



August 2017

Promoting a Regional Competitive Electricity Market

August 2017 Highlights

(In comparison to July 2017)

Total turnover (all markets)	▲ +\$ 2,767,344.80/ 35.8%
Traded Volumes(All markets)	▲ +41,781.10 MWh / +25.7%
DAM Traded Volumes	▲ +40,409.10 MWh / +33.7%
FPM Monthly traded Volumes	▲ +5,440 MWh / +72.9%
FPM Weekly traded Volumes	▼ -174 MWh / -1.1%
IDM Traded Volumes	▼ -3,894 MWh / -19.2%

CONTENTS

August 2017 Highlights	1
Participation Levels	1
Market Performance.....	1
Forward Physical Market Monthly (FPM-M).....	2
Forward Physical Market Weekly (FPM-W).....	2
Day Ahead Market (DAM)	2
Intra-day market (IDM)	3
Impact of Transmission Constrains	3
Market Clearing Prices	4
Revenue Performances	5



Market Performance

August 2017 recorded the highest traded volume in a single month since the SAPP competitive market was opened for live trading in December 2009. Total traded volumes on the Day Ahead market (DAM), intra-day market (IDM), Forward Physical Monthly Market (FPM-M) and Forward Physical Weekly Market (FPM-W) increased by **25.7% to 204,568.80 MWh** in the month of August 2017, from the July 2017 figure of 162,787.70MWh. Below is the overview of volumes traded in DAM, IDM, FPM-M and FPM-W for the month of August 2017.

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

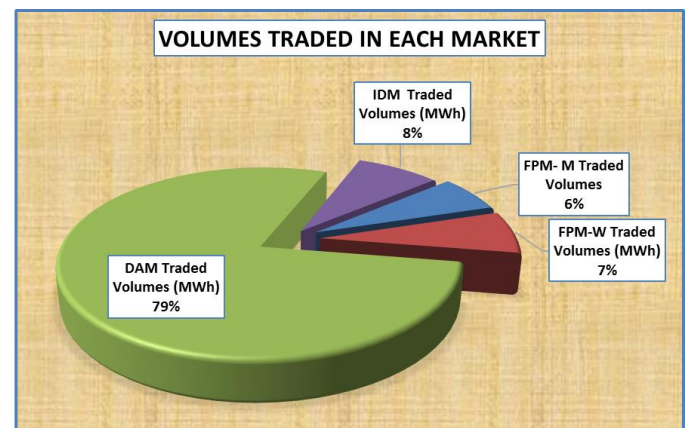
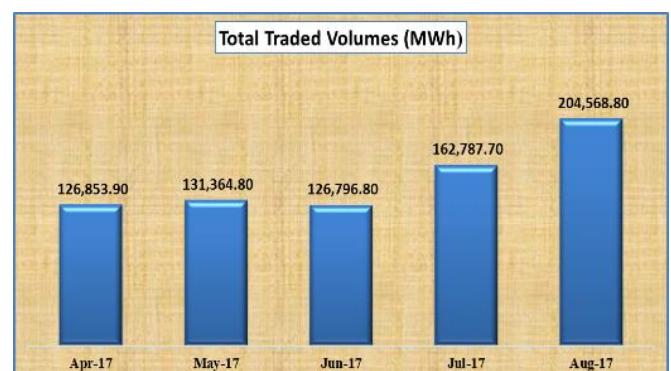


Fig 1.2: Total Monthly Traded Volumes in MWh in DAM, IDM, FPM-W and FPM-M (April 2017 to August 2017)



Participation Levels

There were eleven (11) active portfolios from eight (8) members in DAM during the month of August 2017. There was a slight change when compared to the month of July 2017 in which there were ten (10) active portfolios from eight (8) members.



