \$2,883.00 | \$1,500.00 | \$1,357.00 | \$5,500.00 | \$370.00 | \$3,997.00 | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$1,033.13 | \$5,880.45 | \$2,653.60 | \$5,785.71 | \$802.72 | \$5,073.16 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 495 | 1,100 | 363 | 637 | 1,188 | 1,365 | |
| Purchase Payments | \$511,399.80 | \$6,468,500.00 | \$963,256.47 | \$3,685,497.60 | \$953,634.60 | \$6,924,858.55 | \$19,507,147.02 |

4.3 January – March 2014 (2014 Quarter 1)

Table 4.3 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.3 - Auction Results – January to March 2014 (Q1)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| T1 Clearing Price | \$2,303.00 | \$9,000.00 | \$3,513.00 | \$13,163.00 | \$6,000.41 | \$6,526.00 | |
| T2 Clearing Price | \$1,521.00 | \$8,500.00 | \$3,420.00 | \$17,001.00 | \$5,002.07 | \$6,904.00 | |
| T3 Clearing Price | \$1,850.00 | \$8,104.15 | \$3,450.00 | \$18,102.00 | \$4,600.00 | \$6,450.00 | |
| T4 Clearing Price | \$1,700.00 | \$7,400.07 | \$3,352.00 | \$17,502.00 | \$4,300.00 | \$6,342.00 | |
| T5 Clearing Price | \$1,604.25 | \$6,407.72 | \$3,165.00 | \$10,000.39 | \$3,000.00 | \$5,100.00 | |
| T6 Clearing Price | \$1,443.00 | \$5,506.00 | \$2,865.00 | \$6,507.81 | \$1,706.15 | \$4,531.00 | |
| T7 Clearing Price | \$1,037.00 | \$4,789.00 | \$2,001.00 | \$5,015.00 | \$1,406.15 | \$4,006.14 | |
| T8 Clearing Price | \$808.00 | \$4,434.00 | \$2,006.52 | \$5,800.00 | \$1,710.00 | \$3,010.00 | |
| T9 Clearing Price | \$2,003.00 | \$3,921.00 | \$2,103.00 | \$6,200.00 | \$1,500.61 | \$2,998.00 | |
| T10 Clearing Price | \$4,000.00 | \$1,864.00 | \$2,160.00 | \$8,532.00 | \$770.00 | \$2,136.00 | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$1,826.93 | \$5,992.59 | \$2,803.55 | \$10,653.90 | \$2,999.54 | \$4,729.07 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 450 | 1,000 | 330 | 570 | 1,080 | 1,203 | |
| Purchase Payments | \$822,116.25 | \$5,992,594.00 | \$925,172.16 | \$6,072,725.60 | \$3,239,502.12 | \$5,689,070.50 | \$22,741,180.63 |

4.4 April – June 2014 (2014 Quarter 2)

Table 4.4 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.4 - Auction Results – April to June 2014 (Q2)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| T1 Clearing Price | \$250.04 | \$7,001.99 | \$3,580.00 | \$1,021.00 | \$850.00 | \$3,204.21 | |
| T2 Clearing Price | \$301.00 | \$6,832.00 | \$3,604.08 | \$1,100.00 | \$810.00 | \$2,852.00 | |
| T3 Clearing Price | \$301.00 | \$6,250.00 | \$3,639.50 | \$1,064.50 | \$800.63 | \$2,852.00 | |
| T4 Clearing Price | \$276.00 | \$6,507.52 | \$3,070.00 | \$1,250.00 | \$390.00 | \$2,462.00 | |
| T5 Clearing Price | \$201.00 | \$5,100.00 | \$2,501.71 | \$1,701.15 | \$326.00 | \$2,026.00 | |
| T6 Clearing Price | \$149.00 | \$4,406.52 | \$1,616.00 | \$5,500.00 | \$275.01 | \$2,415.00 | |
| T7 Clearing Price | \$125.56 | \$4,250.00 | \$1,171.00 | \$4,630.00 | \$303.00 | \$3,500.00 | |
| T8 Clearing Price | \$153.00 | \$2,803.15 | \$1,257.00 | \$6,823.00 | \$275.41 | \$2,700.04 | |
| T9 Clearing Price | \$412.00 | \$2,060.00 | \$1,258.88 | \$12,776.00 | \$254.00 | \$2,077.00 | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$240.96 | \$5,023.46 | \$2,410.91 | \$3,985.07 | \$464.94 | \$2,675.69 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 405 | 900 | 297 | 522 | 942 | 1,120 | |
| Purchase Payments | \$97,587.00 | \$4,521,118.00 | \$716,039.61 | \$2,080,207.70 | \$437,977.40 | \$2,996,771.25 | \$10,849,700.96 |

