

Environment and Communications Legislation Committee

Environment and Other Legislation Amendment (Removing Nuclear Energy Prohibitions) Bill 2022

CSIRO responses to Questions on Notice

Public hearing – 15 May 2023

Question 1

Senator VAN: But, in terms of being able to inform debate and decision-making, surely you would agree that policymakers need better data than what you're putting forward? This morning I cited and tabled a David Carland report that criticises your GenCost report. Have you done any work on rebutting any of his work?

Mr Graham: Yes, we published a full rebuttal—

Senator VAN: You can take that on notice. The chair wants the call back. Thank you.

CSIRO's response:

In November 2022 CSIRO published a comprehensive response to the Energy Policy Institute of Australia's paper by David Carland. CSIRO's response is publicly available at <https://doi.org/10.25919/4ttg-pf92>.

Question 2

Senator VAN: I have a very quick question on notice: can you please provide the committee with your assumed costs of transmission build and all the costs, so 550, 330, 220 kV transmission lines, on a per kilometre basis or whatever the unit costs are that you've been using?

CSIRO's response:

The Australian Electricity Market Operator collects information from transmission network service providers and publishes the costs of all the potential transmission projects in an Excel file for public download. An update is provided generally every six months. The most recent version is available at this link: https://aemo.com.au/-/media/files/stakeholder_consultation/consultations/nem-consultations/2022/2023-inputs-assumptions-and-scenarios-consultation/draft-2023-inputs-and-assumptions-workbook.xlsx?la=en

Due to the timing of publication, the GenCost Consultation Draft 2022-23 relied on this previous version of the file for transmission build costs:

<https://aemo.com.au/-/media/files/major-publications/isp/2022/2022-documents/inputs-assumptions-and-scenarios-workbook.xlsx?la=en>

Question 3

Senator CANAVAN: Can I place a question on notice too? Could you advise us if Aurecon have any equity or ownership stakes of renewable energy? It seems like they're the owner-engineer of the Royalla Solar Farm at least. Could you provide us with any information you have. You presumably should have done that due diligence before seeking advice from them. Thank you.

CSIRO's response:

As stated in the GenCost Consultation Draft 2022-23 (page viii), the GenCost report encompasses updated current capital cost estimates commissioned by AEMO and delivered by Aurecon. CSIRO has confidence in, and is supportive of, AEMO's approach to commission Aurecon in developing current capital cost estimates.

To the best of CSIRO's knowledge, Aurecon does not have any equity or ownership stakes in renewable energy. Regarding the reference to Royalla solar farm on Aurecon's website, the term "owner's engineer" is commonly used in the energy sector to indicate that a firm is engaged directly by the asset owner rather than the constructor on that particular project.

Question 4

CHAIR: And, for fullness, could you expand that to give us full tote odds of how you go about this report and what the parameters are, just to answer any further questions we might have.

Senator HUGHES: Get ready for estimates!

CHAIR: It'll help you get ready for estimates, yes!

Dr Mayfield: A lot of that information's included in the appendices for the report where it talks through methodologies et cetera, but we'll see what we can do with that.

CHAIR: You have the feel for what people's concerns are, so maybe summarise it to answer some of those questions. That might be a valuable exercise. Thank you so much for your time this afternoon.

CSIRO's response:

The GenCost project is a joint initiative of the CSIRO and AEMO to provide an annual process for updating electricity generation and storage cost data for Australia. The project is committed to a high degree of stakeholder engagement as a means of supporting the quality and relevancy of outputs. Each year a consultation draft is released in December for feedback before the final report is completed towards the end of the financial year. The project scope is defined on pages 11 to 12 of the report which is available at <https://publications.csiro.au/rpr/pub?pid=csiro:EP2022-5511>. Details regarding the process for developing the report including underpinning technical analysis are provided throughout the report.

The project is flexible about including new technologies of interest or, in some cases, not updating information about some technologies where there is no reason to expect any change, or if their applicability is limited. GenCost does not seek to describe the set of electricity generation and storage technologies included in detail. Appendix C of the report, from page 77, provides more detail on technology inclusion principles.