



12 August 2024

Australian Energy Market Operator (AEMO)

Via email: [forecasting.planning@aemo.com.au](mailto:forecasting.planning@aemo.com.au)

Dear AEMO Forecasting Team,

**Marinus Link submission on AEMO's 2025 IASR Scenarios Consultation paper**

Marinus Link Pty Ltd (MLPL) welcomes the opportunity to respond to the Australian Energy Market Operator's (AEMO) consultation on scenarios for its 2025 Inputs, Assumptions and Scenarios Report (IASR). We strongly support AEMO's forecasting and planning activities in the development of its key forecasting publications and commend the collaborative approach, underpinned by AEMO's extensive stakeholder engagement.

MLPL is the proponent of Marinus Link, a proposed high voltage direct current (HVDC) 1500-megawatt (MW) capacity undersea and underground electricity and telecommunications interconnector to further link Tasmania and Victoria as part of Australia's future electricity grid. MLPL is owned by the Commonwealth, Victorian and Tasmanian governments.

MLPL broadly supports the approach outlined in the consultation paper, including retention of the 3 scenarios from the 2024 ISP (*Progressive Change*, *Step Change* and *Green Energy Exports*), with a few key exceptions which are discussed in more detail in Attachment A. These points relate to:

- **Large industrial load closure** assumptions in the Progressive Change scenario.
- Potential for an **additional scenario** that sits between the Progressive Change and Step Change scenario to improve the distinctiveness and usefulness of the suite of scenarios.

If you wish to discuss any aspect of this submission, please contact Jonathan Myrtle at [Jonathan.Myrtle@Marinuslink.com.au](mailto:Jonathan.Myrtle@Marinuslink.com.au).

Yours sincerely,

Signed by:

A handwritten signature in black ink that reads "Prajit Parameswar". The signature is written in a cursive, slightly slanted style.

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Prajit Parameswar

Chief Commercial officer



Attachment A  
 Specific comments on AEMO's consultation paper

**Proposed amendments to scenario parameters**

**Table 1 MLPL comments on proposed amendments to scenario parameters**

Proposed parameter change	MLPL support?	MLPL comments
Australian economic and demographic drivers	Yes	Given the current challenging economic conditions – arguably the largest change since the 2022 and 2024 ISPs – we believe it improves the scenario plausibility for these conditions to be somewhat acknowledged in the Step Change and Green Energy Export scenarios.
Electrification	Yes	MLPL supports AEMO's proposed changes to electrification
Emerging commercial loads	Yes	We commend AEMO on its in-depth analysis on emerging commercial loads and consider the approach outlined improves the usefulness of scenario design.
Industrial load closures	No	<p>The scale of the industrial load closures assumed in the Progressive Change scenario diminishes the plausibility and usefulness of this scenario. Without evidence of specific industries under economic stress (or modelling to suggest this will be a likely/plausible outcome), the widespread closure of major industrial facilities is not a plausible outcome. This is particularly the case if AEMO considers the pricing outcomes of its modelling of the Progressive Change which are likely to be comparatively low due to the influx of new supply and relatively low demand growth.</p> <p>We support Progressive Change having somewhat lower demand than other scenarios but consider that this is better achieved through lower economic growth and slower electrification (which is already assumed). Closure of large industrial loads is better considered as a sensitivity, and this would enable it to be considered across scenarios rather than targeted to the Progressive Change scenario.</p>

Coordination of CER (VPP and V2G)	Yes	The coordination and uptake of CER across scenarios in the 2024 ISP assumed two very disparate outcomes. We consider that the modifications proposed by AEMO for the 2025 IASR improve the plausibility, distinctiveness and usefulness of the scenario suite.
		MLPL also considers that the changes should apply to the level of CER uptake in addition to the level of coordination.

**Additional scenarios**

MLPL supports AEMO’s proposal to retain the 3 existing scenarios to maintain consistency for its planning activities.

We also consider that there may be a case to add a new scenario that sits somewhere between the Step Change and Progressive Change scenarios. Currently, both higher demand scenarios (Step Change and Green Energy Exports) assume a very rapid energy transition and high degree of consumer engagement/involvement in the transition. We believe that a scenario that retained a higher level of electricity demand but had a relatively slower transition and lower level of consumer engagement would meet all AEMO’s scenario design goals of *internally consistent, plausible, distinctive, broad and useful*.