4.5 July – September 2014 (2014 Quarter 3)

Table 4.5 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.5 - Auction Results – July to September 2014 (Q3)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$415.00 | \$7,300.00 | \$3,807.08 | \$1,100.00 | \$820.00 | \$3,409.10 | |
| T2 Clearing Price | \$305.00 | \$7,600.00 | \$4,150.00 | \$1,064.50 | \$800.00 | \$3,108.63 | |
| T3 Clearing Price | \$300.00 | \$6,555.00 | \$3,404.14 | \$1,250.00 | \$526.00 | \$2,804.06 | |
| T4 Clearing Price | \$225.00 | \$4,605.34 | \$2,634.00 | \$1,550.94 | \$375.09 | \$2,809.17 | |
| T5 Clearing Price | \$150.41 | \$4,800.00 | \$1,546.00 | \$5,500.00 | \$225.14 | \$2,819.14 | |
| T6 Clearing Price | \$175.52 | \$4,707.00 | \$1,120.00 | \$4,990.77 | \$303.00 | \$2,906.14 | |
| T7 Clearing Price | \$245.00 | \$3,000.00 | \$1,257.00 | \$6,900.65 | \$255.00 | \$2,603.14 | |
| T8 Clearing Price | \$404.00 | \$1,800.00 | \$1,257.00 | \$10,000.01 | \$251.00 | \$1,680.00 | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$277.49 | \$5,045.92 | \$2,396.90 | \$4,044.61 | \$444.40 | \$2,767.42 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 360 | 800 | 264 | 464 | 864 | 1,000 | |
| Purchase Payments | \$99,896.85 | \$4,036,734.00 | \$632,782.26 | \$1,876,698.46 | \$383,964.84 | \$2,767,422.50 | \$9,797,498.91 |

4.6 October – December 2014 (2014 Quarter 4)

Table 4.6 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.6 - Auction Results – October to December 2014 (Q4)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$2,001.00 | \$6,250.00 | \$3,321.00 | \$7,500.00 | \$910.00 | \$5,262.00 | |
| T2 Clearing Price | \$900.00 | \$6,250.00 | \$2,820.00 | \$6,604.00 | \$626.00 | \$4,412.00 | |
| T3 Clearing Price | \$850.00 | \$4,616.00 | \$2,461.00 | \$4,500.00 | \$404.09 | \$4,165.00 | |
| T4 Clearing Price | \$700.41 | \$4,315.00 | \$2,014.00 | \$3,500.00 | \$241.00 | \$3,450.00 | |
| T5 Clearing Price | \$508.00 | \$3,861.00 | \$1,729.00 | \$3,069.00 | \$521.00 | \$3,058.00 | |
| T6 Clearing Price | \$800.00 | \$3,200.00 | \$1,421.00 | \$3,050.36 | \$842.00 | \$2,801.15 | |
| T7 Clearing Price | \$1,292.00 | \$2,001.00 | \$1,369.00 | \$6,452.00 | \$403.00 | \$2,189.00 | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$1,007.34 | \$4,356.14 | \$2,162.14 | \$4,953.62 | \$563.87 | \$3,619.59 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 315 | 700 | 231 | 406 | 756 | 875 | |
| Purchase Payments | \$317,313.45 | \$3,049,300.00 | \$499,455.00 | \$2,011,170.88 | \$426,285.72 | \$3,167,143.75 | \$9,470,668.80 |

4.7 January – March 2015 (2015 Quarter 1)

Table 4.7 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.7 - Auction Results – January to March 2015 (Q1)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$1,604.25 | \$5,850.00 | \$3,165.00 | \$9,965.00 | \$2,900.00 | \$4,500.00 | |
| T2 Clearing Price | \$1,518.00 | \$5,018.00 | \$2,534.00 | \$6,507.81 | \$1,706.15 | \$4,002.00 | |
| T3 Clearing Price | \$1,123.00 | \$4,484.00 | \$1,105.65 | \$5,500.00 | \$1,400.37 | \$3,804.42 | |
| T4 Clearing Price | \$1,500.85 | \$4,002.00 | \$1,325.00 | \$5,500.00 | \$1,706.15 | \$3,404.42 | |
| T5 Clearing Price | \$2,759.00 | \$3,006.00 | \$1,455.00 | \$7,001.00 | \$1,500.61 | \$2,506.15 | |
| T6 Clearing Price | \$3,495.00 | \$2,100.00 | \$1,625.00 | \$7,915.00 | \$690.00 | \$2,207.00 | |
| T7 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$2,000.02 | \$4,076.67 | \$1,868.28 | \$7,064.80 | \$1,650.55 | \$3,404.00 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 270 | 600 | 198 | 348 | 648 | 750 | |
| Purchase Payments | \$540,004.50 | \$2,446,000.00 | \$369,918.45 | \$2,458,550.98 | \$1,069,554.24 | \$2,552,998.75 | \$9,437,026.92 |

