



13 November 2023

Eli Pack
Group Manager, System Planning
Australian Energy Market Operator

Via email: Eli.Pack@aemo.com.au

Dear Mr Pack,

Thank you for your letter dated 18 October 2023 outlining AEMO's proposal to issue an Integrated System Plan (ISP) update together with the Draft 2024 ISP.

As you are aware, under the National Electricity Rules (NER), for an actionable ISP project, the RIT-T proponent must seek confirmation (referred to as the ISP feedback loop) that the preferred option in its Project Assessment Conclusions Report is consistent with the optimal development path (ODP) in the most recent ISP (as amended by any ISP Update).

Based on the information provided in your letter, we understand that:

- AEMO proposes to use the most up-to-date information for a feedback loop assessment, based on what will be published in the draft 2024 ISP.
- Clause 5.22.15 (c) of the NER and the AER's Forecasting Best Practice (FBP) guidelines require AEMO to follow a single stage consultation process, as set out in our FBP guidelines, when undertaking an ISP Update.
- AEMO has completed consultation and finalised the 2023 Inputs Assumptions Scenarios Report (IASR) and the ISP methodology as part of the 2024 ISP process. Therefore, AEMO does not believe that any further consultation as required by our FBP guidelines would substantially improve an ISP Update separate to the development of the Draft 2024 ISP.
- AEMO believes that it is an efficient and effective process to issue an ISP Update by using the Draft 2024 ISP, scheduled for release in December 2023.

The AER acknowledges AEMO's view that there is likely to be limited value in undertaking a separate consultation process for the purposes of the ISP Update as consultation was recently completed on the 2023 IASR and the ISP methodology for the 2024 ISP. However, before issuing the Draft 2024 ISP, we expect AEMO to notify stakeholders about its proposed approach.

If you have any queries, please do not hesitate to contact Blair Burkitt at blair.burkitt@aer.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephanie Jolly', is written over a light blue rectangular background.

Stephanie Jolly
Executive General Manager
Consumers, Policy and Markets