

16 February 2023

Australian Energy Market Operator
Submitted online to forecasting.planning@aemo.com.au

Dear Sir/Madam

RE Draft 2023 Inputs, Assumptions and Scenarios Report

TasNetworks welcomes the opportunity to respond to the Australian Energy Market Operator's (AEMO) Draft 2023 Input, Assumptions and Scenarios Report (**Draft 2023 IASR**).

TasNetworks is the Transmission Network Service Provider (**TNSP**), Distribution Network Service Provider (**DNSP**) and Jurisdictional Planner in Tasmania. The focus in these roles is to deliver safe, secure and reliable electricity network services to Tasmanian and National Electricity Market (**NEM**) customers at the lowest sustainable prices. TasNetworks therefore supports AEMO's forecasting and planning activities in the development of the 2024 Integrated System Plan (**ISP**).

TasNetworks makes the following observations on various aspects of the Draft 2023 IASR.

Proposed Scenarios

The proposed scenarios are based on either very limited or very optimistic uptake in demand to meet the needs of the hydrogen industry. No scenarios closely match the Tasmanian Government's expectations for the growth in hydrogen generation. The Step Change scenario underplays the forecast uptake while the Green Energy Export scenario is too optimistic. The Tasmanian Government's Renewable Hydrogen Action Plan¹ aims for a more moderate development of a single or just a few new hydrogen connections, potentially resulting in between 100-300 MW to 1,000-2,500 MW new hydrogen load by 2030. At least one scenario in the Draft 2023 IASR should include a more moderate growth in the hydrogen industry.

AEMO notes it will work closely with jurisdictions to identify whether and how to include jurisdictional policies in the ISP. TasNetworks suggests this could be supported by inclusion of these policies as, at least, a sensitivity in the ISP to ensure local TNSPs and AEMO planning is aligned.

¹ [Tasmanian Renewable Hydrogen Action Plan web 27 March 2020.pdf \(recfit.tas.gov.au\)](#)

Inputs and Assumptions

TasNetworks supports continuing to use Hobart (Ellerslie Road) weather station to forecast state consumption and maximum/minimum demand.

We support the addition of North East Tasmania Offshore Renewable Energy Zone (**REZ**). We have seen investor interest in offshore wind in both North West and North East Tasmania. The connection points for offshore wind are proposed as George Town area for North East Offshore REZ, and remains Burnie area for North West Offshore REZ.

TasNetworks supports identification of Bell Bay as the hydrogen export port for Tasmania. This aligns with state and federal government announcements on hydrogen hubs.

Workbook

TasNetworks has undertaken a review of the Draft 2023 IASR workbook. There are aspects of the planning data that require further discussion and clarification. TasNetworks are preparing a detailed breakdown of the workbook data and welcome the opportunity to engage with AEMO directly on this matter.

Should you have any questions and to arrange a meeting on the planning data, please contact Tim Astley, Network Reform and Regulatory Compliance Team Leader via email on tim.astley@tasnetworks.com.au.

Yours faithfully

A black rectangular box redacting the signature of Chantal Hopwood.

Chantal Hopwood

Head of Regulation