

## Electricity Pricing Event Report - Tuesday 16 May 2017

**Market Outcomes:** The spot price in Tasmania (TAS) reached \$2,108.62/MWh for trading interval (TI) ending 0100 hrs on 16 May 2017.

TAS Raise FCAS prices were elevated, but did not reach the price threshold for reporting purposes. Energy prices and FCAS prices in other regions were not affected by this event.

**Detailed Analysis:** The 5-minute dispatch energy price in Tasmania (TAS) reached \$12,114.40/MWh for dispatch interval (DI) ending 0035 hrs. This high price can mainly be attributed to shifting of generation capacity.

The target flow on the Basslink interconnector was 70 MW towards VIC during the high priced DI, limited by the constraint equation F\_T++RREG\_0050. This FCAS constraint equation manages Basslink flow and Tasmania Raise Regulation when Tasmania's Raise Regulation requirement is greater than 50 MW and Basslink is able to transfer FCAS.

At 0018 hrs, Hydro Tas shifted 971 MW of generation capacity for TI ending 0100 hrs from bands priced at \$349.36/MWh and below to bands priced at \$12,114.28/MWh and above with the bid reason "0018A UNFORECAST ENERGY/FCAS COOPTIMISATION OCCURRING IN P5: TAS ENERGY VS MAINLAND LREG".

At 0025 hrs, Hydro Tas rebid 973 MW of generation capacity from bands priced at \$12,114.38/MWh and above to bands priced at \$349.36/MWh and below with the bid reason "0025A PRICE HIGHER THAN FORECAST :TAS P5". This resulted in the 5-minute dispatch energy price in TAS reducing to \$126.54/MWh.

Lower priced generation was available but was limited due to its FCAS trapezium (Gordon). The high 30-minute spot price for Tasmania was not forecast in the pre-dispatch schedules as it was due to band shifting of generation volume.