

Electricity Pricing Event Report – Sunday 16 August 2015

Market Outcomes: South Australian spot price reached \$2,351.64/MWh for trading interval (TI) ending 1930 hrs.

South Australian FCAS prices and energy and FCAS prices for the other NEM regions were not affected by this event.

Detailed Analysis: 5-Minute dispatch price reached the Market Price Cap of \$13,800/MWh in South Australia for dispatch interval (DI) ending 1925 hrs. The high price can be attributed to rebidding of generation capacity and limited interconnector flow into South Australia.

The South Australian demand was 1,952 MW for TI ending 1930 hrs. During the high priced TI, wind generation in South Australia was 299 MW.

For DI ending 1925 hrs, AGL rebid 100 MW of generation capacity from Torrens Island B PS from bands priced at or below \$65/MWh to bands priced at \$13,800/MWh. South Australian generation capacity was offered at less than \$591/MWh or above \$10,759/MWh resulting in a steep supply curve. Cheaper priced generation was available but limited due to ramp rates (Northern PS unit 2) or required more than one DI to synchronise (Quarantine PS). Lake Bonney 2 and 3 wind farms were constrained down by a thermal constraint equation, $V \gg S_NIL_SETB_SGKH$. This constraint equation avoids overloading of the Snuggery-Keith 132 kV line for the contingent trip of one South East-Taillem Bend 275 kV line. Northern PS unit 1 which generally offers capacity up to 273 MW was also unavailable.

Generation offers at MPC had to be cleared from multiple South Australian units to meet the demand for the high priced DI.

During the affected DI, the target flow towards South Australia on the Heywood interconnector was constrained to 196 MW by the thermal constraint equation, $V \gg S_NIL_SETB_SGKH$. The target flow on the Murraylink interconnector was limited to 220 MW towards South Australia by the Victoria to South Australia upper transfer limit constraint equation, $VSML_220$.

The 5-minute price reduced to \$43.31/MWh in the subsequent DI to the high priced interval when the demand reduced by approximately 130 MW and 105 MW of non-scheduled generation came online. 46 MW of generation capacity was rebid from higher price bands to bands priced at or below \$301/MWh which also contributed to reducing the dispatch price.

The high 30-minute spot price for South Australia was not forecast in the pre-dispatch schedules, as it was a result of rebidding or withdrawal of generation capacity within the affected trading interval.