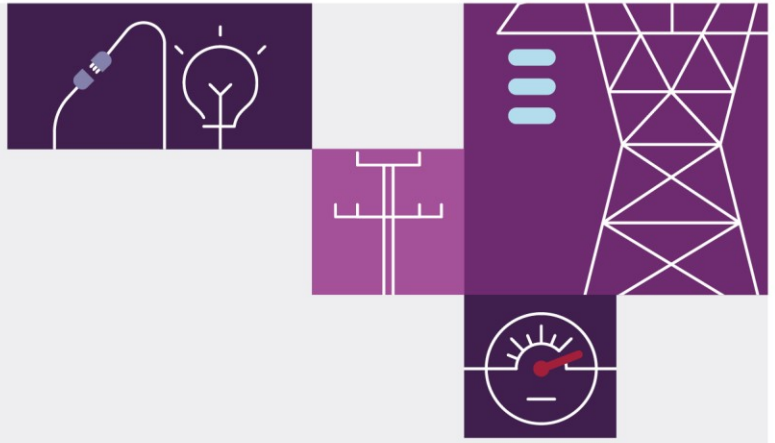


2024 ISP Stakeholder Engagement Strategy

September 2023

AEMO's plan to engage with stakeholders on the 2024 Integrated System Plan (ISP)





Important notice

Purpose

This engagement strategy outlines our intended stakeholder engagement approach to support the development of the 2024 Integrated System Plan (ISP), and to provide a basis for the 2026 ISP engagement strategy.

We strive to deliver a collaborative approach to working with stakeholders and welcome input on our engagement strategy. We will make additions and amendments as consultation evolves and we will consider all feedback to improve future stakeholder engagement.

Disclaimer

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1 Overview

This engagement plan outlines the stakeholder engagement approach to support AEMO's consultation on the development of the 2024 Integrated System Plan (ISP)

The Integrated System Plan (ISP) is a roadmap for the National Electricity Market (NEM), with a focus on transmission planning and is released by AEMO every two years.

The ISP identifies power system investment choices and recommends essential actions to optimise consumer benefits as Australia's economy transitions to reach net zero by 2050. It also aims to minimise costs and the risk of events that can adversely impact future power costs and consumer power prices, while also maintaining the reliability and security of the power system.

To manage the risk associated with long lead times and the rapidly changing energy landscape, the ISP models a range of scenarios and sensitivities to allow selection of an 'optimal development path'.

The optimal development path is a sequence of investments that promote the efficient development of the power system, based on a quantitative assessment of the costs and benefits of various options across a range of scenarios. The optimal development path may include decision rules to adapt to changing circumstances and ensure any investments only proceed where they continue to deliver strong consumer benefits.

The optimal development path and associated actionable projects have regulatory impacts and are used to inform market participants, investors, policy decision makers and consumers.

Development of the 2024 ISP draws on extensive stakeholder engagement and power system planning expertise to develop a roadmap that optimises energy market outcomes in the long-term interests of consumers. To ensure its quality, accuracy, and suitability, the 2024 ISP must reflect a broad range of stakeholder input.

The focus of consultation for the development of the 2024 ISP will be how inputs, assumptions and scenarios and sensitivities are applied in our modelling, to produce a power system plan that serves the long-term interests of consumers. We are committed to offering stakeholders a range of opportunities to shape the final roadmap through consultations, stakeholder pulse surveys, a variety of forums and direct bilateral engagement.

During engagement, we will present potential options for the types of power system solutions and investments that could be made, and we welcome feedback on both the options we present and any alternatives.

For more information, visit [AEMO 2024 ISP](#).

2 Purpose

Planning the future power system is taking place during a period of great complexity and uncertainty.

The 2024 ISP will support Australia’s rapid transformation towards net zero emissions, enabling low-cost renewable energy and essential transmission to provide consumers with reliable, secure, and affordable power. It also serves the regulatory purpose to identify actionable and future projects, and the broader purpose to inform market participants, investors, policy decision makers and consumers.

The purpose of this engagement strategy is to articulate how we intend to engage with stakeholders; our power system users, on the development of the 2024 ISP and to provide a basis for the 2026 ISP engagement strategy. We strive to give all stakeholders as much opportunity as possible to get involved in our planning and guide its direction to ensure we achieve the best possible outcome.

