

Electricity Pricing Event Report – Friday 26 February 2016

Market Outcomes: Queensland spot price reached \$2,309.86/MWh and \$2,163.68/MWh for trading intervals (TIs) ending 1300 hrs and 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 and \$12,499.11/MWh for dispatch intervals (DIs) ending 1255 hrs and 1630 hrs. The high price can be attributed to rebidding of generation capacity during a period of high demand.

Queensland demand peaked at 8,257 MW for TI ending 1630 hrs. The maximum temperature in Brisbane was 33.8 °C.

Between DIs ending 1245 hrs and 1255 hrs, Arrow Energy, CS Energy and Millmerran rebid 461 MW of generation capacity from bands priced at less than \$346/MWh to bands priced above \$12,947/MWh or the Market Price Cap (MPC) of \$13,800/MWh. For DI ending 1245 hrs, Braemar 2 PS unit 7 withdrew 173 MW of generation capacity with the reason “1234P UNIT TRIP SL”. Millmerran Power Plant also withdrew 10 MW of generation with reason of “12:36 P: CONDENSATE POLISHER INLET TEMPERATURE”. For DI ending 1255 hrs, Darling Downs PS withdrew 15 MW of generation with reason of “1245P CHANGE IN AVAIL - AMBIENT CONDITIONS SL”. Cheaper priced generation was available but limited due to ramp rates (Oakey PS unit 1 and Tarong PS unit 1 and 4) or required more than one DI to synchronise (Mt Stuart PS unit 2 and 3).

For DI ending 1630 hrs, Alinta rebid 140 MW of generation capacity from bands priced at less than \$34/MWh to bands priced above \$12,499/MWh. Gladstone PS unit 2 and Yarwun PS withdrew a total of 45 MW generation capacity with reasons of “1619P UNIT RAMPING REBID TO MATCH-SL” and “ALUMINA REFINERY CONSTRAINTS” respectively. Cheaper priced generation was available but required more than one DI to synchronise (Townsville GT unit 1).

For the high priced TIs, the target flow on the QNI interconnector was limited up to 139 MW towards Queensland by the system normal thermal 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 12 MW by 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 132 kV transmission line during the outage of the Ballina – Lennox Head 132 kV transmission line.

The 5-minute prices reduced to below \$35.44/MWh in the subsequent DIs to the high priced intervals when demand in Queensland reduced by up to 355 MW and up to 443 MW of generation capacity was rebid or withdrew from higher price bands.

The high 30-minute spot price for Queensland was not forecast in the predispatch schedules as it was a result of rebidding of generation capacity.