

Electricity demand forecasting methodology consultation



Forecasting Reference Group

31 July 2024



Purpose and agenda

The purpose of this presentation is to *inform* the FRG about AEMO's **electricity demand forecasting methodology consultation**.

- Today's agenda includes:
 - Timeline – see table to the right
 - Context for Forecasting Approach consultations
 - Summary of key issues explored in the consultation paper
 - Next steps

Timing	Relevant item	Responsible
26 Jul 2024	Consultation paper published	AEMO
Today	FRG presentation and discussion	AEMO, FRG
23 Aug 2024	First stage submissions due	Stakeholders
31 Oct 2024	Draft methodology and draft reports published & stage 2 consultation begins	AEMO
29 Nov 2024	Stage 2 consultation submissions close	Stakeholders
29 Mar 2025	Final methodology and final reports published	AEMO

Forecasting Approach showing Forecasting Components

Abbreviated Key

- ISP Methodology
- ESOO and Reliability Forecast Methodology
- Electricity Demand Forecasting Methodology
- Demand Side Participation (DSP) Methodology
- Inputs, Assumptions and Scenarios Report (IASR)
- Energy Adequacy Assessment Projection Guidelines

Analytical Stream

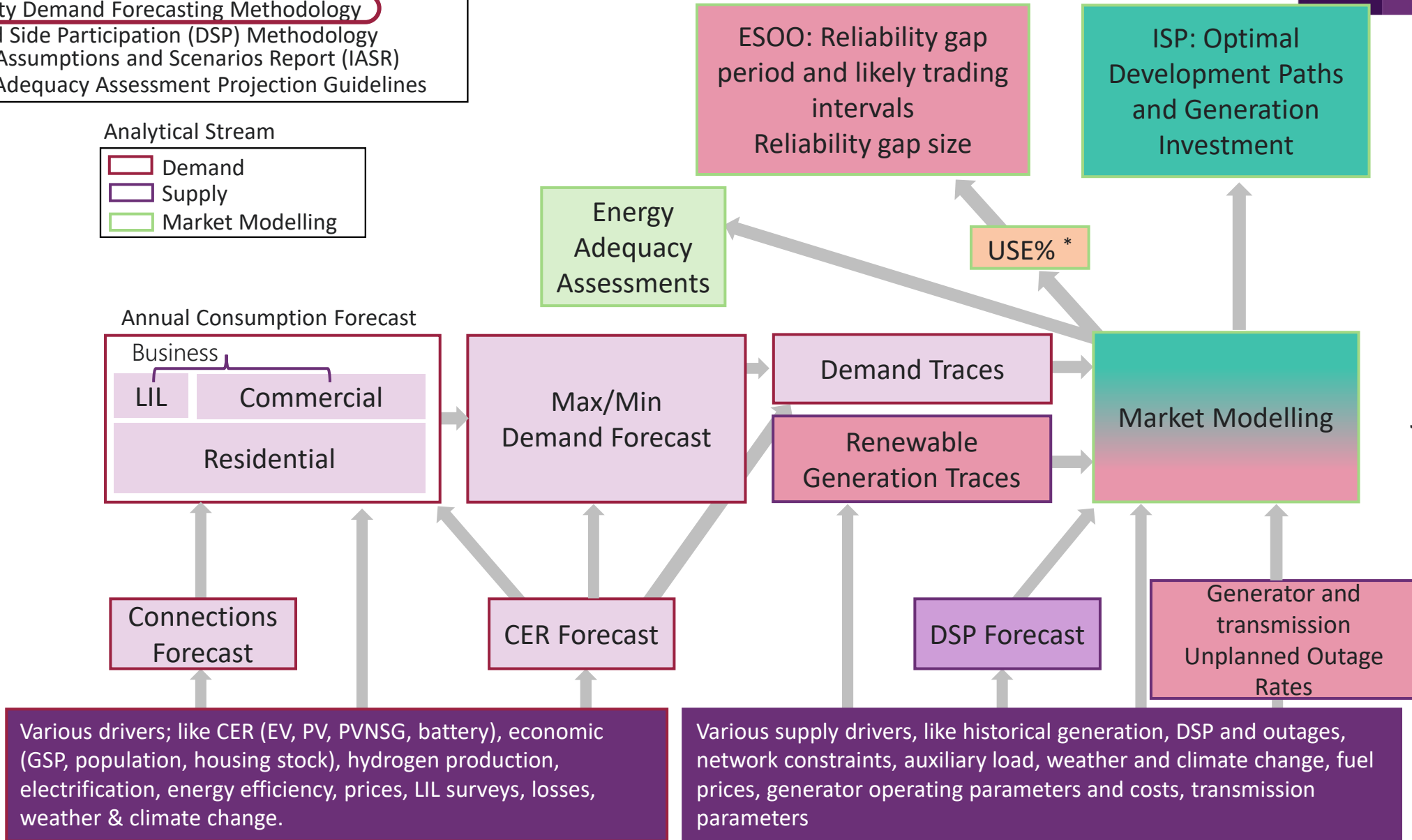
- Demand
- Supply
- Market Modelling

Forecasting Outcomes

Primary Forecasting Components

Secondary Forecasting Components

Inputs



Forecast Accuracy Assessment

Industry engagement

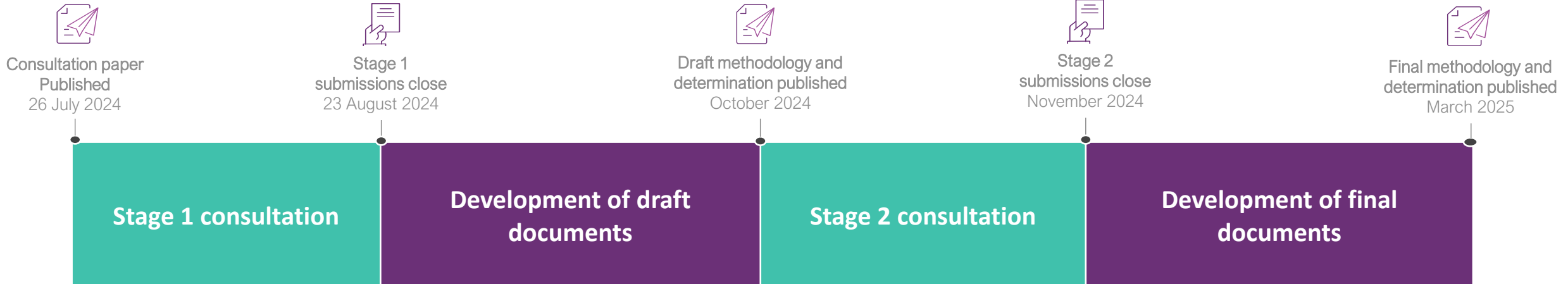
* See also Reliability Standard Implementation Guidelines

Key potential changes

Issue	Potential change raised in consultation paper for feedback
On aligning supply side and demand side inclusion/commitment criteria...	Considering the treatment of LILs to align with similar level of certainty as 'anticipated' generator developments
On future growth in large industrial loads (LILs)...	Introducing differing approaches for LIL growth for short term forecasts and long term forecasts
On data centres...	Introducing a data centre customer segment, distinct from existing LIL and business mass market segments, with its own approach
On spatial forecasting...	Seeking stakeholder views on the costs and benefits associated with more granular consumption and demand forecasts (e.g. NEM sub-region)
On the 'solar rebound effect'...	Analysing the impact on base load, heating load and cooling load
On hydrogen forecasts...	Expanding the forecasts to include green commodities which may include steel, iron, ammonia and aluminium
On improving the half hourly traces...	Developing synthetic weather years and better reflecting LILs in the traces

Next steps

- Consultation paper submissions close at 5pm AEST on 23 August 2024 to energy.forecasting@aemo.com.au
- Second round of consultation expected in October/November
- Consultation to be informed by – and to inform – parallel consultations on the 2025 IASR and the ISP Methodology



Questions and discussion

Ask your questions to help inform your consultation submission



For more information visit
demo.com.au