



Welcome to the September 2024 Integrated System Plan (ISP) newsletter. AEMO looks forward to working with stakeholders throughout the development of the 2026 ISP.

This issue includes updates on:

- 2026 ISP engagement plan
- 2026 ISP Timetable
- 2024 ISP engagement results
- 2025 IASR scenarios consultation update
- Electricity demand forecasting methodology consultation update
- Workforce projections for the 2024 ISP
- ISP Methodology review
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2026 ISP engagement plan

AEMO released its [2026 ISP Stakeholder Engagement Plan](#) on 12 September 2024 and is welcoming feedback from stakeholders.

The 2026 ISP Stakeholder Engagement Plan includes information about how AEMO intend to engage with stakeholders during the development of the 2026 ISP, and provides a basis for planning individual engagements and consultations that will take place across the two-year development period.

This engagement plan is released as an initial approach and AEMO will consider, and where possible implement, stakeholder feedback and release future versions of the plan as required. Initial feedback on this plan is welcome to ISP@AEMO.com.au by 1 October 2024.

2026 ISP Timetable

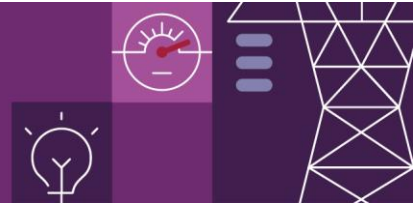
AEMO must publish a timetable for the upcoming ISP with three months of the publication of the most recent ISP.



AEMO is preparing to release the 2026 ISP Timetable on 26

September 2024. The timetable will set out the timing for publications for the 2025 Inputs, Assumptions and Scenarios Report, the ISP Methodology, the Draft 2026 ISP, and the final 2024 ISP. This will include the timing for key consultation processes as part of these publications.

We will send an email to stakeholders who have signed up to be receive ISP information, so they know when the ISP Timetable has been released.



2024 ISP engagement results

Throughout development of the 2024 ISP, AEMO conducted three engagement satisfaction surveys seeking feedback from stakeholders.

The purpose of these surveys was to check in with stakeholders on their experience engaging with AEMO and to better understand improvement opportunities.

Across the three surveys, stakeholders responded with an overall engagement satisfaction of 8/10. This result is good to see but we recognise there are things we can do to continue to improve and evolve stakeholder engagement.

The feedback received through 2024 ISP satisfaction surveys helped inform Section 3.3 of the 2026 ISP Stakeholder Engagement Plan - principles and commitments. Additionally, specific improvement actions have been identified, ranging from improving communication of complex material to allowing increase question time and continuing to increase reporting on feedback impact. To view the full 2024 ISP engagement evaluation please refer to Appendix B, page 26 in the [2026 ISP stakeholder engagement plan](#).

2025 IASR scenarios consultation update

In July, AEMO began the 2026 ISP engagement cycle with consultation on the 2025 IASR scenarios issues paper. Submissions closed on 13 August 2024.

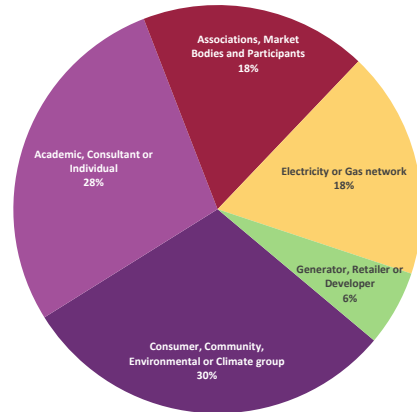
Thank you to the 50 stakeholders who submitted over 200 individual recommendations. The top themes included policy considerations and the application of various parameters including Consumer Energy Resources (CER), decarbonisation and hydrogen.

The submissions have been published on the [2025 IASR consultation page](#).

At the 25 September 2024 Forecasting Reference Group (FRG) meeting, AEMO will outline upcoming engagement opportunities to inform the Draft 2025

IASR, due for publication in December 2024. Visit the [FRG webpage](#) for more information.

