



meridian

Meridian Energy Australia Pty Ltd
Level 15, 357 Collins Street
Melbourne VIC 3000

7 June 2018

Greg Williams
Australian Energy Market Commission

Project reference code: ERC0239

Dear Greg

Amendment (Generator three year notice of closure) Rule 2018

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (MEA Group) refer to the Commission's proposed rule change to require generators to provide three years' notice of a closure.

As you are aware, MEA Group is the owner and operator of the Mt Mercer and Mt Millar Wind Farms as well as Powershop Australia, an innovative retailer committed to providing lower prices for consumers which recognizes the benefits for consumers of a transition to a more renewable-based and distributed energy system. In addition, MEA Group is the registered generator for the Hepburn Community Wind Farm and the Blue Rock hydro power plant, has recently purchased the Hume, Burrinjuck and Keepit hydro power stations and has entered into offtake agreements with Salt Creek Wind Farm and the Kiamal Solar Farm in Victoria and the Crudine Ridge Wind Farm in NSW.

MEA Group is supportive of the proposed changes and notes that ensuring the ongoing security and reliability of the NEM is critical in this transitioning market. The proposed changes will provide the market with a better opportunity to sufficiently plan, finance and construct replacement capacity prior to the retirement of other older, less efficient generating units. We understand that there are complexities for generators in committing to closure timeframes and in this regard any penalty regime should balance these complexities with the benefits to the market of the additional transparency the notice requirement would provide.

MEA Group considers that the requirement should apply to generators looking to close generating units that have a capacity in excess of 250MW. This level would ensure that notice is provided by large generators whose closure without notice would have the potential to cause significant impacts on the market and the achievement of system reliability objectives while avoiding imposing unnecessary cost and burdens on smaller generators whose unexpected closure is unlikely to have such impacts.

If you have any further questions please feel free to contact me.

Yours sincerely

Ed McManus
Chief Executive Officer
Meridian Energy Australia Pty Ltd & Powershop Australia Pty Ltd