



2026

Electricity Statement of Opportunities

The Australian Energy Market Operator's (AEMO's) Electricity Statement of Opportunities (ESOO) report provides a 10-year outlook on the investment needed to meet reliability standards in the National Electricity Market (NEM).

The ESOO helps industry, investors and governments plan for the future by identifying how electricity demand is changing and the infrastructure needed to maintain reliable electricity supplies over the next decade.

About AEMO

As Australia's independent energy system and market operator, and system planner for the NEM, AEMO's purpose is to ensure secure, reliable, and affordable energy and enable the energy transition for the benefit of all Australians.

We do this by operating gas and electricity systems and markets, and providing independent planning advice developed in consultation with stakeholders to plan the energy system of the future.

For more information: www.aemo.com.au

About the ESOO



Each year, AEMO produces the ESOO to assess future electricity supply and demand across the NEM, helping identify the investments needed to maintain reliable electricity supplies.



The report draws on information from industry, energy market participants and network businesses to assess future reliability and support planning, investment and policy decisions.



The 2026 ESOO includes two main reliability assessments:

- *Government Schemes and Actionable Developments*
- *Committed and Anticipated Developments*

The assessments reflect different assumptions about which future projects proceed, from those projects that are already well advanced (committed and anticipated) to a broader set of government-supported and planned developments.

What influences the reliability outlook?



Announced generator retirements



Weather variables



Investment in new generation, storage and transmission



Forecast electricity consumption and maximum demand



Rooftop solar, home batteries and electric vehicle uptake



Demand flexibility and consumer energy resource coordination

The NEM is changing

The NEM's generation mix is changing as ageing coal-fired power stations retire, increasingly replaced by renewable generation, firmed by storage, backed up by flexible gas generation, connected by transmission and distribution and complemented by consumer resources.

As the generation mix evolves, reliability will increasingly depend on a diverse mix of technologies, both grid-scale and consumer energy resources, working together to provide sufficient energy, capacity and system flexibility.

What is a reliability gap?

A forecast reliability gap does not mean power outages are expected.

It is an early signal that additional investment or action may be needed to maintain reliability in the future. Identifying these gaps early helps governments, investors and industry plan ahead and take action before reliability standards are exceeded.

Key takeaways: a 10-year outlook

Compared to last year's ESOO, key considerations to maintain reliability include:

- 9.1 GW** of new generation and storage projects were commissioned to full output in financial year (FY) 2026.
- 40 GW** of committed and anticipated projects – equal to more than half the total NEM capacity today.
- 33 GW** of publicly announced generation and storage projects awarded government investment support.
- 2.4 GW/ 7.4 GWh** of household batteries have been added through the Commonwealth's Cheaper Home Batteries Program (as at March 2026), along with continued growth in rooftop PV.
- ~15 GW** of coal and gas power stations are scheduled to retire, as informed by plant owners.
- 40%** increase in electricity consumption forecast, driven by data centre growth, broader industrial development and increasing electrification of households, industrial processes and electric vehicles.
- Operational consumption** is becoming more variable throughout the day and increasingly sensitive to seasonal and weather-related conditions.

GW = gigawatts GWh = gigawatt hours

Reliability outlook in the 2026 ESOO

Since the 2025 ESOO, the development pipeline has strengthened materially. However, the two reliability assessments in this year's report highlight that additional investments are needed to replace the announced retirement of generators and meet growing electricity consumption, including data centres.

In this context, the timely delivery of renewables, firmed by storage, backed up by gas, connected by networks and supported by growing consumer participation and demand flexibility is needed.

Generation and storage project definitions

Existing and in commissioning project: already operational or has completed commissioning for at least 30% of their capacity.

Committed project: meets all five of AEMO's commitment criteria but has not yet commissioned at least 30% of their capacity.

Anticipated project: made progress towards at least three of AEMO's commitment criteria.

Government Schemes and Actionable Developments assessment

Standard	Region	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36
Relevant reliability standard met*	New South Wales	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
	Queensland	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	South Australia	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
	Tasmania	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
	Victoria	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗

Assessment overview

The *Government Schemes and Actionable Developments* assessment builds on the Committed and Anticipated Developments assessment as it includes all 'committed' or 'anticipated' generation, storage and transmission developments.

In addition, it also models developments supported through government policies, schemes, and targets – such as completed tenders of the Capacity Investment Scheme (CIS) as agreed through Renewable Energy Transformation Agreements with the states – together with actionable transmission investments from the 2026 Integrated System Plan, forecast coordination of CER and flexible demand resources.

Key findings

Under the Government Schemes and Actionable Developments assessment, reliability standards may be exceeded from FY34 in New South Wales, South Australia and Victoria and from FY35 in Tasmania.

Committed and Anticipated Developments assessment

Standard	Region	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36
Relevant reliability standard met*	New South Wales	✓	✓	✓	✓	✗	✗	✗	✗	✗	✗
	Queensland	✓	✓	✓	✓	✓	✓	✗	✗	✗	✗
	South Australia	✓	✓	✓	✓	✓	✗	✗	✗	✗	✗
	Tasmania	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
	Victoria	✓	✓	✓	✓	✗	✗	✗	✗	✗	✗

Assessment overview

The *Committed and Anticipated Developments* assessment only considers projects sufficiently progressed to meet AEMO's commitment criteria. This assessment also incorporates recently observed project commissioning delays and now models planned and maintenance outages alongside forced and long-duration unplanned outages.

Key findings

Relative to last year's report, reliability risks have improved and no reliability gaps are forecast within the Retailer Reliability Obligation assessment period to FY30. However, reliability standards are projected to be exceeded in the latter half of the outlook period (from FY31 in New South Wales and Victoria, from FY32 in South Australia, from FY33 in Queensland and from FY34 in Tasmania).

Both assessments demonstrate that reliability in the latter half of the outlook period will increasingly depend on continued investment in generation, storage, transmission and consumer energy resources as older generation retires and electricity demand grows.

*Reliability is assessed against two standards: the Interim Reliability Measure, which applies until FY28 and limits forecast expected unserved energy (USE) to 0.0006% of annual electricity demand, and the Reliability Standard, which applies from FY29 and limits forecast expected USE to 0.002% of annual electricity demand.



For more information

The [2026 ESOO](#) is available online.