

May 21, 2024

Australian Energy Market Operator  
System Planning - SSIAG

via [contact.connections@aemo.com.au](mailto:contact.connections@aemo.com.au)

**Re: SSIAG Amendment - Calculation of System Strength Quantity Submission**

Tilt Renewables welcomes the opportunity to make a submission to AEMO in regard to the above amendment to the System Strength Impact Assessment Guidelines (SSIAG).

Tilt Renewables is committed to continue playing a lead role in accelerating Australia's transition to clean energy. Tilt Renewables is one of the largest owners and operators of wind and solar generation and storage in Australia with 1.8 GW of renewable generation capacity across eleven operating wind farms, solar plants and battery systems. In addition, Tilt Renewables has a development pipeline of over 5.0 GW of wind, solar and storage projects.

This submission is focussed on the general issue of past, continuing and future changes to the SSIAG. System strength has been an issue in the NEM since 2017 and the repetitive changes to the SSIAG are causing uncertainty about what charges future, and current, Variable Renewable Energy (VRE) generators are likely to face. Meanwhile, an important change to the SSIAG requested by market participants remains on the 'back burner'.

This amendment spends a fair amount of time discussing the currently fixed stability coefficient. During a recent webinar at which AEMO presented, the representative stated that no changes were currently being proposed to the stability coefficient (currently fixed at 1.2). Tilt Renewables is concerned that changes to this coefficient may be contemplated in the future which would have serious impacts on the economics of new generation. Tilt Renewables respectfully requests that should any change to this coefficient be contemplated in the future, that it be very carefully considered, widely and thoroughly consulted upon and that it be made crystal clear that any change would not affect operating or committed generators.

During the same webinar another amendment to the SSIAG was foreshadowed later this year with another potential amendment next year. Investment in new generation is not proceeding at the required pace, and it is not helpful to have a series of unknown changes to a Guideline with very significant compliance costs hanging over investors' heads. A drip feed of SSIAG amendments is not what industry needs. Tilt Renewables respectfully requests that AEMO's next amendment to the SSIAG include all intended changes, so that market participants can understand what system strength network or self-remediation charges they will be required to pay to enable informed investment decisions.



During the aforementioned webinar, the AEMO representative was asked about deleting the current requirement in the SSIAG [Section 5.1.2(a)] that self-remediation **must** occur behind the meter. The AEMO representative stated that while they plan to consider changing this, it is quite complicated and was not going to be addressed until next year at the earliest. One of the key issues was stated to be calculating the reduction in system strength remediation caused by the distance to the VRE generator. However, TNSPs must be making such calculations using some methodology today as it is required for TNSPs to decide how to remediate 2 or 3 nearby VRE generators who chose to pay the TNSP for remediation---unless the TNSP decides to install system strength remediation behind every meter which would obviously not be cost effective or sensible. Therefore, it is not clear how this issue could be so complicated as TNSPs are facing it today.

In its submission to the AEMC's Calculation of system strength quantity Draft Rule determination<sup>1</sup>, Tilt Renewables outlined why this change is important and should be made and AEMO has appeared amenable to changing this requirement in our previous discussions. Tilt Renewables respectfully requests the behind the meter self-remediation requirement be addressed in the next SSIAG amendment---along with all of the other changes AEMO considers to be needed or beneficial.

Thank you for the opportunity to comment on the SSAIG Amendment. Please feel free to contact [jonathan.upson@tiltrenewables.com](mailto:jonathan.upson@tiltrenewables.com) should you have any questions or to discuss any aspect of this submission.

Yours Sincerely,



Jonathan Upson  
Head of Policy & Regulatory Affairs  
**Tilt Renewables**

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<sup>1</sup> [Tilt Renewables Submission to ERC0375 draft determination \(aemc.gov.au\)](https://www.aemc.gov.au/consultations/erc0375-draft-determination)

