

Electricity Pricing Event Report - Tuesday 7 February 2017

Market Outcome: Spot price in Queensland (QLD) reached \$2,381.04/MWh for trading interval (TI) ending 0700 hrs on 7 February 2017.

Energy prices in other regions were not affected by this event. FCAS prices in all regions were not affected by this event.

Counter price flows caused negative settlement residues of approximately \$125,000 to accumulate on the Queensland to New South Wales directional interconnector for TI ending 0700 hrs. AEMO managed negative settlement residues from 0630 hrs to 0800 hrs (Market Notices No. 57247 and 57251).

Detailed Analysis: The 5-minute dispatch energy price in Queensland reached \$13,399.95/MWh at dispatch interval (DI) ending 0700 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 DIs ending 0655 hrs and 0700 hrs, demand in QLD increased by 20 MW. For DI ending 0700 hrs, the target flow on the Queensland - New South Wales Interconnector (QNI) towards Queensland was limited to 170 MW by the system normal constraint equation $N^{Q_NIL_B1}$. This voltage stability constraint equation avoids voltage collapse on the loss of Kogan Creek PS. The target flow on the Terranora interconnector towards Queensland was limited to 28 MW by the outage constraint equation $N_X_MBTE2_A$. This outage constraint manages the outage of two Directlink cables. Directlink DC1 had an unplanned outage between 0325 hrs on 17 January 2017 and 1249 hrs on 15 February 2017. Directlink DC3 had a planned outage scheduled between 0700 hrs on 23 January 2017 and 1354 hrs on 08 February 2017.

For DI ending 0650 hrs, Callide Power rebid 126 MW of generation capacity from the Market Floor Price (MFP) of -\$1,000/MWh to band priced at \$13,999.99/MWh. For DI ending 0655 hrs, Condomine CCGT withdrew 64 MW of generation capacity from band priced at the MFP with the reason "06:44 P CHANGE IN PLANT CAPABILITIES SL".

For DI ending 0700 hrs, InterGen rebid 35 MW of generation capacity from the MFP to the Market Price Cap (MPC) of \$14,000/MWh. Lower priced generation was available but required more than one DI to synchronise (Roma unit 7 & 8).

The 5-minute price reduced to \$59.99/MWh for DI ending 0705 hrs, when demand in the QLD region reduced by 230 MW. Additionally, Callide Power and InterGen shifted 341 MW of generation capacity from bands priced at \$13,999.99/MWh or the MPC to the MFP.

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