

“Following discussions with the Pricing Manager, the Commission has lifted its order delaying publication of final prices for 31 July. Final prices will now be published on the basis, as regards node OTA1101 for trading period 45, that the final price will be the \$100,000 value originally assigned by the final solve.

This decision has been made on the basis that:

- (a) Contract Energy has confirmed that there is no metered load for that node for that trading period so that no electricity will be bought or sold at that \$100,000 price; and
- (b) the Commission is considering a more permanent means of addressing these and similar circumstances.

The circumstances relating to the final solve assigning a \$100,000 value to node OTA1101 in trading period 45 would appear to involve a combination of circulating branch flows, a loss-less line (between OTA1101 and the rest of the grid), zero flow on that line and no load or generation at at OTA1101. In these particular circumstances, and the Commission understands in similar circumstances at other nodes, the SPD software can assign a \$100,000 value at the affected node, normally an indicator of infeasibility, without there being an infeasibility. The Commission is considering authorising (by way of rule exemption) an interim response to that occurrence similar to that now taken in disconnected price situations. That response would be based on the SPD software being enabled to recognise these particular circumstances of \$100,000 values being assigned, and the Pricing Manager being authorised where such circumstances are recognised to set prices at affected nodes to zero.

The Commission will provide further information on this matter when that possible response has been investigated and developed.”