

Electricity Pricing Event Report – Wednesday 04 November 2015

Market Outcomes: Queensland had a negative energy spot price of -\$164.75/MWh for trading interval (TI) ending 0600 hrs.

Frequency Control Ancillary Services (FCAS) prices in Queensland, and energy and FCAS prices for the other NEM regions were not affected by this event.

Detailed Analysis: 5-Minute dispatch price reduced to the Market Floor Price (MFP) of -\$1,000/MWh for dispatch interval (DI) ending 0555 hrs. The negative price can be attributed to excess cheaper priced generation due to rebidding during period of low demand and constrained interconnector flow.

Queensland demand was 5,450 MW for TI ending 0600 hrs.

For DI ending 0555 hrs, CS Energy rebid a total of 440 MW of generation capacity from Gladstone PS from bands priced at the Market Price Cap (MPC) of \$13,800/MWh to the MFP. The reason for the rebid, which was received at 0548 hrs, was “DISPATCH PRICE LOWER THAN 5MIN FORECAST”.

Target flow on the QNI interconnector was limited to 224 MW towards New South Wales by a ramping constraint equation #NSW1-QLD1_RAMP_I_F. This constraint equation limits the flow on the interconnector in preparation for the outage of the Armidale – Dumarsq 8E 330 kV transmission line. Target flow on the Terranora interconnector was limited to 149 MW towards New South Wales by constraint equation N_MBTE1_B to manage the outage of one of the Directlink cables.

The 5-minute price increased to \$11.69/MWh for DI ending 0600 hrs when the demand increased by 143 MW and 105 MW of generation capacity was rebid from negative priced bands to bands priced at \$93.02/MWh.

The negative energy price was not forecast in pre-dispatch schedule as it was due to a rebid of generation capacity within the trading interval.