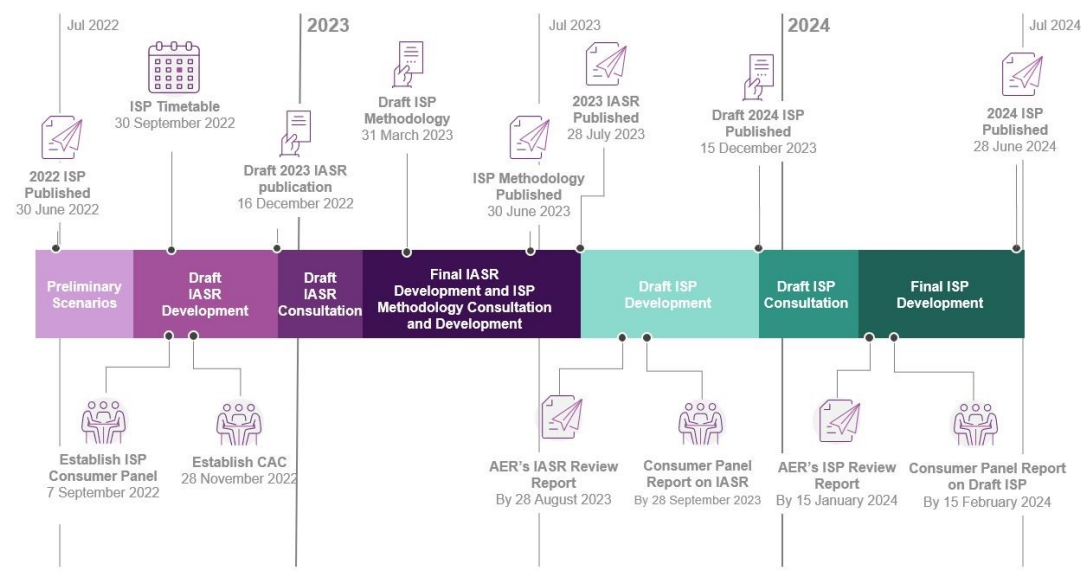
We have published this engagement strategy and welcome feedback from interested stakeholders on our approach any time during the process. We will apply any learnings to future engagement processes to the development of the 2026 ISP.

We also provided this strategy to our 2024 ISP Consumer Panel and have integrated their suggestions where appropriate and agreed.

2.1.1 2024 ISP development process

The 2024 ISP will be developed across seven key stages as shown in Figure 1 2024 ISP Timetable¹.

Figure 1 2024 ISP Timetable



We welcome suggestions about the engagement process at all stages. Please share your feedback with the ISP team via ISP@aemo.com.au.

¹ The 2024 ISP Timetable is also available as a separate document, with additional information: <https://aemo.com.au/-/media/files/major-publications/isp/2022/2024-isp-timetable.pdf>

3 Goal, objectives, and commitments

This section outlines:

- our engagement goal
- a set of principles and objectives tied to our broader Corporate Plan, and
- our engagement commitments to stakeholders.

3.1 Engagement goal

This strategy outlines our proposed approach to engaging with stakeholders during the development of the 2024 ISP, underpinned by our engagement goal. Our engagement goal also links to AEMO's Corporate Plan priorities as outlined at Table 1.

Engagement goal for the 2024 ISP:

Provide stakeholders with appropriate time and opportunity to enable meaningful input into our planning. We want stakeholder views to shape our modelling and decisions, so we can create a plan for the efficient development of a safe, reliable and affordable power system, for the benefit of all Australians, while enabling a net-zero future.

The goal we have set for this engagement sets our intent to consult with stakeholders on our modelling and decision making to ensure the outcome reflects stakeholder needs and expectations.

3.2 Principles and objectives

This engagement goal is underpinned by three key guiding principles, which are:

- **Engage closely with stakeholders:** The program will be run with high levels of stakeholder engagement, including regular input from the ISP Consumer Panel on a range of matters relevant to consumers and providing industry with a forward view of options to assist with their own planning.
- **Being reliable:** we are clear about which decisions stakeholders can influence, engage genuinely, and act on their feedback when we can. When we make decisions, we explain them openly, clearly and in an accessible way.
- **Deliver as efficiently as possible:** We will continually work to identify opportunities for the most cost-effective development path that does not compromise on power system safety, reliability, or security.

We have also aligned this engagement plan to the broader objectives under our current [Corporate Plan](#).

The strategic alignment with relevant Strategic Corporate Plan FY24 priority areas is outlined in Table 1.

