

Friday, 4 November 2016

Clare Greenwood
Forecasting, AEMO
Via email

Dear Ms Greenwood,

RE: Energy Conversion Model Stage 3 Consultation, Draft Determination Submission

The Clean Energy Council (CEC) is the peak body for the clean energy industry in Australia. We represent and work with hundreds of leading businesses operating in solar, wind, energy efficiency, hydro, bioenergy, energy storage, geothermal and marine along with more than 4000 solar installers. We are committed to accelerating the transformation of Australia's energy system to one that is smarter and cleaner.

As the CEC's members raised concerns about the draft decision in AEMO's Stage 2 consultation we welcome the collaboration and consideration that has led to this third consultation stage. As previously noted there are growing expectations on the NEM to move semi-scheduled generators from passive generators to more active participants in both system security and frequency services.

In this regard we welcome AEMO's proposed changes as set out in the consultation paper. The main focus of this submission is on matters in relation to the proposed "SCADA Estimated Power" and the definition of this parameter.

Firstly, we question AEMO's perception of the accuracy of this approach. On one hand the existing reliance on AWEFS has introduced systemic errors that imposes increased unavoidable costs onto wind farms. On the other the introduction of the new "SCADA Estimated Power" signal provides these participants with a means to manage their risks by reducing the impact of such errors. These participants have an incentive to improve over AWEFS, and would be penalised by higher causer-pays charges where they do otherwise.

Our view is that improvements in dispatch accuracy would be aligned to the efficient decisions of these participants therefore AEMO's concerns about accuracy are not significant. Given this we also disagree that AEMO should be provided with the discretion to reject estimates provided by participants. AEMO has the capacity to demonstrate to a participant that it could be receiving lower causer pays charges, but the risk and costs associated with inaccuracy lies with the participant, not AEMO.

Placing an upper limitation on the data to the maximum of the nameplate rating and the maximum capacity is also redundant as a result of the above.

Market forces should drive accuracy in these estimates. Participants that are not confident that they can deliver a better outcome will have the option to rely in AWEFS as an alternative.

Secondly, we have concerns about the reference to “SCADA Estimated Power” being a forecast. The definition should be careful to not confuse wind forecasting with the other parameters affecting the estimated generation. Referring to this data as a forecast could be read to imply that a wind farm operator would need to implement its own wind energy forecasting system. This creates unnecessary confusion.

Thirdly, given that there are many potential influences on a generator’s output behind the connection point it may be best to restrict specific aspects of the definition to the factors that it excludes.

Given the above our discussions with members had identified a preferred definition:

“SCADA Estimated Power” is the estimated output of a semi-scheduled plant’s active power in MW to be delivered from its connection point at the end of the next dispatch interval, excluding constraints imposed by AEMO, a DNSP or a TNSP.

As clear from the proposed definition “SCADA Estimated Power” should be permitted to incorporate any factor behind the generator’s connection point affecting production at the end of the next dispatch interval. This would naturally include connection, or any other assets that may be coming into or out of service in the coming dispatch interval. Also, the data point is an estimate of production in the coming period. Ramp rates and dynamic changes over the dispatch interval are therefore implicit so including this as a separate data point may be unnecessary.

We thank AEMO for the proactive steps taken in regards to these matters. Please contact the undersigned for any queries regarding this submission.

Sincerely,



Tom Butler

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