

Electricity Pricing Event Report – Friday 07 August 2015

Market Outcomes: South Australian spot price reached \$2,315.18/MWh for trading interval (TI) ending 2200 hrs.

Frequency Control Ancillary Services (FCAS) prices in South Australia, and energy and FCAS prices for the other NEM regions were not affected by this event.

Detailed Analysis: 5-Minute dispatch price reached \$13,500/MWh in South Australia for dispatch interval (DI) ending 2155 hrs. The high price can be attributed to rebidding of generation capacity during period of low wind generation. Wind generation in South Australia was approximately 49 MW for TI ending 2200 hrs.

For DI ending 2155 hrs, AGL rebid 435 MW of generation capacity from Torrens Island PS from bands priced at less than \$125/MWh to either \$13,500/MWh or the Market Price Cap of \$13,800/MWh. Cheaper priced generation was limited by ramp up rates (Hallett PS and Northern PS) and fast-start units (Dry Creek units 2 and 3) which required time to synchronise.

For the high priced interval, generation offers at \$13,500/MWh had to be cleared from Torrens Island A to meet the demand for the high priced DI.

During the affected DI, the target flow towards South Australia on the Heywood interconnector was constrained to 437 MW by the thermal constraint equation, $V>S_NIL_HYTX_HYTX$. This system normal constraint equation manages post contingent flow on the Heywood transformer by reducing the Heywood interconnector flow when the actual flow exceeds the pre-defined transformer rating. The target flow on the Murraylink interconnector was limited to 57 MW towards South Australia by an outage constraint equation, $V>S_CB6033+6225_TX1$. This constraint equation manages post-contingent flow on the North West Bend transformer no. 1 132/66 kV line during the planned outage of the North West Bend no. 3 132 kV transformer and its circuit breakers (CB6225 and CB6033) from 4 August 2015.

The 5-minute price reduced to \$41.29/MWh for the next interval when the demand reduced by approximately 167 MW and 102 MW of non-scheduled generation came online. A total of 316 MW of generation capacity was also rebid from higher priced bands to bands priced at or below \$0/MWh.

The high 30-minute spot price for South Australia was not forecast in the pre-dispatch schedules, as it was a result of rebidding during the affected trading interval.