



28 May 2026

Anna Collyer
Chair
Australian Energy Market Commission

Lodged online: www.aemc.gov.au

Dear Ms Collyer,

Clarifying the treatment of jurisdictional policies and system costs in the ISP – Draft Determination

Origin Energy Limited welcomes the opportunity to provide feedback on the AEMC's draft determination on the *Clarifying the treatment of jurisdictional policies and system costs in the Integrated System Plan* (ISP) rule change.

Origin supports the AEMC's draft determination not to make a draft rule. In particular, Origin supports the AEMC's view that:

- jurisdictional policies and targets should continue to be reflected in the ISP, given their central role in shaping investment and planning across the NEM;
- AEMO should not be required to assess the likelihood, feasibility or credibility of jurisdictional policy targets being achieved; and
- the ISP should not be expanded to assess the cost impact of individual jurisdictional policies.

Origin agrees that requiring AEMO to assess whether jurisdictional targets are likely to be achieved would represent a material and inappropriate expansion of its role. AEMO's role should remain focused on the system implications of different energy futures, rather than making judgements about government policy credibility or deliverability.

Origin also supports the AEMC's conclusion that the current framework provides sufficient flexibility for AEMO to consider relevant system costs where appropriate. Any broader expansion of the ISP to assess whole-of-system costs or the costs of individual jurisdictional policies would raise broader questions about the purpose and scope of the ISP, and is more appropriately considered through the AEMC's broader ISP Review¹.

While Origin supports the draft determination, we continue to consider that there is scope to further strengthen the ISP's scenario and sensitivity framework. Robust and transparent analysis remains important to maintaining confidence in the ISP and the optimal development path, particularly given the practical delivery risks facing the energy transition. Scenarios and sensitivities should continue to test credible risks, including delays or partial achievement of jurisdictional policies, supply chain and workforce constraints, planning and approval risks, and alternative renewable build trajectories.

Given the AEMC is undertaking a broader review of the ISP framework², Origin considers that review should examine whether improvements to the current scenario and sensitivity framework could support a more robust, transparent and credible assessment of delivery risks. This would provide useful information to governments, investors and market participants, while maintaining a clear distinction

¹ *Review of the Integrated System Plan framework*, AEMC, <https://www.aemc.gov.au/market-reviews-advice/review-integrated-system-plan-framework>

² *Ibid.*

between assessing system impacts and requiring AEMO to assess the likelihood or feasibility of individual jurisdictional policies or targets.

If you wish to discuss any aspect of this submission further, please contact Megan Findlay at Megan.Findlay@originenergy.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Derby'.

Sarah-Jane Derby
Group Manager, Regulatory Policy