Electricity Pricing Event Report – Saturday 19 March 2016

Market Outcomes: Queensland spot price was $2,247.63/MWh for trading interval (TI) ending 1630 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 $12,947.50/MWh for Dispatch Interval (DI) ending 1625 hrs. This high price can be attributed to rebidding of generation capacity and limited interconnector flows during the evening peak demand period.

For DI ending 1610 hrs, 150 MW of generation capacity from Callide PP unit 3 was withdrawn from the Market Floor Price (MFP) of -$1000/MWh price band. The reason of the withdrawal was '1559P REHEATER SPLIT, CLINKER DELOAD'. Between DIs ending 1620 hrs and 1625 hrs, Stanwell and CS Energy rebid 150 MW of generation capacity from bands priced below $48.90/MWh to the Market Price Cap (MPC) of $13,800/MWh.

Cheaper priced generation was available but was limited due to FCAS profile (Wivenhoe PS unit 1) or constrained off by the system normal thermal constraint equation Q>NIL_BI_FB (Gladstone PS units 3 and 4). The Q>NIL_BI_FB constraint equation prevents overloading of feeder bushings at Boyne Island for the contingent loss of one Calliope River to Boyne Island 132 kV line.

For DI ending 1625 hrs, the target flow on the QNI interconnector was limited to 457 MW towards Queensland by the system normal 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 limited to 24 MW towards Queensland by constraint equation N>>N-NIL__3_OPENED and the outage constraint equation N>N-BAMB_132_OPEN_A. This constraint equation prevents the overload of a Lismore – Dunoon 132 kV transmission line for the trip of the parallel Lismore – Dunoon line during the outage of a Ballina – Mullumbimby 132 kV transmission line.

The 5-minute price reduced to $38.17/MWh in the DI subsequent to the high priced interval, when demand reduced by 287 MW and 382 MW of generation capacity shifted from bands priced at or above $0/MWh to the MFP.

The pre-dispatch schedule for TI ending 1630 hrs forecast a spot price of $345.73/MWh. The difference in prices between pre-dispatch and dispatch was a result of the rebidding of generation capacity within the affected trading interval.