



February 2017 Highlights

(In comparison to January 2017)

Total turnover (all markets)	▼ -\$ 1,407,662.48/ -27%
Traded Volumes(All markets)	▼ -4,864.60 MWh / -5.6%
DAM Traded Volumes	▼ -7,934.60 MWh / -11.2%
FPM Monthly traded Volumes	▼ -700 MWh / -9.7%
FPM Weekly traded Volumes	▼ -1,100 MWh / -11.7%
IDM Traded Volumes	▲ +4,870 MWh / +1,790%

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Participation Levels

There were eleven (10) active portfolios from eight (8) members during the month of February 2017. The number of active members increased in February 2017 when compared to the month of January 2017 where there were seven active (7) members.

Market Liquidity

Trading in the market was lower during the month of February 2017 when compared to January 2017. Total traded volumes on the four markets namely; the Day Ahead market (DAM), intra-day market (IDM), Forward Physical Monthly (FPM-M) and Forward Physical Weekly (FPM-W) markets decreased by 5.6% to 82,535.70 MWh during the month of February 2017, when compared to the January 2017 figure of 87,400.30 MWh. Below is the overview of volumes traded in DAM, IDM, FPM-M and FPM-W for the month of February 2017.

Fig 1.1: Traded Volumes in MWh in DAM, IDM, FPM-W and FPM-M for the month of February 2017.

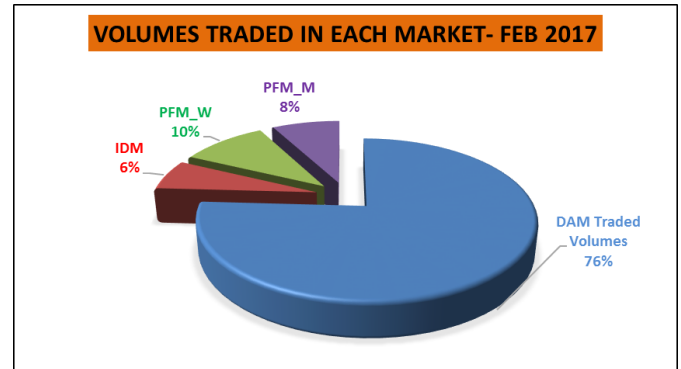
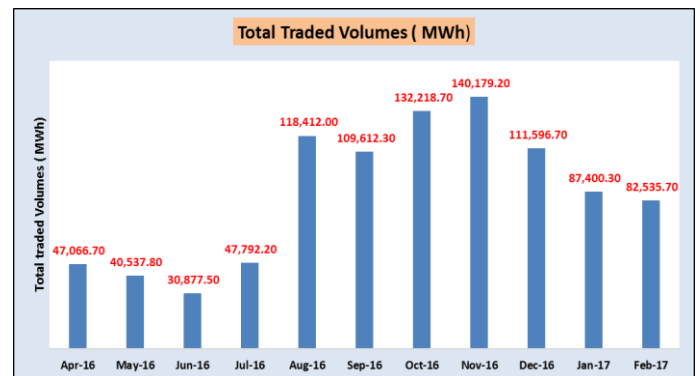


Fig 1.2: Total Monthly Traded Volumes in MWh in DAM, IDM, FPM-W and FPM-M (April 2016 to February 2017)



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Forward Physical Monthly Market (FPM-M)

Total traded volumes on the Forward Physical Monthly Market (FPM-M) in February 2017 was **6,480MWh** which represents a decrease of **9.7% or 700 MWh** from the January 2017 traded volumes of 7,180MWh. The total energy that was matched during the month of February 2017 in the FPM-M marginally decreased by 9.7% or 1,440 MWh to 13,440 MWh from the January 2017 volume of 14,880 MWh.

