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Meridian Energy Australia Pty Ltd  
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**Istvan Szabo**

Australian Energy Market Commission  
Sydney South, NSW 1235

**Project number: GPR0005**

Dear Istvan

### Biennial review into liquidity in wholesale gas and pipeline trading markets

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (**MEA Group**) thank the AEMC for the opportunity to provide comments in relation to its review into liquidity in wholesale gas and pipeline trading markets.

MEA Group is the owner and operator of the Mt Mercer and Mt Millar Wind Farms, the Hume, Burrinjuck and Keepit hydroelectric power stations. 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 an active investor in the NEM, having recently purchased the Hume, Burrinjuck and Keepit hydro power stations, as well as entering into long term power purchase agreements with the Kiamal Solar Farm stage 1, the Crudine Ridge Wind Farm and the Salt Creek Wind Farm.

MEA Group has read with interest the AEMC findings of the wholesale gas markets and has a more upbeat view of the wholesale gas markets than the AEMC. MEA Group believes there is sufficient liquidity and low to medium barriers to entry for new participants to enter the gas market and for existing participants to manage their portfolios.

MEA Group does not support the pipeline capacity trading reforms being developed by the Gas Markets Reference Group (**GMRG**). These reforms have the potential to work against the efficient operation and use of the national gas system and may not be aligned to the National Gas Objective. The pipeline capacity reforms may increase costs for industry and deliver a mechanism that only increases risk for anyone wishing to utilise the traded capacity due to the nature of how these reforms interact with current state gas markets.

MEA Group is supportive of AMDQ capacity trading and feels that this is a more pressing issue for the industry. AMDQ credit certificates are sold to participants for 5 years regardless of their requirements. MEA Group believes the AEMC and GMRG should focus on implementing mechanisms to enable participants to trade AMDQ credit certificates.

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

Yours sincerely

**Justin Mulder**

Head of Energy Markets, Meridian Energy Australia Pty Ltd