



meridian

Meridian Energy Australia Pty Ltd  
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10 October 2017

Ben Hiron  
Australian Energy Market Commission  
PO Box A2449  
Sydney South, New South Wales 1235

Project number: RELO065

Dear Ben

### **Review of the Frequency Operating Standard - Stage One Draft Determination**

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 of the frequency operating standard (FOS).

As you are aware, MEA Group is the owner and operator of the Mt Mercer and Mt Millar Wind Farms as well as Powershop Australia, an innovative 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.

Noting the National Electricity Objective and our strong desire to provide reliable and cost effective energy to our customers, we take this opportunity to reiterate the importance of balancing any costs to consumers against the benefits of the proposed changes to the FOS. To this end, we believe the stage one draft determination generally meets these requirements and in particular, we agree that following a protected event the frequency should remain within the emergency frequency excursion tolerance limits.

We support the revised requirement for AEMO to use reasonable endeavours to stabilise and restore the power system following non-credible contingency events and multiple contingency events that are not protected events. Further, we agree it is prudent to trial the revised increased limit (from 5 to 15 seconds) for accumulated time errors in the mainland.

MEA Group recommends that, where possible, the findings from the AER's investigation into the system black event in South Australia in September 2016 be reviewed and incorporated into any final determination. We also note the role of the AEMC's Frequency Control Market Frameworks Review (specifically governor response) and the implications of this review to the extent they relate to the FOS. It is important for the AEMC to consider the relationship between these reviews and the benefits that could flow to consumers at their conclusion.

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

Yours sincerely

Ed McManus  
Chief Executive Officer  
Meridian Energy Australia Pty Ltd