



**Infrastructure Capital Group Limited**  
ABN 85 094 815 513  
L1/191 St Georges Terrace, Perth 6000 Australia  
PO Box 7369, Cloisters Square PO WA 7850  
Phone +61 8 8914 8833  
Fax +61 8 8914 8838  
[www.infrastructurecapital.com.au](http://www.infrastructurecapital.com.au)

Economic Regulation Authority  
PO Box 8469  
Perth BC  
WA  
6849  
Email: [publicsubmissions@erawa.com.au](mailto:publicsubmissions@erawa.com.au)

18 February 2019

**RELEVANT LEVEL METHOD REVIEW 2018**

Dear Sir/Madam,

Infrastructure Capital Group supports the review of the relevant level method used in the Capacity valuation for intermittent generators.

It is important that a more transparent model for the assignment of capacity credits to intermittent generators relative to their contribution to reliability is implemented. It is important to avoid technology discrimination and as such a method that more closely aligns output and demand appears to be a reasonable approach. Of the four options considered for setting a capacity value for the fleet of intermittent generators, it would seem prudent to utilise the median of the annual capacity value results to avoid the adverse influence of any large or small capacity value results.

A transparent approach with clear procedures around how it will be implemented is extremely important. Transparency will allow both existing and potential investors in generators, either connected or seeking to connect to the SWIS, to make informed investment decisions.

Yours sincerely,

Hugh Webster  
Operations Director