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## Delta Electricity Response to Draft ISP

Delta appreciates the opportunity to contribute to the development of the 2020 Integrated System Plan (ISP).

Delta owns and operates the 1,320 MW Vales Point power station in NSW and has retail licences to sell electricity and gas to large customers in all NEM jurisdictions. Delta has operated coal and gas fired generating plant in the National Electricity Market (NEM) since its start in 1998 and is an active participant in both the electricity and gas trading markets. Delta is diversifying its generation with a 150 MW solar PPA (Edify's Darlington Point Solar Farm), and a well advanced solar farm project on the Vales Point ash dam. This experience has provided Delta with a strong understanding of transmission connection and development needs as well as the implications of transmission investment on the financial viability of generation assets.

The ISP is being prepared in a rapidly changing policy environment. The NSW Energy Package (announced 31 January), which includes establishing a pilot renewable energy zone by 2022, is the most recent demonstration of governments influencing investment pathways for new generation and transmission. Accelerating transmission investment needs to be undertaken with caution as the security requirements of the grid of the future are still being developed.

In addition, the 2020 ISP is being developed in an environment of considerable uncertainty in several critical inter-related areas. These include technological developments in the area of innovative system services that provide the essential system security requirements needed to transform a system that has relied on thermal synchronous generation to provide these necessary services, the structure of the NEM, and the Rules that will apply going forward. For example:

1. the technologies to meet the future technical operating envelope are still evolving;
2. there is considerable uncertainty as to how storage or other forms of dispatchable generation will operate in the real world (a point recognised by AEMO at Page 46 of the draft 2020 ISP);
3. AEMO's Renewable Integration Study is not due until March and will only cover the period to 2025;
4. AEMO is currently undertaking analysis of key system security needs that will be included in the Final 2020 ISP, but as noted at Page 49 of the Draft 2020 ISP, this analysis will only extend to 2030, and
5. the results of the Energy Security Board's Post 2025 Market design work are not yet available.

The ISP should be clear on the implications of each scenario for system security and risks.

While the policy environment continues to evolve, it is even more critical that the approach to undertaking analysis in the ISP is expanded to provide a better understanding of the risks

and practical implementation challenges of each of the component parts of the five scenarios presented. In particular, Delta requests that AEMO include in the final 2020 ISP:

- comparable information on scenarios that will tell the story of the costs and infrastructure needs of the electricity transition and inform the selection of choices available;
- identification of scenario risks and sensitivities to inform whether non network solutions, including life extension of conventional generating plant, may be preferable in terms of lower cost, timelier and with reduced risk of stranded assets; and
- multi criteria analysis even if this is qualitative. Transmission is part of a broader electricity supply strategy and global environment - scenarios need to be feasible (e.g. deliver energy security, support investment given availability and cost of capital, and provide resilience to climate events) as well as tick the optimal economic solution box. The analysis should also highlight where these objectives may not be achieved or there is a reduced likelihood of them being achieved.

Against this background, Delta submits that the loss of synchronous generation inherent in the Draft 2020 ISP should be managed carefully. Delta would further submit that continuation of existing coal fired generators, e.g., through life-extensions and associated market mechanisms, may be the lowest cost solution for ensuring system security and reliability while technical parameters are determined and technological developments progress.

To support continuing strong stakeholder engagement on the development of the ISP, Delta requests:

- regular updates from AEMO on how key policy decisions at the COAG Energy Council meeting in March and other national electricity market reform initiatives may impact outcomes in the final ISP; and
- AEMO publish a document setting out its response to stakeholder feedback and rationale for how it has approached the treatment of comments.

Finally, Delta notes there are a number of moving parts in the COAG Energy Council policy development process. Therefore, some of these comments in the submission are repeated from Delta's submissions to the ESB and/or AER processes concerning the ISP given the interactive approach being taken to ISP consultation. These are repeated in this document for completeness and as the outcomes of the other processes are not known.

Please contact me if you have queries regarding this submission. My contact details are m:0408488961 and email [tony.callan@de.com.au](mailto:tony.callan@de.com.au).

A handwritten signature in black ink, appearing to read "Callan".