Table 1 Engagement objectives aligned with AEMO’s Corporate Plan

Corporate Plan priority	Priority description	Relevant objectives for this engagement
Priority 2 Navigating the energy future	AEMO has enhanced integration of gas and electricity in the 2024 Integrated System Plan, sought to enhance the regulatory frameworks for transmission investment, and progressed infrastructure delivery in its jurisdictional roles. AEMO has helped deliver business and digital solutions for in-progress reforms, and worked with stakeholders to develop the design of critical reforms.	<p>Energy system design</p> <ul style="list-style-type: none"> Identify, communicate, and consult on critical operational issues, and plan and advise on future energy system needs. Deliver input and support for the implementation of actionable ISP projects.
Priority 3 Engaging our stakeholders	AEMO has enhanced trust by clearly delivering value to consumers, members, and stakeholders; partnered with jurisdictions to achieve positive energy transition outcomes; and helped to build social licence for the energy transition.	<p>Meet and exceed stakeholder expectations</p> <ul style="list-style-type: none"> Co-design the ISP Stakeholder Engagement Strategy with the ISP Consumer Panel and other stakeholders (as relevant). Actively engage, listen, and respond to feedback from stakeholders, motivated by a strong energy consumer focus and continually improve the stakeholder experience. Improve accessibility of AEMO information and publications relevant to the ISP. Help build greater understanding and awareness of the energy transition with consumers and the community through ISP related communications and publications. Increase collaboration with stakeholders through the ISP development process, to achieve better energy outcomes.

To deliver on our engagement principles and objectives, we commit to respect stakeholder time, be transparent, and tailor material for the audience.

3.3 Engagement commitments

We have developed a set of commitments which we intend to meet through our engagement.

These commitments reflect contemporary, good practice engagement, and are consistent with feedback we have received from stakeholders about what is important to them. We are committed to pursuing engagement that is effective and fit for purpose within the regulatory requirements² and constraints of timing and resources.

We have identified three commitments that will guide our engagement approach for the 2024 ISP.

3.3.1 Respecting stakeholder time

We are committed to respecting our stakeholders’ time, and we will seek to:

- Provide early, clear, and accurate guidance on consultation priorities and the purpose of individual engagements.

² Appendix A of this strategy outlines the ISP regulatory framework, including provisions in the National Electricity Rules (NER) and relevant Australian Energy Regulator (AER) guidelines.

- Be clear on how we intend to engage, and the level of influence stakeholders can have (e.g. mapping engagement against the International Association of Public Participation Spectrum)
- Consider workloads with consultation timings and giving advance notice of all consultations.
- Advertise engagement events widely and provide reminders to attendees of the event timings.
- Enable more participation of consumer advocates in formal consultations through verbal consultation submission sessions.
- Provide relevant materials to attendees at least one week before any public event, to allow attendees to participate from an informed position.

3.3.2 Transparency

We are committed to building trust through transparency, and we will seek to:

- Publish all non-confidential submissions received, consistent with our [Submissions Guideline](#).
- Provide transparency to all stakeholders about attendees, by including these in the minutes of events.
- Clearly respond to stakeholder input, including submissions, by explaining any changes made, or stakeholder recommendations/arguments have not been accepted.
- Provide stakeholders with transparency on the progress of key issues throughout the program, including when and how decisions are made.
- Where practicable, incorporate relevant learnings and insights from forums and engagements that could benefit the ISP (not just from ISP-related forums).

3.3.3 Tailoring material for the audience

We are aware that different stakeholders have different capacities to engage in the ISP, which contains several highly technical elements. Where practicable, we will seek to work with particular stakeholder groups, such as consumer representatives, to ensure technical material is made accessible to support effective engagement.

Section 0, Evaluation of this strategy, outlines how we will evaluate success against our engagement goal, objectives, and commitments.



4 Approach

This section provides detail on what is in and out of scope for this engagement, our target level of engagement as mapped against the IAP2 Spectrum of Public Participation, key stakeholders that we have identified and what engagement and communication methods we will use.

4.1 Scope

This scope of our engagement on the 2024 ISP with stakeholders will include the following. This is in order of IAP2 spectrum shown in Table 2.

- **Inform** stakeholders about how we considered their feedback to relevant formal consultations, by publishing Consultation Submission Response documents or hosting webinars.
- **Consult** stakeholders for feedback and input on proposed modelling, methodology, analysis, inputs, assumptions, scenarios, sensitivities, expansion options and alternatives.
- **Involve** the ISP Consumer Panel on key topics such as the cost of transmission.
- **Collaborate** with expert stakeholders to help determine ISP scenario weightings, and work with Transmission Network Service Providers (TNSPs) on network augmentation design through joint planning. AEMO will also collaborate with the ISP Consumer Panel, for example on the ISP Engagement Strategy and the design of the Delphi Panel (ISP scenario weightings).

AEMO welcomes all stakeholder feedback. It helps with evaluation if submissions are supported by evidence, but we also welcome qualitative views and opinions.

The scope of this engagement program will not include:

- **Empower** stakeholders to decide on outcomes such as the Optimal Development Path.

4.2 IAP2 Spectrum alignment

The International Association of Public Participation (IAP2) Spectrum is a globally recognised framework that we continue to apply in our engagement approach.

We have outlined our application of the IAP2 Spectrum in Table 2 below and indicate that we intend to work with our stakeholders throughout the development of the 2024 ISP, particularly the Inform, Consult, Involve and Collaborate levels.

