

AEMO Consumer Forum

Meeting Summary: 28 June 2024

These notes summarise AEMO's presentations at the Consumer Forum and feedback and questions received at a high level and are not intended to be a detailed set of minutes.

Actions from previous meeting

- Consumer Forum meeting summaries and presentation decks are available on our [website](#).

Meeting topics

- Update on AEMO initiatives
- Annual stakeholder survey results
- Winter readiness
- 2024 Integrated System Plan (ISP) publication and key findings
- Establishment of the Consumer and Community Reference Group (CCRG)
- Forum feedback and next meeting

Update on AEMO initiatives

Presentation summary

AEMO presented an overview of recent and upcoming AEMO publications and activities of potential interest to consumers, including:

- An [update to the 2023 Electricity Statement of Opportunities \(ESOO\)](#), published 21 May.
- The [2024 Integrated System Plan \(ISP\)](#), published 26 June alongside a [3-page overview](#). A [publication webinar](#) was also held on 2 July and is available for playback on AEMO's website.
- Latest '[AEMO on Air](#)' podcast episode on the role of gas in the energy transition.
- AEMO's [FY25 Budget and Fees](#), published on 28 June.
- [FY25 Strategic Corporate Plan](#), published on 28 June.
- Introducing Rebecca Irwin, AEMO's Executive General Manager, Government and Stakeholder.

Annual stakeholder survey results

Presentation summary

In May 2024, AEMO completed its fifth annual wave of stakeholder research. Conducted for AEMO by SEC Newgate, this work guides AEMO's understanding of what is driving its reputation with key stakeholders, where it is doing well and where to focus efforts for improvement. While year on year improvements in reputation, trust and net advocacy scores were seen in 2024 results, AEMO has identified several focus areas for improvement: being transparent around financial management; being bolder and less risk-averse; greater display of independence and more measured optimism

about the transition; stepping up investment in consumer understanding and social licence, and to keep tackling internal inconsistencies.

Feedback and actions

On the topic of reputation, consumers asked more broadly, in response to its recent 2024 ISP release, how AEMO intended to address potential inaccuracies and mistruths around its role in the energy transition and system planning. AEMO noted that most responses to the 2024 ISP publication had been positive and well-informed, which was part of ongoing efforts to increase transparency, authenticity, and timeliness of communications with stakeholders. Misconceptions would be addressed in a timely manner with clear, independent advice and backed up by technical accuracy and economic nous.

Winter readiness

Presentation summary

AEMO presented an overview of its winter readiness preparations, which included:

- Improved energy generation capacity outlook across the National Electricity Market (NEM) from variable renewable energy (VRE) and storage systems, return to service of coal plants and reduced maintenance activities.
- Close monitoring of demand from residential and commercial users, weather and climate forecasts, studies on risks of load shedding, and planned outages.
- Increased training for gas emergency preparedness for Victoria, Wholesale Electricity Market (WEM) in Western Australia and more broadly all jurisdictions across the NEM.
- Gas-powered generation expected to play a greater role in meeting peak demand. However, there are no expected supply shortfalls forecast for the east coast gas system over the winter 2024 period although the threats to supply continuity persist.
- Maintaining an appropriate level of Reliability Emergency Reserve Trader (RERT) capacity to mitigate potential reliability risks.

Feedback and actions

Consumers raised questions around the adequacy of gas reserves and perceived lack of new gas infrastructure expansion, especially in Victoria, which was facing increased periods of low wind conditions. This included how northern states could support southern states with gas supplies.

AEMO shared that it remains alert to gas supply levels, and has forecast for these risks in its gas planning reports and [2024 Gas Statement of Opportunities \(GSOO\)](#), also noting that with the return to full capacity of some production facilities, the rate of depletion of gas reserves in Iona had slowed down. AEMO will continue to monitor weather and climate conditions as part of its operational forecasts.