4.8 April - June 2015 (2015 Quarter 2)

Table 4.8 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.8 - Auction Results – April to June 2015 (Q2)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$325.00 | \$3,451.00 | \$2,501.71 | \$1,406.43 | \$326.00 | \$2,026.00 | |
| T2 Clearing Price | \$325.00 | \$3,450.14 | \$1,616.00 | \$2,425.00 | \$275.01 | \$2,006.14 | |
| T3 Clearing Price | \$391.00 | \$3,600.76 | \$1,171.00 | \$3,500.00 | \$303.00 | \$2,415.00 | |
| T4 Clearing Price | \$555.00 | \$2,461.00 | \$1,257.00 | \$7,300.65 | \$260.00 | \$2,600.04 | |
| T5 Clearing Price | \$700.34 | \$1,700.00 | \$1,310.00 | \$11,632.00 | \$230.00 | \$1,807.00 | |
| T6 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T7 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$459.27 | \$2,932.58 | \$1,571.14 | \$5,252.82 | \$278.80 | \$2,170.84 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 225 | 500 | 165 | 290 | 540 | 625 | |
| Purchase Payments | \$103,335.30 | \$1,466,290.00 | \$259,238.43 | \$1,523,316.64 | \$150,553.08 | \$1,356,772.50 | \$4,859,505.95 |

4.9 July - September 2015 (2015 Quarter 3)

Table 4.9 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.9 - Auction Results – July to September 2015 (Q3)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$295.00 | \$3,470.00 | \$1,546.00 | \$3,003.00 | \$201.00 | \$2,607.14 | |
| T2 Clearing Price | \$409.00 | \$3,771.00 | \$1,120.00 | \$3,500.00 | \$303.00 | \$2,006.14 | |
| T3 Clearing Price | \$555.04 | \$2,501.00 | \$1,257.00 | \$7,300.65 | \$255.00 | \$2,000.00 | |
| T4 Clearing Price | \$625.00 | \$1,506.00 | \$1,421.00 | \$11,632.00 | \$253.00 | \$1,993.00 | |
| T5 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T6 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T7 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$471.01 | \$2,812.00 | \$1,336.00 | \$6,358.91 | \$253.00 | \$2,151.57 | |
| Units Available | 550 | 1,200 | 400 | 700 | 1,300 | 1,500 | |
| Units Sold | 180 | 400 | 132 | 232 | 432 | 500 | |
| Purchase Payments | \$84,781.80 | \$1,124,800.00 | \$176,352.00 | \$1,475,267.70 | \$109,296.00 | \$1,075,785.00 | \$4,046,282.50 |

4.10 October – December 2015 (2015 Quarter 4)

Table 4.10 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.10 - Auction Results – October to December 2015 (Q4)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$841.00 | \$3,403.25 | \$1,800.07 | \$4,207.62 | \$440.00 | \$3,170.73 | |
| T2 Clearing Price | \$1,203.00 | \$2,234.00 | \$1,421.00 | \$4,250.36 | \$1,003.00 | \$3,001.15 | |
| T3 Clearing Price | \$1,555.00 | \$1,600.00 | \$1,479.00 | \$6,452.00 | \$270.00 | \$2,509.00 | |
| T4 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T5 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T6 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T7 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$1,199.67 | \$2,412.42 | \$1,566.69 | \$4,969.99 | \$571.00 | \$2,893.63 | |
| Units Available | 550 | 1200 | 400 | 700 | 1300 | 1500 | |
| Units Sold | 135 | 300 | 99 | 174 | 324 | 375 | |
| Purchase Payments | \$161,955.00 | \$723,725.00 | \$155,102.31 | \$864,778.84 | \$185,004.00 | \$1,085,110.00 | \$3,175,675.15 |

