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Level 15, 357 Collins Street  
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10 October 2018

**Basin Plan Inquiry**

Productivity Commission  
GPO Box 1428  
Canberra City ACT 2604

To Whom It May Concern

**Submission in response to the Murray-Darling Basin Plan: Five-year assessment**

Meridian Energy Australia Pty Ltd (**Meridian**) thanks the Productivity Commission (**the Commission**) for the opportunity to provide feedback on the Murray-Darling Basin Plan: Five-year assessment (**the Assessment**).

Meridian is the owner and operator of the Hume Power Station, the Burrinjuck Dam and Keepit Power Stations, and the Mt Mercer and Mt Millar Wind Farms. Meridian's retail business is Powershop Australia (**Powershop**), which is an innovative retailer committed to providing lower prices for consumers. We recognise the consumer benefits in transitioning to a more renewable-based and distributed energy system and this year announced significant investments in the future of the Australian energy market, including the underwriting of the development of a number of new renewable energy projects in Victoria and New South Wales.

Meridian works closely with the Murray-Darling Basin Authority (**MDBA**) to ensure that the needs and objectives set out in the Basin Plan continue to be met through the regulated release of water from the Hume Dam via the Hume Hydro-Electric Power Station. From this perspective, to the extent the Assessment's draft recommendations provide stakeholders with greater certainty or transparency over environmental and social outcomes from the Murray-Darling Basin Plan, Meridian supports those draft recommendations.

Meridian recognises the complexities and challenges associated with the next phase of the Murray-Darling Basin Plan implementation. Notwithstanding those complexities and challenges, we encourage the Basin States, the Australian Government and entitlement holders to work collaboratively to pursue efficient outcomes in accordance with the objectives of the Basin Plan.

Our feedback on the specific draft recommendations within the Assessment is as follows.

**Recovering water for the environment**

**Draft Recommendation 3.1**

Meridian agrees with this draft recommendation.

**Draft Recommendation 3.2**

Meridian agrees with this draft recommendation.

**Draft Recommendation 3.3**

Meridian agrees that this draft recommendation should be aligned with the strategies set out in the Commission's report on *Transitioning Regional Economies*.

## **Supply measures and Toolkit**

### **Draft Recommendation 4.1**

Meridian agrees that the Basin Governments need to develop an integrated plan for delivering the supply projects within 12 months. Meridian agrees that the plans need to clearly articulate timeframes associated with each of the plans deliverables.

### **Draft Recommendation 4.2**

Meridian agrees with this draft recommendation to extend the deadline for supply measures, provided the revised timeframes are credible and the outcomes are independently monitored by the incoming Basin Plan Regulator.

### **Draft Recommendation 4.3**

Meridian views this as a particularly important draft recommendation by the Productivity Commission. The ability to reconcile supply measures against environmental outcomes is fundamental for ensuring all stakeholders have confidence in the Basin Plan and continue to support it in its entirety.

### **Draft Recommendation 4.4**

Meridian agrees with this draft recommendation.

### **Draft Recommendation 4.5**

Meridian agrees with this draft recommendation.

## **Efficiency measures**

### **Draft Recommendation 5.1**

Meridian agrees that to ensure transparency for all stakeholders, the MDBA should immediately update and publish its modelling to establish the environmental benefits of additional water recovery with the current proposals for easing or removing constraints.

### **Draft recommendation 5.2**

Meridian agrees that it would be the most pragmatic way forward for the Department of Agriculture and Water Resources to release a new strategy for recovering the additional 450 GL in a no regrets fashion in early 2019.

### **Draft Recommendation 5.3**

Meridian agrees with this draft recommendation.

## **Water resource planning**

### **Draft Recommendation 6.1**

Meridian strongly agrees that Basin Governments should immediately negotiate a pathway for granting extensions to the timelines for accrediting Water Resource Plans where there are outstanding issues to give sufficient time for adequate community engagement.

### **Draft Recommendation 6.2**

Meridian agrees that within 12 months the MDBA should develop a template and clear guidance setting out its expectations for the development and implementation of the Water Resource Plans for the Basin Governments.

### **Draft Recommendation 6.3**

Meridian agrees that the MDBA (as Basin Plan Regulator) in consultation with Basin Governments should develop a detailed terms of reference to assess the effectiveness and efficiency of Water Resource Plans in preparation for the five-yearly evaluation in 2020.

## **Water quality**

### **Draft Recommendation 8.1**

Meridian has no comment on this draft recommendation.

## **Water trading rules**

### **Draft Recommendation 10.1**

Meridian agrees with this draft recommendation.

**Draft Recommendation 10.2**

Meridian agrees Basin Governments should set and publish a work plan within the next 12 months that describes how delivery capacity and constraint issues associated with changes in water use and trade will be investigated and managed. The work plan should specify responsibilities, timeframes and how this information will be communicated to the water market.

**Environmental water planning and management****Draft Recommendation 11.1**

Meridian agrees with this draft recommendation.

**Draft Recommendation 11.2**

Meridian agrees with this draft recommendation to the extent it provides greater clarity for all stakeholders in respect of the desired outcomes of the long-term watering plans.

**Draft Recommendation 11.3**

Meridian agrees with this draft recommendation to the extent the assessment of the long term outcomes is more clearly measured by the MDBA.

**Draft Recommendation 11.4**

Meridian agrees with the Commission's approach with respect to the Southern Connected Basin Environmental Watering Committee and the Northern Connected Basin Environmental Watering Committee.

**Draft Recommendation 11.5**

Meridian agrees with this recommendation and recommends that any affected power stations be included in the consultation and development of event-based watering decisions to ensure alignment wherever possible.

**Draft Recommendation 11.6**

Meridian agrees with this draft recommendation.

**Draft Recommendation 11.7**

Meridian agrees with this draft recommendation.

**Compliance****Draft Recommendation 12.1**

Meridian has no comment on this draft recommendation.

**Draft Recommendation 12.2**

Meridian agrees that a consistent approach to metering across both the northern and southern Basin is important, and where relevant Standards Australia should be involved in the review of any applicable standards.

**Draft Recommendation 12.3**

Meridian agrees with this draft recommendation.

**Reporting, monitoring and evaluation****Draft Recommendation 13.1**

Meridian agrees with this draft recommendation.

**Draft Recommendation 13.2**

Meridian agrees that the MDBA (as Basin Plan Regulator) should develop a revised Basin Plan evaluation framework.

**Draft Recommendation 13.3**

Meridian agrees that the Basin Governments should develop a Basin Plan monitoring and evaluation strategy to implement the evaluation framework.

**Institutions and governance****Draft Recommendation 14.1**

Meridian agrees with this draft recommendation, particularly with respect to enhancing the role of and delegating accountability for implementation to the Basin Officials Committee.

**Draft Recommendation 14.2**

Meridian agrees that the Australian Government should embark on the necessary institutional reforms to establish the Murray-Darling Basin Corporation as the agent of Basin Governments, and the Basin Plan Regulator in the form of an independent Commonwealth Statutory Authority.

**Draft Recommendation 14.3**

Meridian agrees with this draft recommendation.

**Draft Recommendation 14.4**

Meridian agrees with this draft recommendation.

**Draft Recommendation 14.5**

Meridian agrees with this draft recommendation.

If you have any queries or would like to discuss our submission further, please do not hesitate to contact me.

Yours sincerely

**Angus Holcombe**

Renewable Operations Manager  
Meridian Energy Australia