Fig 2.1 FPM Monthly Market: Daily Traded Volumes for February 2017 (MWh)

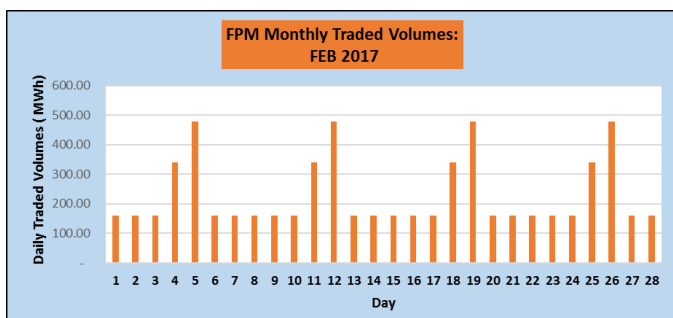
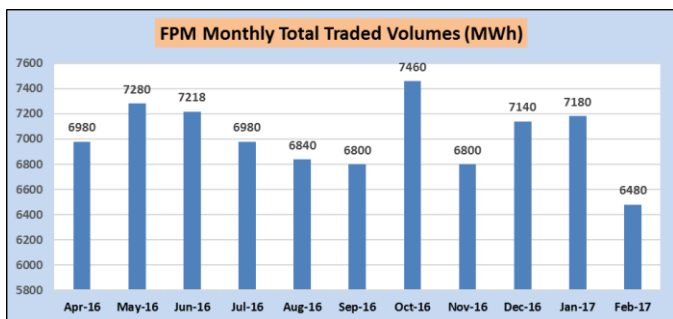


Fig 2.3 FPM Monthly Market: Traded Volumes(MWh) from April 2016 to February 2017 (MWh)



Forward Physical Weekly Market (FPM-W)

Total energy traded in FPM-W during February 2017 was **8,280 MWh**, which was a decrease of **11.7% or 1,100MWh** when compared to the January 2017 figure of 7,180MWh. The total volumes matched in the FPM-W market decreased by 1,089 MWh or 8.6% to 11,565.20 MWh in February 2017 from 12,655MWh in January 2017.

Fig 3.1 FPM Weekly Market: Daily Traded Volumes for February 2017 (MWh)

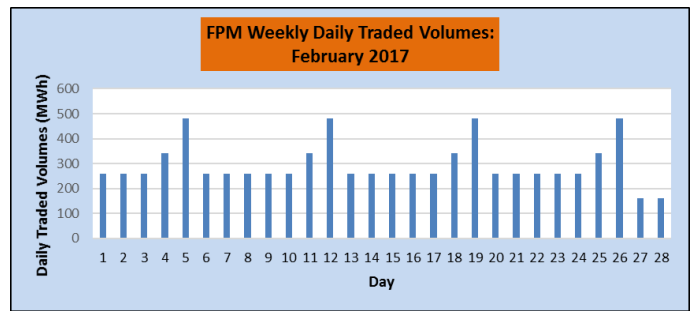
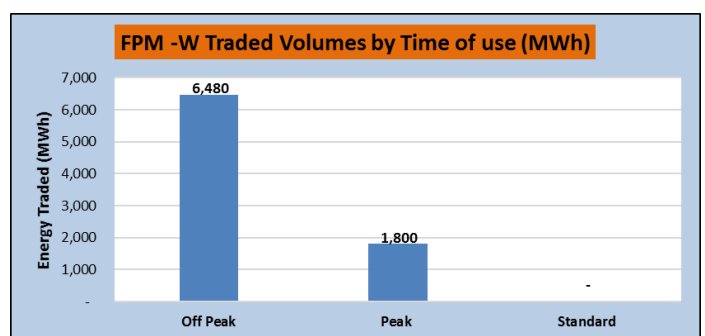
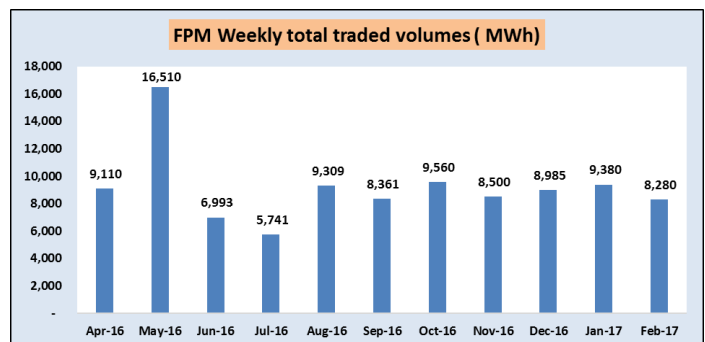


Fig 3.2 FPM Weekly Market: Traded Volumes by time of use for February 2017 (MWh)



Note that 78.26% of the total energy that was traded in FPM-W (8,280 MWh) was traded during Off-Peak period and the remainder was during Peak (12.74%) periods.

