

## Electricity Pricing Event Report – Monday 5 December 2016

**Market Outcomes:** Victoria spot price reduced to -\$156.69/MWh for trading interval (TI) ending 1430 hrs.

FCAS prices in all regions and Energy prices for the other NEM regions were not affected by this event.

**Detailed Analysis:** The 5-Minute dispatch price reached the Market Floor Price (MFP) of -\$1,000/MWh in Victoria for dispatch interval (DI) ending 1420 hrs. This low price can be mainly attributed to excess cheaper priced capacity in Victoria resulting from a forced export into Victoria across the VIC – NSW interconnector during a planned outage.

Planned outage of the Gullen Range – Yass 330 kV line was scheduled between 0618 hrs and 1729 hrs on 05 December 2016. The outage constraint set N:GRYS\_3J\_15M was invoked for the duration of the outage.

For DI ending 1420 hrs, Snowy Hydro rebid 550 MW of Tumut 3 PS generation capacity from bands priced at \$299.80/MWh to the MFP.

Between DIs ending 1415 hrs and 1420 hrs, target flow towards Victoria on the VIC – NSW interconnector increased by 431 MW, to reach 532 MW. The increased target flow into Victoria was forced by the transient stability constraint equation N::V\_GRYS\_2. This constraint equation manages the transient stability across the VIC – NSW cutset for the loss of a Yass – Marulan 330 kV line during the outage of the parallel Gullen Range – Yass 330 kV line.

The forced export into Victoria from NSW resulted in excess cheaper priced capacity within Victoria. This caused the dispatch price in Victoria to reduce to -\$1000/MWh for DI ending 1420 hrs.

The flow on the other interconnectors did not change by a large margin during this interval.

The 5-minute price increased to \$9.20/MWh for DI ending 1425 hrs when a total of 116 MW of generation capacity was withdrawn from Liddell PS and Hazelwood PS. Demand in Victoria increased by 48 MW during this DI.

The low 30-minute spot price for Victoria was not forecast in the pre-dispatch schedules as it was due to rebidding of capacity in NSW resulting in a forced export into Victoria.