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Australian Energy Market Operator  
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To the Australian Energy Market Operator

### **Western Victoria Renewable Integration - Project Assessment Draft Report**

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (MEA Group) thank the Australian Energy Market Operator (AEMO) for the opportunity to provide comments on the Western Victoria Renewable Integration – Project Assessment Draft Report (PADR).

The MEA Group is the owner and operator of the Mt Mercer and Mt Millar Wind Farms as well as the Hume, Burrinjuck and Keepit hydroelectric power stations. The MEA Group also owns and operates Powershop Australia, an innovative energy retailer committed to providing lower prices for customers which recognizes the benefits for customers of a transition to a more renewable based and distributed energy system.

MEA Group is broadly supportive of the PADR and considers that it represents a fair assessment of the options reviewed. We consider it critical that all investment in major regulated infrastructure, which consumers will be forced to pay for, be subject to a thorough assessment which balances the benefits and costs appropriately. In our view the PADR appears to meet that test and highlights that consumers will benefit from investment in this region.

We agree that the assessment has highlighted two alternatives which will deliver market benefits under a range of credible scenarios. The assessment identifies that option C2 has the potential to deliver greater value in the event of significant market developments (e.g. development of further interconnectors or significant changes in the generation mix). In our view, customers will benefit from a solution which will provide ongoing opportunity for developments such as these to be able to be accommodated without significant impacts on customer reliability and/or affordability. With this in mind we would encourage AEMO to explore whether the current assessment framework places sufficient value on the benefits to customers of enabling the flexibility contained within option C2.

Should you require any further information on this response, please do not hesitate to contact me.

Yours sincerely,

Angus Holcombe  
Head of Asset Development  
Meridian Energy Australia Pty Ltd