

Electricity Pricing Event Report – Monday 01 February 2016

Market Outcomes: Queensland spot price was \$2,264.21/MWh for trading interval (TI) ending 1830 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 Queensland reached \$12,947.51/MWh for dispatch interval (DI) ending 1830 hrs. The high price can be attributed to high demand and rebidding.

Queensland demand peaked at 9,154 MW for TI ending 1700 hrs. The maximum temperature in Brisbane was 38 degrees.

Between DIs ending 1825 hrs and 1830 hrs, Stanwell and CS Energy rebid 473 MW of generation capacity from bands priced at less than \$260/MWh to the Market Price Cap (MPC) of \$13,800/MWh. Cheaper priced generation was available but limited due to ramp rates (Mt Stuart PS unit 2 and Millmerran unit 2). For DI ending 1825 hrs, Yarwun PS withdrew 18 MW of generation capacity with reason of "ALUMINA REFINERY CONSTRAINTS".

During the high priced interval, the target flow on the QNI interconnector was limited up to 167 MW towards Queensland by the system normal thermal constraint equation, N>>N-NIL__3_OPENED. This constraint equation prevents the overload of Liddell – Muswellbrook 330 kV transmission line for the loss of the Liddell – Tamworth 330 kV transmission line. The target flow on the Terranora interconnector was constrained to 0 MW by the outage constraint equation, N_X_MBTE2_A. This constraint equation manages the outage of two Directlink cables.

The 5-minute price reduced to \$49/MWh in the subsequent DI to the high priced interval when 311 MW of demand decreased in Queensland and 484 MW of generation capacity shifted/rebid from bands priced at above \$12,945/MWh to bands priced at less than \$260/MWh.

The high 30-minute spot price for Queensland was not forecast in the predispatch schedules as it was a result of lower demand forecast and rebidding of generation capacity.