This means we will look to stakeholders for advice in formulating solutions and stay agile to respond to and incorporate advice into our decisions (where possible).

Table 2 2024 ISP & IAP2 Spectrum³

	Inform	Consult	Involve	Collaborate	Empower
Engagement goal	Provide balanced and objective information to assist understanding of the problem, alternatives, opportunities, and solutions.	Obtain feedback on analysis, alternatives and/or decisions.	Work directly with key stakeholders throughout the process to ensure concerns are consistently understood and considered.	Partner with some stakeholders during decision making, including development of alternatives and the identification of the preferred solution.	The final decision is made by select stakeholders.
Engagement promise	We will keep you informed.	We will keep you informed, listen to, and acknowledge concerns and aspirations, and provide feedback on how input influenced our decision.	We will work with key stakeholders to ensure their concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how their input influenced the decision.	We will look to some stakeholders for advice in formulating solutions and incorporate their advice and recommendations into the decisions to the maximum extent possible.	We will implement what select stakeholders decide.

4.3 Key stakeholder groups

We seek to ensure all relevant stakeholders can contribute to the 2024 ISP development process, including those not previously involved. We have identified key stakeholder groups for this engagement and mapped stakeholder organisations against each group, see Table 3.

Table 3 Stakeholder groups

Group	Key stakeholders
Energy market bodies	Australian Energy Regulator (AER)
	Australian Energy Market Commission (AEMC)
	Energy Advisory Panel
Government	Commonwealth and State governments, including their energy and planning departments
	Government agencies including the Australian Renewable Energy Agency (ARENA), Clean Energy Finance Corporation (CEFC), Clean Energy Regulator (CER)
Consumers and community	Large consumers (commercial and industrial, including hydrogen producers)
	Energy consumer advocates (residential, low-income, and vulnerable, small business, agricultural producers, early adopters, state, or region-based groups)
	ISP Consumer Panel (see below)
	Advisory Council on Social Licence (see below)
	Energy Consumers Australia
Market participants	Generators
	Retailers
	New and other service providers
Network Planners	Transmission Network Service Providers (TNSP)
	Distribution Network Service Providers (DNSP)

³ For further information about IAP2’s Public Participation Spectrum please visit: <https://iap2.org.au/resources/spectrum/>

Group	Key stakeholders
	VicGrid
	EnergyCo
Industry bodies	Energy Networks Australia (ENA)
	Australian Energy Council (AEC)
	Clean Energy Council (CEC)
	Smart Energy Council (SEC)
Other	Climateworks Centre
	CSIRO
	University and research institutions, think tanks
	Media

This list is not intended to be exhaustive and will be reviewed throughout the engagement program.

4.3.1 ISP Consumer Panel

The role of the ISP Consumer Panel is to bring a consumer-focused perspective to the development of the 2024 ISP. We will engage with the ISP Consumer Panel on a continuous and ongoing basis, seeking advice and input on matters of both substance and process.

During the development of the 2024 ISP, the Panel's responsibilities will be to:

- Provide an assessment of the evidence and reasons supporting AEMO's conclusions in the Inputs, Assumptions and Scenarios Report (IASR) and the Draft 2024 ISP.
- Work with the Advisory Council on Social Licence as required.
- Support AEMO's engagement with key stakeholders as required.

The Panel also provided two formal reports as part of the 2022 ISP development cycle (a prescribed function of the Panel under the National Electricity Rules) and other submissions to elements of the consultation process. These submissions are available on the Panel's page of AEMO's website⁴.

The input we have received and continue to receive from Panel members has helped improve our engagement approach over time. We look forward to continuing to work closely with the Panel and drawing on Panel members' expertise in both designing and undertaking stakeholder engagement.

For more information about the 2024 ISP Consumer Panel, visit our [ISP Consumer Panel](#) webpage.

4.3.2 Advisory Council on Social Licence

In November 2022, we established an Advisory Council on Social Licence, to better understand community sentiment toward the energy transition, including execution challenges and opportunities.

An inability to establish community acceptance or 'social licence' for new projects could create significant delays, increase costs, and threaten the delivery of infrastructure that is vital for Australia's transition to net zero emissions by 2050. Such delays must be considered during the development of the 2024 ISP. We will work with Council members to consider options for modelling the potential impacts and risks relating to low social licence in

⁴ Reports and submissions made as part of the 2022 ISP development cycle are available at: <https://aemo.com.au/en/energy-systems/major-publications/integrated-system-plan-isp/2022-integrated-system-plan-isp/get-involved/consumer-panel>.

infrastructure development in the 2024 ISP.

For more information about the council, visit our [Advisory Council on Social Licence](#) webpage.

