Paddy Crumlin - National Secretary | Will Tracey - Deputy National Secretary Ian Bray and Warren Smith - Assistant National Secretaries



Integrated System Plan Australian Energy Market Operator Level 22, 530 Collins Street Melbourne VIC 3000

21 February, 2020

Sent by email to: isp@aemo.com.au

To Whom It May Concern,

We are writing with regards to AEMO's Integrated System Plan for the Australian electricity system. The creation of such a plan is essential. However, we are concerned that way in which this plan has been prepared is constraining the identification of potential renewable energy sites.

We note that the only identified potential Renewable Energy Zone that appears to include an offshore area is V5 off Gippsland. We are concerned that the identification of Renewable Energy Zones has been based on the document *Multi-Criteria Scoring for the Identification of Renewable Energy Zones*, prepared by DNV-GL for AEMO in April 2018. This document confined itself only to on-shore renewable energy resources, with all mapping of such resources ending at the coastline, and no apparent justification of why. This is despite the much higher and more consistent winds that are available at sea.

It appears that the potential offshore V5 REZ has been identified by industry and subsequently included by AEMO, and not identified by a planning process undertaken through the ISP. To be clear, we completely support the inclusion of the offshore maritime section of the V5 REZ and the proposed offshore wind project in this area. However, in our view AEMO should be taking a lead in making the assessment of potential maritime offshore REZs, and not just leaving this to industry.

Offshore wind can not only access stronger and more consistent wind, its generation profile can have important system balancing benefits. For example, wind offshore is often strongest in the evening during peak demand. Large scale projects of up to 2GW have the potential to reuse grid connection points that could go unused when coal-fired power stations shut down, as the Gippsland project plans to do. Because most of the Australian population and heavy industry is located near the coast, this could lead to significant cost savings and avoid the need to build extensive inland transmission infrastructure to access an equivalent level of renewable energy generation.

We urge the ISP process to undertake this re-assessment of potential offshore REZs and the system-level benefits of offshore wind generation.

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We look forward to discussing these matters with you further. Please feel free to contact our National Research Officer Penny Howard to discuss these matters further, at <u>penny.howard@mua.org.au</u>.

Yours Sincerely, Will Tracey,

Deputy Divisional National Secretary Maritime Union of Australia Division Construction, Forestry, Maritime, Mining and Energy Union

Cc: Allen Hicks, Secretary, Electrical Trades Union