Anthony Callan  
Executive Manager Marketing

## ATTACHMENT

### Delta Electricity Response to Draft ISP – Detailed Comments

#### 1 Context for development of the ISP

AEMO is developing the ISP concurrently with the development of the National Electricity Rules to support ISP implementation (scheduled to be considered by COAG Energy Council in March) and the AER Guidelines to make the ISP actionable (scheduled to be finalised in June). These projects are progressing in parallel:

- given the COAG Energy Council is prioritising management of the transition underway in the National Electricity Market and part of this work is the need for timely commencement of new transmission investments and augmentation of existing capacity; and
- to provide stakeholders with an opportunity to see how the draft rules, guidelines and ISP line up.

In addition to the above workstreams, Delta considers the strategic direction of the final 2020 ISP and its role in contributing to long term National Electricity Market reliability and security goals should be further informed by:

- i. the COAG Energy Council meeting in March which is scheduled to consider ESB advice on accelerating the connection of REZs to the transmission network and the adequacy of existing reliability standards. The Council is also expected to consider recommendations from the AEMC's CoGATI (Coordination of Generation and Transmission Investment) review. Delta understands that the Council may also look at reforms to the electricity market design to ensure the power system can operate securely. Any policy positions from the Council on these interrelated projects are likely to influence final ISP outcomes;
- ii. further advice from the NSW Government on how it will operationalise and implement the NSW Electricity Strategy and timeframes for doing this. Delta is looking for consistency between NSW and national reforms and a pathway that minimises costs to consumers;
- iii. the release of the AEMO Renewable Integration Study (around March) which is focusing on quantifying the technical renewable penetration limits of the power system for a projected generation mix and network configuration in 2025. This study will allow an assessment of whether the economic scenarios can meet the technical requirements to support the NEM. The optimal economic path also needs to meet security and resilience needs;
- iv. AEMO's consultation on 2020 forecasting and planning assumptions. Any changes to key assumptions will be important to understand in relation to what the final ISP will look like;
- v. national market reforms including development of market mechanisms to support primary frequency response. Reforms to improve energy security outcomes will determine to what extent economic options under the ISP also deliver technical outcomes.

- vi. AEMO's analysis of key system security needs that will be included in the Final 2020 ISP; and,
- vii. the results of the Energy Security Board's Post 2025 Market design work.

This means that the process for finalising the ISP should be iterative and it will be critical for AEMO to keep stakeholders informed of how key changes in one piece of work impact the ISP. Delta appreciates that the Energy Security Board's work program involves coordination between institutions and projects and supports this work continuing. Following this formal consultation period, Delta would encourage AEMO to continue to communicate how policy, strategic and operational projects will impact the final 2020 ISP as there are so many moving parts. This should include fit for purpose stakeholder input on major decision points.

**Comparable information on scenarios will tell the story of the costs and infrastructure needs of the electricity transition and inform the selection of choices available**

The scenario pathways in the ISP are underpinned by a significant amount of data, assumptions and complexity. To allow an easy comparison of outcomes under each scenario, Delta requests that the final ISP provide summary information on the investment needs, whole of system costs, outcomes for reliability and consumer bill impacts of each scenario. This would be further enhanced by the request in the next section for AEMO to include in the ISP a risk assessment for each scenario.

Each scenario should also be assessed against its capacity to meet system security needs and be resilient to heat, bushfires, storms and drought.

A clear overview of the deliverables, risks and costs of each scenario would support Government policy makers, community and the industry understand what is involved in the transition from the current highly centralised energy system to a highly decentralised energy system. It is assumed the new system will be principally built around variable renewable energy, with significant increased transmission needed to deliver that energy to major population centres, as well as major new investments required to ensure system security.

However, it is highly uncertain if and when such a new system will exist and how it might develop. Synchronous generation may play a much greater role than anticipated if new system security technologies do not even eventuate.

