

Electricity Pricing Event Report – Saturday 29 August 2015

Market Outcomes: Tasmanian Frequency Control Ancillary Service price (sum of all services) reached \$3,042.65/MWh for trading interval (TI) ending 0200 hrs.

Energy prices in Tasmania and Energy and FCAS prices in the other NEM regions were not affected.

Further information is provided below.

Detailed Analysis: The Fast Raise service price in Tasmania was at the market price cap (MPC) of \$13,800/MWh for dispatch interval (DI) ending 0145 hrs. The high price can be attributed to insufficient Fast Raise service available in Tasmania when the Basslink interconnector flow was in the no-go-zone (between -50 MW and +50 MW).

For DI ending 0145 hrs, a constraint equation $F_T+NIL_WF_TG_R6$ violated when there was insufficient Fast Raise services available in Tasmania to meet the increased requirement. This constraint equation manages the Tasmanian Fast Raise requirement for the contingent trip of a Smithton-Woolnorth or Norwood-Scotsdale tee Derby line when the Basslink interconnector is unable to provide FCAS. Cheaper priced Fast Raise services were limited due to their FCAS offer profile.

The Fast Raise service price reduced to \$0.80/MWh for DI ending 0150 hrs when more cheaper priced Fast Raise service was available and the requirement decreased marginally.

The high FCAS price for Tasmania was not forecast in the pre-dispatch schedules, as the FCAS requirement can be sourced in all NEM regions, not just Tasmania. This is attributed to the no-go-zone not being modelled in pre-dispatch schedules.