

15 Dec 2020

Anna Collyer Chair Australian Energy Market Commission

Lodged via website: https://www.aemc.gov.au/rule-changes/generator-registration-thresholds

**RE: Generator Registration Thresholds – ERC0256** 

Dear Ms Collyer,

Tilt Renewables is a leading Australasian renewables developer engaged across all stages of project development through to operations. Tilt Renewables currently has 366 MW of operational wind farms across the NEM and New Zealand, plus a further 469 MW in construction/commissioning and over 3 GW in its development pipeline.

Tilt Renewables (TLT) welcomes the opportunity to provide feedback on the Australian Energy Market Commission's rule change on generator registration thresholds (paper).

TLT is broadly supportive of a reduction to the threshold for classifying generators as non-scheduled, provided that this change is grandfathered for existing plant following any change to the existing rules. Rule changes that involve the retrofitting of plant, particularly for those generating systems that are heading towards the end of their operational life should be avoided where possible.

There are numerous benefits to casting a wider net over the number of generators that participate in dispatch. By providing the market operator with greater visibility that comes with being classified as semi-scheduled or scheduled, TLT expects that the benefits would include:

- More efficient dispatch outcomes, with the market operator being able to more accurately dispatch supply to meet demand. Reducing sources of dispatch error comes with obvious benefits to maintaining system frequency.
- Greater price transparency, with more generating systems required to bid into the market.
- More accurate supply adequacy assessments, as these generating systems will have forecasts and be required to submit system availability information to the market operator.
- Greater consideration to location of new plant that would otherwise be classified as non-scheduled in terms of the avoidance of network congestion.

More importantly, leaving the threshold unchanged will likely lead to the deterioration of the points listed above, given the expected growth in non-scheduled generating systems highlighted in the paper. A decision made to reduce the threshold now, even to a level greater than five but less than thirty megawatts, will forgo the need to make more drastic changes in the future, should the threshold not be lowered and the ability of the market operator to forecast and schedule become compromised due to an increasing penetration of non-scheduled generation.

TLT has not commented on the appropriateness of the 5 MW threshold, as it is difficult to quantify the benefits associated with a particular threshold. TLT trusts that the market operator is best placed to provide feedback on a suggested threshold given its experience in running the power system and associated market.



Tilt Renewables will be pleased to meet with you to discuss this submission in more detail and provide ongoing support through the consultation process. Please contact the undersigned or Rhys Albanese at <a href="mailto:rhys.albanese@tiltrenewables.com">rhys.albanese@tiltrenewables.com</a> or 0423 423 797.

Regards,

Nigel Baker

**Executive General Manager, Generation and Trading Tilt Renewables**