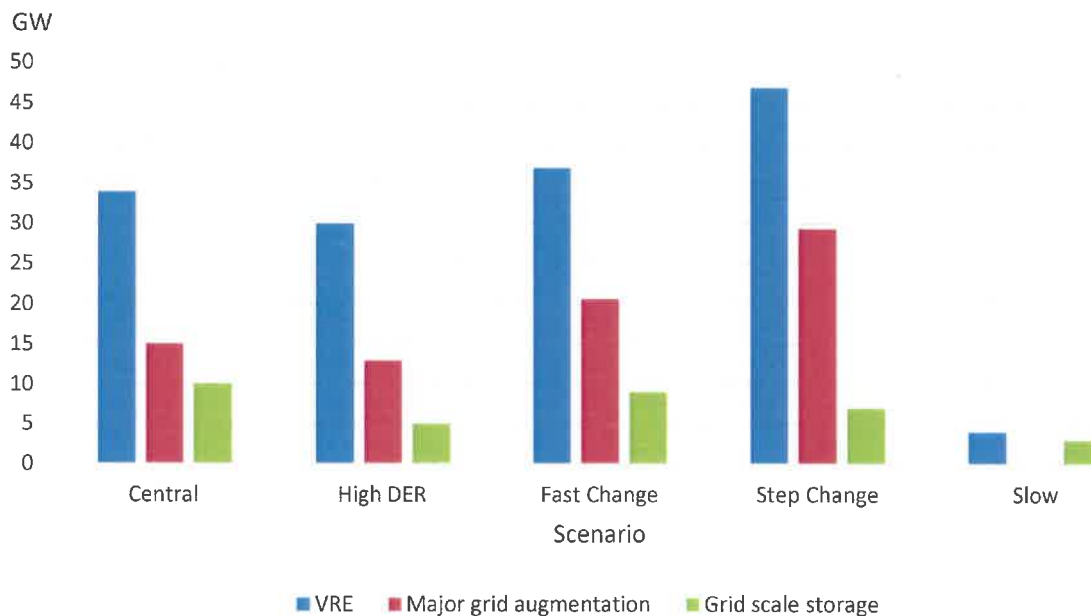
As an illustration, the scenarios presented in the ISP have a wide range of investment and therefore likely consumer cost outcomes. Chart 1 pulls together information from across the draft 2020 ISP and its Appendices to provide a comparison of the GW of new large-scale infrastructure required under each scenario, with this investment necessary to replace approximately 15GW of coal fired generation. Under the High DER Scenario around 13 GW of major grid augmentation and 30 GW of large-scale variable renewable energy sources are required. This is significantly less than the Step Change Scenario which requires more than double the amount of major grid augmentation (30 GW) and more than one and half times the amount of variable renewable energy (47 GW). Significant investment in System Services will also be required. In addition, the Draft 2020 ISP notes that gas-powered generation could also provide the synchronous generation needed to balance variable renewable supply and, therefore, is a potential complement to storage (Draft 2020 ISP, Page 46). Gas production and transportation will therefore be an additional development and investment need depending on each scenario.

Delta therefore submits that "traditional" synchronous generation may play a much greater - or longer - role than anticipated under the Draft 2020 ISP if new system security



technologies do not even eventuate and/or if the assumed substantial gas production and transportation developments do not occur, are delayed and/or the cost of this new gas proves too high.

Chart 1 – Infrastructure investment requirements (GW) under different ISP scenarios



Source: Compiled from data within AEMO’s draft 2020 ISP and its supporting appendices

Delta encourages AEMO to consider ways to clearly present information and outcomes to allow meaningful comparisons between scenarios. By comparing scenarios, there may be outcomes which signal it would be preferable to look for alternative pathways rather than prepare for the scenario presented. As the ISP is currently presented, it is difficult to determine risks and costs of different alternatives.

**2 Identifying scenario risks is important for understanding whether non network solutions may be preferable (lower cost, more timely and reduced risk of stranded assets)**

The optimal transmission development path should provide market benefits across the broadest range of future scenarios. AEMO is selecting the preferred development path by using a potentially arbitrary future scenario as the most likely. While this selection is informed by consultation, it increases the risk of preparing for just one future that does not eventuate. A probability weighted approach is preferable for limiting the risk of stranded assets and unnecessarily increasing consumer costs.

