



Electricity Authority

Level 7, ASB Bank Tower
2 Hunter Street
Wellington
New Zealand

6/11/17

Re: Submission on Wind Generation Offers Consultation

Tararua Wind Power thanks the Electricity Authority for the opportunity to comment on the consultation on Code changes around the offer arrangements for wind generation. Tararua Wind Power is the owner of Tararua 1, 2 and 3 and Mahinerangi wind farms.

Q1: Do you agree the issues identified by the Authority warrant changes to the offer arrangements for wind generation?

Tararua Wind Power agrees that the issues warrant changes to the offer arrangements. These changes would allow wind farms to be dispatched at an efficient level and to withdraw in a co-ordinated manner when it is uneconomic to operate, consistent with other forms of generation.

Q2: Do you agree with the objectives of the proposed amendment? If not, why not?

Tararua Wind Power agrees with the objectives of the proposed amendment.

Q3: Do you agree that an unsignalled generation withdrawal limit of 30 MW allows sufficient wind farm operational flexibility and does not cause unintended consequences for wind farm owners?

Tararua Wind Power is concerned that for larger wind farms such as the consented 200 MW Kaiwera Downs Wind Farm, a drop of 30 MW over a half-hour due to changing wind conditions may be relatively common, creating an excessive compliance burden on the wind farm operator to analyse and report on each occurrence. We suggest the Code amendment include some flexibility in this regard – for example the greater of 30 MW or a percentage of nameplate capacity, and/or the ability for the limit to be adjusted on a case-by-case basis by the System Operator given operational experience.

Q4: Do you agree the benefits of the proposed amendment outweigh its costs?

Tararua Wind Power does not wish to comment on the overall costs and benefits of the proposed amendment, but notes that the EA's analysis assumes a direct link between the plant's SRMC and its exposure to the market price, where these economic incentives may be different under PPA arrangements that are commonly made for wind farm projects.

Q5: Do you agree the proposed amendment is preferable to the other option?

Yes

Q6: Do you agree the Authority's proposed amendment complies with section 32(1) of the Act?

Yes

Q7: Do you have any comments on the drafting of the proposed amendment?

Section 13.87A Intermittent generators must not substantially reduce generation

Tararua Wind Power is concerned that this amendment would introduce an unreasonable compliance burden on wind farms to report primarily on routine meteorological events affecting generation. We suggest as an alternative that the wind farm be required to retain the necessary data history for a reasonable time (e.g. 6 months), where the data history

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would include records of wind turbine status, farm setpoint and wind speeds, to be produced and analysed on request from the System Operator for specific events of interest.

Regarding the existing drafting of this section, Tararua Wind Power suggests that the timeline to provide a report on reductions in generation is too short at 5 days, as complex information including the status flags of turbines and the measured wind speeds may need to be analysed to determine the physical reason. Tararua Wind Power suggests the end of the following calendar month, which then allows at least 20 business days to conduct this analysis for an event occurring late in the month, to be more reasonable.

Section 13.18A Intermittent generators to submit revised forecast of generation potential

Tararua Wind Power believes the drafting in this section is confusing and contradicts the explanatory text in 4.2(b) and (c) on page 8 of the consultation paper. It is our understanding, based on our experience of similar forecasting and dispatch situations in the National Electricity Market in Australia, that the forecast of generation potential should reflect what the wind farm could generate if it were not curtailed. Assuming no change in generating plant availability or wind resource, when the farm is not curtailed the best forecast is generally its current output, and when partially or fully curtailed, the forecast must be based on the observed wind resource as the current output gives no indication of its potential.

However, this is not clear in the drafting. The proposed 13.18A(3) states that the persistence model must take into account only the actual output and expected changes in availability of generating plant, with an assumption about wind conditions. This is similar wording to section 4.2(b) of the explanatory text. It is not stated in 13.18A(3) that the forecast of generation potential should be based on the currently observed wind resource when the wind farm is curtailed, however 4.2(c) in the explanatory text says it should be.

Tararua Wind Power proposes the following alternative drafting for 13.18A(3), where "persistence" is amended to "wind persistence" to indicate the wind conditions are considered to persist, not necessarily the output, and the word "only" is removed, to allow wind farms to use the best information they have available to prepare this forecast.

13.18A

(3) For the purposes of this clause, a wind persistence model means a method for producing a forecast of the intermittent generator's generation, in MW, that takes into account the following factors:

- (a) if the farm is not curtailed, the actual output from the intermittent generating station at the time;
- (b) the observed wind resource at the time the revised forecast of generation potential is prepared, assuming this will persist until the end of the trading period to which the revised forecast relates;
- (c) any expected changes in availability and capability of generating plant forming all or part of the relevant intermittent generating station.

If you wish to further discuss our submission, please contact Marcelle Gannon at Tilt Renewables on +61 409 799 095.

Regards,

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