



Transgrid Advisory Council

Meeting #8

Thursday 21 September 2023
Via MS Teams

People. Power. Possibilities.

Acknowledgement of Country

We would like to acknowledge the Gadigal people as the custodians of the lands and waters of the Eora Nation, on which we meet today.

We pay respect to Elders past and present.



Agenda



Please note: today's workshop is being recorded

Time	Topic	Lead
10.30am - 10.35am	Welcome and Acknowledgment of Country	Maryanne Graham, EGM Corporate and Stakeholder Affairs
10.35am - 10.40am	Actions from last meeting	Maryanne Graham, EGM Corporate and Stakeholder Affairs
10.40am – 10.50am	Central-West Orana REZ	Daryn Mullen, Project Director
10.50am – 11.10am	VNI West Contingent Project Application (CPA-1) update	Stephanie McDougall, GM Regulation and Policy Reform
11.10am – 11.30am	HumeLink Contingent Project Application (CPA-2) <i>Cost Estimates Consultation</i>	Jeremy Roberts, Project Director, HumeLink
11.30am – 11.50am	Community Engagement update - <i>VNI West and HumeLink</i>	Michael Johnson, Program Director Stakeholder Relations Major Projects
11.50am – 12.05pm	Bushfire Season Preparedness	Lance Wee, GM Asset Management
12.05pm – 12.15pm	Energy Charter Disclosure Report	Cassie Farrell, Stakeholder Engagement Manager
12.15pm – 12.25pm	Regulatory Policy and Government Relations update	Stephanie McDougall, GM Regulation and Policy Reform Nicole Ryan, GM Community, Stakeholder and Government
12.25pm – 12.30pm	Summary and next steps	Maryanne Graham, EGM Corporate and Stakeholder Affairs

Tracking meeting satisfaction

We will launch a short poll at the end of each meeting to ask:

To what extent do you feel you had an opportunity to effectively engage today?



not effective



very effective

Do you have further feedback on any of the following topics discussed today?

- Central-West Orana REZ
- VNI West Contingent Project Application (CPA-1) update
- HumeLink Contingent Project Application (CPA-2)
- Community Engagement Update
- Bushfire season preparedness
- Energy Charter Disclosure Report
- Regulatory Policy and Government update

We appreciate your feedback

Actions from last meeting

Action	Status
Circulate draft VNI West Stage 1 CPA to TAC members.	Emailed to TAC 1 September
Provide further detail and information from the Draft VNI West Stage 1 CPA about the cost difference for the 500 KV Transmissions Line Enhancement on Project Energy Connect.	In progress
Cassie Farrell to contact TAC members to seek any feedback on our proposed maturity self-assessment in our FY23 Energy Charter Disclosure Report.	TAC members emailed survey
<i>On HumeLink CPA 2 cost increase</i> – provide further analysis on the step changes in some of the different areas and the relative contribution of these factors to the cost increase.	Discussed at TAC deep dive on 5 September
On VNI West Stage 1 CPA – provide further details on the community benefit fund amounts.	In progress

