

QUESTION ON NOTICE / Spoken

IQoN 001: Inquiry into Australia's transition to a green energy superpower

Hearing Date: 23 June 2023

Topic: The Australian Energy Market Operator – Investment Figures

Senator Richard Colbeck

Question

Senator COLBECK: Mr Woods, you talked about the specific need foreign investment, and we are a country reliant on that anyway. Are there any ballparks around what we are going to need to achieve some of the things we are looking for? It is a pretty hairy question, I know, but I thought I would give you a crack.

Mr Woods: I don't have any numbers. A number of studies have been undertaken. The Australian Energy Market Operator has put out some numbers—and we can come back to you on notice with some of those numbers if that is of interest—about what the lift in our renewables would need to be in order to get us to the government's ambitions on, in the first instance, 82 per cent of the system being renewable by 2030.

Senator COLBECK: I would appreciate something, if you can do that. I think it would be useful for understanding, even if it gives us a broader sense of proportionalities as much as anything else, rather than plucking a number for example.

Mr Woods: Sure. I am very happy to do that.

Answer

Domestic energy transition:

The **Australian Energy Market Operator** (AEMO) published its biennial Integrated System Plan (ISP) in 2022, outlining a roadmap of investment required in the National Electricity Market (NEM) to support its transition to net zero emissions. Under the 'optimal development path', AEMO identifies \$12.8 billion in actionable investment in the NEM, constituting about 4 per cent of the total investment needed to develop, operate and maintain the generation, storage and future network investments of the NEM to 2050.