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Proper Officer
Australian Energy Market Operator
ISP@AEMO.com.au

12th February 2024

Dear Proper Officer,

Subject: 2024 Integrated System Plan Consultation – Submission from Amp Energy

Amp Energy (**Amp**) welcomes the opportunity to make this submission to the Australian Energy Market Operator (**AEMO**) with respect to the Draft 2024 Integrated System Plan (**ISP**).

Feedback on ISP

We recognise the very complex and challenging task AEMO has to meet the stated objectives of the ISP, namely to outline the lowest-cost pathway for essential generation, storage and transmission, to ensure a secure, reliable and affordable energy supply, and to ultimately achieve net zero emission targets.

Taken back to first principles however, our view is that transmission infrastructure is the critical underlying component to achieve the stated objectives of the ISP. This should permeate the entire ISP if Australia is serious about net zero and decarbonisation. Transmission is critical because it is the only way to commercialise generation assets and represents the key intersection between (generally) private sector developers and State-backed transmission operators.

Our view is, unfortunately, that Australia will struggle to meet its net zero goals without *radical* reform to the levels of transmission investment and improvement in the efficiency of generation assets being authorised to connect to grid infrastructure. Relying purely on behind the meter transmission is unrealistic. We believe at the current market trajectory that Australia will have ample generation investment, but almost certainly risks having stranded generation assets or lost generation investment without drastic improvement in transmission infrastructure and connection approvals processes.

About Amp and our projects in South Australia

Amp is a leading global renewables company with over 3.5GW of solar, wind and storage projects in operations, and a global development pipeline of over 15GW. We are financially backed by The Carlyle Group, which manages USD 385 billion in assets.

As part of our investment into Australia, we are co-developing a hydrogen project at Port Bonython (in partnership with the South Australian Government), in addition to being the sole developer of a portfolio of PV and BESS projects at Bungama, Robertstown and Yoorndoo in South Australia, totalling 1.36GW of integrated PV with 2GWh of BESS.

The Cape Hardy Hydrogen Hub, on the eastern side of the Eyre Peninsula, is Amp's largest Australian renewable energy and green hydrogen project. Our vision is for Cape Hardy to be a world-class green hydrogen and ammonia production facility, utilising the Eyre Peninsula's complementary renewable energy resources and leveraging the natural advantages of the Cape Hardy site, acting as a catalyst for local opportunities and broader decarbonisation efforts. Cape Hardy will generate up to an initial 5mtpa of green ammonia, scaling up to 10mtpa of green ammonia with huge potential, working with our project partner, Iron Road Limited, to develop green iron production processes.

Our overarching principle for Cape Hardy, as with Port Bonython, is to develop at scale commensurate with the scale of the transition required not only to decarbonise the electricity sector, but heavy industrial processes as well.

Amp is poised to invest multiple billions of dollars into the South Australian and Australian economies creating thousands of jobs during construction and hundreds of jobs during operation.

Yet to unlock this investment, and to realise the broader environmental and economic benefits, we need to partner with government on a range of project delivery streams, most critically: transmission.

While we acknowledge the recently completed and planned upgrade works on the Eyre Peninsula, the current investment levels are a 'drop in the ocean' to the scale of transmission investment and reform that is required for the Eyre Peninsula to realise its huge natural advantages to become a green hydrogen / ammonia regional hub.

Feedback we receive from overseas offtakers in Japan and Korea is that without confidence in transmission infrastructure, they cannot have confidence in off-taking from our project. South Australia, with its already high renewables penetration, has a huge head start in the green ammonia and hydrogen offtake space and it has committed developers like Amp and community support in the Eyre Peninsular region; the missing piece is transmission.

To that end, and as noted in the ISP, Amp strongly encourages AEMO to work with Electranet to maximise transmission capacity into the eastern Eyre Peninsula to allow large-scale green hydrogen and green ammonia projects, like at Cape Hardy and Port Bonython, to be commercially viable.

Amp would very much welcome the opportunity to engage with AEMO on the issue of transmission into the Eyre Peninsula and unlocking the economic and environmental benefits from that investment.

On behalf of Amp, I would like to thank you for the opportunity to contribute to this process that will shape the future of Australia's grid infrastructure.

Should you have any questions or wish to follow up this submission, please feel free to contact me at dcooper@amp.energy.

Yours Sincerely



Dean Cooper
Executive Vice-President, Head of Australia