

16<sup>th</sup> February 2024

Eli Pack  
Group Manager, System Planning  
Australian Energy Market Operator

Dear Eli,

**Re: Draft 2024 ISP Consultation**

The Australian Hydrogen Council (AHC) is the peak body for the hydrogen industry, with over 100 members from across the hydrogen value chain. Our members are at the forefront of Australia's hydrogen industry, developing the technology, skills and partnerships necessary to ensure that hydrogen plays a meaningful role in decarbonising Australian industry.

AHC welcomes the release of the Draft 2024 Integrated System Plan (ISP) consultation. The ISP is a vital body of modelling that informs our national energy transition. For Australia to appropriately plan for the complex energy transition, we need this form of advanced planning and regular reassessment across the wider net zero undertaking. In its current form, broader, whole of system energy modelling is outside the remit of the ISP, and AHC would advocate that this extended scope be enabled, either partially or entirely conducted by AEMO.

The energy and industry transition will connect complex systems and require fundamental change. We need additional, interconnected data that interrogates the intricacies of the complete system, from addressing off grid energy supply to workforce needs in remote locations to modelling future potential policy steps. This level of planning is a significant task but would provide the confidence to assist governments, the private sector and the public to make informed decisions about their options and actions.

The natural parameters of the ISP means that some important analysis is currently out of scope. For example, in the Green Energy Exports scenario, 50% of electrolysers are assumed to be grid-connected, compared to 100% under the 2022 ISP Hydrogen Superpower model. If only the NEM-connected workforce and infrastructure requirements are modelled, then the forecast for these resources will understate the holistic requirements and potentially undermine the urgency for necessary policy support. Especially when decentralisation is necessary to support this transition, the Australian Government should ensure that the impact and requirements be incorporated into detailed decarbonisation modelling that considers Australia's entire energy ecosystem.

We would encourage AEMO to work with its stakeholders and the Australian Government to explore the remit of the ISP, both for extended coverage and more granular modelling across the entire net zero system.

Last August, AHC released a paper<sup>1</sup> in response to the 2023 National Hydrogen Strategy consultation process. Our paper provides a comprehensive record of the hydrogen state of play within the broader net zero context, including where further modelling is required to enable confidence and planning.

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<sup>1</sup> AHC (2023) *A fit-for-purpose refreshed National Hydrogen Strategy: next steps for building Australia's hydrogen industry*, August, <https://h2council.com.au/ahc-publications/>.



If you wish to discuss any element of this in further detail, please contact me at [ncerexhe@h2council.com.au](mailto:ncerexhe@h2council.com.au).

Yours sincerely,

**Natasha Cerexhe**  
Policy Officer  
**Australian Hydrogen Council**