

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2016 - 2017

Division/Agency: Australian Competition and Consumer Commission

Question No: 123

Topic: Energy - Wholesale Electricity

Reference: Hansard page 112-113 (01 March 2017)

Senator: Macdonald, Ian

Question:

Senator IAN MACDONALD: Do you have statistics on how many times this calendar year so far the wholesale electricity price has reached the spot market cap, or close to that cap, of what I understand is \$14,000 per megawatt hour?

Mr Adams: I can certainly get access to those numbers relatively quickly, but I would like to take the question on notice.

Senator IAN MACDONALD: [...] can you tell me how that compares with the same period of time over the past five years? Just so I can compare apples with apples, say, 1 January to 1 March over the last five years; is that easy enough to get?

Mr Adams: It certainly is easy enough to provide. I will take the question on notice and I will provide that information for you. [...]

Answer:

Figure 1 shows spot prices above \$5000/MWh this calendar year to date (28 March). The spot price has not exceeded \$5000/MWh so far this year in Victoria and Tasmania. Figure 1 shows that the spot price has only reached the price cap of \$14 000/MWh once so far this calendar year, and that was in New South Wales on 10 February. We are soon to publish a *Spot prices above \$5000/MWh* into this event. Figure 1 also shows that the spot price has been near the price cap on several occasions. Indeed, the spot price has exceeded \$10 000/MWh 14 times this year.

Figure 1: Spot prices above \$5000/MWh: 1/1/2017 – 1/3/2017

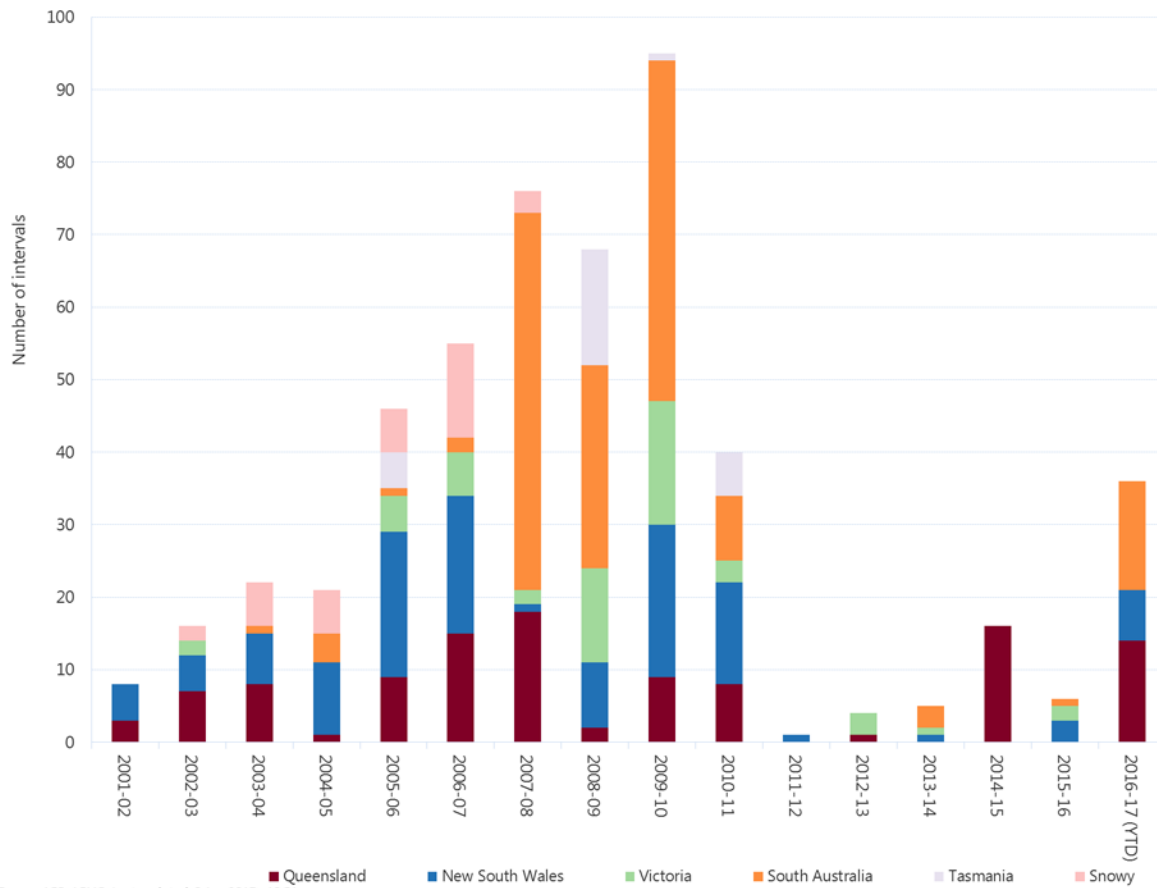
Qld		NSW		Vic		SA		Tas	
Date	Price (\$/MWh)	Date	Price (\$/MWh)	Date	Price	Date	Price (\$/MWh)	Date	Price
13/01/2017	13882.77	6/02/2017	11692.09	Nil	Nil	8/02/2017	11141.35	Nil	Nil
14/01/2017	12641.69	6/02/2017	6392.31			8/02/2017	13160.01		
14/01/2017	8594.83	9/02/2017	7822.25			8/02/2017	13440.01		
14/01/2017	9126.8	10/02/2017	12914.63			8/02/2017	9387.38		
14/01/2017	10416.96	10/02/2017	13966.67			8/02/2017	13400.01		
2/02/2017	6455.75	10/02/2017	14000			9/02/2017	6755		
2/02/2017	13399.95					9/02/2017	8957.71		
6/02/2017	11027.91					9/02/2017	9509.52		
6/02/2017	6318.75								
10/02/2017	12221.4								
11/02/2017	7627.55								
11/02/2017	8568.9								
11/02/2017	8371.87								
12/02/2017	9004.95								

Figure 2 shows that for the same period over the previous 5 years the spot price exceeded \$10 000/MWh on 1 occasion – in Queensland in 2015.

Figure 2: Spot prices above \$10 000/MWh for the previous 5 years

Year (1/1 – 1/3)	Spot prices > \$10 000/MWh
2012	0
2013	0
2014	0
2015	1 (Qld)
2016	0

The [Wholesale Statistics](#) section of the AER website contains historical data on trading intervals above \$5000/MWh. The data is replicated below for your information.



Financial year	Queensland (Number of trading intervals)	New South Wales (Number of trading intervals)	Victoria (Number of trading intervals)	South Australia (Number of trading intervals)	Tasmania (Number of trading intervals)	Snowy (Number of trading intervals)
2001-02	3	5	0	0		0
2002-03	7	5	2	0		2
2003-04	8	7	0	1		6
2004-05	1	10	0	4		6
2005-06	9	20	5	1	5	6
2006-07	15	19	6	2	0	13
2007-08	18	1	2	52	0	3
2008-09	2	9	13	28	16	
2009-10	9	21	17	47	1	
2010-11	8	14	3	9	6	
2011-12	0	1	0	0	0	
2012-13	1	0	3	0	0	
2013-14	0	1	1	3	0	
2014-15	16	0	0	0	0	
2015-16	0	3	2	1	0	
2016-17 (YTD)	14	7	0	15	0	