The ISP should explicitly identify the potential risks under each scenario and seek and describe potential non-network solutions that could delay decision making until it becomes clear that the scenario will eventuate. In the case that it does not eventuate, these alternatives would reduce the risk of stranded network assets. This would enable stakeholders to gauge the likelihood of each scenario, including the optimal development

path, and make investment decisions which may support lower cost, more effective solutions.

For generation investors, the timing and project size of the transmission priorities set out in the ISP are critical for informing generation investment decisions (exit, life extensions and entry). It is therefore important that an appropriate risk assessment of each scenario is presented in the ISP so that generation and other investors can weigh the benefits of non-network solutions.

Delta reiterates comments made in previous submissions to the ESB and other ISP processes that the ISP is proposing substantial investment without an appropriate risk assessment and call for non-network solutions. Delta favours transmission investment over other solutions and risks overinvestment in network assets. Delta considers that the following should be addressed in the ISP to strengthen its role in providing whole of system advice:

1. an explanation of the risks of each scenario eventuating and the key assumptions which will change outcomes under that scenario; and
2. linking with non-network solutions, including opportunities for generator refurbishment, as options for delaying the timing of transmission investment until greater clarity emerges about what’s needed.

A discussion on the potential risk of each scenario not emerging and the costs to customers if the investment is made but is not needed would allow policy makers, investors and consumers better evaluate each scenario. Table 2 provides a suggestion for the type of information which might be useful to compare scenario risks even if qualitative. The existing scenarios already provide quantitative bookends for the investment task required.

*Table 2 – proposed framework for risk assessment of each scenario*

Scenario	Assumptions, data		Other key risk factors (e.g. investment not emerging, system security, etc)
	Key variables which will influence scenario outcome	Possible risks to variables	
Central			
High DER			
Fast Change			
Step Change			
Slow			

The roadmap to the late 2020s appears largely set with investment in progress to support the delivery of QNI minor, VNI minor, EnergyConnect, HumeLink and VNI West. Beyond these projects, the roadmap should be cautious about giving the ‘green’ light to further substantive new investment as scenarios can readily become obsolete. A careful balance is required to prepare for the future but also pull back and change direction if it doesn’t eventuate. Being prepared comes with a cost and broader consequences of potentially crowding out alternative, lower cost investments. Both of these costs need to be minimised.

New transmission is capital intensive, very long-lived infrastructure that could become stranded assets in a rapidly changing technology environment. Where transmission

development is not fully utilised or stranded, electricity consumers would be paying for that asset over many decades for potentially no benefit. Transmission network owners face very little project risk under the current regulatory arrangements in that once a project is prioritised under the ISP and revenue requirements are approved by the AER it becomes part of the network's regulated asset base.

An example of the negative impacts on consumers of miscalculating the need for grid resilience and consequently capital investment is the estimated \$20 billion overinvestment in the electricity distribution network between 2008 and 2018, where excessive reliability standards were one of the key drivers of overinvestment.<sup>1</sup> Customers will continue to pay for this investment for decades to come.

This overinvestment in distribution network reliability and the risk of stranded line assets has occurred at the same time as step changes in customer consumption patterns, and technology capability and costs. The operating environment has changed to such an extent that non-network solutions to providing customers with reliable electricity supplies are competitive with and can be preferable to network solutions.

Distribution networks are now looking at moving customers to standalone power systems and more actively managing the distributed energy systems to support highly localised 'mini grids' which can provide temporary islanding capability<sup>2</sup>. This is particularly the case where there are lines with a low customer density, located in bushfire prone areas and/or where there is congestion on the network. Essential Energy projects that standalone systems, not connected to the National Electricity Market, will be the lowest cost of service for over 2,000 of its customers over the next ten years.<sup>3</sup>

These examples highlight how in the space of a decade the system needs and optimal investment paths can change and highlight that transmission is part of a diversified electricity supply strategy and not the only component.

