Generator registrations and connections – consultation paper: stakeholder feedback template

The template below has been developed to assist stakeholders in providing their feedback on the questions posed in this paper and any other issues that they would like to provide feedback on. The AEMC encourages stakeholders to use this template to assist it to consider the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper.

Organisation:

Contact name:

Contact details (email / phone):

| Questions | Feedback |
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| **Chapter 1 – Introduction** |
| * **Question 1: Proposed assessment framework (p. 5)**
 |
| 1 | Do you agree with the proposed assessment framework or are there any additional assessment criteria the Commission should use when assessing identified issues and possible solutions? |  |
| **Chapter 2 – Participation of smaller-scale generation in central dispatch**  |
| * **Question 2: Issue identified by AEC – increase in non-scheduled generation in the NEM (p. 15)**
 |
| 1 | Do you agree with the AEC that transition in the NEM's generation mix is trending towards having a greater proportion of non-scheduled generation?  |  |
| 2 | Do you expect the capacity of non-scheduled generation as a proportion of total generation capacity to maintain the same growth trend into the future? If not, how do you expect this trend to change over time?  |  |
| * **Question 3: Issue identified by AEC – the forecasting and dispatch process (p. 16)**
 |
| 1 | Do you consider that the current penetration of non-scheduled generation in the NEM is causing difficulties or inefficiencies in the forecasting and market scheduling process? |  |
| * **Question 4: Assessment of the proposed solution (p. 18)**
 |
| 1 | Do you consider that lowering the threshold for classifying new generators as non-scheduled would help to address the issues the AEC has identified for the efficient management of the power system? Why or why not? |  |
| 2 | How much of an improvement to the accuracy of AEMO's forecasts would scheduling new generators above 5 MW nameplate capacity have, compared with requiring this of all new and existing generators above this size? |  |
| 3 | Do you think the costs associated with the AEC's proposal to reduce the thresholds have been adequately captured? How would these costs vary depending on whether the generator was scheduled or semi-scheduled? |  |
| 4 | Do you agree with the AEC that the costs of participating in central dispatch have fallen to the extent where the market benefits of increasing the proportion of scheduled generation outweighs the costs to participants? Why or why not? |  |
| 5 | Do you agree with the AEC that its proposed scheduling threshold does not need to be made consistent with the thresholds that apply to system security management and technical connection requirements? Why or why not? |  |
| 6 | If made, should the AEC's rule change only apply to new generating units at the time of their registration and AEMO's existing practise of grandfathering the changes apply to existing generators registered inconsistently with the new provision? |  |
| * **Question 5: Timing of the proposed solution (p. 19)**
 |
| 1 | Do you consider that the penetration of unscheduled generation has reached a level where a decision needs to be taken to lower the thresholds to require this generation to participate in central dispatch? Why or why not? |  |
| 2 | If not, what level of penetration would need to be reached before it is warranted to place more scheduling obligations on this category of generator? |  |
| **Question 6: Is the proposed threshold of 5 MW nameplate capacity appropriate? (p. 21)** |
| 1 | Do you believe AEMO's 5 MW generator registration exemption threshold would serve as a reasonable threshold for participation in central dispatch? If not, what do you think this threshold should be? |  |
| 2 | Do you think that factors other than the size of a generator should factor into whether a generator is required to participate in central dispatch? If so, what should these other factors be? |  |
| * **Question 7: Alternative solutions (p. 23)**
 |
| 1 | Do you have any suggestions for information which would satisfy these criteria to make the existing scheduling framework more accessible for small generators? |  |
| 2 | Would AEMO's forecasting and market scheduling process benefit from partial visibility of non-scheduled generators? |  |
| 3 | Can you suggest ways that participants could provide this information without becoming bound to the obligations of the existing dispatch process? Would the New Zealand approach, or the approach taken in relation to wholesale demand response in the NEM, be appropriate? |  |
| 4 | Do you consider the benefits of implementing these alternative arrangements would outweigh the prospective additional system costs they might impose on the market by increasing the complexity of AEMO's operations? | **Chapter 4 – Technical and operational challenges relating to utility scale storage and hybrid facilities** |
| **Chapter 3 – Exemptions in the registration process** |
| **Question 8: Exemption issues – AEC (p. 31)** |
| 1 | Do you share the AEC's concern about the impacts of generator exemptions and non-scheduled classifications on the number of generators (and proportion of total generation) subject to scheduling obligations? Why or why not? |  |
| 2 | Do you agree there is an issue with AEMO classifying generators as non-scheduled where it is satisfied that:1. the primary purpose of the generator is local use and it would rarely, if ever, send out generation above 30 MW?
2. the individual generating units do not have the physical attributes to participate in central dispatch (regardless of whether they are part of a bigger system)?
 |  |
| 3 | Do you share the AEC's concern about a lack of transparency surrounding AEMO's decisions to provide generators with registration exemptions or classify their generating units as non-scheduled? Why or why not? |  |
| **Question 9: Exemptions issues – Mr Vermeer (p. 31)** |
| 1 | What are your views on Mr Vermeer's concerns with the connection process for embedded generation owned, operated or controlled by entities that intend to be exempt from the requirement to register as a generator? |  |
| **Question 10: Exemption solutions – AEC (p. 32)** |
| 1 | What are your views about the relative costs and benefits of the AEC's proposal to narrow the circumstances set out in the NER for exempting generators from the requirement to register or classifying generating units as non-scheduled? |  |
| 2 | Besides the nameplate capacity, what would you consider to be appropriate reasons to provide an exemption or classify a generating unit as non-scheduled, such that they are not required to participate in central dispatch? |  |
| 3 | Are you in favour of the NER requiring AEMO to publish its reasons for making these exemption and classification decisions? Why or why not? |  |
| **Question 11: Exemption solutions – Mr Vermeer (p. 33)** |
| 1 | Do you consider that Mr Vermeer's proposed solution appropriately addresses the connection issues for embedded generators between 5 and 30 MW? Why or why not? |  |
| 2 | Do you agree that there are potential inconsistencies with the solutions proposed by the AEC and Mr Vermeer? If so, do you have any recommendations for how they could both be accommodated? |  |
| 3 | Do you consider that the issue would be more appropriately addressed outside of the NER through changes to AEMO's procedures and processes? |  |