



14 January 2021

Ms Merryn York
Acting Chair
Australian Energy Market Commission

Lodged via the AEMC website

ERC0313: Semi-scheduled generator dispatch obligations Semi-scheduled dispatch obligations rule change

Dear Ms York,

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 comment on the Australian Energy Market Commission's (AEMC) draft determination on the Australian Energy Regulator's (AER) rule change request regarding semi-scheduled generator dispatch obligations. TLT has one concern that was acknowledged however was not addressed in the AER's recommendation to the AEMC. This concern relates to allowing for sound technical reasons that a Semi Scheduled Generator (SSG) may deviate from its dispatch target, other than a change in resource.

In section 3.5 of the AEMC's draft determination the AEMC states that *"The Commission considers the draft rule only affects the negative price curtailment behaviour by semi-scheduled generators."* TLT disagrees with statement. When assessing other options, the AEMC acknowledged the arrangements currently used in New Zealand citing *"...semi-scheduled generators [would be able] to link sudden changes in their output to any relevant feature not apparent from data. For example unexpected high speed cut out or run back, temperature effects or other technical protection systems not related to the energy price."* It is clear that the draft rule change is intended to go beyond putting an end to negative price curtailment and capture 'any relevant feature'. In its current form the rule change would hold SSGs accountable for any deviation to a dispatch instruction apart from when that deviation is due to a change in the availability in the resource (such as high temperature de-rating). In order to remain compliant under the draft rule, contrary to statements made in the AEMC's draft determination, SSGs would be required to make control system upgrades to account for technical limits such as temperature de-rating for the purposes of dispatch. TLT anticipates that around one year would be required to scope, design, implement and test such systems.

The draft determination reaches far beyond the problem it is trying to solve, placing a considerably more burdensome compliance requirement than what is necessary. In order to avoid a protracted start date, control system upgrades and associated additional costs, TLT recommends that the AEMC simply bans direct (non-bidding/dispatch) responses to price. This was TLT's preferred option detailed in its submission to the AER on 24/07/2020.

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 rhys.albanese@tiltrenewables.com or 0423 423 797.



Regards,

A handwritten signature in blue ink that reads "Nigel Baker".

Nigel Baker

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