Southern African Power Pool (SAPP)
24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
Harare, Zimbabwe,
Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
Email: info@sapp.co.zw Website: www.sapp.co.zw



Forward Physical Market Monthly (FPM-M)

Total traded volumes on Forward Physical Monthly Market (FPM-M) were significantly higher in August 2017 at **12,900MWh**. This figure represents an increase of **72.9% or 5,440MWh** from the July 2017 traded volumes of 7,460MWh. The total energy that was matched in the month of August 2017 in the FPM-M increased by 72.9% or 5,440MWh to 12,900 MWh from the July 2017 matched volume of 7,460MWh.

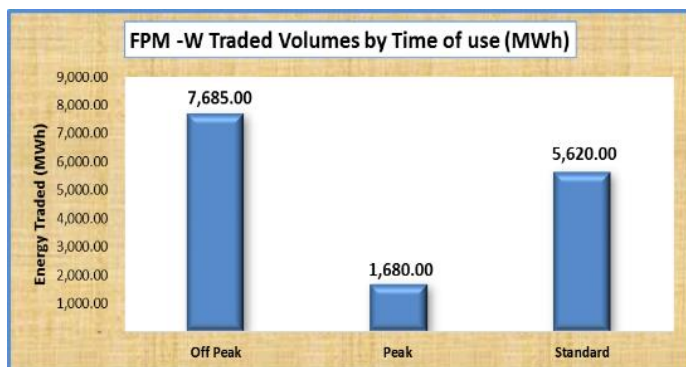
Fig 2.1 FPM Monthly Market: Traded Volumes(MWh) from April 2017 to August 2017 (MWh)



Forward Physical Market Weekly (FPM-W)

The total energy traded in FPM-W decreased by **1.1% or 174MWh to 14,985MWh** in August 2017. In July 2017 the traded volumes in the FPM Weekly market were **15,159MW**. The total volumes matched in the FPM Weekly market decreased by 154MWh or 1% to 14,985 MWh in August 2017 from 15,139 in July 2017.

Fig 3.1 FPM Weekly Market: Traded Volumes by time of use for August 2017 (MWh)



As shown by the figure above, 51% of the total energy that was traded (14,985MWh) was for the Off-Peak period and the remainder was for the Peak (11%) and standard (38%) periods.

Fig 3.3: FPM Weekly Market: Traded Volumes (April 2017 to August 2017)



Day Ahead Market (DAM)

A total of **160,251.80MWh** was traded in the Day Ahead Market (DAM) trading platform in August 2017, registering a **33.7% increase** in traded volumes when compared to the July 2017 figure of **119,842.70MWh**. There were more sale offers than buy bids received in August 2017 in the DAM trading platform. A total of 726,692MWh Sale offers and a total of 234,539 MWh Buy bids were received in August 2017. There was a significant increase of 77,328 MWh or 11.9% in sale offers received in August 2017 when compared to July 2017 figure of 649,364 MWh. There was also an increase of 39,969 MWh or 20.5% in buy bids received in August 2017 when compared to July 2017 figure of 194,570MWh.

There was matching of bids in DAM for 31 days and 742 hours or 99.73% of the time during the month of August 2017. Trading also occurred for 31 days and 741 hours or 99.6% of the time. In comparison to July 2017 where matching occurred for 31 days and 740 hours or 99.46% with trading occurring for 31 days and 740 hours or 99.46% of the time.



Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw



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

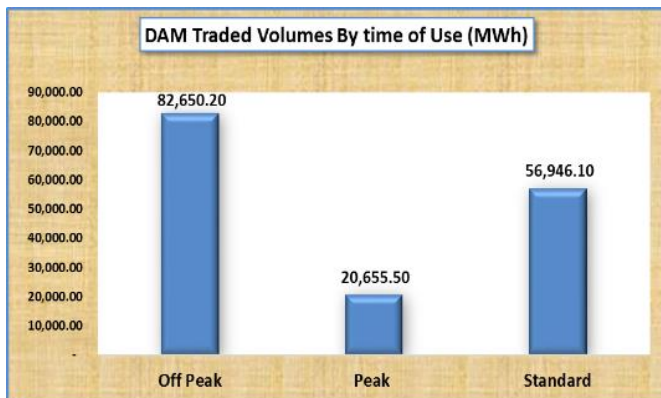
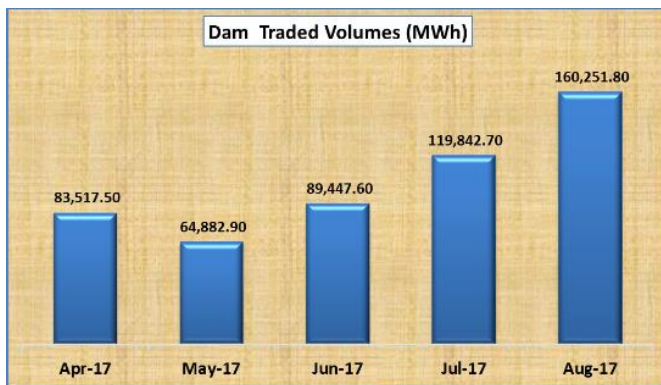


