

Wirsol Energy Pty Ltd.

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21 October 2020

Ms Merryn York
Acting Chair
Australian Energy Market Commission

Lodged online: www.aemc.gov.au

Dear Ms York,

TRANSMISSION ACCESS REFORM – INTERIM REPORT

WIRSOL Energy is an international energy company with a portfolio of renewable projects across Europe and Australia. Wirsol is one of the market leaders in the Australian National Electricity Market, with a large portfolio of renewable energy and storage projects across Victoria and Queensland. Currently these projects total almost 400 MWp and another 149 MWp under construction and 400 MWp under development.

WIRSOL Energy welcomes the opportunity to comment on the Australian Energy Market Commission's (AEMC's) Interim Report in relation to its transmission access reform proposal. We have followed the development of the proposal with strong interest, both directly and through engagement in the Clean Energy Council's (CEC's) workshops on the proposal.

WIRSOL Energy does not support the transmission access reform proposal and strongly suggests that the work to further develop and implement the proposal should be discontinued in order to free up AEMC and industry resources for other more pressing issues. We recognise the significant effort to develop this proposal to date. However, similar to the CEC's submission, we feel that the proposal is simply the wrong model at the wrong time.

At a high level, we provide the following comments in support of our position.

- The proposed model does not solve the pressing need for increased transmission capacity.
- Projecting locational marginal prices and financial transmission right requirements will be extremely difficult for generators, leading to increased uncertainty and cost for new investments.
- The uncertainty, complexity and cost associated with the proposal will increase the cost of capital for projects, which will ultimately result in higher consumer costs.
- At a time when new investment in generation is critical, this reform would have a chilling effect on new investment.
- Actioning the Integrated System Plan and the development of renewable energy zones will assist to address congestion and provide locational signals for new generators. An assessment of the need for access reform should wait until it is clear what residual issues may persist once these processes have matured.



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WIRSOL Energy has provided input to the development of the CEC's submission. As such, the CEC's submission represents our views, and we provide our full support to the position taken by the CEC.

If you have any questions regarding this submission or wish to discuss our position in more detail, please do not hesitate to contact Garth Gum Gee E: garth.gumgee@wirsol.com.au .

Kind regards,



Andy Scullion
Director
Wirsol Energy Pty Ltd

