



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

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Australian Energy Market Commission  
Att: James Hyatt  
PO Box A2449  
Sydney South NSW 1235

Reference: EPRO076  
Email: james.hyatt@aemc.gov.au

### **Investigation into System Strength Frameworks in the NEM**

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 Investigation into System Strength Frameworks in the NEM Discussion Paper (the Paper).

#### **Background on the MEA Group**

MEA Group is a vertically integrated generator and retailer focused entirely on renewable generation. 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.

#### **Submission**

MEA Group supports the Paper and recognises the need to evolve the current system strength framework to ensure it is fit for purpose, can meet the NEM's security needs and help facilitate the energy transition currently underway.

MEA Group is also supportive of the Clean Energy Council's submission to the Paper. In particular, MEA Group favours a centrally co-ordinated approach to system strength and believes Transmission Network Service Providers and the Australian Energy Market Operator (AEMO), in the presence of appropriate regulatory frameworks, would be best suited to co-ordinate, plan and price system strength requirements into the future. Furthermore, consideration should be given as to the role of Distributed Network Service Providers in this framework to ensure the longer-term sustainability of a new system strength framework.

Such a framework would need to address current issues highlighted within the existing framework. In particular:

- the allocation of responsibilities between AEMO and Network Service Providers to promote practical and efficient investigation of system strength issues – reducing cost and timing uncertainty for generator investments; and
- the development of a regulatory framework that promotes scaling and cost-efficiency for system strength remediation activities – ultimately lowering costs to consumers.

MEA Group looks forward to further consultation and engagement on the AEMC's investigations. If you have any queries or would like to discuss any aspect of this submission, please feel free to contact me.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Angus Holcombe".

Angus Holcombe  
Head of Asset Management  
Powershop Australia Pty Ltd  
Meridian Energy Australia Pty Ltd