

## Electricity Pricing Event Report - Wednesday 1 March 2017

**Market Outcomes:** The spot price in South Australia (SA) reached \$2,603.24/MWh for trading interval (TI) ending 1530 hrs on 1 March 2017.

Energy prices in other regions were not affected by this event. FCAS prices in all regions were not affected by this event.

**Detailed Analysis:** For dispatch interval (DI) ending 1525 hrs, the energy price in South Australia (SA) settled at \$13,999.99/MWh. This high price can mainly be attributed to high SA demand and withdrawals of generator capacity, with constrained interconnector flows.

Demand in SA was high, reaching 2,513 MW for TI ending 1530 hrs. This high demand coincided with high temperatures in SA, with a daily peak of 38.6 degrees (Adelaide).

Between DIs ending 1520 hrs and 1525 hrs, demand in SA increased by 40 MW and the sum of the target flow on the interconnectors towards SA decreased by 24 MW to 662 MW. At DI ending 1525 hrs, target flow on the Heywood interconnector towards SA was limited to 556 MW by the constraint equation V:S\_600\_HY\_TEST\_DYN. This constraint equation limits the dynamic headroom for the upper transfer limit on the VIC to SA Heywood interconnector to 600 MW. Once the 600 MW flow limit is exceeded by more than 10 MW, the limit is temporarily reduced by the amount of exceedance. For the same DI, target flow on the Murraylink interconnector towards SA was limited to 106 MW by the constraint equation V^SML\_NSWRB\_2. This voltage stability constraint equation avoids voltage collapse in Victoria for loss of the Darlington – Buronga (X5) 220 kV line.

For DI ending 1525 hrs, Origin Energy withdrew 56 MW of generation capacity from Quarantine PS units 1 to 4 with volume priced at either \$198.01/MWh or the Market Floor Price (MFP) of - \$1,000/MWh. The bid reason cited was "1512P CHANGE IN AVAIL - GAS PRESSURE SL". Cheaper priced generation was available but was limited by ramp rates (Torrens Island A unit 2), or required more than one DI to synchronise (Dry Creek GT units 1, 2 & 3 and Snuggery).

The 5-minute price in SA reduced to \$299.99/MWh for DI ending 1525 hrs, when demand in the region decreased by 28 MW and the sum of the target flow on the interconnectors towards SA increased by 42 MW. Additionally, 83 MW of generation capacity was rebid from bands priced at \$13,100.02/MWh and above to MFP.

The high 30-minute spot price for South Australia was not forecast in the pre-dispatch schedules as it was due to withdrawal of generation capacity.