

Electricity Pricing Event Report – Friday 16 December 2016

Market Outcomes: Spot price in Queensland (QLD) reached \$2,434.05/MWh for trading interval (TI) ending 0630 hrs on 16 December 2016.

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 reached Market Price Cap (MPC) of \$14,000/MWh at dispatch interval (DI) ending 0630 hrs. This high price can mainly be attributed to an increase in demand while interconnector support was constrained and limited lower priced generation was available in the region.

Between DI ending 0625 hrs and 0630 hrs demand in Queensland increased by 120 MW to reach 5,996 MW. At this time the sum of the flow on the interconnectors from New South Wales (NSW) to Queensland reduced by 18 MW to 224 MW towards Queensland. At DI ending 0630 hrs flow was constrained on both the Queensland – New South Wales interconnector (QNI) and Terranora interconnector with upper limits of 155.97 MW and 67.59 MW, respectively, by the constraint equation $N^{Q_NIL_B1}$. This voltage stability constraint equation avoids voltage collapse for the loss of Kogan Creek.

Lower priced capacity was available but required more than one DI to synchronise (Braemar unit 3) or were limited by ramp rates (Townsville GT (Yabulu) Unit 1).

The 5-minute price reduced to \$45.13/MWh for DI ending 0635 hrs, when demand in the region reduced by 383 MW and Stanwell, ERM Power and QGC rebid or shifted 305 MW from bands priced at \$12,441.92/MWh or above to bands priced at \$30.60/MWh or below and CS Energy made additional 155 MW available priced at \$16.80/MWh or below.

The high 30-minute spot price for Queensland was not forecast in the latest pre-dispatch schedules as the spike in demand was not forecast.