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TRANSMISSION ACCESS REFORM DIRECTIONS PAPER RELEASED

The Energy Security Board (ESB) has released a directions paper on transmission access reform, seeking feedback on a revised model which the ESB has developed based on stakeholder proposals and the detailed design choices within it.

Energy Ministers tasked the ESB with the detailed design of a reformed transmission access regime that delivers coordinated transmission and generation investment across the NEM, as part of the broader post-2025 suite of reforms.

The preliminary hybrid mixes and matches the best elements of the previously shortlisted models, and outlines alternative approaches to providing investment signals based on either price charged or rights allocated depending on the location of the investment.

ESB Chair Anna Collyer said access reform is inherently complex and all options require difficult trade-offs, but failure to act will deliver a less orderly and more expensive transition for customers.

“With a 9-fold increase in utility-solar and wind, and 16GW of utility-scale storage expected under the ISP Step-change scenario by 2050, we are at a critical juncture to influence where we build our generation fleet of the future,” Ms Collyer said.

“We must ensure we have a consistent framework that avoids inefficient overbuild and dispatch, provides more certainty to investors about likely curtailment levels, supports market-driven investment in storage and hydrogen, and ensures we make the best use of new transmission investments.

“Landing transmission access reform is key to achieving those objectives and delivering an orderly transition that supports the long-term interests of all consumers.

“It is vital we use our infrastructure efficiently to protect consumer interests. If we use our assets wastefully, we will need to invest more to achieve the same reliability, security and decarbonisation outcomes.”

The ESB consulted on four shortlisted models including two models proposed by industry, and has incorporated stakeholder feedback into the development of the preliminary hybrid model.

The ESB will continue to work with stakeholders to develop the detailed design of a hybrid model to recommend to Ministers in early 2023. Stakeholders can register to attend a technical forum on 5 December 2022. Stakeholder submissions on the paper are due 21 December 2022.

For more information and to read the paper visit <https://bit.ly/3EjAOyZ>

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