

27 May 2015



Manager Network Planning
United Energy and Multinet Gas
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Dear Rodney,

Submission to Non Network Options Report - Lower Mornington Peninsula Supply Area

Response

Energy Developments Limited (EDL) reviewed the Non Network Options consultation report and considered a range of possible non network solutions, including assessing numerous technical options and consulting with several key suppliers. However, EDL was unable to identify and propose a solution which could be shown to be more economic than the network solution proposed by United Energy in its report.

Consequently, EDL will not be submitting a non network option for this consultation.

Comments on the Non Network Options Report

EDL commends United Energy for the high quality of its consultation report. The report contains very detailed information relating to the network limitation, the future performance of the network as well as comprehensive economic information which facilitated assessment of alternative non network options. In EDL's experience, few other network planners provide this level of detail, which in our opinion, is a necessity for development of alternative options.

We also thank you for providing us with the opportunity to consider solutions to this opportunity prior it being formally issues as a RIT-D and for the assistance given to us in response to a range of technical questions that we raised during the process. EDL believes this form of engagement with market participants will lead to better outcomes.

Future Consultations

While EDL has chosen not to proceed further in relation to this Lower Mornington Peninsula Supply Area consultation, we are certainly keen to engage with United Energy in other supply area consultations.

EDL is a market leader in the provision of remote energy solutions in the < 100 MW segment of the market in Australia. With a 25 year operating track record and 389MW of installed remote generation capacity, EDL is a trusted and preferred supplier.

EDL has:

- A proven safety and power station reliability record



- 25 year track record of working with government owned corporations for safe, efficient, responsive and reliable generation to towns and communities
- Established framework to jointly review actual and forecast demand with our utility customers to agree the optimal solution to adapt to emerging trends. This could be in the form of temporary or permanent incremental generation, hybrid systems to demand side management services.
- Demonstrated track record of supplying network support generation, with recent agreements with Powerlink Queensland and Ausgrid
- Extensive experience in embedded, gas and diesel power generation capacity with a bespoke operations and maintenance strategy
- Commercially flexible solution with options regarding term and number of units, plus the ability to redeploy some of the generation if the requirement for generation changes in the future.
- A proven project delivery track record with operations commissioned and operational on-schedule and on-budget.
- Substantial financial capacity and flexibility, with approved debt funding and available cash. EDL is ASX-listed with a market capitalisation of approximately A\$1 billion

Conclusion

Thank you for inviting EDL to respond to your Non Network Options Report and the support provided through your report and by your planning team.

EDL will not be submitting a non network option for this consultation.

Should you have any questions or wish to discuss further, please contact me in the first instance on +61 7 3275 5619 or katrina.nelson@edl.com.au.

Yours sincerely,



Katrina Nelson

Senior Business Development Manager
Energy Developments Limited

