

22 November 2012

Dr Ian Holland
Committee Secretary
Senate Standing Committee on Environment and Communications
Parliament House
ACT 2600

By email: ec.sen@aph.gov.au

Dear Committee Secretary

Re: Renewable Energy (Electricity) Amendment Bill (Excessive noise from wind farms) 2012 Bill

It has been brought to our attention that issues have been raised by some participants in the above enquiry that relate to the provision of wind speed data from Australian wind farms.

We understand that it has been suggested that wind speed data be made publically available.

We are writing to the committee to explain the significant commercial consequences of making such data publically available and to provide an alternative data provision process.

By way of background, as far as we are aware all transmission connected and semi-dispatchable wind farms in Australia provide real time wind speed and energy generation data to the Australian Energy Market Operator (AEMO), who amongst normal market operation functions, also manages the Australian Wind Energy Forecasting System (AWEFS).

The AWEFS has been in place for several years and is a critical tool used by AEMO to manage the safe and efficient operation of the Australian energy market. AEMO has recently stated that the AWEFS allows it to accurately predict the level of wind generation down to a 98% confidence level at the 5-minute ahead of dispatch period. It should also be noted that AEMO provides highly detailed energy generation data for Australian wind farms and this is available from their website.

Importantly, all wind speed data is provided to AEMO under the strictest confidentiality. This is due to the commercially sensitive nature of this data.

In addition to this data being the intellectual property of the wind farm owner that has been acquired at some expense, wind speed data is the critical element in establishing the commercial viability of wind energy projects. It is important to note that relatively minor variations in wind speed translate into meaningful differences in sent out energy costs, contract pricing and investor returns.

Wind speed data is the one element of the projects financial model that cannot be accessed by other parties. Other aspects such as turbine pricing, finance, transmission access and connection costs for example can be found through publicly available sources.

To make this data available would allow competitors and contract counterparties to gain invaluable intelligence on a project's commercial status and allow them to create an accurate



“shadow” financial model for the project, placing the wind farm proponent at a distinct commercial disadvantage.

For a wind farm proponent to make this data publically available would be akin to Apple placing the detailed design and cost structure of its next generation I-Phone on the internet 6 months before public launch.

While we would not be prepared to make wind speed data publically available, for the reasons outlined above, we would be prepared to consider a process whereby wind speed data is provided to an independent statutory body. As with our arrangements with AEMO, this data would only be provided under strict confidentiality and its use would need to be restricted by well-defined protocols.

We trust this letter helps the Committee to better understand the issues associated with the provision of wind speed data and the very real commercial implications for wind farm proponents.

We would be pleased to provide further advice on this or any other issue that have been raised should the committee require. If so please contact Senior Policy Manager, Bridget Ryan on 03 8621 6412.

Yours sincerely

Lane Crockett
General Manager, Australia
Pacific Hydro Australia

cc: Senator Doug Cameron
Senator Nick Xenophon