



# SAPP MARKET MONTHLY PERFORMANCE REPORT

## January 2015

Promoting a Regional Competitive Electricity Market

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## 1. Monthly Market Performance Highlights

### 1.1 Participation Levels

There were ten (10) active portfolios from eight (8) members during the month of January 2015, exactly the same number of portfolios and participants recorded in December 2014.

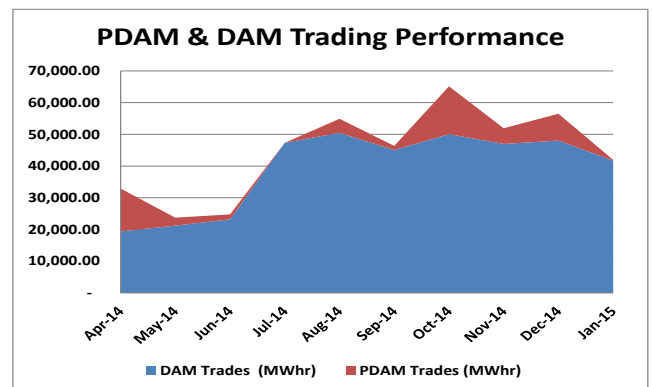
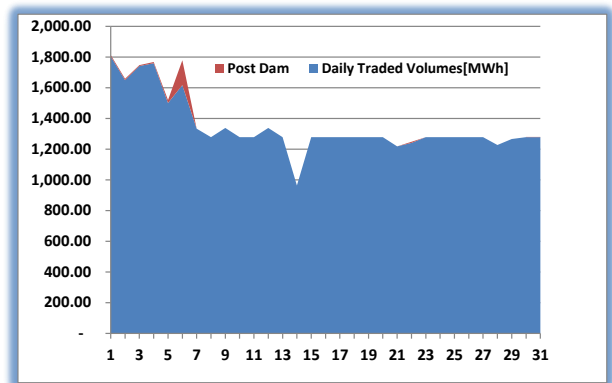
### 1.2 Market Liquidity

Trading in the market was lower during the month of January 2015 when compared to the traded volumes in December 2014. With regards to bids submitted, there were more buy bids than sale offers received in January 2015 in the day ahead market trading platform. A total of **140,606 MWh Sale offers** and a total of **285,404 MWh Buy bids** were received in January 2015. There was an increase of **7,822 MWh** or **5.8%** in **Sale offers** received and a huge decrease of **90,720 MWh** or **24.12** in **Buy bids** received in January 2015 when compared to December 2014 figures of **132,784 MWh Sale offers** and **376,124 MWh Buy bids** received. There could have been more trade in the market were it not for many generator outages that have become a trend during summer period.

Total traded volumes on DAM and PDAM was relatively lower in January 2015 at **41,943.10 MWhr**. Of this, **99.47%** or **41,722.80 MWhr** was traded on DAM while **220.30 MWh** or **0.53%** was traded in PDAM. PDAM decreased by **97.39%** in

January 2015 when compared to December 2014 where **8,461.50 MWh** was traded in PDAM. On the other hand DAM traded volumes decreased by **6,313.30 MWhr** or **13.14%** from the **48,036.10 MWhr** traded in December 2014.

Below is the trend of trading in DAM and PDAM in January 2015.

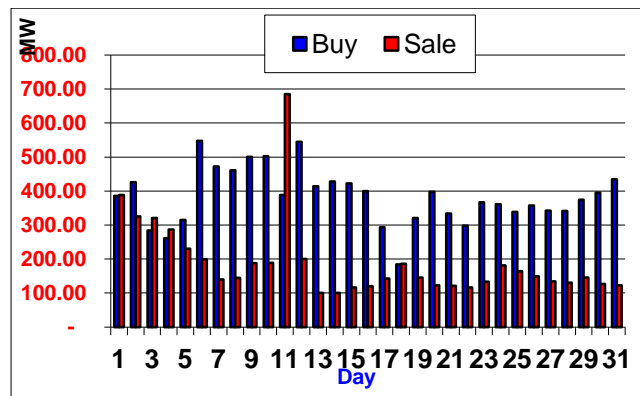


PDAM trades have been declining from October 2014, a sign that there is more matching on the market.

