Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment and Energy portfolio

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Hearing: Budget Estimates

Outcome: Outcome 4

Program: Energy Division (ED)

Topic: Generators

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Senator Ludlam asked:

My final question—this is something that is starting to show up in supply-and-demand curves in Western Australia, and I presume it is the same on the national network. Solar photovoltaics distributed installation is now on a scale where the afternoon peak that used to exist is flattening out or it is being pushed to a bit later in the afternoon. In some instances, it is actually turning into a dip. I am wondering whether anybody at the table, or anybody you can point us to, is doing any modelling across the country on at what point that starts making baseload generators completely non-viable—when that gouge falls to zero and you have to turn the baseload units off for a spell. Because that is on its way—it is probably closer than we think. What do your experts tell you about how far off that is?
Mr Heferen: Could we take that on notice.
Senator LUDLAM: Yes, you can.

Answer:

The Australian Energy Market Operator, in its 2016 National Energy Forecasting Report (NEFR), forecast minimum demand for electricity to remain flat for five years. They considered there was then potential for a rapid reduction in minimum demand from the mid-2020s, driven by forecast increases in rooftop PV resulting in the minimum demand period shifting from overnight to midday.

The 2016 NEFR outlines AEMO's forecast for installed capacity of rooftop PV to increase to 19GW by 2035-36. This will further reduce grid demand around midday and AEMO flag this may create challenges for the operation of large thermal generators.