

Dear AEMO Integrated System Plan Team,

I am writing to you today to express my concerns and provide recommendations on the current draft of the Integrated System Plan (ISP). I appreciate the opportunity to contribute to this crucial planning document that will shape the future of Australia's energy system.

1. Inclusion of Consumer Energy Resources (CER) Costs

Firstly, I urge you to reconsider the omission of costs associated with Consumer Energy Resources (CER) in the ISP. It is of paramount importance that the plan reflects the true costs borne by consumers for batteries, solar panels, and other distributed energy resources. As the ISP moves towards a more 'coordinated' approach, whereby the grid controls individual CER to support the system, these costs must be transparently included and optimized. Ignoring these costs undermines the ISP's claim to model the 'whole system' and to act in the best interests of consumers.

2. Reliability and Weather Predictability

Secondly, the ISP's current modeling of system reliability appears to be overly dependent on precise weather patterns, notably failing to account for the unpredictability inherent in weather events. This creates a concern about the realism of the 'just-in-time' capacity building and retirement strategies, particularly in response to events such as La Niñas. A more robust approach would consider the inherent unpredictability and provide a plan that ensures reliability under a variety of weather scenarios.

3. Transmission Infrastructure Timing and Planning

I also wish to express concern over the approach taken towards transmission infrastructure planning, specifically the 'actionable windows' for projects like HumeLink and VNI West. It seems that the ISP may be using sensitivity to weather events to choose the most favorable scenario to support an expedited timeline. I suggest modeling the construction of HumeLink to align with the timing approved in the Feedback Loop notice, rather than selecting an arbitrary date that may not reflect true project readiness or cost-effectiveness. This would honor the intention of a 'staged' approach and maintain credibility in the process.

4. Need for a 'Do-Nothing' Baseline Scenario

Lastly, the absence of a 'do-nothing' baseline in the ISP is a significant omission. Without this, stakeholders cannot adequately assess the true cost and impact of the energy transition. The removal of the 'Slow Change' Scenario from the IASR, which might have served this purpose, is concerning, especially amid claims of stakeholder support for its removal that do not seem to reflect reality. I urge the inclusion of a true baseline scenario in the ISP to enable a transparent and honest evaluation of the costs of meeting our carbon and renewable targets.

I trust that AEMO is committed to producing an ISP that is both comprehensive and realistic, serving the best long-term interests of all Australians. Thank you for considering my submission. I look forward to seeing a revised ISP that addresses these concerns.

Kind regards,

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David Mulholland