

# Submission for the *Draft 2025 Electricity Network Options Report*

18 June 2025

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This submission is in two parts, firstly some general comments and questions and secondly a specific response to question 6 of the consultation questions.

## **General comments**

This report is somewhat of an inflexion point. I congratulate AEMO on the revised tone of this document. There are two major changes in this document, the exploration of distributed resources and very importantly a change in responsibility towards community engagement/social licence.

### *Inclusion of distribution network considerations*

For too long AEMO, heavily influenced by the Transmission Network Service Providers (TNSPs) have tried to use a like-for-like approach for the energy transition. That is, a large scale generation plus transmission model, even though AEMO's own projections show a huge proportion of future power will come from Consumer Energy Resources (CER).

Finally, (Merryn York – “for the first time”) “The distribution network will play an increasingly important role, linking individual consumers, their consumer energy resources such as rooftop solar and household batteries, and other distributed resources into one integrated power system.”

Watching the webinar briefing for this report it was very telling to note the interest and number of questions related to the CER/distribution opportunities. Clearly there are many organisations who also see this as appropriate.

On this point, praise must be given to AEMO.

### *The cost of electricity*

Many people would like AEMO to comment more on the cost of electricity. The Integrated System Plan (ISP) has an underlying mission for “least cost pathway”, but does “Least Cost Pathway” lead to lowest cost electricity? Do ISP planning costs include subsidies to wind farms and the like in the cost of the current pathway? When additional consumer and taxpayer costs are added together it seems the cost of electricity is increasing dramatically with the current approach.

It would be good to hear more about the cost of electricity. AEMO has plenty of forward charts showing how the composition of generation will change. How about a chart to show the cost of electricity and broadly show where the cost is coming from.

### Change in responsibility towards community engagement

It is somewhat hard to believe that the Draft 2025 Electricity Network Options Report has come from the same organisation. There is a marked and positive change in attitude, which although much too late is still welcome. Congratulations again.

However, there are still major shortfalls in AEMO's approach to community engagement. Here are some issues:

Social licence for transmission only is no longer sufficient – there are cumulative effects resulting from the whole energy transition. Consider the following statement from the report.

#### Purpose of REZs

Connect renewable generation in areas where clusters of large-scale renewable energy can be developed using economies of scale.

Now communities are facing “large-scale” developments. Impacts that individuals/communities might have conceptualised or considered two years ago have changed dramatically. Transmission is enabling much greater impact and this must not be ignored.

Now consider these statements from the report.

- “AEMO has continued to jointly plan with transmission networks service providers and jurisdictional bodies to incorporate social licence into transmission options.”
- “This report includes options that have been jointly planned with TNSPs and jurisdictional bodies to incorporate community sentiment or acceptance of energy infrastructure as understood by TNSPs and jurisdictional bodies.”

This is a big problem. Of course, AEMO need to consult with the TNSPs on technical issues, but they are not suitable partners for social licence. Perhaps there needs to be a completely new body? A successful community engagement strategy cannot be formed in conjunction with the TNSPs. This approach is doomed to failure and confrontation.

**Consultation question 6 – Do you have any feedback on AEMO’s land mapping approach, or other aspects AEMO could consider for future improvements?**

AEMO continue to state the importance of community engagement but then give themselves an excuse not to do much at all.

From the report - “AEMO has not included community sentiment research results in these early, conceptual options as this research is not sufficiently granular and because community sentiment changes over time. AEMO understands the high importance of prioritising community and stakeholder engagement as projects develop beyond the conceptual stage.”

AEMO must not abdicate the responsibility for actions related to community engagement.

There are so many industry and research organisations that AEMO are consulting with, but very few community engagement bodies. Every briefing seminar has 200+ attendees and practically none of these are related to community engagement.

In terms of the land mapping question and the Jacob’s report.

It seems the only outcome is to avoid urban centres! Population density seems to be the only criteria. Especially in terms of visual amenity, where population density is lowest may actually be the highest impact.

