

Electricity Pricing Event Report – Saturday 27 February 2016

Market Outcomes: Spot price in Queensland reached \$2,323.21/MWh for trading interval (TI) ending 2300 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 \$13,788.88/MWh for Dispatch Interval (DI) ending 2235 hrs. The high price can be attributed to rebidding of generation capacity.

For DI ending 2235 hrs, Alinta, CS Energy and ERM Power rebid 355 MW of generation capacity from bands at or below \$36.10/MWh to bands priced at or above \$12,499.11/MWh or the Market Price Cap (MPC) of \$13,800/MWh.

During DI ending 2235 hrs, the target flow on the QNI interconnector was limited up to 326 MW towards Queensland by the system normal voltage stability constraint equation $N^Q_NIL_A$. The $N^Q_NIL_A$ constraint equation prevents voltage collapse in New South Wales for the loss of Liddell – Muswellbrook no. 83 330kV transmission line. The target flow on the Terranora interconnector was limited up to 0 MW towards Queensland by the same voltage stability constraint equation.

Cheaper priced generation was available but limited due to ramp rates (Condamine PS A unit 1, Oakey PS unit 2 and Stanwell PS unit 2) or required more than one DI to synchronise (Braemar 2 PS units 5 and 6).

The 5-minute prices in Queensland reduced to \$33.98/MWh in the DI subsequent to the high priced interval, when 574 MW of generation capacity was rebid from bands priced at or above \$12,499.11/MWh to bands priced at or less than \$33.98/MWh.

The high Queensland spot prices for TI ending 2300 hrs was forecast in the predispach schedules.