

Electricity Pricing Event Report – Wednesday 18 January 2017

Market Outcomes: Spot price in Queensland (QLD) reached \$2,404.56/MWh for trading interval (TI) ending 1700 hrs on 18 January 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: The 5-Minute dispatch Energy price in Queensland (QLD) reached \$13,800/MWh at dispatch interval (DI) ending 1700 hrs. This high price can mainly be attributed to an increase in demand while interconnector support was constrained and lower priced generation was not available in the region.

Demand in QLD was high, reaching 9,356 MW during the high priced TI. This high demand coincided with high temperatures in QLD, with a daily peak of 36.0 degrees (Archerfield Airport). The QLD demand for DI ending 1800 hrs reached the record peak of 9,412 MW.

Between DI ending 1655 hrs and 1700 hrs, demand in QLD increased by 57 MW.

For DI ending 1700 hrs, the target flow on the QNI interconnector towards QLD reduced by 37 MW and was limited to 124 MW by the system normal constraint equation N>>N-NIL__3_OPENED. This constraint equation avoids overload of the Liddell – Muswellbrook No.83 330 kV line for the trip of the Liddell – Tamworth No.84 330 kV line.

For DI ending 1700 hrs, the target flow on the Terranora interconnector was constrained towards NSW to 147 MW by the outage thermal constraint equation N>N-CHKK_TE_1. The N>N-CHKK_TE_1 constraint equation avoids overload of the Armidale – Koolkhan No.966 132 kV line for the trip of the Coffs Harbour – Lismore No.89 330 kV line during the outage of the Coffs Harbour – Koolkhan No.96H 132 kV line.

There was no other lower priced capacity available at the time of the high priced DI.

The 5-minute price reduced to \$60.94/MWh for DI ending 1705 hrs, when demand in the region reduced by 261 MW. Callide Power, CS Energy and InterGen also shifted 146 MW from bands priced at or above \$13,999.99/MWh to bands priced at or below \$98.66/MWh. An additional 10 MW of generation was made available at Millmerran unit 1 at the Market Floor Price (MFP) of - \$1,000/MWh.

The high 30-minute spot price for Queensland was forecast in the pre-dispatch schedules.