



**Energy Security Board (ESB)**

**Via email: [info@esb.org.au](mailto:info@esb.org.au)**

**26 September 2019**

**Re: Tilt Renewables response to the “Post 2025 Market Design” Issues Paper**

Dear Energy Security Board members,

Tilt Renewables is a leading Australasian renewable energy owner, operator and developer with a total operating asset base of 636MW across Australia and New Zealand, as well as having a further 469MW under construction across two large wind farms. Currently 439MW of Tilt Renewables’ operational assets are in the NEM and the company has a development pipeline including wind, solar and storage of around 3,000MW. Tilt Renewables and its majority shareholder Infratil have significant expertise as investors and advisers in the design of electricity and clean energy markets in other jurisdictions including the United States, New Zealand, United Kingdom, and Western Australia.

With regards to the Issues Paper, Tilt Renewables’ initial comments are as follows:

- There is a need to integrate this consultation process with other reform processes (including but not limited to those listed in Annex B of the Issues Paper), to avoid creating excessive market uncertainty and the potential for unintended consequences due to unforeseen interactions between parallel reform processes. For example the paper states that the ESB has oversight of all reform initiatives and will ensure they are coordinated, however processes such as CoGaTi (a potentially very significant market reform) could be integrated with this process, to ensure optimal overall outcomes.
- Section 1.2 of the Issues Paper states an expectation that the result of the market designs will include a “lower emissions electricity system”. However the starting point for the process appears to be accepting the current National Electricity Objective (NEO) ‘as is’, with no emissions or other environmental criteria. In addition, the listed “potential principles for evaluating market designs” does not currently include any reference to environmental outcomes, which would be appropriate if it is intended that the electricity sector continue to play a key role in a lower carbon future for Australia.

We recognise that this Issues Paper is the very first step in what will be a significant consultation process and look forward to further engagement with the ESB. If you wish to discuss any aspect of our submission further, please contact the undersigned.

Regards,

A handwritten signature in blue ink, appearing to read "Nigel Baker".

Nigel Baker

Executive General Manager – Generation & Trading

[nigel.baker@tiltrenewables.com](mailto:nigel.baker@tiltrenewables.com), 0427 410 027

Tilt Renewables Australia Pty Ltd  
ACN 101 038 331

GPO Box 16080  
Collins Street West  
Melbourne  
Victoria, 8007  
Australia

Phone: +61 3 9654 3066

[tiltrenewables.com](http://tiltrenewables.com)