



Australian Energy Market Operator

Level 22, 530 Collins St
Melbourne, VIC 3000

3 May 2018

By email to: CauserPaysConsultation@aemo.com.au

Attention: James Lindley

Re: Submission on Causer Pays Procedure Draft Report Consultation

Dear James,

Tilt Renewables thanks AEMO for the opportunity to comment on the updates to the causer pays procedure. Tilt Renewables is a leading Australasian renewable energy operator and developer with 385 MW of operating assets in the NEM and a NEM development pipeline including wind, solar and storage of over 2000 MW. Tilt Renewables also has operating assets and development projects in NZ and development projects in WA.

Tilt Renewables acknowledges the work done in investigating the declining frequency performance of the power system and agrees that the exclusion of periods where frequency and FI factor are in different directions may reduce disincentives to primary frequency control provision. However, Tilt Renewables sees this as a short-term fix. Tilt Renewables believes the weighting measure (FI factor or otherwise) should consistently represent the frequency control needs of the power system to incentivise desirable behaviour, and if the FI factor cannot do this (as is apparent in the fix proposed by AEMO) then a more appropriate measure is needed. Tilt Renewables recommends that the calculation of the causer-pays factor, including the detail of the weighting measure, be reviewed in future work along with the other issues outstanding from this consultation.

Section 4.9 of the Draft Report discusses the value of publishing the 5-minute performance data, but then concludes that it will not be published now. Tilt Renewables agrees with AEMO's recommendation that the 5-minute data is valuable and urges AEMO to include the publication of this data as part of this consultation. Intermittent generators, including those operated by Tilt Renewables, are currently developing self-forecasts for use in dispatch, with the aim of reducing causer-pays factors incurred, and with the broader system benefit of reducing the system frequency impact of variability in intermittent generation. The publication of aggregated 5-minute performance data at the time of publishing the causer-pays factors would increase the ability of the intermittent generators to quickly demonstrate the value of the self-forecasting systems and to identify the most valuable areas

Tilt Renewables Australia Pty Ltd
ACN 101 038 331

GPO Box 16080
Collins Street West
Melbourne
Victoria, 8007
Australia

Phone: +61 3 9654 3066

tiltrenewables.com



for improvement. The existing 4-second data, while giving a complete picture, is unwieldy to process and interpret for routine use, and is better suited to detailed investigation of problem periods.

Finally, Tilt Renewables commends the re-write of the causer-pays procedure, which gives a procedure that is much clearer than the original, particularly in its explanation of the FI factor calculation.

If you wish to discuss our submission, please contact Marcelle Gannon at marcelle.gannon@tiltrenewables.com or 0409 799 095.

Regards,

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

Nigel Baker
General Manager, Generation and Trading
Tilt Renewables

Tilt Renewables Australia Pty Ltd
ACN 101 038 331

GPO Box 16080
Collins Street West
Melbourne
Victoria, 8007
Australia

Phone: +61 3 9654 3066

tiltrenewables.com