



meridian

Meridian Energy Australia Pty Ltd
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By email: CauserPaysConsultation@aemo.com.au

To Whom It May Concern

Regulation FCAS Contribution Factor Procedure

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (MEA Group) refer to AEMO's draft determination in relation to amendments to the Causer Pays Procedure (now called the Regulation FCAS Contribution Factor Procedure) and your request for comments on the draft determination.

MEA Group is the owner and operator of the Mt Mercer and Mt Millar Wind Farms, the Hume, Burrinjuck and Keepit hydroelectric power stations and has underwritten a number of offtake agreements for solar and wind farms across the NEM. MEA Group also owns and operates 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.

MEA Group is generally supportive of the conclusions AEMO has determined for each of the issues identified with the exception of those discussed below. MEA Group does, however, have concerns regarding the approach to not amend the Causer Pays Procedure or propose the necessary rule changes until such time as the Frequency Control Frameworks Review process is complete. Whilst MEA Group understands the basis for this approach, we are concerned that without a defined timeframe for resolving these outstanding recommendations they will remain largely unresolved for some time. MEA Group suggests that a timeframe of six months would be appropriate to organise a final round of consultations with interested participants to resolve the outstanding recommendations and develop the necessary rule and procedural changes required to implement the amendments to the Causer Pays Procedure.

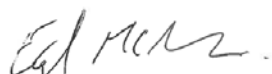
We thank AEMO for preparing the responses to the Issues Paper and set out our comments in respect of some of the conclusions below.

Question	Response
4.9 The appropriate form and granularity of published datasets	
AEMO recommends that additional datasets be published, including the aggregated five-minute performance of each DUID.	MEA Group would expect that AEMO's recommendation could and should be implemented now and it is no way linked to or reliant upon the current priority of addressing primary frequency control.
Based on the current priority of addressing primary frequency control however, AEMO's draft determination is not to implement the recommendation as part of this consultation.	

Question	Response
4.13 Reference trajectory used to determine deviations	
AEMO recommends that the existing target-to-target reference trajectory be retained. AEMO acknowledges the potential that alternative reference trajectories may lead to improved incentives for frequency performance, however further work would need to be undertaken to assess this.	MEA Group believes that this recommendation has a clear and immediate impact on the Causer Pays Procedure and should be addressed by AEMO without delay.

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

Yours sincerely



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