In future years, once the draft ISP is published, non-network options could be provided by stakeholders through a consultation process and these must be assessed by the transmission network when carrying out its RIT-T. This requirement to consider non-network options is a positive development. However, it would be preferable for non-network options to be considered on an equal footing with network options. For this to occur non-network options should be identified and considered in parallel with network options. This would require non TNSP stakeholders to be involved in the process of identifying options to address identified needs. Delta suggests that, as well as providing a 12-week period following the release of the draft ISP for proponents to suggest non-network options, stakeholders wishing to propose non-network options should be included in the joint planning process. Delta would further suggest that in order to provide a more transparent approach to the future consideration of non-network options, the AER should be required to closely assess, and report on, how non-network options were considered as part of the relevant RIT-T.

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<sup>1</sup> *Down to the wire: a sustainable electricity network for Australia* (2018) <https://grattan.edu.au/wp-content/uploads/2018/03/903-Down-to-the-wire.pdf>

<sup>2</sup> An examples is the Ausnet Mooroolbark project <https://www.ausnetservices.com.au/Community/Mooroolbark-Mini-Grid-Project>.

<sup>3</sup> *EMO0037 – Essential Energy submission on the issues paper - Review of the regulatory frameworks for standalone power systems* <https://www.aemc.gov.au/sites/default/files/2018-10/essential%20energy%20-%2020181015.PDF>

### **3 Transmission is part of a broader electricity supply strategy and global environment - scenarios need to be feasible as well as tick the optimal economic solution box**

Transmission investment and alternatives to meet customer needs are driven by grid technical operating parameters, reliability targets, broader reforms and policy priorities across the national electricity market. The ISP is being developed to contribute to the delivery of these customer and policy outcomes and recognises that transmission investment is only part of the electricity supply chain. This is evidence in that the ISP highlights the need for complementary policy reforms.

Delta requests the scenarios put forward in the ISP are put into context as to whether they will support delivery of other electricity market parameters, notably minimum technical requirements to underpin grid security and resilience to weather events, and are feasible given broader macroeconomic trends. In short, the optimal economic solution will also need to be practical. The ISP should set out how each scenario is:

1. consistent with broader national electricity market security needs, particularly inertia and system strength;
2. resilient to changes in environmental conditions such as heat, bushfires, storms and drought; and
3. able to attract the required investment.

In formal terms, this could be a form of multi criteria analysis. To provide some guidance, each of these issues is discussed in more detail below. ISP analysis on each issue may tend towards a qualitative approach rather than quantitative approach given the tight timeframes for completion. However, it should highlight any risks to the scenarios and any potential challenges to implementation.

#### **3.1 The future integrated system design must meet NEM system security needs**

The system security needs and the technologies capable of meeting these needs under high levels of variable renewable generation and low levels of synchronous generation are still being determined. Globally significant work is underway to understand the technical operating envelope for electricity grids in these circumstances and what technologies can deliver this envelope.

The European Union's SysFlex is undertaking work to come up with new types of services that will meet the needs of an electricity grid system with more than 50% of renewable energy sources. It is looking at finding the blend of flexibility and system services that will support secure and resilient transmission system operation.<sup>4</sup> This work is due for completion in November 2021. AEMO's Renewable Integration Study due for release in March 2020 will provide greater clarity on the requirements of the NEM to 2025. However further work will be required to understand implications of even higher levels of renewable penetration for grid security beyond 2025, noting that this is a major issue for consideration as part of the ESB's Post 2025 Market Design work. There is also supporting work being undertaken on NEM regulatory reforms.

Scenarios such as bringing forward the establishment of the NSW Central REZ need to be carefully assessed for their grid security implications and therefore their feasibility. AEMO

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<sup>4</sup> See <https://eu-sysflex.com/>



expects this scenario could accelerate the retirement of NSW coal fired power stations and this would have significant implications for inertia and system strength.

TransGrid advises<sup>5</sup> that the removal of the inertia services provided by Vales Point increases the risks that the rate of change of frequency (RoCoF) will be greater than 3 hertz per second, the current standard. This risk is likely to increase if frequency bands are tightened under current proposals to amend the national electricity rules and will also be influenced by the timing of coal fired power station retirement decisions in other states.

Vales Point is connected to the high voltage (330kV) transmission network and therefore is also an important contributor to the maintenance of transmission network voltage.