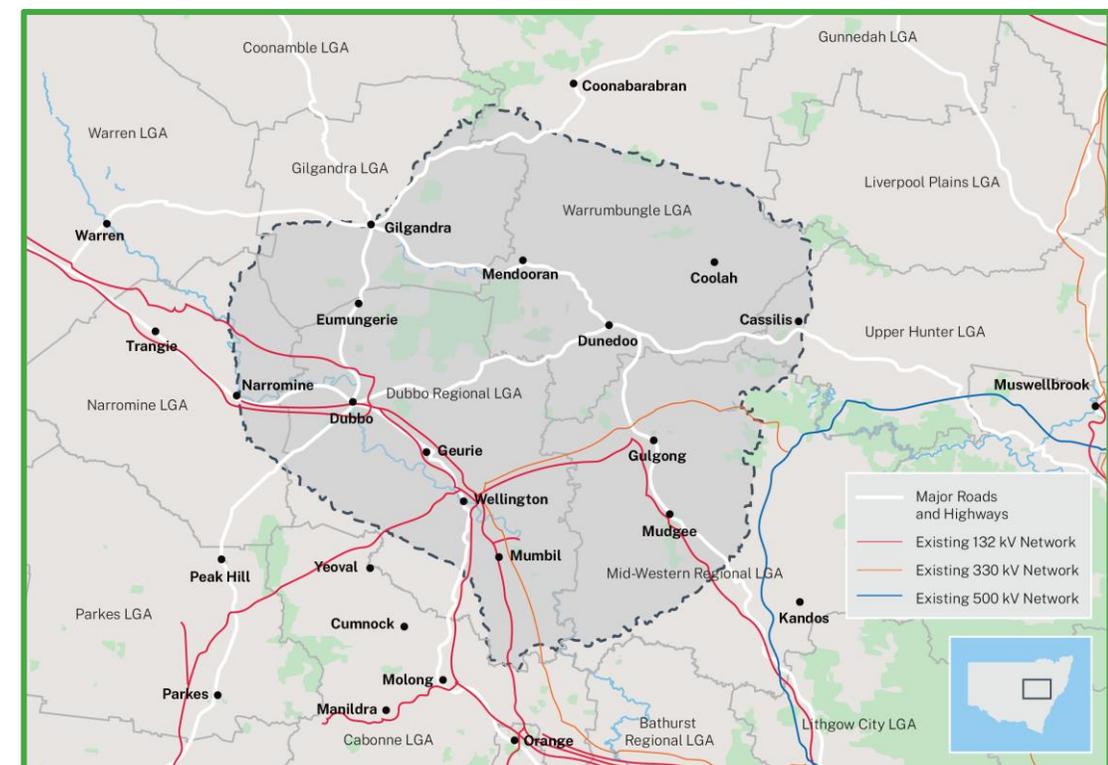
Central-West Orana Renewable Energy Zone (REZ)

