



Submission to Draft 2026 ISP

13 February 2026

Question 1

AEMO has proposed an ODP that represents a mix of investments that help deliver a reliable, secure, and least-cost power system while also meeting government policy targets. Do stakeholders agree with AEMO's optimal development path selection in the Draft 2026 ISP? If yes, what gives you that confidence? If not, what should be further considered, and why?

Response

EESN support the ISP's state on the need for System Security (p.49). The ISP recognises the potential for a cascading impact in the event of grid disturbances. What is not clear in the selection method for the ODP, is what costs are factored into the cost benefit analysis that reflect risks associated with lower levels of system security. That is, what are the costs to the economy, human health, other government services, in the event of lower levels of system security that cause cascading events? What mitigations are incorporated into the ODP to maintain high confidence in system security along the ODP transition? While the ISP sets out the challenges (p.61), Appendix 7 provides a greater regional analysis. The Appendix does offer that "New investments and reforms are needed to maintain system security in advance of these exits occurring, with opportunities to co-optimize both reliability and security to help keep costs of the transition as low as possible." While AEMO's ISP expects the TSPs to provide analysis of their system security risks via their RIT-T processes, who is assuming the role to coordinate the investment in risk mitigation between other non-TSP network actors, across jurisdictions?

Any vulnerability to lower system security may be temporary – due to inadequate timing coordination between the exit of steam generators and entry of syncons or other mechanisms to enhance system security. In other words, the optimal development path is only part of the answer, the sequence of infrastructure changes is also critical. Who is responsible for ensuring sensitivity analysis to dependencies is performed across network actors and their entry and exit programs?

Aging coal generation becomes a less reliable option to provide system security over time. What is the "no-regrets" pathway to accelerating the transition to a high IBR penetration grid?

Ultimately, EESN believe it is timely for Australia to develop a national approach to electrification across government, industry and community. The White Paper on Power Systems Security (available [here](#)) seeks to highlight the remaining questions within system security that need to be resolved to enable the transition to an IBR-rich power network environment.

