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## **Forecast Compliance Procedure Response**

### **Introduction**

Assure Energy Asset Pty Ltd (as trustee for the Assure Energy Asset Trust) (**Assure Energy**) is pleased to submit the following feedback in relation to the Power and Water Corporations (PWCs) draft Generator Forecasting Compliance Procedure.

Assure Energy is the parent entity of its two wholly owned special purpose vehicles: Assure Energy NT Robertson Pty Ltd (as Trustee for the Assure Energy NT Robertson Trust) and Assure Energy NT Darwin Pty Ltd (as Trustee for the Assure Energy NT Darwin Trust) (**Assure Energy SPVs**).

The Assure Energy SPVs entered into power purchase agreements with the Commonwealth of Australia, represented by the Department of Defence, on 2 April 2019 in respect of a project involving the design, construction, operation and finance of two on-base solar photovoltaic power stations and associated batteries at Robertson Barracks and RAAF Darwin (**Project**).

The power stations are under construction and scheduled to commence commissioning in the next couple of months and will be indirectly connected to the Darwin – Katherine interconnected transmission system via Defence substations located at Robertson Barracks and RAAF Darwin. Electricity generated from these facilities will primarily be used by Defence with any excess generation above the Defence load to be exported to the grid.

We appreciate the ongoing engagement and involvement of stakeholders in the development of the new compliance procedures and we provide our feedback below.

### **Summary of feedback**

The Forecast Compliance Procedure put forth by PWC provides reasonable guidance for how non-compliance with the new Generator Performance Standards will be treated and the process generators will need to follow to get become compliant again. However, from a generator perspective we have found issues with;

- the level of detail provided for manual setting parts of the procedure
- the severity of constraints applied to forecasts if non-compliance occurs
- balancing the needs of responding to frequency imbalances and providing accurate forecasts

These concerns are raised in greater detail within the paragraphs below.

### **Is the proposed procedure aligned with the obligations outlined in the Network Technical Code?**

No comment

### **Does the procedure provide sufficient detail on the constraint setting process?**

To gain a full understanding of the constraint setting process generators require greater detail on how the generator requested variations to the procedures are decided, more specifically;

- Greater detail is required to explain how generators may qualify for the more relaxed constraints which is noted in paragraph 4, section System Controller Response to Non-Compliance. Generators will also

need to understand what requirements need to be met for this constraint phase to end or if this can be negotiated as well.

- More explanation is required to understand how the Manual Variation Constraint variable 'q' is set. This variable is noted in the Forecast Constraint Calculation Process section in the last paragraph of the Performance Measures section.
- The Manual Constraint Notes do not provide enough clarity on how manual variables fit into the calculations. Another example calculation would help to clarify this issue preventing any potential misunderstanding.
- Once the constraint percentage is determined Assure Energy understands that it will be '*applied to subsequent forecasts until such a time when it is manually adjusted by the System Controller*'. The process and details of how it is manually adjusted needs to be described in greater detail so generators can gain a better understanding of non-compliance risks especially how more onerous constraints may be selected. In addition, further detail is required to explain how generators will interact with PWC especially outside business hours and approvals when manual intervention is required by the generator.

### **Is the procedure suitable for use by the System Controller?**

The procedures require greater detail to enable a complete understanding of the cost and risk involved with non-compliance. For PWC's proposed procedure to be suitable Assure Energy suggests the following points;

- Detail what special circumstances need to be met for arranging a shorter processing time of Generator Outage and Testing Requests (GOTR). Our behind the meter arrangement with Department of Defence helps to improve energy security for Defence and a 10-business day down time will put this at risk.
- Provide more explanation and detailed calculations on how constraint forecasts will be removed and confirm if the forecast constraints will remain in place the entire time the GOTR is being assessed.
- For energy developers to prepare operational plans we need to know the range of testing procedures that may need to be carried out if non-compliance is detected (or self-reported) for both types of non-compliance. We require this information as we would like to be prepared in the event non-compliance occurs.

The constraint calculation outlines that 1.00% increments will be used when iteratively calculating the forecast constraint percentage. We think this is unnecessarily large, especially coupled with the proposed timeframe to process the GOTR. This could see generators penalised up to 0.99% more than their inaccurate forecasts would warrant and suggest an increment of 0.10% would be more appropriate.

### **Does the proposed approach to under-frequency events and forecast appropriately balance minimising the impact of the initial under-frequency event while limiting the risk that future forecast errors present an unmanageable situation?**

We understand PWC has an important role in ensuring stability of the network and so too does solar generators. Assure sees the penalties involved with not achieving some of the requirements too severe as it can be influenced by situations that generators have no influence over such as responding to frequency disturbance requirements. The Forecasting Compliance Procedure states *the capacity forecasting performance requirements must be met even if a generator has responded to a frequency disturbance*. If a generator has responded to a frequency event it is likely that the battery will be depleted reducing its ability to forecast firm and therefore reduce its ability to accurately forecast for a time after the frequency event. We suggest adding an allowance for generators who have responded to this event by adjusting the manual variation constraint variable 'q' to relax forecasting constraints if non-compliance occurs.

Thank you for the opportunity to provide feedback on these procedures. Please do not hesitate to contact me should you have any questions in relation to this submission.

Yours sincerely,



Shane Rishani

Power Producer Representative, Assure Energy