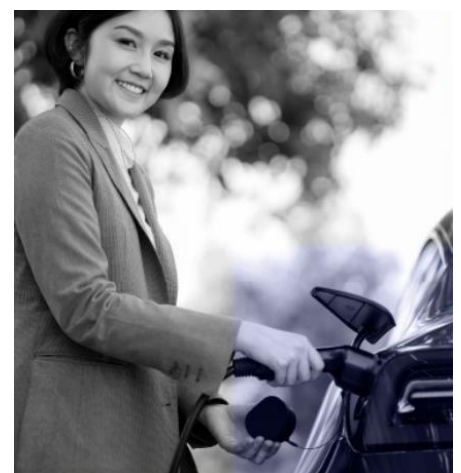
2025 IASR scenarios consultation submissions per stakeholder cohort

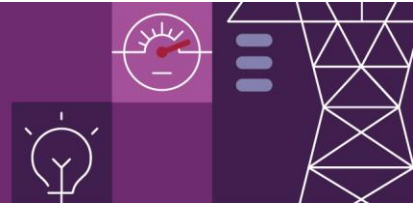


Electricity Demand Forecasting Methodology consultation update

Consultation on the Electricity Demand Forecasting Methodology issues paper, the first stage of consultation, closed on 23 August 2024 and submission analysis is underway. 7 stakeholders submitted a combined 59 recommendations. The top themes raised in submissions were large industrial loads, data centres and forecast granularity.

Submissions are available on [the consultation page](#). AEMO will publish an updated methodology and a draft determination responding to submission recommendations in the coming months.





Workforce projections for the 2024 ISP

A large energy sector workforce will be needed to deliver the energy transition.



The Institute for Sustainable Futures, University of Technology Sydney (ISF) and the RACE for 2030 Co-operative Research Centre, have partnered with AEMO to provide electricity workforce projections based on the results of the 2024 ISP. The NEM-wide outcomes were published in the 2024 ISP main report, and ISF is now preparing projections segmented by technology, location and occupation. The projections will cover the generation and storage of electricity and the construction of new transmission lines included in the optimal development path of the 2024 ISP. The reports will be published on AEMO and RACE's websites by the end of September 2024. To find out more, register [here](#) to attend the 2024 Integrated System Plan's Workforce Projections publication webinar on 2 October 2024, 3:30pm – 4:30pm AEST.

ISP Methodology review

AEMO prepares its ISP in accordance with an ISP Methodology which it must prepare through public consultation. For the 2026 ISP, AEMO will apply a

revised version of the current methodology. The revision will be prepared to meet the requirement that AEMO complete a full review of the methodology every four years, and will allow opportunity to consult on any changes that need to come through in response to implementing the outcomes of Energy Ministers' response to the ISP review completed by the Commonwealth Government.

AEMO is preparing to begin the consultation on the review of the ISP Methodology and will release an issues paper on 23 October 2024. AEMO will welcome stakeholder feedback on the issues paper and will host a webinar to discuss the contents of the issues paper.

How to get involved

AEMO will provide more information on opportunities for engagement in the coming months as we start development of the 2026 ISP. Join the ISP mailing list to never miss an update on consultation opportunities.



Consultation on the ISP Methodology will commence with publication of the issues paper on 23 October 2024.

For more information, visit our 2026 ISP engagement page, view Section 5 of the [2026 ISP Engagement plan](#) or email ISP@aemo.com.au.

HEAR FROM: ISP Consumer Panel

In this issue, the [2026 ISP Consumer Panel](#) share their thoughts on the commencement of the two-year development of the 2026 ISP. Members of the 2026 ISP Consumer Panel include Mark Henley, Beverley Hughson, Craig Memery and Jarra Hicks.

The 2026 ISP Consumer Panel has been appointed and has been active for the past two months.

The ISP two-year cycle commences with the development of ‘scenarios’ that form the ISP narrative about plausible futures. Parameters are then developed to assist in considering these future scenarios, with a 25–30-year horizon.



