



Level 15, 459 Collins Street, Melbourne, 3000

Mr Peter Adams,
General Manager, Market Performance
Australian Energy Regulator
By email: wholesaleperformance@aer.gov.au

1 September 2020

Dear Mr Adams,

Semi-Scheduled Generator Rule Change: Response to Proposal update

The Clean Energy Investor Group (CEIG) represents a substantial group of renewable energy developers and investors, with a major focus on institutional investors. CEIG strongly advocates for an efficient transition to a clean energy system from the perspective of the stakeholders who will provide the capital to achieve it.

In June 2020, ahead of developing potential National Electricity Rule (Rule) change requests, the Australian Energy Regulator (AER) released an *Issues Paper – Semi Scheduled Generator Rule Change(s)* (Issues Paper).

In its response to the AER's Issues Paper, CEIG highlighted its support for this critical reform process as it is expected to deliver system security benefits in the National Electricity Market (NEM). This is particularly important as the share of semi-scheduled generation capacity grows over time.

CEIG welcomes the opportunity to provide feedback on the AER's *Semi-Scheduled Generator Rule Change: Proposal update* (Proposal Update) published on 24 August 2020.

In its Proposal Update, the AER seeks to retain its preferred option that dispatch instructions for Semi-Scheduled Generators (SSGs) are a megawatt target based on their forecast capability. The AER now also proposes that the output of SSGs should be able to vary in accordance with their available resource and technical capability, in both upward and downward directions.

CEIG understands that the AER's Proposal Update is specifically to prevent SSGs from deviating from their generation capability for economic reasons (including to avoid negative pricing) and that the AER does not see a need to impose further constraints on SSGs (including in relation to fluctuations in intermittent wind or solar resources).



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CEIG welcomes the AER's amendments to remove the proposed dispatch cap requirement and supports the AER's position outlined in its Proposal Update as it is aligned to the position outlined by CEIG in its response to the AER's Issues Paper in July 2020.

Thank you for providing an update on the AER's proposal for this important initiative and for giving industry an opportunity to participate.

CEIG looks forward to working with the AER throughout the following consultation and Rule change processes. Please contact us at secretariat@ceig.org.au if you would like to discuss any elements of this submission.

Yours sincerely,

A handwritten signature in black ink, appearing to read "M. Crestias", is positioned below the text "Yours sincerely,".

Marilynne Crestias
Policy & Secretariat Manager
Clean Energy Investor Group
w: www.ceig.org.au