Fig 3.2 FPM Weekly Market: Traded Volumes (April 2016 to February 2017)



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Day Ahead Market (DAM)

A total of **62,633.70 MWh** was traded in the Day Ahead Market (DAM) trading platform in February 2017, registering a **11.2% decrease** when compared to the January 2017 figure of **70,568.30 MWh**. There were more sale offers than buy bids received in February 2017 in the DAM trading platform. A total of 492,970MWh Sale offers and a total of 239,726 MWh Buy bids were received in February 2017. There was a decrease of 38,094 MWh or 7.2% in Sale offers received in February 2017 when compared to January 2017 sale bids of 531,064 MWh. There was a decrease of 110,244 MWh or 31.5% in buy bids received in February 2017 when compared to January 2017 buy bids of 349,970MWh.

There was matching of bids in DAM for 28 days and 672 hours or 100% of the time during the month of February 2017. Trading also occurred for 28 days and 672 hours or 100% of the time. In comparison January 2017 had matching occurring for 31 days and 739 hours or 99.33% with trading occurring for 31 days and 733 hours or 98.52% of the time.

Fig 4.1: Traded volumes in DAM by time of use for February 2017

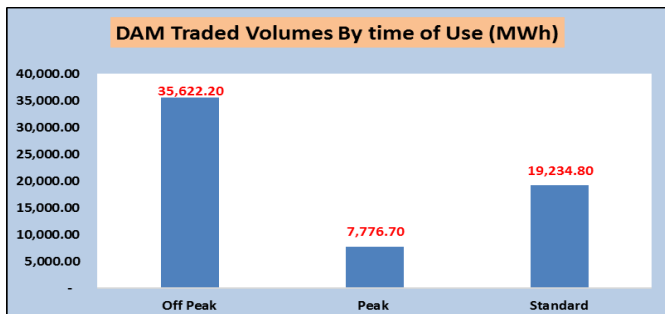
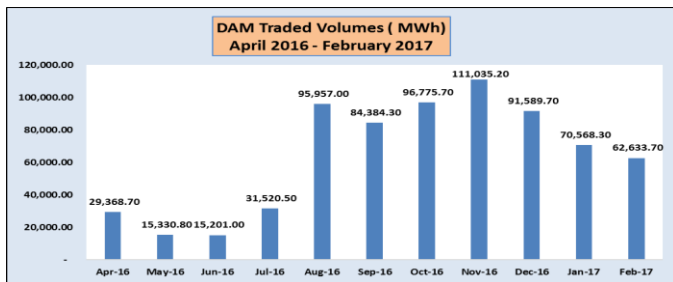


Fig 4.2: Total volumes traded in DAM (MWh) to date in 2016-17



Intra-day market (IDM)

Trade in the IDM market during February 2017 was higher at **5,142MWh** when compared to January 2017 figure of 272MWh, which is an increase of 4,870MWh or 1,790.4%.

Buy bids in IDM increased by 587.7% or 148,980MWh from 25,350MWh in January 2017 to 174,330 MWh in February 2017. Sale offers increased by 1,126.1% from 6,290 MWh in January 2017 to 77,120 MWh in February 2017.

Fig 5.1: IDM Bids and Traded Volumes for February 2017 (MWh)

