

18 April 2024

Ms Anna Collyer
Chair
Australian Energy Market Commission

Lodged electronically.

Subject: ERC0363 - Enhancing Investment Certainty in the R1 Process Draft Determination

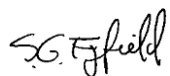
Dear Ms Collyer,

Goldwind would firstly like to express its thanks to the AEMC for considering the rule reform proposed by the CEC on improving the outcomes from the R1 stage of the connections process. The proposed changes are expected to streamline future Goldwind and other renewable projects which will ultimately lead to a smoother transition away from fossil fuel generation. We have duly considered the draft determination published by the AEMC on 7 March 2024 and through this letter provide our feedback on the proposed rule amendments.

We would like to continue reinforcing that, in our view, the most important element of the proposed rule change was the adoption of a documented risk based framework when it came to the assessment process. Adoption of such an approach would have gone a long way in addressing the shortcomings in the current process which comes down to the experience of the engineer assessing the project. While Goldwind understands that it is a complex issue to implement as a rule, in our view without including risk assessment, the AEMC's approach falls short.

In the following pages, we have included our feedback on key themes discussed in the draft determination. Should you have any questions on our submission, please reach out. My contact details are below.

Sincerely,



Sam Fyfield
General Manager – Grid
Goldwind Australia Pty Ltd
M: +61 427 306 938
E: sam.fyfield@goldwindaustralia.com

Key themes

Written justification for additional modelling

This change is generally welcome as it can help clarify the motivation from AEMO and/or NSPs in the event of scope creep. There are two more nuanced aspects we believe the AEMC should consider as distinct situations from “additional modelling” that could benefit from having the ability to request written justification:

- in situations where there is a request from AEMO and/or NSP to meet a higher performance standard.
- where a change in assessment methodology between the connection application stage and the registration stage causes a generator to not meet previously agreed generator performance standards. Justification should be provided for why AEMO and/or the NSP are unwilling to accept evidence of compliance based on the assessment that was carried out during the connection application stage and have changed their methodology requirement.

Remove barriers to pragmatic revisions to the GPS – clause 5.3.4A(1A)(i)

We are supportive of this change as it can help with addressing challenges associated with a changing and weakening network.

Formalise start and end of R1 process

We do not expect this part of the rule change to make a material difference in the registration process.

Recommendation that AEMO continues to improve guidelines

We believe that a recommendation to AEMO to develop/continue developing some unspecified guidance notes does not go far enough towards addressing the issue of there being a lack of consistency in assessment of connections. Our experience has been that there are widely differing opinions between engineers within AEMO and the connection process ends up depending on the experience/preference of the specific engineer working on the project. Delays can then be amplified if there is a change to the staff allocated to a project as the new engineer is likely to raise new questions due to their different interpretation of the requirements.

As an example, AEMO’s access standard assessment guideline has not been updated since 2019 and many aspects of the assessment process is not covered in sufficient detail. Certainly, there is no guidance on the assessment of the new GPS clauses S5.2.5.15 and S5.2.5.16.

We propose the following:

- AEMO must update the access standard assessment guideline more frequently, no less than 2 years.
- AEMO must provide a baseline assessment methodology for each of the GPS clauses. This would include details such as which software the test is expected to be carried out on, what initial conditions should be tested, a list of expected tests and the methodology to be used. A description of high level acceptance criteria would also help ensure the performance assessment is consistent.
- The access standard assessment guideline should be adopted as the baseline by all NSPs. Any additional

requirements or deviations from AEMO's baseline should be documented by the NSP as a separate guideline that is shared with the generator at the start of the connection process (e.g. during connection enquiry response). Powerlink's "Inverter Based Renewable Plant – GPS Connection Study Process and Expectations" document is a good example of what this could look like. The document has, in our experience, been very useful to align expectations early on in a project's connection journey.

Goldwind considers that the above suggestion will help improve consistency across the connection process and across the NEM.

Assessment methodology applied during connection application stage

While this has somewhat been covered in the first point. We would like to emphasise that sometimes there are situations whereby the assessment methodology for a particular clause may change between the connection application stage and registration stage (construction can take 1-2 years). Sometimes the changes are material enough that, when using the new methodology, they result in the generator being assessed as non-compliant to the agreed GPS, even though the generator passes the tests with the old methodology.

We believe it is important for the rules to acknowledge such situations and not disadvantage projects as a result of such changes beyond their control, especially when the solution to the non-compliant performance is to install additional equipment on site. We therefore suggest that there should be some indication within the rules to encourage AEMO and/or NSPs to make best efforts to consider the assessment methodology that was applied during the connection application stage where a non-compliance is identified when the generator is tested based on the new methodology. This could also potentially be linked to the assessment guideline methodology that was prevailing at the time of the connection application.

We would like to see a greater transparency and robustness in capturing the risks and decision making particularly with respect to negotiated clauses. We believe that access standards at any point in time should not be seen as black and white definitions of performance rather what is appropriate for a particular generator's environment or technology at that decision making point. Hence absolute comparisons to meet 'no less onerous' criteria will not achieve the best or most feasible and economical results for the power system and are likely to hinder upgrades to newer technology.