

Draft 2026 Integrated System Plan (ISP) consumer advocates verbal consultation submissions – written record

1 Purpose of this document

On 10 December 2025 AEMO published the Draft 2026 Integrated System Plan¹ for consultation. Submissions closed on 13 February 2026. To support energy consumers and consumer advocates, AEMO held a verbal submission session on 13 February 2026 and produced this written record, which attendees have reviewed, to be considered as a written consultation submission. This document records comments made by participants during that session. The views expressed are those of the submitters and do not necessarily reflect the views of AEMO.

Consumer and consumer advocate attendees:

Name	Organisation(s)
Ben Willey	Energy Consumers Australia
David Prins	Etrog Consulting
Dr Glen Currie	Lighter footprints
Jennifer Brownie	Queensland Electricity Users Network
Georgina Morris	South Australian Council of Social Service
Philippa England	

2 Submission

2.1 Energy Consumers Australia

Demand Side Modelling

- Requested that demand-side options be treated equally to supply-side options in ISP modelling. Observed that current practice often relies on external consultant forecasts for demand-side resources, which are then used as fixed inputs, rather than being integrated into the core modelling and optimization process. Argued that this approach may undervalue demand-side contributions.

2.2 Etrog Consulting

Communications and clarity

- Requested a clear, public explanation of the differences in transmission line kilometres between the 2024 ISP and 2026 Draft ISP, noting confusion in comparing figures. It would be helpful if AEMO could explain to stakeholders how and why these numbers have changed, suggesting the final 2026 ISP should include explicit references to previous documentation for transparency.
- Sought explicit clarification in the Draft ISP's main narrative about which alternative technologies were considered when stating that "renewable energy, firmed with storage and backed up by gas, is the least cost way to supply secure and reliable electricity." Noted that only carbon capture and storage

¹ See <https://www.aemo.com.au/consultations/current-and-closed-consultations/draft-2026-isp-consultation>

(CCS) was mentioned as a comparator, and argued that if only CCS was considered, this should be clearly stated, as it affects how the statement is interpreted by analysts and policymakers.

- Raised concerns about public statements suggesting that if infrastructure delivery is delayed, consumers will bear all the risks and costs, including reliability issues. Asked for the ISP to include some analysis or explanation of how risks and costs are assigned and managed, so it does not appear that consumers are solely responsible for negative outcomes.
- Suggested that wherever total costs are reported, communications should highlight that several categories of costs are excluded from the Draft ISP headline cost figure. Cost categories that are excluded include customers' CER investment costs, sunk costs, and committed costs. Relevant communications include AEMO reports, infographics, summary statements, factsheets, media statements and interviews, and social media posts.

Consumer Trust & Virtual Power Plants (VPPs)

- Highlighted that consumers are generally wary of allowing third parties to orchestrate or control their distributed energy resources (DER), such as batteries or electric vehicles, especially if the perceived benefits do not accrue directly to them. Distinguished between user-initiated demand response (e.g., responding to SMS offers from retailers) and third-party orchestration, noting that trust and perceived benefit are key barriers.
- Stated that the most effective time for consumer advocates and stakeholders to influence ISP inputs and methodology is during the consultation periods on the ISP Methodology and the Inputs, Assumptions and Scenarios Report (IASR), not after the Draft ISP is released. Encouraged advocates to focus their engagement early in the process for future ISPs.

2.3 Lighter footprints

Distribution Network Transparency & Innovation

- Emphasised that improved transparency in distribution network modelling would not only benefit AEMO's own analysis but also enable third-party innovators to develop new solutions and pricing models for consumer energy resources (CER). Argued that current lack of clarity on how distribution network transitions impact costs and system operation restricts innovation and the ability of independent parties to participate effectively.
- Highlighted that better transparency would help ensure that the benefits of distributed resources such as reduced system costs and social benefits are accurately reflected in both distribution and transmission planning, rather than being captured solely on the generator side. Advocated for a process that makes these impacts visible, supporting more efficient and equitable pricing mechanisms for all market participants.

2.4 Queensland Electricity Users Network

Transmission Cost Methodology

- Asserted that the Draft ISP underestimates transmission project costs, as it relies on the Transmission Augmentation Information Database, which is only updated periodically and does not track cost increases over time. Used HumeLink as an example, where initial cost estimates were \$790 million to \$1.9 billion, but have since risen to nearly \$5 billion, with consumers ultimately bearing these increases. Argued that the cost-benefit analysis does not reflect these real, escalating costs, and that there is no penalty for cost overruns, which are simply passed on to consumers.

