

Electricity Pricing Event Report – Sunday 30 October 2016

Market Outcomes: The Mainland had Raise Frequency Control Ancillary Service (FCAS) prices ranging between \$14.83/MWh and \$39.78/MWh and Delayed Lower and Lower Regulation FCAS prices ranged between \$20.80/MWh and \$47.83/MWh for all trading intervals (TIs) between TI ending 0230 hrs and 0500 hrs on 30 October 2016.

FCAS prices in Tasmania and Energy prices in the NEM were not affected by this event.

Detailed Analysis: The 5-minute Raise FCAS prices in the Mainland ranged between \$14.60/MWh and \$48/MWh for all dispatch intervals (DIs) between DI ending 0205 hrs and 0500 hrs. The 5-minute Delayed Lower and Lower Regulation FCAS prices in the Mainland ranged between \$20.80/MWh and \$48/MWh for the same DIs. These high FCAS prices can be mainly attributed to Basslink being unable to transfer FCAS and unavailability of lower priced FCAS providers.

Between DIs ending 0150 hrs and 0515 hrs, Basslink flow was low, remaining between 0 MW and 48.2 MW. Basslink was in the no-go zone and unable to transfer FCAS. The Regulation and contingency FCAS service requirements for the Mainland had to be procured locally, from within the Mainland.

At DI ending 0145 hrs, Tasmania was providing between 10.55 MW to 165.71 MW to Raise FCAS services and up to 8.85 MW for Delayed Lower and Lower Regulation FCAS services.

During this period, no FCAS was dispatched from South Australia due to FCAS providers either being offline (Osborne PS, Pelican Point CCGT, Torrens Island A unit 1, 2, 3 and 4 and Torrens Island B units 2 and 3), becoming stranded or having 0 MW FCAS available due to output being equal to their minimum enablement value.

A number of units that typically provide lower priced Raise FCAS services were also offline during this high price period in Victoria (Heywood PS unit 3, New Port PS and Yallourn PS unit 1), New South Wales (Eraring PS, Liddell unit 4, Mount Piper unit 1 and Snowy Hydro) and Queensland (Gladstone unit 1 and 2, Mount Stuart unit 2, Swanbank PS and Tarong unit 1).

The 5-minute prices reduced to less than \$25/MWh for all services at DI ending 0520 hrs when Basslink became available to provide FCAS from Tasmania.

These 30-minute Mainland FCAS prices were forecast in pre-dispatch schedules.