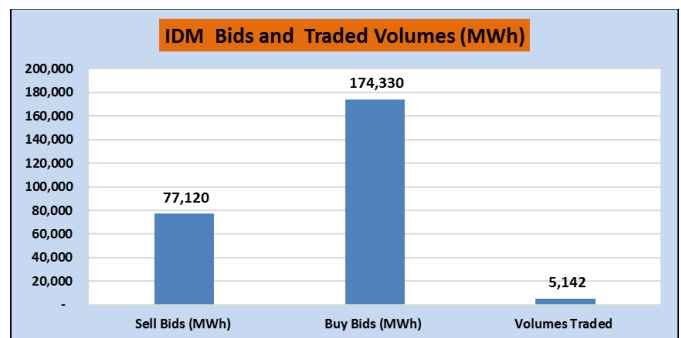
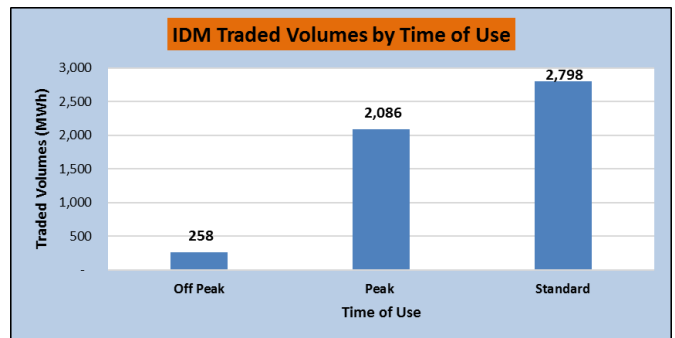


Fig 5.2: IDM Traded Volumes by time of use for February 2017 (MWh)



Note that 54.4% of the energy traded in IDM in February 2017 was for the Standard period whilst the remainder was for the Peak (40.6%) and Off Peak (5%) periods.



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Fig 5.3: IDM Traded Volumes to date for 2016-17 (MWh)

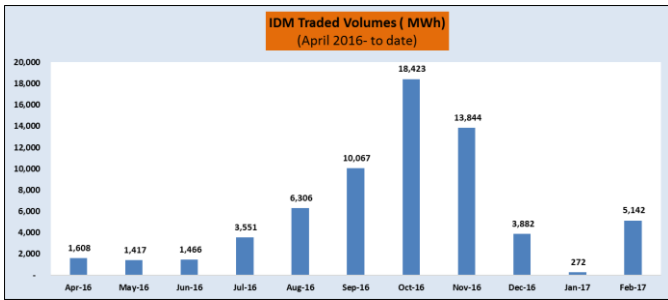
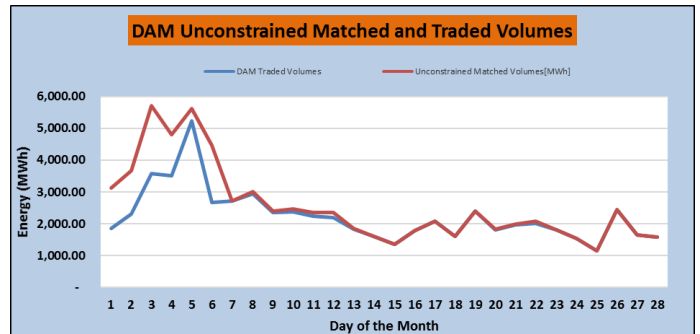


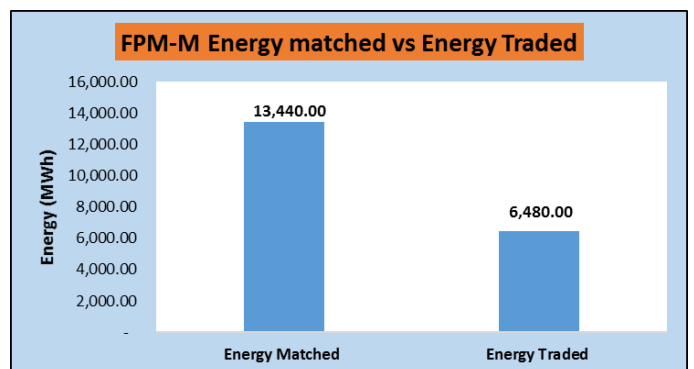
Fig 5.2 Energy matched and energy traded in DAM Trading platform for the month of February 2017.



As shown above there was a difference between matched and traded volumes only during the first week of February 2017. Thereafter, all the matched volumes were traded as there was sufficient transmission capacity. The increase in transmission capacity for the market in February 2017 is mainly as a result of reduction in bilateral volumes due to improved water situation in Zambia and Zimbabwe generation reservoirs.

Energy matched but not traded in the FPM Monthly Market for the month of February 2017 was 6,960 MWh. During the month of February, 13,440 MWh had been matched, resulting in 51.8% of the matched energy failing to be traded. In January 2017, 52% of the total energy matched was not traded due to the limited transmission capacity allocated to FPM-M.