4.11 January – March 2016 (2016 Quarter 1)

Table 4.11 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.11 - Auction Results – January to March 2016 (Q1)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$2,503.00 | \$3,015.00 | \$1,604.56 | \$7,100.00 | \$1,504.00 | \$2,806.15 | |
| T2 Clearing Price | \$3,494.00 | \$1,876.00 | \$1,638.00 | \$8,222.00 | \$1,252.00 | \$2,951.56 | |
| T3 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T4 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T5 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T6 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T7 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$2,998.50 | \$2,445.50 | \$1,621.28 | \$7,661.00 | \$1,378.00 | \$2,878.86 | |
| Units Available | 550 | 1200 | 400 | 700 | 1300 | 1500 | |
| Units Sold | 90 | 200 | 66 | 116 | 216 | 250 | |
| Purchase Payments | \$269,865.00 | \$489,100.00 | \$107,004.48 | \$888,676.00 | \$297,648.00 | \$719,713.75 | \$2,772,007.23 |

4.12 April - June 2016 (2016 Quarter 2)

Table 4.12 indicates the clearing prices for each tranche for each directional interconnector.

Table 4.12 - Auction Results – April to June 2016 (Q2)

| CLEARING PRICE (PER UNIT) | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| T1 Clearing Price | \$753.00 | \$1,500.00 | \$1,301.47 | \$7,644.00 | \$240.00 | \$2,450.59 | |
| T2 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T3 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T4 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T5 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T6 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T7 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T8 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T9 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T10 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T11 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| T12 Clearing Price | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | To be auctioned | |
| Weighted Average Clearing Price of units auctioned | \$753.00 | \$1,500.00 | \$1,301.47 | \$7,644.00 | \$240.00 | \$2,450.59 | |
| Units Available | 550 | 1200 | 400 | 700 | 1300 | 1500 | |
| Units Sold | 45 | 100 | 33 | 58 | 108 | 125 | |
| Purchase Payments | \$33,885.00 | \$150,000.00 | \$42,948.51 | \$443,352.00 | \$25,920.00 | \$306,323.75 | \$1,002,429.26 |

4.13 Clearing Prices

This section indicates the historical average clearing prices from 2009 Q2 onwards and the clearing prices for the individual tranches for those quarters that have tranches still to be auctioned.