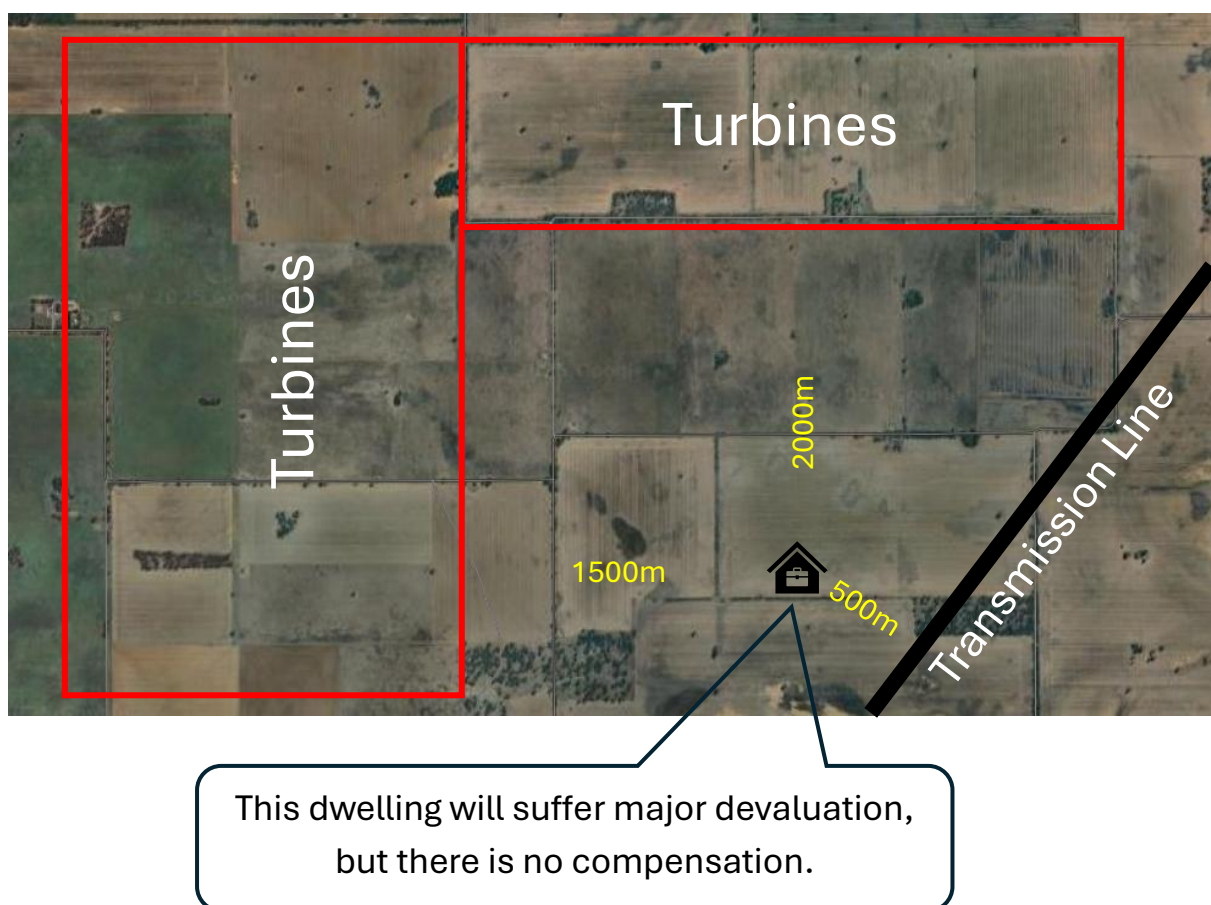
At this stage many impacts such as visual amenity and landscape changes from agriculture to “something else” are always low importance or ignored altogether. This is a counter intuitive conclusion and is why there must be more sentiment analysis. As an example of the sense of place that people have for where they live, consider the Sydney suburb of Mosman where there has been a concerted effort to stop a Woolworths supermarket. Imagine trying to put a wind turbine in that suburb! Although such liveability criteria are generally ignored (on purpose), much of the opposition comes from such thoughts. The vast majority of people working on the energy transition understand the Mosman situation but have no empathy for rural living. They don’t have any context and make statements like “they’re just empty fields”, or “there’s nothing there”.

AEMO must include criteria for other values.

There are many simple answers.