Fig 4.2: Total volumes traded in DAM (MWh) from April 2017 to August 2017

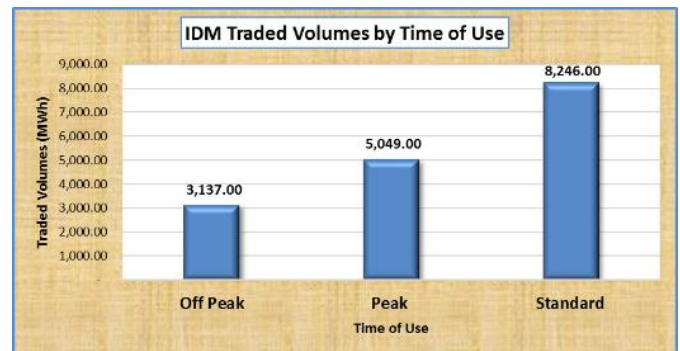


Intra-day market (IDM)

Trade in the IDM in August 2017 was lower at **16,432 MWh** when compared to July 2017 traded volume of 20,326 MWh, which is a decrease of 3,894MWh or 19.2%.

Buy bids in IDM decreased by 7.8% or 3,997MWh from 50,570 MWh in July 2017 to 46,573 MWh in August 2017. Sale offers also decreased by 20.7% from 40,399 MWh in July 2017 to 32,034 MWh in August 2017.

Fig 5.1: IDM Traded Volumes by time of use for August 2017 (MWh)



50% of the energy traded in IDM in August 2017 was for the Standard period whilst the remainder was for the Peak (31%) and Off Peak (19%) periods.

Fig 5.2: IDM Traded Volumes from April 2017 to August 2017 (MWh)



Impact of Transmission Constrains

There was generally improved access to transmission capacity for the competitive market in the month of August 2017, with **99.6%** of the matched energy in DAM having been traded. In the month of July 2017, **99.5%** of the energy that was matched in DAM was also traded. In August 2017, 160,494.9MWh was matched in DAM and 160,251.80 MWh was traded. In July 2017 on the other hand, 119,956MWh was matched on the DAM trading platform and 119,842.7 MWh was traded.



Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw



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

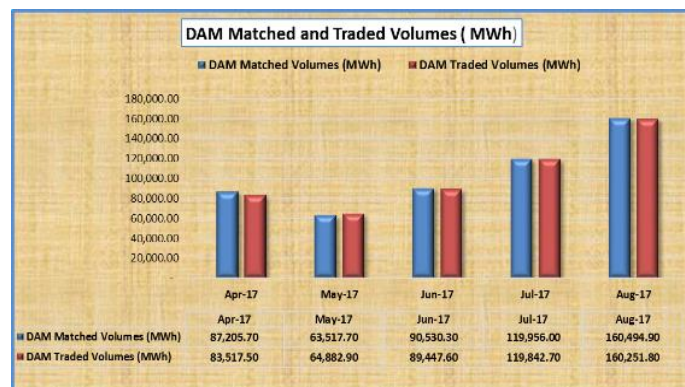
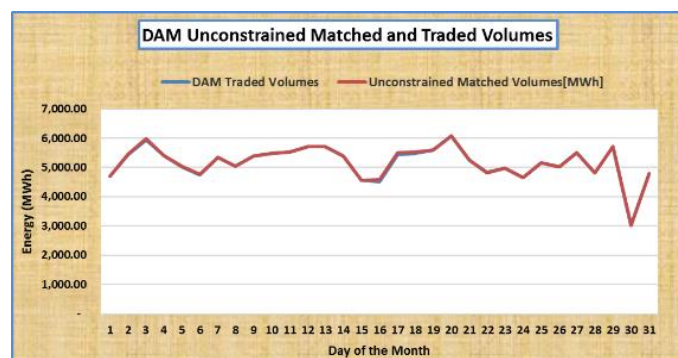