Figure 1 NSWQLD Clearing Prices

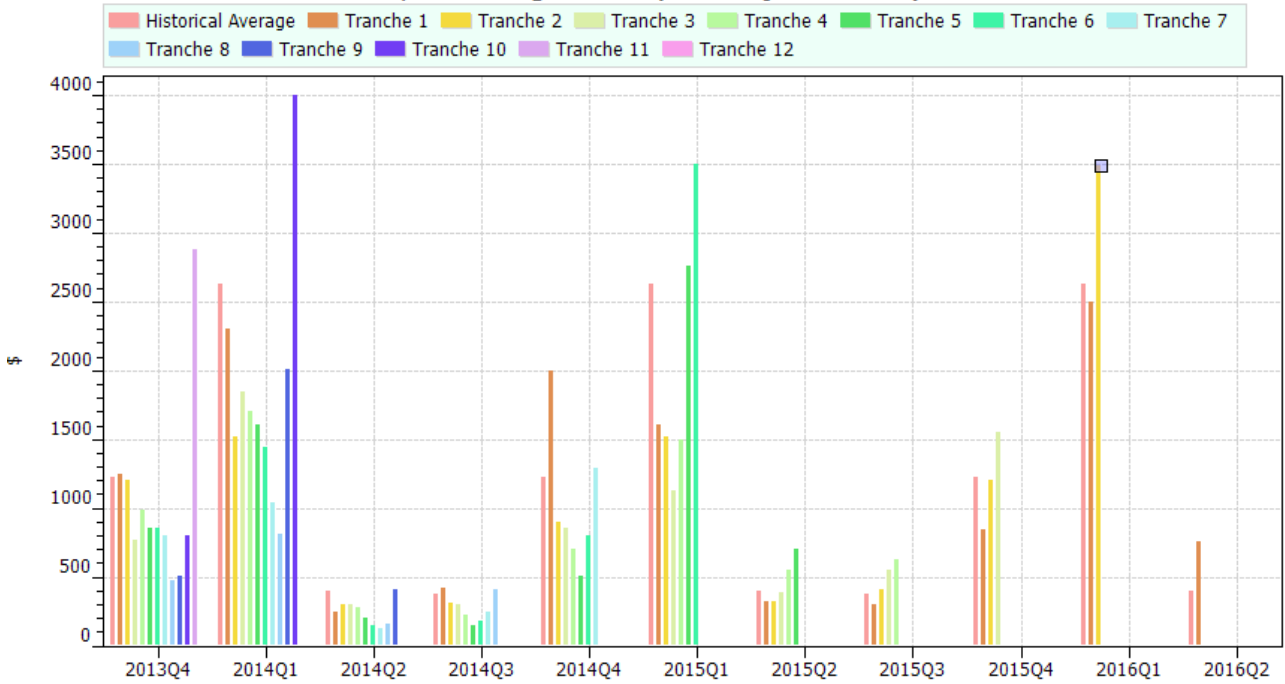


Figure 2 QLDNSW Clearing Prices

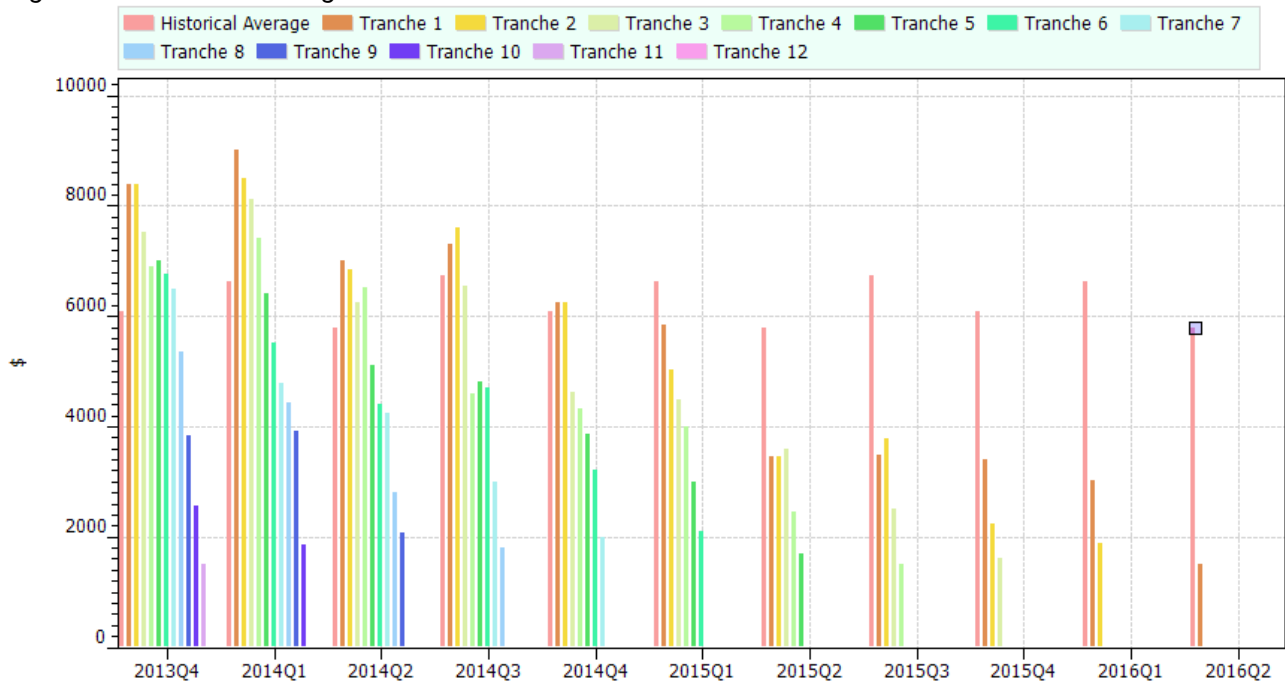