4.4 Engagement and communication methods

We will offer a range of opportunities for stakeholders to engage with us and communicate through several channels. We have summarised the main engagement and communication methods to be utilised for this program in Table 4. Section 6 provides a schedule of key engagement activities and consultation milestones.

Table 4 Engagement and communication methods

Method	Intent	Indicative timing or frequency
Consultation	Formal consultation on the draft IASR, draft ISP Methodology update and draft Transmission Expansion Options Report, including the opportunity for submissions.	December 2022 – July 2023 (inclusive)
	Formal consultation on the draft ISP, including the opportunity for submissions.	December 2023 – June 2024 (inclusive)
	Consumer advocate verbal submissions to formal consultations to allow consumer advocates to contribute in a way that does not require the resources necessary to produce a written submission.	During all major engagements (see Section 6)
Forums	AEMO Consumer Forum to engage with consumer advocates on all aspects of our work, will discuss the ISP process at certain key times during the development cycle.	Quarterly meetings
	Advisory Council on Social Licence , to provide specific advice on the approach to social licence in the 2024 ISP.	Quarterly meetings
	Forecasting Approach Register , available to track any ideas or issues not captured through other formal consultation processes.	Available anytime at AEMO's website ⁵
	Forecasting Reference Group (FRG) , AEMO's devoted forum for specialist forecasting discussion and engagement.	Monthly meetings (more frequent as required)
	ISP Consumer Panel , a dedicated consumer advocate advisory panel on the ISP which works closely with AEMO throughout the ISP development process.	Fortnightly meetings (or as required)
	Joint planning with Transmission Network Service Providers , facilitating ongoing and targeted engagement between AEMO and network staff.	Monthly meetings
	Distributed Network Service Providers , ongoing discussions as required	Periodic as required
Meetings	Targeted one-on-one meetings with key stakeholders , where these are requested to explore specific issues.	As required during engagement

⁵ <https://www.aemo.com.au/energy-systems/electricity/national-electricity-market-nem/nem-forecasting-and-planning/forecasting-approach>

Method	Intent	Indicative timing or frequency
Newsletters	ISP Newsletter sent to the ISP mailing list including both announcements about milestones and tailored newsletter communications that provide an accessible summary of relevant information.	Quarterly publication
Fact sheets	Summary ‘consumer friendly’ fact sheet for the draft and final 2024 ISP. A separate infographic is also produced.	June 2024
Surveys	Delphi Panel , a panel of selected experts to provide essential knowledge and guidance to shape the ISP scenario weightings.	August - September 2023
	Consumer Risk Preferences to explore consumers’ risk appetite for price volatility.	July – August 2023
	Direct surveys of participants satisfaction in the ISP consultation process.	At key milestones (see Table 5)
Website	Website content published in an easily accessible, comprehensive, and timely manner.	Regularly and as required
Workshops and webinars	Government workshops and briefings , to support both the development and use of the ISP.	At all key milestones
	Public workshops and webinars , including virtual and in-person engagement. Along with live webinars, we will publish recordings to ensure that stakeholders can engage at a time and in a way that suits them. We will aim to maximise question time where practical and use Slido to prioritise questions.	During all major engagements (see Section 6)

5 Evaluation

In everything we do, we seek to improve how we engage with stakeholders through regular evaluation.

We want to continue to build our understanding of stakeholder perspectives, imperatives, and positions as best as possible. We have outlined success and evaluation tools in Table 5 that will guide our evaluation of this strategy.

These measures are designed to gauge achievement of the engagement goal and principles.

Table 5 Success measures and evaluation tools

What we are measuring	Success measures	Measurement tools
Time	Majority (>60%) of stakeholders surveyed are satisfied that engagement activities respected stakeholder's time and preferred channels.	Final 2024 ISP survey – July 2024
	At least 14 days' notice is provided to stakeholders to notify them ahead of time of the opportunity to engage (more if possible).	Engagement strategy evaluation – July 2024
Opportunity	Satisfaction rating of at least 7/10 that stakeholders feel they have been given an opportunity to engage in areas of interest throughout the 2024 ISP development process (including the development of the 2023 IASR).	Across all three surveys
	At least two different opportunities to engage on the same topic are offered to ensure variety and accessibility.	Engagement strategy evaluation – July 2024
Meaningful input	Majority (>60%) of stakeholders surveyed are satisfied that their feedback was genuinely considered, responded to and the end outcome reflects stakeholder views.	Final 2024 ISP survey – July 2024
	The scope and intent of each engagement activity is clear and provided up front.	Engagement strategy evaluation – July 2024
	Regular reporting demonstrates where stakeholder input has impacted our planning and decisions.	
Efficiency	Majority (>60%) of stakeholders surveyed are satisfied that information was provided in a clear, concise, and timely and provide in an open and transparent manner.	Across all three surveys
	Compliance with the Forecasting Best Practice Guidelines is achieved.	Forecasting Best Practice Compliance Reports
Outcome	Majority (>60%) of stakeholders reflect that the consultation process and 2024 ISP publications effectively identify, communicate, and consult on future electricity system needs.	Final 2024 ISP survey – July 2024
	Stakeholder feedback demonstrably builds on AEMO's understanding of the long-term interests of consumers.	Engagement strategy evaluation – July 2024
	Majority (>60%) of stakeholders reflect that overall, the engagement experience is an improvement on previous engagement.	Across all three surveys



