

Electricity Pricing Event Report – Wednesday 2 March 2016

Market Outcomes: Queensland spot price was \$2,135.13/MWh for trading interval (TI) ending 1930 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 \$12,497.41/MWh for Dispatch Interval (DI) ending 1920 hrs. This high price can be attributed to rebidding of generation capacity during a period of high demand.

Queensland demand peaked at 7,987 MW for TI ending 1700 hrs. The maximum temperature in Brisbane was 31.1°C.

Between DIs ending 1910 hrs and 1920 hrs, QGC, CS Energy and Stanwell rebid 442 MW of generation capacity from bands priced below \$60.00/MWh to bands priced at or above \$12,497.41/MWh or the Market Price Cap (MPC) of \$13,800/MWh.

Cheaper priced generation was available but required more than one DI to synchronise (Braemar 2 PS unit 5) or was constrained off by the system normal thermal constraint equation $Q > \text{NIL_MRTA_A}$ (Oakey PS unit 1). The $Q > \text{NIL_MRTA_A}$ system normal constraint equation prevents thermal overload of a Middle Ridge – Tangkam 110 kV line for trip of the parallel Middle Ridge – Tangkam 110 kV line.

For DI ending 1920 hrs, the target flow on the QNI interconnector was limited up to 166 MW towards Queensland by the system normal voltage stability constraint equation $N \wedge Q_NIL_B1$. This constraint equation prevents voltage collapse in New South Wales for the loss of Kogan Creek PS. The target flow on the Terranora interconnector was limited up to 17 MW towards Queensland by constraint equation $N \wedge Q_NIL_B1$ and the outage constraint equation $N > N\text{-BAMB_132_OPEN_A}$. This constraint equation prevents the overload of a Lismore – Dunoon 132 kV transmission line for the trip of the parallel Lismore – Dunoon line during the outage of a Ballina – Mullumbimby 132 kV transmission line.

The 5-minute price reduced to \$33.97/MWh in the DI subsequent to the high priced interval, when demand reduced by 298.5 MW and 914 MW of generation capacity shifted from bands priced at or above \$12,947.50/MWh to bands priced at or below \$36.00/MWh.

The high 30-minute spot price for Queensland was not forecast in the pre-dispatch schedules, as it was a result of the rebidding of generation capacity within the affected trading interval.