



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

6 September 2019

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Reference: EPRO057

Dear Australian Energy Market Commission

New mechanisms to enhance resilience in the power system

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (MEA Group or Powershop) thanks the Australian Energy Market Commission (AEMC) for the opportunity to provide comments on the AEMC's Mechanisms to Enhance Resilience in the Power System – Review of South Australia Black System Event discussion paper (the Paper).

Background on the MEA Group

MEA Group is a vertically integrated generator and retailer focused entirely on renewable generation. We opened our portfolio of generation assets with the Mt Millar Wind Farm in South Australia, followed by the Mt Mercer Wind Farm in Victoria. In early 2018 we acquired the Hume, Burrinjuck and Keepit hydroelectric power stations, further expanding our modes of generation. We have supplemented our asset portfolio by entering into a number of power purchase agreements with other renewable generators, and through this investment in new generation we have continued to support Australia's transition to renewable energy.

Powershop is an innovative retailer committed to providing lower prices for customers and which recognises the benefits to customers in transitioning to a more distributed and renewable-based energy system. Over the last five years, Powershop has introduced a number of significant, innovative and customer-centric initiatives into the energy market, including the first mobile app that allows customers to monitor their usage, a peer-to-peer solar trading trial and a successful customer-led demand response program. Powershop has also been active in supporting community energy initiatives, including providing operational and market services for the community-owned Hepburn Wind Farm, supporting the Warburton hydro project, and funding a large range of community and social enterprise energy projects through our Your Community Energy program.

MEA Group recognises the importance of maintaining resilience in the national electricity system and values the contribution provided by the Paper. MEA Group supports changes to the frameworks of the power system that will ensure that the opportunity to address risks to supply resulting from a transition to new forms of energy are able to be addressed in an efficient and effective manner and at the least cost.

An important factor for achieving such an outcome will be ensuring appropriate transparency is applied to the decision-making processes and the means and the level of intervention necessary to ensure resilience of the system. Given the changing nature of technology and the continuing emergence of new and previously unidentified challenges, it is important that the proposed resilience framework is not grounded in an existing perception of how the technology and market operates, but rather has the flexibility to address such new challenges.

A key driver of resilience of the system is the ability of various components of the system to support equilibrium and stability without the need for active management. It is important that any new framework recognises and builds upon this factor and encourages all market participants and new investments to consider, develop and support such distributed stability mechanisms.

Finally MEA Group believes appropriate governance and reporting arrangements will also be required to ensure that all decisions are in the best long term interests of the consumers in accordance with the National Electricity Objective. We support the suggestion that the Reliability Panel could have a key role to play in setting appropriate guidelines and reviewing developments in this area.

If you have any queries or would like to discuss any aspect of this submission please do not hesitate to contact me.

Yours sincerely,



Catherine Anderson
Acting Chief Executive Officer
Powershop Australia Pty Ltd
Meridian Energy Australia