Figure 3 SAVIC Clearing Prices

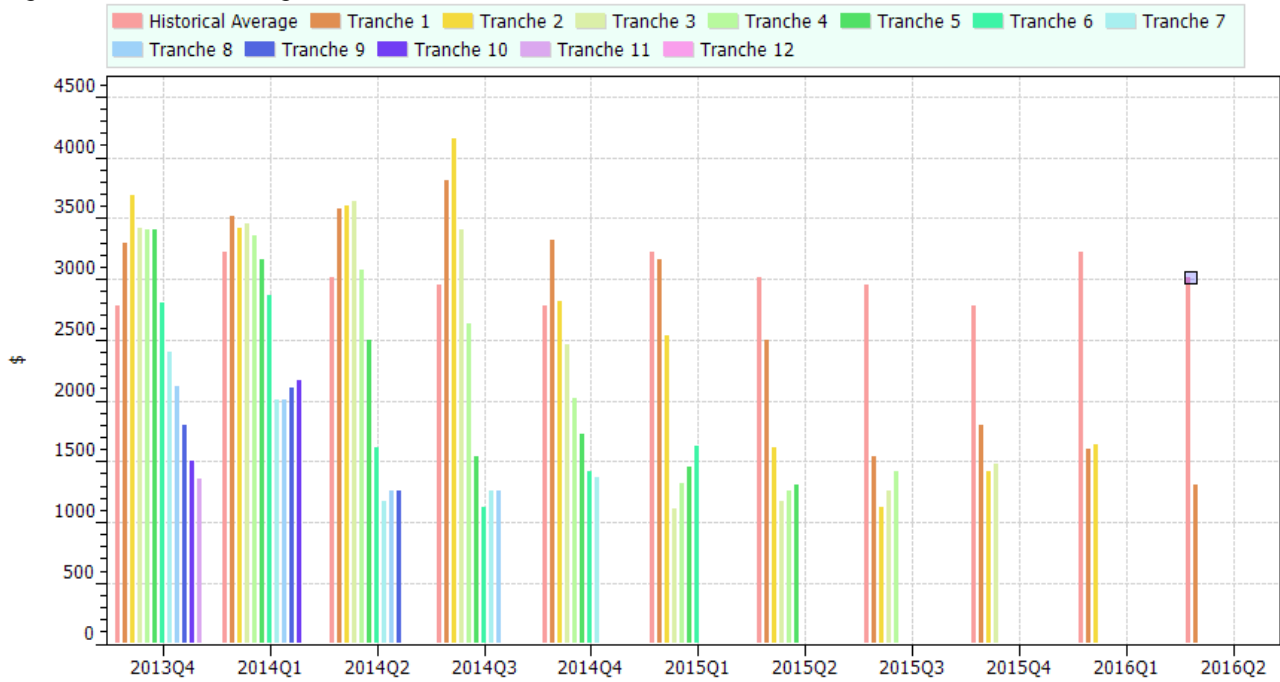


Figure 4 VICSA Clearing Prices