5.1.1 Measurement method

Success will be measured using feedback collected in the following methods:

- direct feedback at stakeholder engagement events
- informal debriefs with key stakeholders for direct feedback on engagement events
- assessment of feedback provided in consultation submissions
- capturing balanced feedback from a diverse range of stakeholder cohorts involved
- post-engagement surveys with the key stakeholder groups that are involved and
- anonymous post-consultation stakeholder surveys.

We will conduct three stakeholder surveys, following publication of the:

- 2023 Inputs, Assumptions and Scenarios Report (IASR) – September 2023
- Draft 2024 ISP – January 2024, and
- Final 2024 ISP – July 2024

All satisfaction surveys will include quantitative measures and optional qualitative feedback (free text).

5.1.2 Evaluation process

To evaluate the success of this strategy we will:

- measure regularly and at each stage of the program
- use a combination of formal and informal measurement methods
- evaluate both quantitative and qualitative data
- demonstrate how engagement is influencing our decision-making
- identify stakeholder satisfaction with engagement activities, and
- be transparent and share results with stakeholders.

In addition to the formal evaluation process, we welcome feedback and input on an ongoing basis and will make changes to our engagement approach based on input received.

Following the final survey, we will publish insights from the evaluation and suggestions for improvement to future engagement activities.

6 Engagement schedule

6.1 High-level engagement schedule

The development of the 2024 ISP will occur across key stages as shown in Table 6, and published on AEMO’s website at [Opportunities for engagement](#).

Table 6 Engagement schedule

Component	Date	Activity	IAP2	Audience	Title	Purpose
1. Preliminary engagement on scenarios and inputs	23 Feb 2022	Forum	Involve	All stakeholders	February 2022 Forecasting Reference Group	Planning of 2023 IASR economic and multisector modelling forecasts
	30 Mar 2022	Forum	Involve	All stakeholders	March 2022 Forecasting Reference Group	Planning for 2023 IASR DER, EV and network constraints forecasts
	13 Jul 2022	Webinar	Collaborate	All stakeholders	Scenarios Webinar	Involve stakeholders in designing the new scenarios
	31 Aug 2022	Webinar	Consult	All stakeholders	Scenarios webinar 2	Discuss how scenarios evolved from 2022, following feedback in the scenarios webinar
	31 Aug 2022	Forum	Involve	All stakeholders	August 2022 Forecasting Reference Group	Collect feedback on draft Economics forecasts
	21 Sep 2022	Forum	Involve	All stakeholders	September (a) 2022 Forecasting Reference Group	Collect feedback on draft Multisector modelling forecasts
	28 Sep 2022	Forum	Involve	All stakeholders	September (b) 2022 Forecasting Reference Group	Collect feedback on draft DER, Electric Vehicle and Gas Price forecasts
2. Draft IASR development & consultation	24 Jan 2023	Webinar	Inform	Consumer advocates	What is the ISP and why does it matter?	Preliminary information about the ISP
	2 Feb 2023	Webinar	Consult	All stakeholders	Draft 2023 IASR pre-submission	Learn about the Draft IASR to inform submissions
	9 Feb 2023	Verbal session	Consult	Consumer advocates	Draft 2023 IASR verbal consultation	Dedicated verbal comment session
	22 Mar 2023	Webinar	Inform	All stakeholders	Draft 2023 IASR submission reflections	Learn about what we heard during consultation
	19 June 2023	Forum	Inform	Consumer Advocates	June Consumer Forum	Update on scenarios and policy inclusion
3. Draft ISP Methodology update development & consultation	22 Feb 2023	Forum	Consult	Consumer Advocates	February Consumer Forum	Consumer Risk Preferences in the ISP
	31 Mar 2023	Publication	Consult	All stakeholders	Draft ISP Methodology report consultation	Report released for consultation
	20 Apr 2023	Webinar	Consult	All stakeholders	Draft ISP Methodology pre-submission	Learn about the Draft ISP Methodology to inform submissions
4. Draft Transmission Expansion Options Report	21 Oct 2022	Webinar	Involve	All stakeholders	Transmission Cost Database Update webinar	Involve stakeholders with Mott Mac's work on the Transmission Cost Database
	25 Nov 2022	Webinar	Consult	All stakeholders	Transmission Cost Database Update webinar 2	Consult stakeholders with Mott Mac's draft Transmission Cost Database insights
	2 May 2023	Publication	Consult	All stakeholders	Draft Transmission Expansion Options Report consultation	Report released for consultation
	18 May 2023	Webinar	Consult	All stakeholders	Draft Transmission Expansion Options Report pre-submission webinar	Learn about the Draft 2023 Transmission Expansion Options Report to inform submissions
	19 & 31 May 2023	Verbal session	Consult	Consumer advocates	Consumer Advocates verbal consultation submission session	Dedicated verbal comment session
5. ISP Methodology development & release	30 Jun 2023	Publication	Inform	All stakeholders	2023 ISP Methodology report	Final report released
	13 Jul 2023	Webinar	Inform	All stakeholders	2023 ISP Methodology publication webinar	Learn about what we heard during consultation