Daryn Mullen, Project Director

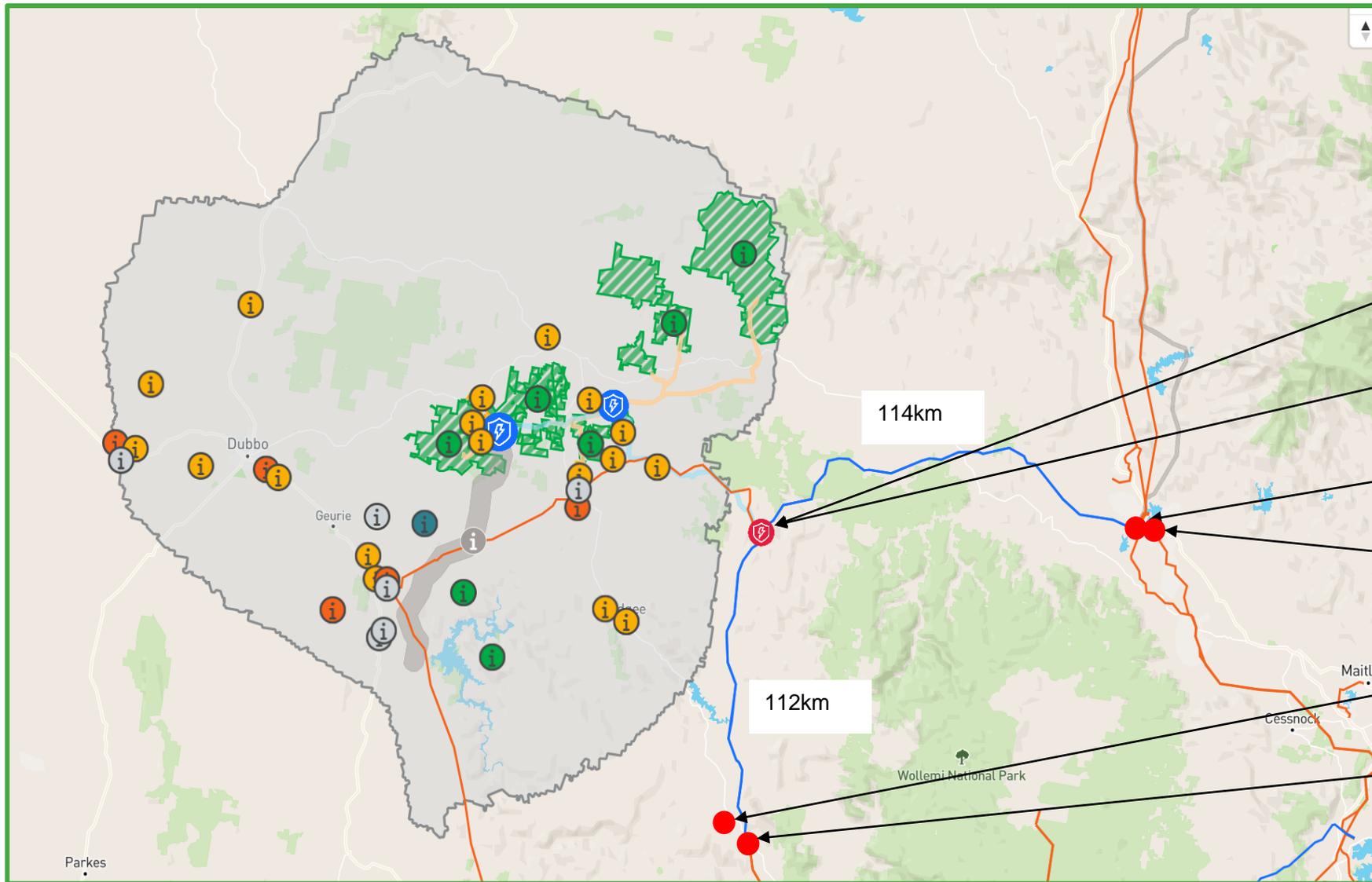


Central-West Orana Renewable Energy Zone

- Formally declared by the NSW Government in **November 2021**
- State's **first Renewable Energy Zone (REZ)**, in the Central-West Orana region
- The NSW Government is in the **development phase**
- Approximately **20,000 square kilometres** centred by Dubbo and Dunedoo
- Will initially unlock at least **3 gigawatts** of new network capacity by the mid-2020s, enough to power 1.4 million homes
- It is expected to bring up to **\$10 billion in private investment** to the Central-West Orana region by 2030
- At its peak, this REZ is expected to support around **5,000 construction jobs** in the region
- **New transmission infrastructure** will enable generators (such as solar and wind farms) participating in the REZ to export electricity to the rest of the network.



REZ / Transgrid Interface



- Existing Wollar 500kV SubStation
- New Wollar 500kV Switching Station
- Bayswater 500/330kV SubStation
- Liddell 330kV Switching Station
- Mt Piper 500/330kV SubStation
- Wallerawang 330/132kV SubStation

6km

8km

Existing substations

- Existing Wellington 330 kV substation
- Existing Wollar 500 kV substation

New energy hubs and substations

- Merotherie Energy Hub
- Elong Elong Energy Hub
- Wollar switching station

Planned generation projects

- Planned wind farm with proposed connection to the REZ transmission network
- Planned solar farm with proposed connection to the REZ transmission network
- Planned wind farm with proposed connection to the NSW transmission network
- Planned solar farm with proposed connection to the NSW transmission network

- Planned Battery Energy Storage System (BESS) with proposed connection to the NSW transmission network

