

## Electricity Pricing Event Report – Tuesday 12 January 2016

**Market Outcomes:** Spot price in Tasmania reached \$1,132.12/MWh and the sum of all FCAS prices reached \$3,362.05/MWh for trading interval (TI) ending 0700 hrs.

FCAS prices and energy prices in other NEM regions were not affected.

Further information is provided below.

**Detailed Analysis:** The Tasmania energy price reached \$6,311.52/MWh for DI ending 0650 hrs. Tasmania demand increased by approximately 41 MW from dispatch intervals (DIs) ending 0645 hrs to 0650 hrs due to Rio Tinto returning to service. With Basslink interconnector out of service since 20 December 2015, the increase in demand had to be sourced from local generators. For the high priced TI, the wind generation in Tasmania was low at 7 MW.

For DI ending 0650 hrs, cheaper priced generation was available but limited due to ramp rates (Cethana PS, Devils Gate PS, Fisher PS, John Butters PS, Lemonthyme/Wilmot PS, Mackintosh PS, Reece PS unit 1 and Tribute PS) and FCAS profile (Reece PS unit 2 and Poatina PS unit 3, 4, 5 and 6). Ramp rates for most units were limited to 1 MW per minute as the Automatic Generation Control (AGC) for these units were temporarily suspended for one DI due to a frequency event.

The 5-minute energy price in Tasmania reduced to \$90.30/MWh for DI ending 0655 hrs when Nyrstar tripped and the demand decreased by 45 MW. The price reduction is also due to increased ramp rates for Gordon, Mackintosh PS and Reece PS unit 1 when AGC was no longer suspended.

Raise Regulation and Fast Raise service prices reached \$13,800/MWh and \$6,314.58/MWh respectively for DI ending 0650 hrs. With Basslink interconnector out of service, Tasmania FCAS requirement had to be source from local generators. The FCAS requirement for both services increased for DI ending 0650 hrs resulting in the enablement of all available Raise Regulation and Fast Raise services in Tasmania. Constraint equation F\_T+NIL\_MG\_R6 violated for DI ending 0650 hrs due to insufficient availability of Fast Raise service. This constraint equation manages the Fast Raise requirements in Tasmania when Basslink is out of service.

The FCAS price of Raise Regulation and Fast Raise services also reduced to \$6.76/MWh and \$2.40/MWh for DI ending 0655 hrs when Hydro Tasmania offered more capacity to the lower priced bands.

The high 30-minute FCAS price was forecast in the pre-dispatch schedules. The high 30-minute spot price was not forecast in the pre-dispatch schedules due the sudden load increase.