

2 July 2021

Australian Competition and Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

By email: exemptions@acc.gov.au

Re: Equinix (Australia) Enterprises Pty Ltd and Ors – renewable energy joint purchasing group application for authorisation AA1000558 – interested party consultation

Snowy Hydro welcomes the opportunity to respond to the proposed application for authorisation. Snowy Hydro supports both the application and the request for interim authorisation.

Snowy Hydro is a producer, supplier, trader and retailer of energy in the National Electricity Market (**NEM**) and an active buyer of power purchase agreements (**PPA**), having invested in more than 1.2GW of renewable energy offtake agreements in the last three years. The company is also a leading provider of firm, 100% renewable energy contracts, as well as firming and 'sleeving' products, in the commercial and industrial market.

Our experience is that PPAs offer a viable, low-cost means of procuring medium to large-scale supplies of electricity. The development of the PPA market has introduced much-needed competition in the market for the supply of electricity, reducing the pricing power of traditional suppliers of bulk energy in the NEM and ultimately reducing the cost of electricity for consumers. The Australian Competition and Consumer Commission (**Commission**) should, therefore, support efforts to accelerate the growth of the PPA market. In particular, it is appropriate that corporate entities are authorised to jointly negotiate PPAs. Absent such entitlement, many individual organisations will lack the scale necessary to make such procurement efforts viable and the growth of the PPA market will be unnecessarily constrained.

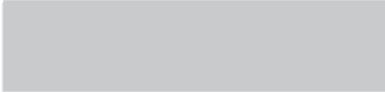
We are not aware of any anti-competitive effects or public detriment which would be associated with approving the application. In any event, to the extent that the authorisation was perceived to have any such effects, these will be outweighed by the public benefits of approval. These benefits include:

- accelerating the development of the PPA market. This is a public good in itself, given that renewable energy projects are capital intensive and generally require a long-term PPA in order to secure financing;
- increasing the supply of renewable energy, which will:
 - contribute to efforts to decarbonise the NEM and meet national commitments under the Paris Climate Accord;
 - lower the wholesale cost of energy, and, ultimately, the cost of electricity borne by consumers; and

- by facilitating the new generation projects, increase competition in the NEM. PPAs will play an important role in increasing non-subsidised renewable energy market growth by 2030-40.

Snowy Hydro appreciates the opportunity to respond to the application.

Yours sincerely,



Leigh Creswell

General Manager Regulatory Affairs