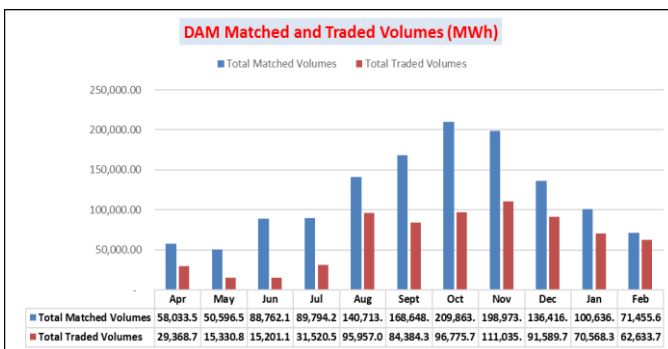
Fig 5.3: Energy Matched and Traded in FPM Monthly Trading platform for the month of February 2017.



Impact of Transmission Constraints

Transmission constrains for the competitive market in the month of February 2017 resulted in **12%** of the matched energy in DAM failing to be traded. This was much better when compared to the **70%** figure recorded in January 2017. In February 2017, 71.456MWh was matched in DAM and 62,633.7 MWh was traded. In January 2017 on the other hand, 100,636.3 MWh was matched on the DAM trading platform and 70,568.3 MWh was traded.

Fig 5.1 Impact of Transmission Constraints on DAM Trading for the month of February 2017.

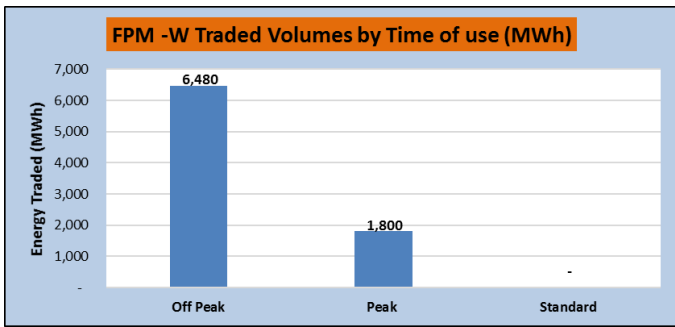


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In the FPM Weekly market, 11,565.2 MWh were matched in February 2017 with 8,280MWh being traded. Consequently, 3,285.2 MWh or 28.4% of the matched volumes was not traded due to limited transmission capacity allocated to the FPM-W.

Fig 5.3: Energy Matched and Traded in FPM Weekly Trading platform for the month of February 2017.



FPM Weekly Prices

The average market clearing price for the Peak period was slightly higher by 1% at 10.509USc/KWh in February 2017 from the January figure of 10.406USc/KWh. Standard period average prices decreased from the January 2017 figure of 7.870USc/KWh to 7.454USc/KWh in February 2017. The average Off–Peak price also decreased by 19.7% from 3.742USc/KWh in January 2017 to 3.004 USc/KWh in February 2017.

Fig 6.2 FPM-W Average prices for the Month of February 2017.

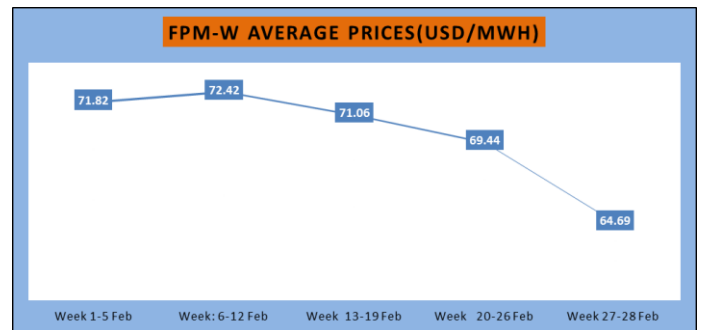
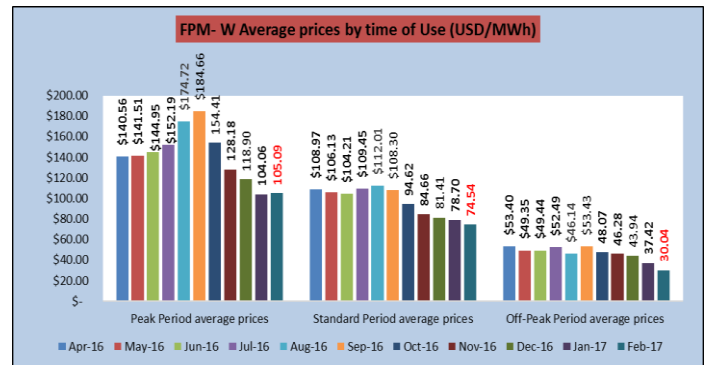


Fig 6.3 FPM-W average prices by time of use for the month of February 2017.



