

Update – Integrated System Plan (ISP)

Consumer forum 27 February 2020

The Integrated System Plan

- The Draft ISP sets out the optimal development path for Australia's energy future
- It aims to ensure Australians enjoy affordable, secure and reliable energy in future and for generations to come
- The draft builds on the analysis of the inaugural 2018 ISP and follows considerable industry engagement on the design of forecasting and planning scenarios and sensitivities

High level timeline

- Consultation on scenarios, inputs and assumptions was completed in August 2019
- Draft 2020 ISP released in December 2019
- Consultation workshops took place in February 2020
- The consultation on the Draft ISP closed on 21 February
- A total of 43 submissions were received, and a consultation response summary will be released with the final ISP
- The ISP team is currently finalising the scope for modelling over the next three months, the scope of which has been adjusted with consideration of feedback from the workshops, webinar and written submissions
- The consultation on non-network options will close on 13 March
- The final ISP is due to be launched in June 2020

February consultation wrap-up

- AEMO held 4-hour face-to-face workshops in Brisbane, Sydney and Melbourne in February, plus a 2-hour webinar for those that were not able to attend in person
- The workshops were freeform Q&A and input sessions, allowing participants to ask questions directly of the modellers to help them deepen their understanding of the Draft 2020 ISP
- The workshops also aimed to provide participants with the opportunity to directly influence the scope and priority of work that AEMO should undertake to complete the Final ISP
- The webinar followed a similar approach, providing a short recap of the outcomes of the workshops, and the remainder of the 2-hour session was open for people to ask any questions they wished and provide their priorities for future work
- Over 130 people attended the workshops across the three sites, and over 70 joined the webinar
- Feedback from the events was very positive

Key issues raised

- Some of the key concerns raised covered the broader framework external to the ISP, including:
 - Interaction of network RIT-Ts with the ISP
 - Cost allocation for the proposed transmission investments
 - Need for greater certainty for developers to finance and invest
 - Need for market arrangements and transmission access framework reform.
- Other key issues raised included:
 - Cost of pumped hydro projects may be underestimated in the current inputs
 - More work is needed to define what is needed to make the future system operable and investable
 - Implementation of the ISP will be determined by commercial viability of the competing technologies, particularly in generation and storage

Attendees met the modellers