There was matching of bids in DAM for **31 days and 744 hours** or **100%** of the time during the month of January 2015. However due to transmission constraints, trading occurred for **31 days and 715 hours (including PDAM)** or **96.10%** of the time. In comparison, matching occurred for **31 days and 704**

hours or 94.2% with trading occurring for 31 days and 695 hours or 93.41% of the time during the month of December 2014. Below are summaries of market performance in terms of volumes traded, offers and bids received during the month of January 2015.

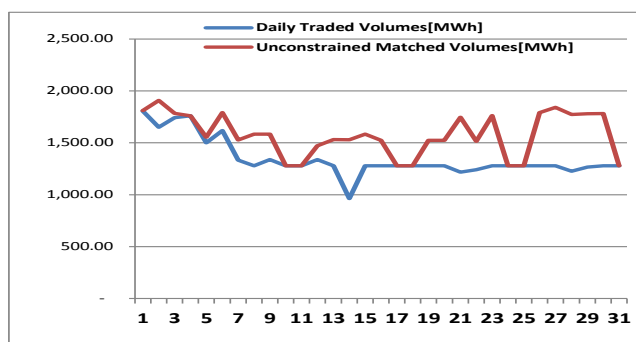
**Fig 1.1 Total Buy and Sale Bids Received Daily in January 2015 (MWh).**



### 1.3 Impact of Transmission Constraints

Transmission constraints resulted in less traded volumes on the market during the month of January 2015. As a result of this, out of a total of 48,917 MWh (excluding PDAM) that were matched on the DAM trading platform 41,722.80 MWh or 83.58% was able to be traded during the month of January 2015 resulting in 7,194MWh or 16.42% failing to be traded due to transmission capacity constraints. In comparison, December 2014 had a total of 49,282 MWh that was matched on DAM resulting in 48,036.10 MWh being traded and 1,245.90 MWh or 2.53% failing to be traded in DAM due to lack of transmission path as DAM trades on the Insukamini-Phokoje corridor.

**Fig1.3.1 Impact of Transmission Constraints on DAM Trading for the month of January 2015.**

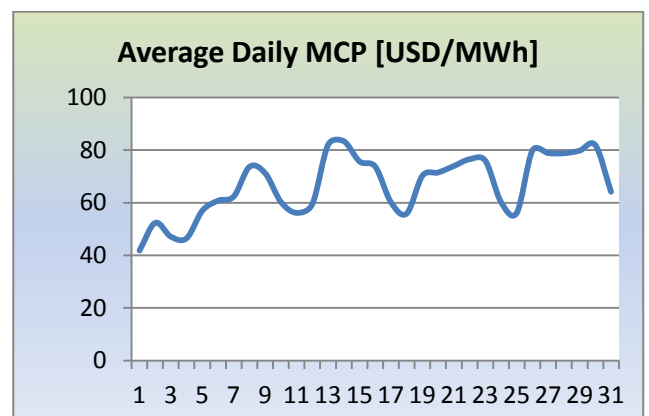


USD 2,283.29 was collected in January 2015 as congestion income. No congestion income was collected in December 2014 as was the case in November 2014.

### 1.4 Market Clearing Prices (MCPs)

Prices were steady on the market for most of the days during the month of January 2015. The average monthly market clearing price (MCP) increased during the month of January 2015 to 6.670 USc/KWhr when compared to the 6.424 USc/KWhr recorded in December 2014. MCP prices have been averaging around 7.000 USc/KWhr in the previous months. Below is a summary of the daily average MCPs for the month of December 2014. The general increase in sale prices currently prevailing on the market often resulted in less matching of bids.

**Fig 1.4.1 Daily Average MCP prices for the Month of January 2015.**



### 1.5 Revenue Performances for Jan. 2014

A total of USD 2,398,557.57 was exchanged on the DAM and PDAM market during the month of January 2015 when compared to a total of USD 2,940,430.20 exchanged in December 2014. The reduction is mainly attributed to the reduction in traded volumes.