

Electricity Pricing Event Report – Thursday 31 December 2015*

Market Outcomes: South Australia spot price reached \$578.19/MWh for trading interval (TI) ending 1500 hrs.

FCAS prices in all regions and Energy prices for the other NEM regions were not affected by this event.

Detailed Analysis: 5-Minute dispatch price in South Australia reached \$1,785.00/MWh for dispatch interval (DI) ending 1500 hrs. The high price can be attributed to high demand, low wind generation and limited interconnector support.

- The temperature in Adelaide reached a maximum of 40.6°C.
- The demand reached 2,353 MW for TI ending 1500 hrs.
- Wind generation was low at 185 MW during the high price interval.
- During the high price interval, target flow on the Heywood interconnector was limited to 329 MW towards South Australia by S>>NIL_SETB_KHTB1 system normal constraint equation. The constraint manages the post contingent loading on the Keith - Tailem Bend no. 1 132 kV line for the loss of the South East – Tailem Bend 275 kV transmission lines.
- During the high price interval, target flow on the Murraylink interconnector was limited to 69 MW towards Victoria by V>>SML_NIL_MLTS_N-2 and N^^V_NIL_1 system normal constraint equations. The constraint equation V>>SML_NIL_MLTS_N-2 prevents overload of Elaine – Ballarat 220 kV transmission line for the loss of the Ballarat – Moorabool – Terang 220 kV transmission line. The constraint equation N^^V_NIL_1 avoids voltage collapse in southern areas of New South Wales for the loss of the largest Victorian generating unit or Basslink.
- Cheaper priced generation was available during the high price interval but limited due to ramp rates (Torrens Island A unit 4), or required more than one DI to synchronise (Dry Creek unit 3).

South Australia dispatch price reduced to \$360.81/MWh for the subsequent interval following the high price when:

- Demand reduced, which includes around 95 MW of non-scheduled generation coming online.
- A total of 75 MW of generation capacity was rebid or shifted from bands priced higher than \$13,481/MWh to bands priced below \$362/MWh.

** A summary was prepared as the maximum daily spot price was between \$500/MWh and \$2,000/MWh.*