A scenario may be economic but may not be feasible from a system security viewpoint or may have dependencies such as a constraint whereby it cannot be implemented until the required system security needs are in place.

### **3.2 The ISP should support system resilience to weather related events such as heat, bushfires, storms and drought**

The 2019/20 summer has highlighted the vulnerability of the electricity system to interruptions from bushfires and the pressure on generation (both coal fired generation and VRE) from heat related and storm events. Over the past decade drought has underpinned reduced generation capacity at various points for the Snowy system and hydro system in Tasmania.

Proposals to further expand and augment the electricity transmission network under a highly decentralised structure (compared with the current highly centralised system that is close to major population centres) should therefore be supported by analysis of how they will improve network resilience to weather related events such as heat, bushfires, storms and drought or whether there will be areas of increased vulnerability and how this will be managed. While the ISP need not address this issue in detail, understanding the implications are important for consumer, government and investors particularly as they look to understand what future system they require, the additional costs that may be involved and whether alternatives may be preferable.

### **3.3 The investment task is substantial and may require further government backing**

The investment challenge of securing capital to deliver the very substantial transmission investment, replacement generation capacity and supporting storage, as well as new gas production and transportation, that will be required as the NEM transitions through to 2040 should not be underestimated. All scenarios, excluding the slow change scenario, require significant private sector capital investment to support delivery.

The transmission and grid scale storage components are being well supported by governments. The Commonwealth is committing \$1 billion to a Grid Reliability Fund to support investment in new energy generation, storage and transmission infrastructure. Eligible investments will include:

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<sup>5</sup> TransGrid 2019 Annual Planning Report <https://www.powerlink.com.au/reports/transmission-annual-planning-report-2019>

- energy storage projects including pumped hydro and batteries,
- transmission and distribution infrastructure, and
- grid stabilising technologies.

The Commonwealth-NSW Memorandum of Understanding – NSW Energy Package sets out funding arrangements for the establishment of the NSW renewable energy zones. Notably the Commonwealth, through the Grid Reliability Fund or ARENA, will enter into negotiations with TransGrid to underwrite, facilitate or otherwise financially support TransGrid to undertake the planning, construction and commissioning works to deliver the Pilot Renewable Energy Zone infrastructure by 2022.

These funding arrangements assume that the private sector will meet the funding requirements for new generation capacity, and this is not certain. In 2019, renewable energy investment fell 40% to \$5.6 billion.<sup>6</sup> There are a number of drivers of this fall in investment including that the Commonwealth Renewable Energy Target has now been achieved. Low energy prices may continue to dampen renewable investment

#### **4 Approach to incorporating public policy**

As raised in Delta's submission to the ESB on the ISP rules, the ISP should set out the reasons for inclusion of any public policy and an explanation of how this decision satisfies proposed rule 5.22.3(b). The range of policies discussed in the ISP vary from highly detailed with legislative and/or investment backing (Snowy 2.0) to policies whose final shape is still being developed (e.g. NSW Electricity Strategy). That is, policies can be considered to be "committed" or not, similar to the principles as those applied by AEMO to committed generation project criteria, where factors such as timing, approvals, financing and procurement (land and capex) are taken into account.

Where policy is considered, this should not be limited to that directly impacting transmission and generation but on the broad suite of policies. For example, how will the ISP support delivery of the Commonwealth's commitment under A Fair Deal on Energy of \$70 per MWh for average NEM wholesale electricity prices.

#### **5 Last resort planning power**

There can be a number of reasons that a transmission network may decline to invest in a network investment project proposed by the ISP. Even where a project might be the optimal development path for the National Electricity Market it might not be optimal for the network company and its shareholders. Reasons for not investing could include competition from other investments within the shareholders portfolio which have higher internal rates of return and limits on a network's borrowing levels. The ability of the networks to raise capital, even in a regulated environment, will be an important factor in whether the large-scale projects proposed for the period 2030 to 2040 proceed.

