



Don Harwin MLC

Minister for Resources, Minister for Energy and Utilities,
Minister for the Arts, Vice-President of the Executive Council

Your ref: DC/MC
Our ref: MDPE18/483
IM18/5208

Ms Audrey Zibelman
Chief Executive Officer
Australian Energy Market Operator
GPO Box 2008
MELBOURNE VIC 3001

Dear Ms Zibelman

Re: NSW Government Submission on AEMO's Integrated System Plan

The NSW Government welcomes the opportunity to comment on the Australian Energy Market Operator's (AEMO) consultation paper on the Integrated System Plan.

The Government welcomes the release of the Integrated System Plan to support the future development of efficient and strategic transmission investment in NSW.

The Government is well-placed to support AEMO to identify the best locations for new Energy Zones in NSW, especially given our unique position as the land use planner for NSW and ability to provide detailed data relating to a diverse range of state priorities, such as regional growth and development. This is reflected in the enclosed submission which identifies three potential priority NSW Energy Zones using government data layers.

The development of Energy Zones in NSW could encourage investment in new electricity infrastructure and unlock additional generation capacity to meet the state's evolving energy needs. This investment is likely to be needed to offset the closure of existing traditional energy generators in NSW over coming decades. It could also place downward pressure on wholesale prices and support regional development.

Accordingly, the NSW Government also supports the development of a robust implementation framework for the Integrated System Plan to deliver the transmission investment required to connect Energy Zones.

The Government supports an orderly, private sector-led transition to a modern energy system and is committed to a secure, affordable and clean energy future for NSW households and businesses.

Should you wish to discuss the submission in further detail, please contact Ms Amy Kean, Director, Renewable Energy Advocate in the Department of Planning and Environment on 02 8229 2847.

Yours sincerely

A handwritten signature in black ink, appearing to read "Don Harwin", with a long horizontal stroke extending to the right.

Don Harwin MLC

Leader of the Government in the Legislative Council

Minister for Resources

Minister for Energy and Utilities

Minister for the Arts

Vice-President of the Executive Council

Date: 20 March 2018

Enclosed: NSW Government Submission on AEMO's Integrated System Plan