- At least map and value residences. It is an appalling omission that transmission project owners still cannot answer simple questions like how many residences are within 1km of the line?
- Other values around sense of place and liveability must be classified and included.
- Sentiment must be considered.

Consider the following mock-up.



Right from the start of planning, there must be known, fair and equitable outcomes for situations like that shown above.

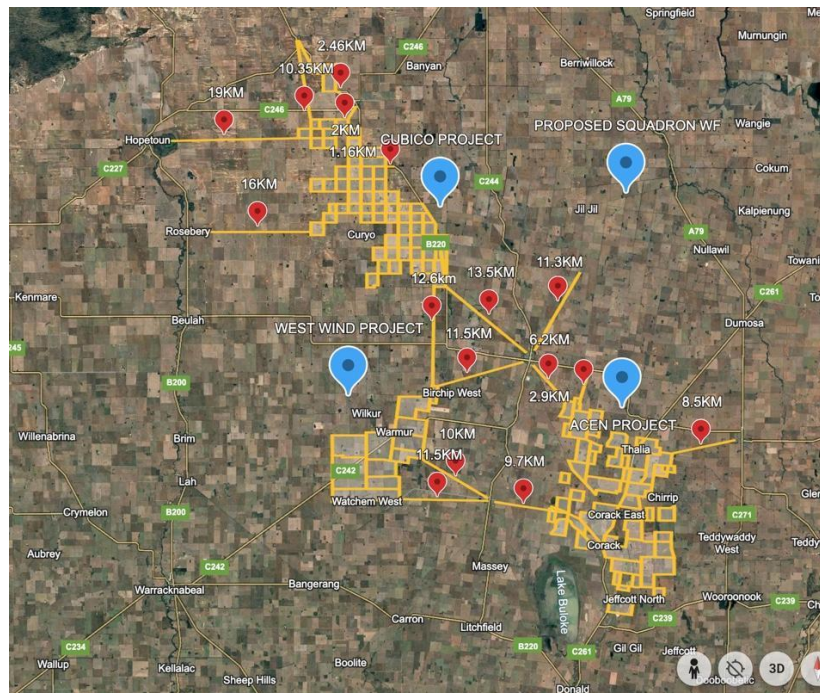
It is understandable that AEMO consider this conceptual stage as too early for such considerations.

But the reality is that communities are being divided at this early stage. All over Australia the lack of known solutions is resulting in community divisions and confrontations.

These negative outcomes are a direct result of the ISP, so it is appropriate and imperative that AEMO take responsibility.

And “fair and equitable” needs to be assessed by other than AEMO and TNSPs.

The importance of resolving these issues much earlier than AEMO recommends is shown in the following map of a proposed wind generation facility.



Notice the gaps in the area covered by the proposal. These gaps and adjacencies have already resulted in physical altercations. *Early and conceptual or not, this is happening now.*

AEMO consider that community sentiment is too difficult to incorporate.

Here’s another statement from the report.

“Community sentiment and social licence are critical factors to the delivery of transmission, or any large infrastructure, projects. However, at the stage of reviewing conceptual options there is not a practical way to directly incorporate reflect sentiment.”

Nonsense, especially at the moment, the number of sentiment analysis tools based on Artificial Intelligence (AI) that are becoming available is increasing almost daily. Once again, as I have observed in previous submissions, the webinar for this report had over two hundred participants and mostly behind each one of them I’m guessing were a lot more people. There just needs to be equivalent effort when compared to technical aspects.

## **My recommendations**

1. AEMO must take responsibility for preventing community division. This would mean providing actual solutions or templates for solutions to known and difficult scenarios. Bad situations just keep happening, somebody needs to take control.
2. Land mapping needs to,
  - Be more holistic to include other energy transition infrastructure (cumulative effects). Perhaps there should only be one map for all projects, not a map for each project.
  - Include residence proximity and valuation data
  - Include many other sense of place and liveability criteria
3. Develop an extensive and ongoing program of community sentiment analysis.
4. A separate standalone group is needed to assess the relevant aspects of the ISP for the likelihood of positive community engagement and outcomes. Rather like an ethics committee reviews policies and procedures.
5. Provide a high-level explanation of the cost of electricity in the ISP, with numbers.