Scenario planning is generally accepted as an effective planning tool, particularly when designing for uncertain settings, and not many things are more uncertain than future energy markets at the moment. The ISP process starts broad, with scenarios, and culminates in an “optimal development path” two years later.

So as the 2024 ISP was released, AEMO was also finalising a Consultation Paper on scenarios for the 2026 ISP. As the first Consumer Panel to be

appointed in time to respond to initial scenarios considerations, we have leapt at the opportunity to consider future scenarios, debating options with AEMO staff and making a submission.

Scenarios

In the Scenarios Consultation Paper, AEMO proposed the same three scenarios as were used for the 2024 ISP, updated to better reflect recent data and developments, including the ISP review recommendations and response from the Energy and Climate Ministerial Council that was released on 1st March this year. ([ecmc-response-to-isp-review.pdf](#) ([energy.gov.au](#)))



In our submission the Panel reinforced the understanding that “The ISP is defining a transition path to contribute to limiting global warming to 1.5 degrees by 2050, and/or the more unofficial goal of less than 2 degrees in line with international targets for global warming and associated ‘carbon budgets’.” We are satisfied that there remains strong community support for this objective, even with the ever-present cost of living pressures on many households and businesses – though minimising additional cost burden on consumers remains an important aspect of planning for the transition to net zero.

The main question that the Panel has posed in our submission is how CER and DER will be factored into the scenarios for 2026 ISP? (The Panel considered Consumer Energy Resources to be a subset of total Distributed



Energy resources.) We said “To achieve optimal amounts of CER as outlined in the 2024 ISP Optimal Development Path (ODP) rates of solar PV, EV and battery uptake will need to continue to grow. The Clean Energy Council estimates that

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ISP Consumer Panel

achieving AEMO’s ISP Step Change scenario would result in average annual energy bill savings of \$35-71 for all residential and small-business NEM customers until 2050.” So, there is considerable benefit for consumers in getting CER / DER options as ‘right’ as possible.

We also noted the significant number of recent reports and a Rule Change proposal dealing with CER/DER – it’s the ‘hot topic’ of the moment!

The Panel also supported the greater involvement of distribution network businesses in ISP planning and considerations, in part because of underutilised capacity in the current distribution networks and their ongoing relationship with CER¹. This is also consistent with the ECMC response to the ISP Review.



To promote debate, The Panel suggested replacing the “Progressive Change” scenario for the 2026 ISP with a “Distributed Energy Scenario” to provide ongoing focus on distributed energy in ISP development. The Panel recognises that there are also other approaches to incorporating distributed energy into the scenarios, including having a greater (than 2024 ISP) inclusion of CER / DER data in the proposed scenarios and / or utilising scenario parameters to ensure a distributed energy focus. The mechanics matter less than the goal of reflecting growing CER /DER investment in

future NEMs and planning for effective utilisation of these resources.

Our submission also said that the ‘base case’ or ‘counterfactual’ for each scenario should be made more explicit in the draft IASR (Inputs, Assumptions and Scenarios Report, the next main stage of the 2026 ISP cycle), to be released in December 2024. The Panel is now looking to active engagement with AEMO and some or their data generation processes in preparation of the draft IASR.

Electricity Demand Forecasting Methodology

The Panel also made a submission in response to AEMO’s Electricity Demand Forecasting Methodology consultation paper that was released on 26 July 2024. Our focus was on utilising the best available forecasts for all aspects of electricity demand and supporting AEMO in their process of continuous improvement in data bases and sources for forecasting. The ISP data base is an exceptionally important resource for consumers in enabling best possible planning and policy development.

Contact the 2026 ISP Consumer Panel

The Panel is keen to hear from any energy consumer groups about engagement options or topic specific matters in developing the 2026 ISP, we can be contacted through isp@aemo.com.au.

¹ This refers to the [AER’s Annual Benchmarking Report 2023](#), Figure 8 and 9.