

Enhancement compliance plan notice

Published 21 June 2013

As prescribed in the *Hydro Tasmania Enhancements Compliance Plan* under Principle 3.3, Hydro Tasmania must publicly disclose when it has instructed Basslink Pty Ltd to make a negative bid in either direction or a positive bid in a southward direction and the reason for doing so.

1. We confirm that Hydro Tasmania instructed Basslink Pty Ltd (via the automatic bidding tool) to bid negative Northward flows and corresponding positive bid Basslink southward flows (to meet NER requirements) on Friday 21 June 2013, after constraint CA_SPS_40D62A5B_01, was binding and affecting Latrobe Valley generators while counter price flows across Basslink were occurring and TAS price was negative.
 - The initial instruction was given at 10:52 for trading intervals 11:00-12:30 (period ending).
 - This bid was removed early, at 10:56, as Tasmanian spot price unexpectedly increased.
2. Hydro Tasmania held the reasonable belief that the conditions precedent (for negative northward bidding) would exist in the first Dispatch Interval on the basis of the following information:
 - Tasmanian spot price was negative (-\$809.753/MWh) in Dispatch Interval 10:55 (period ending);
 - Victorian spot price (-\$832.9688/MWh) was higher than Tasmanian spot price in Dispatch Interval 10:55 (period ending); and
 - Basslink was backed off by a constraint affecting La Trobe Valley generators (due to a Northward Basslink limit being set by CA_SPS_40D62A5B_01).

Note that Hydro Tasmania attempted to submit the negative northward link bid at 10:47 (5minutes earlier than the initial bid stated above), but it was rejected by AEMO systems.

3. Hydro Tasmania held the reasonable belief that the conditions precedent (for negative northward bidding) would exist in the first Dispatch Interval on the basis of the following information:
 - Tasmanian spot price was negative (-\$220.20/MWh) in Dispatch Interval 10:50 (period ending);
 - Victorian spot price (\$124.49/MWh) was higher than Tasmanian spot price in Dispatch Interval 10:50 (period ending); and
 - Basslink was backed off by a constraint affecting La Trobe Valley generators (due to a Northward Basslink limit being set by CA_SPS_40D62A5B_01).