TransGrid already has a significant capital investment program underway with EnergyConnect, HumeLink, VNI West, QNI minor and VNI minor at various stages of progression through approval processes, procurement and contracting. Further possible investments as proposed in the ISP, including QNI medium, reinforcements for the major demand centres of Sydney, Newcastle and Wollongong, and connecting renewable zones will add to TransGrid's financing challenges. Aside from the Central West, it is difficult to see

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<sup>6</sup> <https://about.bnef.com/blog/late-surge-in-offshore-wind-financings-helps-2019-renewables-investment-to-overtake-2018/>

how any other transmission company can provide these projects given they are so intermeshed with TransGrid's existing network.

Government financial support remains an important factor in underpinning these projects or at the very least at the start-up phase. The SA Government made a \$200 million election commitment to support the SA-NSW interconnector, although it is understood that not all of this has been allocated. The NSW Government through the NSW Electricity Supply Strategy will provide \$9 million in seed funding for strategy planning and the set-up of a dedicated Renewable Energy Zone body as well as ensuring regulatory changes and support (not detailed) for transmission upgrades for a pilot 3,000 MW Renewable Energy Zone in the Central-West of NSW. Funding has also been provided for early works, however, the new ISP processes proposed in the ESB's National Electricity Rule consultation process should negate the need for future funding for early works (known as preparatory works in the proposed new Rules) as these will now be accelerated through the ISP process.

Given there are other factors that may influence a network's investment decision, if a network declines to progress an ISP project, it will be important for AEMO to rerun the ISP taking into account any financial constraints on the network and revised assumptions and inputs provided by the network. In this situation, a scenario should also be run as to the implications of the project not proceeding. This would allow an assessment of the costs of not proceeding and the next best development path.

## **6 Clarity around preparatory works**

The ISP proposes that preparatory works commence for MarinusLink and QNI Medium on a no regrets basis. It is important to be clear what preparatory works are and are not as well as what outcome they seek to achieve. In considering these issues what's the minimum necessary for being prepared but not over committing investment that may be unnecessary, as AEMO is essentially providing transmission investors with a green light for project to progress through regulatory approval such as State/Commonwealth planning/environmental and AER revenue processes. Both processes are costly and planning approvals have expiry dates. Furthermore, this should not be the 'green light' for capital investment in these projects or the end point for non-network solutions.

## **7 Coordination of projects across the national electricity market – regular updates from AEMO**

With so many moving parts, tight timeframes and relatively little opportunity for formal input in as the ISP is being developed through concurrent and iterative processes (rules, guidelines, forecasting, assumptions, technical advice), more regular updates from AEMO would be valuable as to how AEMO is addressing the evolving policy environment. The process of developing aspects of the ISP concurrently has been beneficial as it allows stakeholders to see how the entire work program may fit together. However, it means that strong coordination and regular communication is required. Delta acknowledges that the ESB has been doing significant work to date on project coordination and would encourage this to continue.

Four key areas where milestone updates would be beneficial on how AEMO will incorporate key policy and technical information and decisions into the ISP are:

1. finalisation of the Renewable Integration Study (scheduled end March). This study is expected to impact energy security and therefore the ISP;

2. outcomes of the COAG Energy Council meeting in March to consider ESB advice on options for accelerating REZ and changing reliability standards. This meeting is also expected to see the Council approve the final ISP Rules and a Council response to CoGATI recommendations. Any major policy changes at this meeting will likely have significant impact on the ISP and, therefore, it would be valuable for market participants, investors, etc to understand how these will impact;
3. early warning on any changes to key assumptions in the 2020 Forecasting and Planning Assumptions work program which may impact the final 2020 ISP, with the prospect of consultation on these changes and their potential implications for the final 2020 ISP; and
4. NSW electricity supply strategy development of policy parameters, implementation and timeframes

Delta requests that, in the finalisation of the ISP, AEMO:

- keeps stakeholders abreast of how the above projects will impact the ISP; and
- provides opportunities for discussions and inputs on material matters.

## **8 AEMO response to stakeholder feedback**

Delta requests that AEMO publish a detailed report setting out how AEMO has addressed key points raised by stakeholders in their submissions and the rationale for why a comment has or has not been accepted. AEMO's rationale for decision making is important for providing a common understanding of the market operator's priorities and policy positions. It will also assist investors understand the risks of investing in non-network alternatives, such as generation refurbishments.