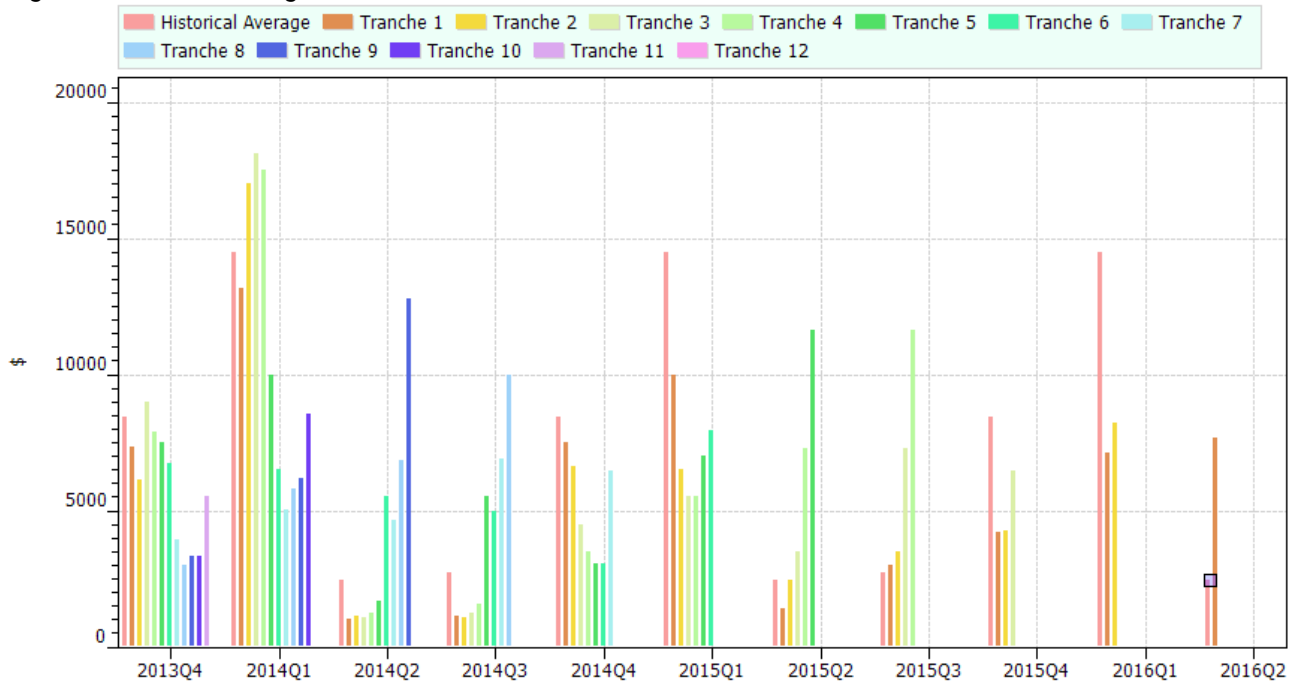


Figure 5 NSWVIC Clearing Prices

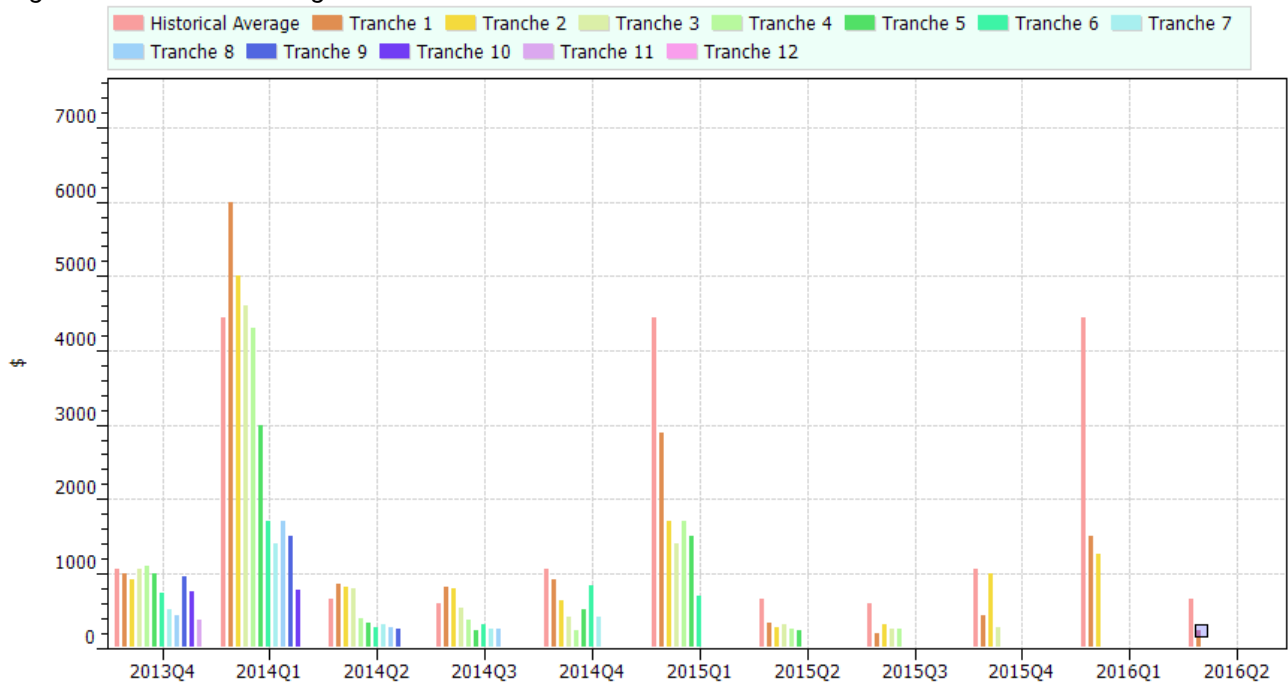
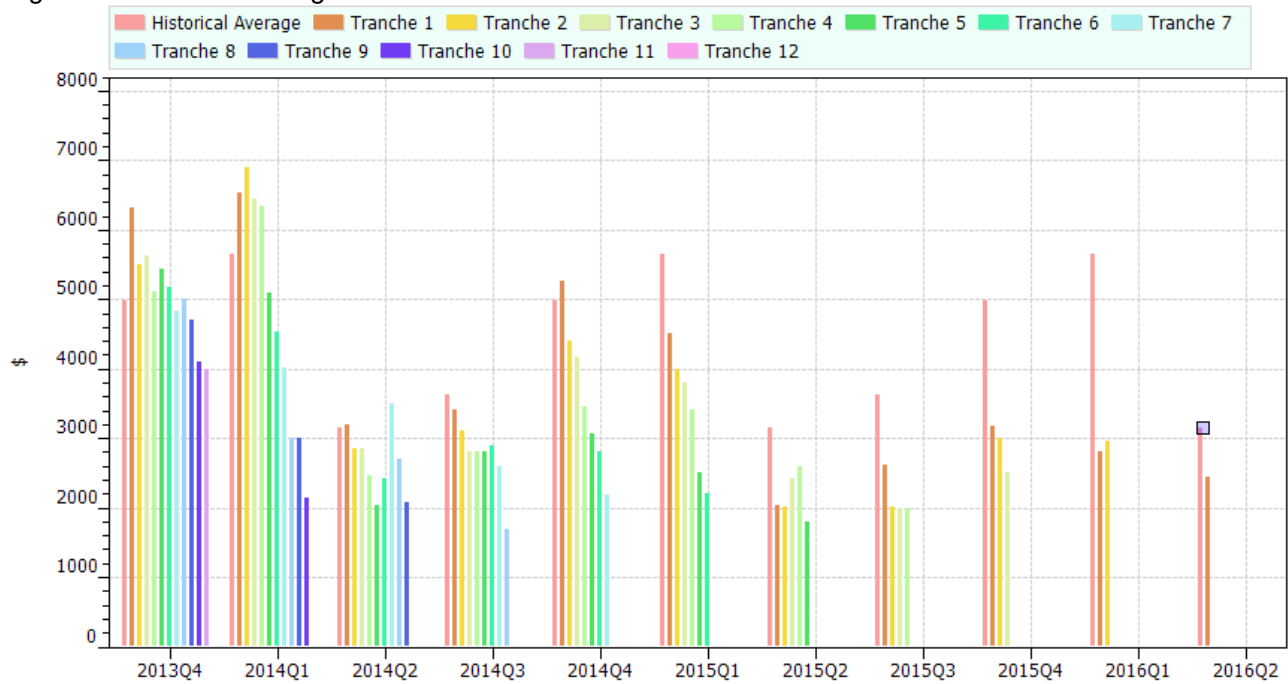


