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Clare Greenwood
Energy Forecasting
Australian Energy Market Operator
GPO Box 2008
Melbourne VIC 3001

Via email: Op.forecasting@aemo.com.au

Dear Ms Greenwood

Re: Submission to AEMO Energy Conversion Model Guidelines Consultation

The AER welcomes the opportunity to comment on AEMO's Draft Report and Determination relating to amendments to the Wind Energy Conversion Model Guidelines and the Solar Energy Conversion Model Guidelines.

We support the work AEMO and market participants have undertaken to identify improvements to the accuracy of Australian Wind Energy Forecasting System (AWEFS) forecasts, outputs of which are used in the calculation to determine dispatch targets. We support the suggested short term measures proposed by AEMO to improve dispatch outcomes, which is also expected to reduce the flow on effects to the calculation of and payments associated with frequency control ancillary services causer pays factors. We encourage continued work on options to further improve forecast accuracy as identified in AEMO's Discussion Paper, and any others which may be identified, following the completion of this round of consultation.

In attempting to address the AWEFS inaccuracies AEMO has proposed the inclusion of a 'SCADA Local Limit' parameter in identifying limits on wind farms achieving the unconstrained intermittent generation forecast (UIGF) produced by AWEFS.

We support the inclusion of the SCADA Local Limit parameter on the basis that it has the potential to improve the accuracy of the dispatch targets issued by AEMO. We consider the 'SCADA Local Limit' parameter to be a technical parameter and, as such, should not be used for commercial purposes. We consider that Semi-Scheduled Generators can currently utilise price bands in their bid to reflect their commercial availability and that this is the most appropriate means by which to communicate their intentions to the market. We support AEMO's intention, as set out at 4.1.3, to

investigate applying the bid Availability for Semi-Scheduled Generators in NEMDE and PASA.

We also support the collection of information on the network limits imposed on Semi-Scheduled Generators by Distribution Network Service Providers. This would assist further improvements in the accuracy of the AWEFS forecast to be realised. We consider that Distribution Network Service Providers are best placed to provide this information, such that transparent and accurate information is provided to the market.

More broadly, we support AEMO's intention to undertake further work to identify ways of increasing market transparency for forecast and actual dispatch targets for Semi-Scheduled Generators, as set out on pp.13, 19, 20 of the Draft Report.

If you have any queries about the issues raised in this submission, please contact Craig Oakeshott ((08) 8213 3469; Craig.Oakeshott@aer.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Adams', with a long horizontal flourish extending to the right.

Peter Adams
General Manager
Wholesale Markets

Sent by email on: 25.08.2016