Fig 5.2: Energy matched and energy traded in DAM Trading platform for the month of August 2017.



As shown above, there was an insignificant difference between matched and traded volumes for most of the days of the month of August 2017 signifying an improvement in transmission access for the competitive market.

100% of the energy that was matched in the FPM Monthly Market for the month of August 2017 was traded. 12,900MWh was matched in the month of August 2017. There was no change when compared to the month of July 2017 where 7,460 MWh was matched and 7,460 was traded, resulting in 100% of the matched energy being traded.

Fig 5.3: Energy Matched and energy traded in FPM Monthly Trading platform for the month of August 2017.

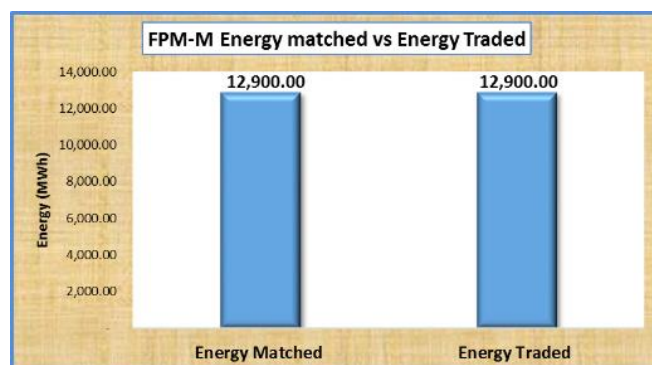
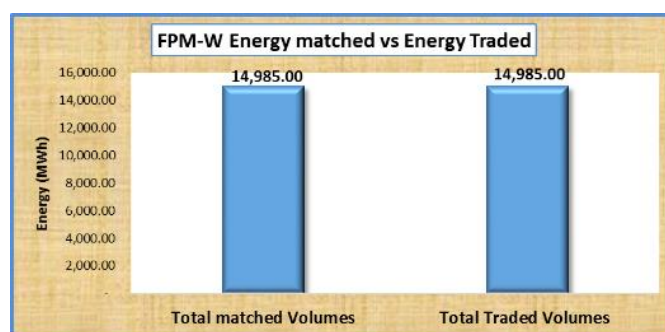


Fig 5.4: Energy Matched and energy traded in FPM Weekly Trading platform for the month of August 2017.



Market Clearing Prices

FPM Monthly Prices

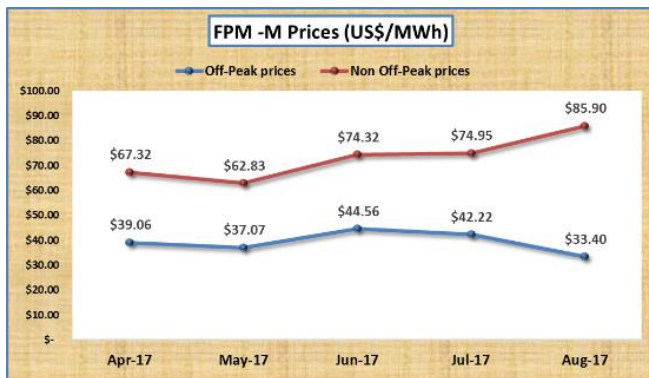
Non off-peak prices increased by 14.6% from 7.495USc/KWh in July 2017 to 8.590USc /KWh in August 2017. Off Peak prices decreased by 20.9% from 4.222 USc/KWh in July 2017 to 3.340 USc/KWh in August 2017.



Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw



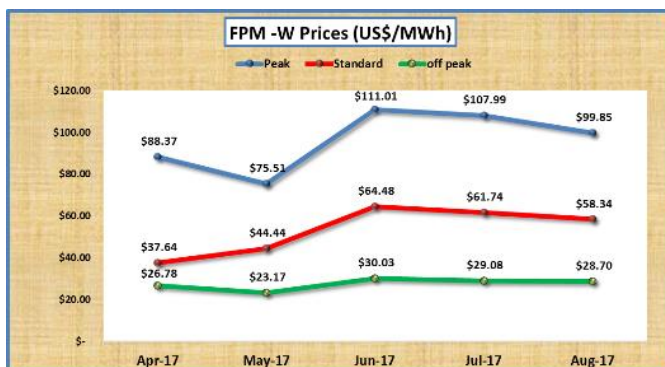
Fig 6.1: FPM-M prices by time of use for the month of August 2017.



FPM Weekly Prices

The average price for the Peak period was lower by 7.5% at 9.985USc/KWh in August 2017 from the July average peak price of 10.799USc/KWh. Standard period average prices decreased from the July 2017 average prices of 6.174 USc/KWh to 5.834 USc/KWh in August 2017. The average Off-Peak price also decreased by 1.3% from 2.908USc/KWh in July 2017 to 2.87USc/KWh in August 2017.

Fig 6.2: FPM-W average prices by time of use for the month of August 2017.



Day Ahead Market

The monthly average Day Ahead market clearing price (MCP) was slightly higher during the month of August 2017 at 5.29USc/KWh when compared to the 4.92USc/KWh recorded in July 2017. Below is a summary of the daily average MCPs for the month of August 2017.

Fig 6.3 Daily Average MCP prices April 2017 to August 2017.

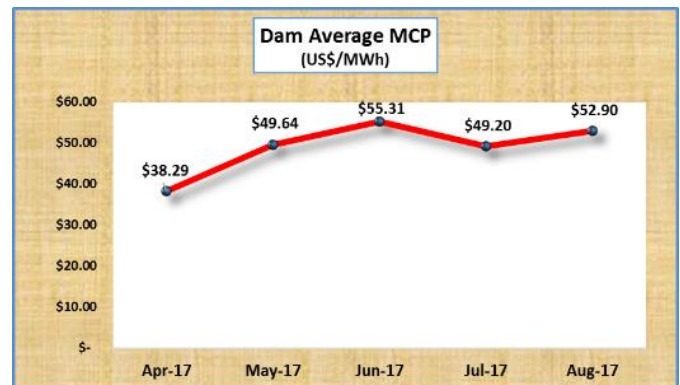
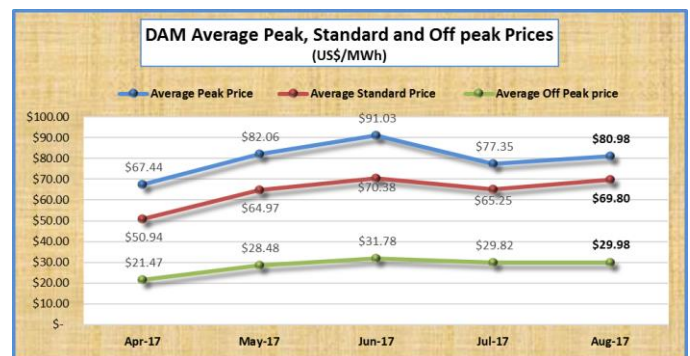


Fig 6.4 Daily Average MCP prices April 2017 to August 2017.



Revenue Performances

A total of **USD10,487,001.07** was exchanged on the DAM, IDM, FPM-W and FPM-M markets during the month of August 2017 when compared to a total of **USD 7,719,656.27** exchanged in July 2017. The increase is mainly attributed to increases in traded volumes that was recorded during the month of August 2017.



Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw