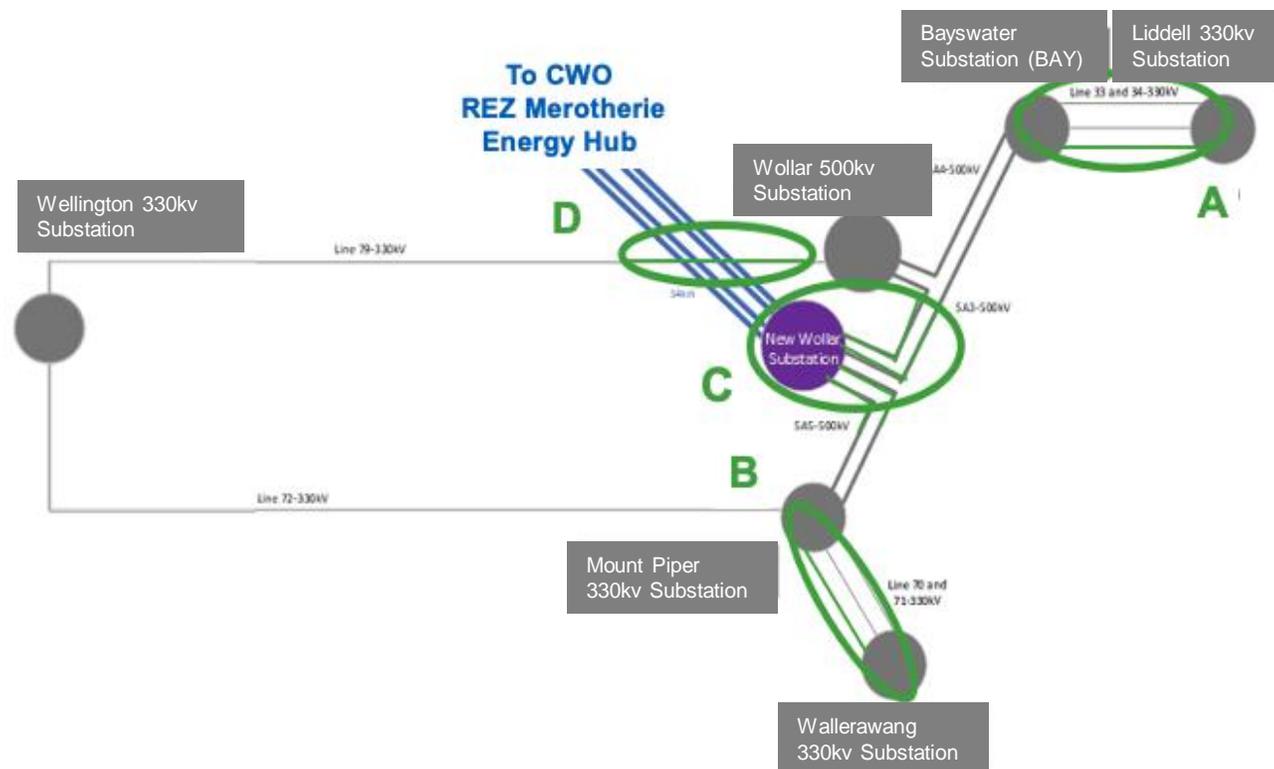
Operational generation projects

- Existing wind farm with connection to the NSW transmission network
- Existing solar farm with connection to the NSW transmission network

Transgrid's Scope of Works

Non-contestable Works Overview

Transgrid is to provide Transmission Network upgrade and augmentation works to facilitate the REZ connection.