- Called for a methodology that tracks transmission project costs from the point of entry into the database through all subsequent updates, so that the true cost trajectory is visible and can be factored into decision-making. Also noted that some projects, like CopperString, are included due to government policy rather than cost-effectiveness, further distorting the optimal development path.
- The ISP needs to red flag all transmission projects that increase by 10% i.e. committed, anticipated, actionable or future ISP projects with preparatory activities that are included in the ISP, ESOO and IASR Report, The Transmission Augmentation Information database needs to be updated once a red flag has been raised and should chronically show the updated costs of all projects at least once every 6 months.

Distribution Network & Distributed Energy Resources (DER)

- Pointed out that distribution network costs are rising as fast or faster than transmission costs, citing Queensland's Ergon network as an example, where the Regulatory Asset Base is projected to increase from \$15 billion to \$19 billion between 2025 and 2030. Questioned the Draft ISP's high reliance on orchestrated CER, expressing scepticism that consumers will voluntarily participate in virtual power plants (VPPs) or similar schemes unless compelled by specific programs.
- Raised the issue of cybersecurity, referencing a recent incident in Poland where a cyberattack affected grid operations. Warned that high penetration of DER increases vulnerability to such incidents and asked how the Draft ISP accounts for these operational and security risks, especially as Australia targets 82% renewables.

Long Duration Storage

- Noted that the Draft ISP's reliability and transition plans are highly dependent on the timely delivery of long-duration energy storage projects (e.g., Snowy 2.0). Expressed concern that many of these projects are unlikely to be completed by 2030, and that delays would have significant impacts on reliability and security. Asked how the ISP would respond if key projects were delayed or fail to deliver as planned.

2.5 South Australian Council of Social Service

Distribution Network Transparency

- Stressed the importance of transparency in distribution network modelling, especially in South Australia, where residential and industrial demand are diverging. Noted that residential demand through the transmission network is decreasing, North West while industrial demand is increasing, and argued that this distinction is crucial for planning and cost allocation.
- Called for equitable cost recovery for new transmission infrastructure, arguing that if new projects primarily benefit industry, residential consumers should not bear the costs. Urged AEMO to analyse who benefits from new infrastructure and to ensure cost recovery mechanisms are fair, especially as residential consumers in South Australia already face high energy costs.
- Urged the ISP to include the "distribution story" in its planning, referencing ongoing rule changes that may require Distribution Network Service Providers (DNSPs) to be more involved in ISP processes. Welcomed the Draft ISP's separation of industrial and residential demand forecasts, which aids advocacy.

Data & Equity

- Requested more granular data on household energy consumption, including demographic factors (e.g., renters vs. homeowners, household size), to better understand the impacts of the energy

transition on different customer cohorts. Noted that the last major ABS survey was in 2012, and that updated data is urgently needed to inform equitable policy and planning.

2.6 England, Philippa

Home Battery Scheme & Modelling

- Questioned whether the Draft ISP's modelling accurately reflects the Commonwealth's cheaper home battery scheme, noting that the ISP projects 27 GWh of household batteries by 2050, but current uptake rates suggest this could be reached much sooner (possibly by 2030). Asked if the ISP would update its modelling to reflect the latest scheme changes and real-world trends, as underestimating battery uptake could affect the overall system plan.

Microgrids & Distribution Opportunities

- Advocated for the ISP to model the potential cost savings and system benefits of microgrids, especially in Queensland, where they could reduce the need for large-scale transmission investment. Acknowledged that microgrids are not entirely within AEMO's remit but argued that their impact should be considered in sensitivity analyses to ensure the ISP identifies the true least-cost pathway.

Distribution Network Capacity

- Welcomed and queried the Draft ISP's figures on available distribution network capacity, particularly in Queensland. Cited Appendix 9 showing 19 GW of available capacity in Queensland's distribution networks but noted that the Draft ISP itself only references 4 GW of load and 2 GW of generation/storage across the NEM distributed networks. Asked for clarification on how these numbers are derived, whether they represent costed opportunities or technical capacity, and how they relate to Appendix A9. Argued that unrecognised capacity could significantly reduce the need for new transmission.

VPP Participation

- Shared personal experience as a consumer with a battery and vehicle-to-grid (V2G) setup, regularly exporting energy to the grid. Noted that while some consumers are willing to participate in VPPs, autonomy and price signals are critical factors for engagement.