



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

26 September 2019

Australian Energy Market Commission
Attention: Ms Katy Brady
PO Box A2449
Sydney South NSW 1235

Reference: ERCO253 / ERCO255

Dear Ms Brady

Minimising costs to consumers when generators are directed to operate

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 two draft rule determinations from the Australian Energy Market Operator (AEMO) that form part of the AEMC's, Minimising costs to consumers when generators are directed to operate final report (the Report).

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 Victorian 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.

Application of the regional reference node test to the reliability and emergency reserve trader, Draft rule determination (ERCO253)

MEA Group supports the more preferable rule made by the AEMC to apply the Regional Reference Node (RRN) Test to the Reliability and Emergency Reserve Trader (RERT) when activated by AEMO. The draft determination is aligned with our submission made in May 2019 in response to the AEMO rule change request.

Threshold for participant compensation following market intervention, Draft rule Determination (ERCo255)

MEA Group previously supported the rule change request in May 2019 to change the application of compensation to apply per intervention event and not per trading interval. Subsequently we support the more preferable draft rule to amend the NER for additional compensation claims for directed participants per direction and not per trading interval. We also support not changing the application of the \$5,000 threshold to affected participant compensation payments.

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

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Murphy'.

Chris Murphy
Strategic Advisor
Powershop Australia Pty Ltd
Meridian Energy Australia