Day Ahead Market

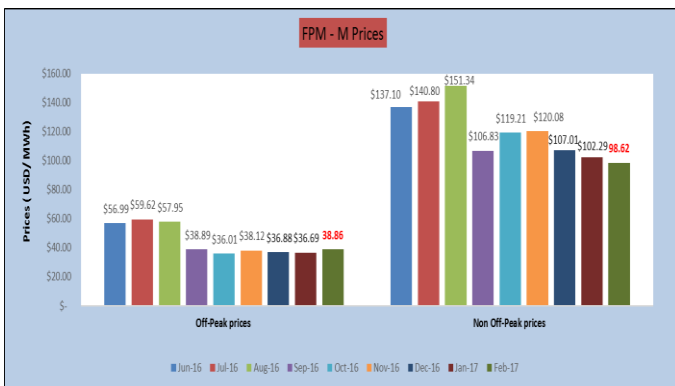
The monthly average Day Ahead market clearing price (MCP) was slightly lower during the month of February 2017 at 4.736USc/KWh when compared to the 5.337USc /KWh recorded in January 2017. Below is a summary of the daily average MCPs for the month of February 2017.

Market Clearing Prices

FPM Monthly Prices

Non-Off Peak market clearing prices decreased by 3.6% from 10.229USc/KWh in January 2017 to 9.862USc/KWh in February 2017. Off Peak prices increased by 5.9% from 3.669USc/KWh in January 2017 to 3.886USc/KWh in February 2017.

Fig 6.1 FPM-M prices by time of Use for the month of February 2017.



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Fig 6.4 Daily Average MCP prices for the month of February 2017.

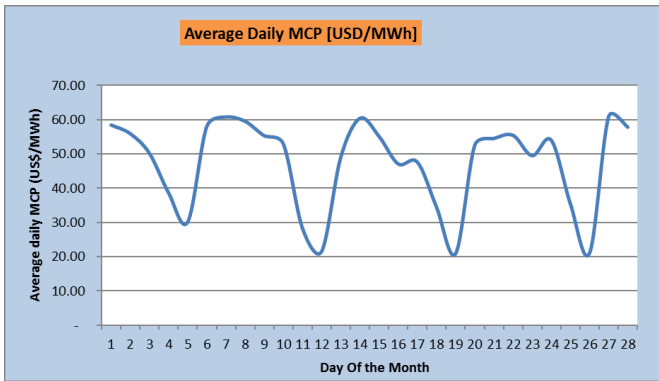
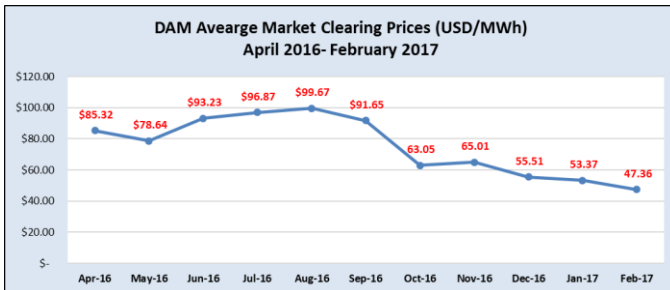


Fig 6.4 Daily Average MCP prices April 2016 to February 2017.



Generally market clearing prices have been decreasing from September 2016 to February 2017.

Revenue Performances

A total of **USD 3,814,856.94** was exchanged on the DAM, IDM, FPM-W and FPM-M market during the month of February 2017 when compared to a total of **USD 5,222,519.42** exchanged in January 2017. The decrease in revenues is mainly attributed to the decrease in traded volumes and the decrease in market clearing prices recorded in the month of February 2017 when compared to January 2017.



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