2024 Integrated System Plan (ISP) publication and key findings

Presentation summary

AEMO presented an overview of its [2024 Integrated System Plan \(ISP\)](#), published 26 June 2024. The ISP is a 25-year roadmap detailing investments needed in energy infrastructure for the

transition of the NEM to net-zero emissions by 2050 within current government policies. Key findings included:

- Renewable energy connected with transmission and distribution, firmed with storage and backed up by gas-powered generation is the lowest cost way to supply electricity to homes and businesses as Australia transitions to a net-zero economy.
- AEMO's Optimal Development Path (ODP) outlines the lowest-cost path through the NEM's transition to a net zero future. It has an annualised capital cost of \$122 billion to 2050.
- It also calls for around 10,000 km of new transmission projects by 2050 to connect new generation across the power system. Investment in these transmission projects will reduce costs for consumers and deliver emissions reductions valued at \$3.3 billion.
- Many households and businesses are increasingly taking steps to shape their own energy futures by investing in solar, batteries and electric vehicles, and the 2024 ISP includes greater recognition of the role of these consumer energy resources (CER) and distribution networks.
- Consumer batteries, if effectively coordinated, can save consumers around \$4.1 billion in avoided costs for additional grid-scale investment.
- Work on the 2026 ISP is underway, with the establishment of the 2026 ISP Consumer Panel, preparing to implement the ISP Review recommendations, and development of scenarios for the 2025 IASR and 2026 ISP. The engagement plan for the 2026 ISP will be discussed at the next Consumer Forum.

Feedback and actions

Consumers provided a range of feedback, including the desire for greater representation of community sentiment in the ISP and reflect social impact costs of hosting energy infrastructure. Some offered frameworks for better public consultation which AEMO agreed to share with the ISP Consumer Panel. Others sought clarity on the ISP's Methodology, including its consideration of CER, how the Optimal Development Path was derived, and analysis of the need for long-term storage.

AEMO agreed that incorporation of community sentiment and social licence matters is an ongoing area of development for AEMO and the sector more broadly. In response to Australian Energy Ministers' review of the ISP, AEMO will be exploring community acceptance considerations into its 2026 ISP planning work.

AEMO explained that as required under the National Electricity Rules, it must publish the 2026 ISP Timetable and must undertake a consultation to review the ISP Methodology. AEMO will provide timing details as soon as possible. To help highlight key timelines and activities, AEMO will outline the 2026 ISP engagement process at its next Consumer Forum.

On preparing forecasts for consumer energy resources, AEMO explained that it blends forecasts from the CSIRO and Green Energy Markets in its Inputs, Assumptions and Scenarios Report (IASR). On setting the thresholds for different storage duration lengths, AEMO noted that information is sourced directly from industry.

Establishment of the Consumer and Community Reference Group (CCRG)

Presentation summary

Since 2022, AEMO's [Advisory Council on Social Licence](#) (ACSL) has served as a strategic advisory body to AEMO on social licence-related business planning, policy, reform and advocacy matters at a strategic level. The ACSL has been instrumental in the development of the [Social Licence Appendix](#) in the 2024 ISP and has provided key insights on consumer and community concerns to enhance AEMO's awareness. Following ACSL member and internal consultation, AEMO and the ACSL have jointly agreed to evolve the ACSL into a Consumer and Community Reference Group (CCRG). The CCRG is envisioned to be a cohort of respected consumer and community representatives who provide guidance and input to AEMO's key business planning and decision-making. AEMO will call for expressions of interest (EOI) in July to establish this new group of around 15 members.

Feedback and actions

Consumers asked whether they would be bound by confidentiality terms as CCRG members, especially on issues on which they advocate or communicate publicly. AEMO responded that confidentiality would apply to certain topics such as the ISP, but AEMO would respect all members' advocacy and representation in the public sphere. The scope of consultation would also be wider than the ACSL's remit, with CCRG members expected to deep dive into topics. Further details will be available in the Terms of Reference to be released during the call for EOIs.

Next Forum

- Upcoming Consumer Forums in 2024 are currently proposed for 29 July, 12 September, and November, with special sessions as required.
- Proposed agenda items for the July Consumer Forum include AEMO's FY25 Strategic Corporate Plan and the 2026 ISP engagement plan. For September, proposed agenda items include AEMO's FY24 Results Presentation and an update on consumer energy resources.
- Participants are invited to fill in a [survey](#) to provide feedback and propose future topics.

Contact

If you require more information, please email AEMO Stakeholder Engagement: StakeholderRelations@aemo.com.au.