Component	Date	Activity	IAP2	Audience	Title	Purpose
6. Final Transmission Expansion Options Report	28 Jul 2023	Publication	Inform	All stakeholders	2023 Transmission Expansion Options Report	Final report released
	10 Aug 2023	Webinar	Inform	All Stakeholders	2023 Transmission Expansion Options Report publication webinar	Learn about what we heard during consultation
7. Final IASR development & release	15 Jun 2023	Webinar	Inform	All stakeholders	2023 IASR scenarios & sensitivities update	Learn about our progress in developing final scenarios
	28 Jul 2023	Publication	Inform	All stakeholders	2023 IASR	Final report released
8. Scenario Weightings	Sept 2023	Delphi Panel	Collaborate	Industry experts	2023 IASR scenarios Delphi panel	Industry experts will collaboratively weigh scenarios
	Sep 2023	Webinar	Inform	All stakeholders	2023 scenarios weighting webinar	Learn about the Delphi panel process and results
9. Draft ISP development & consultation	15 Dec 2023	Publication	Consult	All stakeholders	Draft 2024 ISP	Report released for consultation
	18 Dec 2024	Webinar	Consult	All stakeholders	Draft 2024 ISP pre-submission	Learn about the Draft ISP to inform submissions
	30 Jan 2024	Webinar	Inform	Consumer advocates	Draft 2024 ISP Consumer Advocate pre-submission webinar	Learn about the Draft ISP to inform submissions
	15 Feb 2024	Verbal session	Consult	Consumer advocates	Draft 2024 ISP Consumer / Advocate pre-submission webinar verbal consultation	Dedicated verbal comment session
	2 Apr 2024	Webinar	Inform	All stakeholders	Draft 2024 ISP submission reflections	Learn about what we heard during consultation
10. Non-network options consultation	15 Dec 23 – 8 Mar 24	Consultation	Consult	Non-network Proponents	Non-network options consultation	Collect feedback on non-network proposals for actionable ISP projects
11. Final ISP development & release	28 Jun 2024	Publication	Inform	All stakeholders	2024 ISP	Final report released (including fact sheet, appendices, and consultation summary report)
	Jul 2024	Webinar	Inform	All stakeholders	2024 ISP publication webinar	Learn about the final 2024 ISP



7 Appendix A: regulation and guidelines

This section provides information about the ISP development process and the key regulatory requirements and guidelines used to inform our engagement approach for the 2024 ISP.

7.1.1 Regulatory framework

The ISP development process is extensively prescribed in both the Australian Energy Regulator's (AER) Cost Benefit Analysis Guidelines (CBA Guidelines)⁶ and Forecasting Best Practice Guidelines (FBPG)⁷.

Rule 5.22 of the National Electricity Rules (NER)⁸ outlines aspects of the ISP process, including the:

- purpose of the ISP, including the specific power system needs that the ISP must plan to meet
- publication of a timetable for the ISP development process
- development, content, and application of the CBA Guidelines and the FBPG (see below)
- development of the ISP Inputs, Assumptions and Scenarios Report (IASR) and ISP Methodology
- contents and development of the ISP, including the Draft ISP
- consideration of non-network options
- creation, purpose, and operation of the ISP Consumer Panel, and
- Australian Energy Regulator's (AER) reviews of the IASR and the Draft ISP.

7.2 Relevant guidelines

The CBA Guidelines and FBPG, provide AEMO, in developing the ISP, flexibility in how it identifies the optimal pathway for the National Electricity Market. The guidelines also provide AEMO with requirements to:

- engage closely with stakeholders
- be transparent and explain how it applies its judgement, and
- undertake a robust market-wide cost benefit analysis⁹.

