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Australian Energy Market Operator Victoria to New South Wales Interconnector Upgrade Project Assessment Draft Report

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Victoria to New South Wales Interconnector Upgrade - Project Assessment Draft Report

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (MEA Group or Powershop) thanks the Australian Energy Market Operator (AEMO) for the opportunity to provide comments on the Victoria to New South Wales Interconnector Upgrade – Project Assessment Draft Report (the PADR).

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.

As MEA Group noted in its response to the Regulatory Investment Test for Transmission (RIT-T) Project Specification Consultation Report (PSCR) we believe the Integrated System Plan is the correct basis upon which to assess credible options. Notwithstanding that the preferred option identified in the PADR does not include a new greenfield 500kV option, we believe the outcome remains a positive one for the NEM and consumers.

We note the outcome of this project is contingent upon the preferred options listed in the RIT-Ts (Western Victoria Renewable Integration RIT-T, Victorian Reactive Power Support RIT-T, Project EnergyConnect RIT-T, and HumeLink RIT-T) all being committed. If this does not transpire then the outcome of this PADR will be reviewed as necessary.

On that basis, we are comfortable to support this PADR and the preferred option of installing a second 500/330 kilovolt (kV) transformer at South Morang Terminal Station, the retensioning of the 330 kV South Morang – Dederang transmission lines, (as well as associated works including uprating of series capacitors, to allow operation at thermal rating) and the installation of modular power flow controllers on the 330 kV Upper Tumut – Canberra and Upper Tumut – Yass lines to balance power flows and increase transfer capability.

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

Yours sincerely,

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Angus Holcombe

Head of Asset Development Powershop Australia Pty Ltd Meridian Energy Australia