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asx and media release

6 December 2007

AGL and Meridian Energy announce Heads of Agreement to explore Macarthur wind farm

AGL Energy Limited (AGL) today announced it has signed a Heads of Agreement with Meridian Energy to explore the potential joint development of Australasia's largest wind farm at Macarthur in south west Victoria.

AGL Managing Director Michael Fraser said "The wind farm at Macarthur will potentially be the largest wind farm development in Australia. With a permitted generating capacity of up to 450MW – enough clean energy capacity to power approximately 250,000 average Australian households – it would be built on one of the premier wind generation sites in Australia."

"The Heads of Agreement with Meridian Energy will bring together the key skills of both parties to determine the most favourable final generating capacity of the project," Mr Fraser said.

Meridian Energy is New Zealand's largest generator of electricity and is committed to using only renewable resources to generate electricity. Meridian Energy develops, owns and operates wind farms throughout New Zealand and also operates nine hydro power stations.

"If the Macarthur wind farm goes ahead, it will make a significant contribution to AGL's requirement to meet the Federal Government's expanded Mandatory Renewable Energy Target scheme (MRET) which will require retailers to purchase 45,000 GWh of renewable energy by 2020.

"AGL has put considerable work into building a renewable generation portfolio that will deliver substantial environmental and financial benefits in a future carbon constrained world. If the Macarthur wind farm is built AGL's renewable generation portfolio will extend to well in excess of 1,000MW - Australia's largest privately owned and operated renewable portfolio.

"Australia has a strong emerging retail demand for clean and low carbon emission energy. Above and beyond its renewable regulatory obligations AGL, with real renewable generation on the ground, is strategically positioned as a cost competitive supplier to this end of the market," Mr Fraser said.

Further enquiries:

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About AGL

AGL is one of Australia's leading integrated energy companies. Drawing on 170 years of experience, it includes retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has Australia's largest retail energy and dual fuel customer base. This includes customers supplied with gas and electricity through AGL's joint venture partnership with ActewAGL. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. One of Australia's largest renewable energy producers, AGL is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.