7.2.1 Cost Benefit Analysis Guidelines

Clause 5.22.5 of the NER requires the AER to produce the CBA Guidelines, to be used by AEMO in preparing the ISP, and to be used by Transmission Network Service Providers (TNSPs) in applying the Regulatory

⁶ Cost benefit analysis guidelines to make the ISP actionable [AER – Cost benefit analysis guidelines – August 2020.pdf \(aer.gov.au\)](#)

⁷ Forecasting Best Practice Guidelines [AER - Forecasting best practice guidelines - 25 August 2020.pdf](#)

⁸ For more information on the National Electricity Rules visit [AEMC](#)

⁹ For more information see: <https://www.aer.gov.au/networks-pipelines/guidelines-schemes-models-reviews/guidelines-to-make-the-integrated-system-plan-actionable>

Investment Test for Transmission (RIT-T) to projects identified as ‘actionable’ in the ISP. The AER is empowered to specify that any part of the CBA Guidelines is binding on AEMO or TNSPs.

The CBA Guidelines give AEMO flexibility to exercise its professional judgement in developing the ISP, while also ensuring that all decisions are transparent, informed by stakeholder consultation, and subject to consistent and robust economic analysis.

This includes requiring AEMO to explain how the recommendations in the 2024 ISP give effect to consumer preferences and support consumers’ long-term interests.

In addition, the Guidelines require AEMO to:

- identify several candidate development paths and estimate their costs and benefits
- rank the development paths in a transparent manner under various scenarios, and
- consider how development paths mitigate key risks and align with consumer preferences.

The Guidelines also require that AEMO use evidence-based decision making when selecting an optimal development path (we may rank development paths differently based on assessment of risk). We must also be transparent about the final decision-making approach(es) selected and how this/these result in the selected optimal development path. In addition, we are required to benchmark our choice against a maximum net benefit approach and explain how it aligns with consumer preferences.

7.2.2 Forecasting Best Practice Guidelines

Clause 5.22.5(i)¹⁰ of the NER requires the AER to include in the Forecasting Best Practice Guidelines (FBPG) guidance for AEMO’s forecasting practices and processes as they relate to the ISP and the process, including consultation requirements, to be used for an ISP update.

As well as covering numerous technical aspects of the forecasting process, the FBPG sets out several consultation principles that AEMO must have regard to when developing the ISP which are summarised in Table 7 below.

Table 7 FBPG Consultation principles – 2024 ISP

Principle	Effect
Facilitate effective discussion	Facilitate effective discussion at workshops, public forums, and engagement with individual stakeholders by providing sufficient time to digest any materials or information beforehand. This aligns with the principle of recognising that adequate time and resources are necessary for consumers to engage effectively.
Account for stakeholder time and resource constraints	Account for the time and resource constraints that consumer groups and other stakeholders face when developing a consultation strategy or program. For example, facilitate consumer engagement by dedicating specialist internal resources to this task and/or by sufficiently resourcing the ISP Consumer Panel. This aligns with the principle of proactively building consumers’ capacity when complexity is hindering engagement. Capacity building, in this context, should recognise the importance of long-lasting relationships with consumers to improve their skills and understanding of the material.

¹⁰ For more information see version 200 (page 657) of the current National Electricity Rules: [AEMC](#)

Principle	Effect
<p>Tailor stakeholder involvement when required</p>	<p>Be aware of when more stakeholder involvement or collaboration is warranted, rather than relying too heavily on more base-level forms of consultation (such as informing/reporting), so AEMO can tailor its engagement approach to achieve desired objectives. Ideally, these factors form part of a consumer engagement strategy developed in consultation with stakeholders. It is best practice to be clear about which engagement approach is being adopted and why (via reference to the IAP2 Spectrum).</p>
<p>Employ a wide range of engagement strategies</p>	<p>Employ a wide range of engagement strategies to receive appropriate feedback from individual stakeholders with unique detailed perspectives up to and potentially including large, facilitated workshops. In doing so, be flexible, with a view to meaningfully bring stakeholders into the process.</p>
<p>Seek regular feedback</p>	<p>Seek regular considered feedback from stakeholders on the efficacy of the engagement process.</p>
<p>Provide information to serve stakeholder objectives</p>	<p>Make relevant and timely information available to stakeholders with a view to achieving stakeholder-centric objectives. For instance, information provision in the ISP context should:</p> <ul style="list-style-type: none"> • allow stakeholders to understand the key inputs and assumptions driving the results, so that they are capable of replicating and/or interrogating the results • provide accountability by ensuring the mechanics and assumptions behind AEMO’s analysis are transparent • provide stakeholders with the opportunity to provide timely input throughout the process, so they are capable of positively influencing the results (where possible), and • subject to confidentiality obligations, allow stakeholders to access similar data to promote balanced discussion, where otherwise some stakeholders would have materially more influence than others.