Figure 6 VICNSW Clearing Price



5 Inter-Regional Settlement Residue

Table 5 lists the residue payments for 2013 Quarter 2.

In summary for the quarter:

- approximately \$41.17 million of residues was distributed to unit holders
- auction proceeds were approximately \$16.55 million
- total negative residues were approximately \$2.13 million

Negative inter-regional settlement residues (IRSR) are recovered from the receiving Transmission Network Service Provider of the relevant directional interconnector.

Table 5 - Residue Payment 2013 Quarter 2 (1 April 2013 to 30 June 2013)

| | NSWQLD | QLDNSW | SAVIC | VICSA | NSWVIC | VICNSW | TOTAL |
|----------------------------------|--------------|-----------------|----------------|-----------------|--------------|----------------|-----------------|
| Total Surplus ¹ | \$111,347.44 | \$1,295,613.31 | \$58,677.71 | \$36,610,923.41 | \$761,538.29 | \$2,413,595.95 | \$41,251,696.12 |
| Auction Fees ² | \$874.50 | \$41,376.00 | \$7,676.00 | \$3,318.00 | \$4,407.00 | \$24,855.00 | \$82,506.50 |
| Guaranteed Minimum ³ | \$5,500.00 | \$12,000.00 | \$4,000.00 | \$7,000.00 | \$13,000.00 | \$15,000.00 | \$56,500.00 |
| Adjustment Amount ⁴ | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Residue Distributed ⁵ | \$110,472.94 | \$1,254,237.31 | \$51,001.71 | \$36,607,605.41 | \$757,131.29 | \$2,388,740.95 | \$41,169,189.62 |
| Auction Proceeds | \$170,263.75 | \$7,127,796.00 | \$1,230,607.00 | \$1,929,140.61 | \$808,314.32 | \$5,281,383.75 | \$16,547,505.43 |
| Payout ratio ⁶ | 64.9 | 17.6 | 4.1 | 1897.6 | 93.7 | 45.2 | 248.8% |
| Negative Residues | -\$1,931.44 | -\$1,109,770.40 | -\$347.51 | -\$97,219.83 | -\$2,981.75 | -\$922,571.30 | -\$2,134,822.23 |

1 Total Surplus refers to the total distributable surplus (IRSR allocated to auction unit holders, excluding derogations and negative surpluses)

2 Auction Fees are paid out of the residue prior to the balance being paid to the successful auction participant

3 All successful auction participants are guaranteed a minimum payment of \$10/unit

4 This is an additional payment to ensure that the participant receives the minimum payment.

- 5 Residue Distributed refers to the Total Surplus less Auction Fees.
- 6 Residue Distributed divided by Auction Proceeds, expressed as a percentage.