



Mr Andrew Kingsmill  
Head of Network Planning  
TransGrid

26 October 2020

Lodged via email to: [regulatory.consultation@transgrid.com.au](mailto:regulatory.consultation@transgrid.com.au)

Dear Andrew,

### **Re Improving stability in south-western NSW RIT-T – Project Specification Consultation Report**

Neoen welcomes the opportunity to make this submission to TransGrid's Project Specification Consultation Report (PSCR), which reviews options for improving stability in the south-western NSW power system.

Neoen is France's leading independent producer of renewable energy, and one of the fastest-growing worldwide. Neoen is a responsible company with a long-term vision that translates into a strategy seeking strong, sustainable growth. We have over 2 GW of generation in operation and under construction globally, including in Australia's National Electricity Market (NEM): Hornsdale Wind Farm (309 MW) and Hornsdale Power Reserve (150 MW/193.5 MWh battery system) in SA; Parkes, Griffith, Dubbo, and Coleambally Solar Farms (combined 255 MW in NSW); Western Downs Green Power Hub (400 MW in QLD), Bulgana Green Power Hub (hybrid wind/battery system) and Numurkah Solar Farm (combined 314 MW in VIC); and the Degussa Hybrid Power System (10.6 MW in WA).

### **Our pipeline**

Neoen has a rapidly growing pipeline of new generation projects under development across the NEM, including in TransGrid's south-western system, which we are targeting for commissioning in the next few years.

With the significant amount of existing and committed generation in the area, and with the price of renewable energy now the cheapest form of energy, it is imperative that the transmission system be appropriately augmented in good time to keep up with this trend.

### **The identified Need**

Neoen agrees with the Need as outlined in the PSCR.

In brief, the identified stability issues caused by outages of the 330 kV 63 Wagga to Darlington Point line are causing an abundance of affordable solar energy to be constrained off the market. This simultaneously leads to higher prices for consumers, and severely impacts the financial viability of these solar generators going forward. Both of these negative outcomes are the very opposite of the National Electricity Objectives and degrade the performance of the market.

Therefore, Neoen supports this RIT-T process and TransGrid's efforts to execute a project which speedily addresses these issues.

### **Identified credible options to address the Need**

Regarding the credible options identified in the PSCR, Neoen is of the view that the option which has the shortest lead and execution times would be the best.

As seen in the PSCR, Option 3 – STATCOM appears to have both the lowest cost and fastest delivery time. Noting that TransGrid intends to investigate this option more thoroughly in the PADR, Neoen is concerned that to date,

*“...TransGrid considers that a STATCOM may not actually be able to fully alleviate the constraint but, instead, may enable the constraint to be modified to be less severe and thus still provide market benefits.<sup>1</sup>*

Neoen encourages TransGrid to explore the option of a D-VAR type STATCOM. Such devices tend to operate more quickly than traditional STATCOMs and may show that the constraint can be fully alleviated rather than only partially.

## Conclusion

Neoen agrees with the identified Need being addressed via this RIT-T process and looks forward to collaborating further with TransGrid to ensure an appropriate solution can be delivered as fast as possible.

On behalf of Neoen, I wish to thank you again for the opportunity to contribute this submission to the RIT-T consultation and we look forward to further engagement.

Should you have any questions or seek to follow up this submission at any time, please feel free to contact me via phone on [REDACTED] or email at [REDACTED]

Kind regards,



Ronny Schnapp,  
Network Connections Manager,  
Neoen Australia

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<sup>1</sup> TransGrid, *Improving stability in south-western NSW RIT-T – Project Specification Consultation Report*, 31 July 2020, p.18.