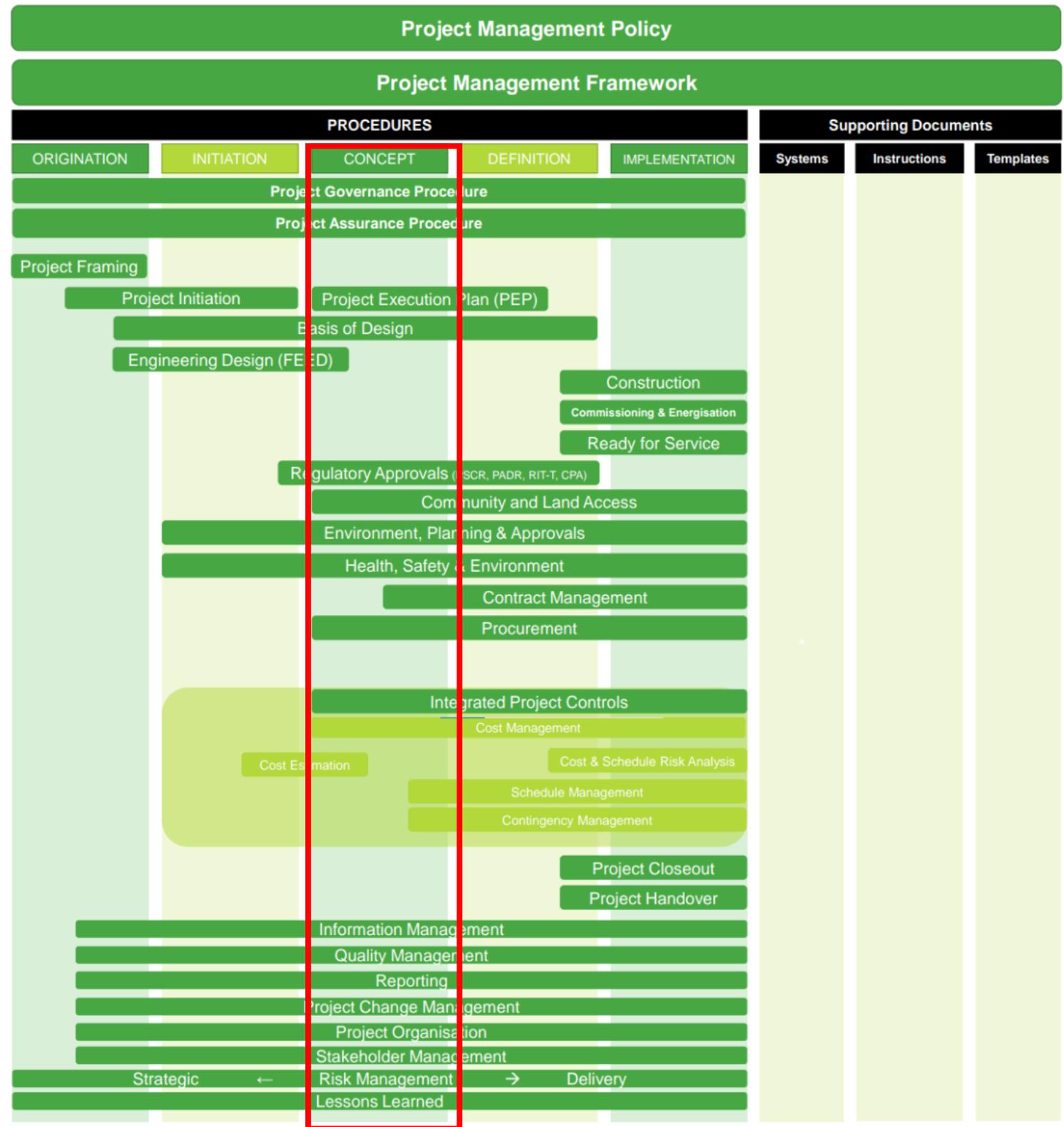
Would you like to know any further details about the scope of works?

The Non – Contestable works is defined as:

- 330kV Transmission Line arrangement works from Transgrid's existing Bayswater Substation to Transgrid's existing Liddell Substation, consisting of modifications to existing transmission lines and new assets at the substation.
- 330kV Transmission line from Transgrid's existing Mt Piper Substation to Transgrid's existing Wallerawang Substation, consisting of a new transmission line and augmentations at the substations.
- Wollar Cut In Works, including modifications to existing 500kV transmission line as well as remote ends works at Bayswater, Mt Piper and Wollar 500/330kV substations
- Facilitation of construction outages for TL79 overcrossings (no construction works by Transgrid as part of this scope)

Current Status

- Key Stakeholder negotiations ongoing (EnergyCo, ACE Energy, Transgrid)
- Maximum Capital Cost submission sent to EnergyCo 4 September 23
- Project Development Deed in final negotiations with EnergyCo to underwrite Transgrid investment in Development Phase (end of Definition phase in PMF)
- Ongoing “without prejudice” negotiations with landowners (relationship building and maintenance)
- Environmental (Spring) surveys being completed
- Seeking IRC approval for funding to progress to next stage of Development Phase works.



VNI West Stage 1 CPA update

Stephanie McDougall, GM Regulation and Policy Reform

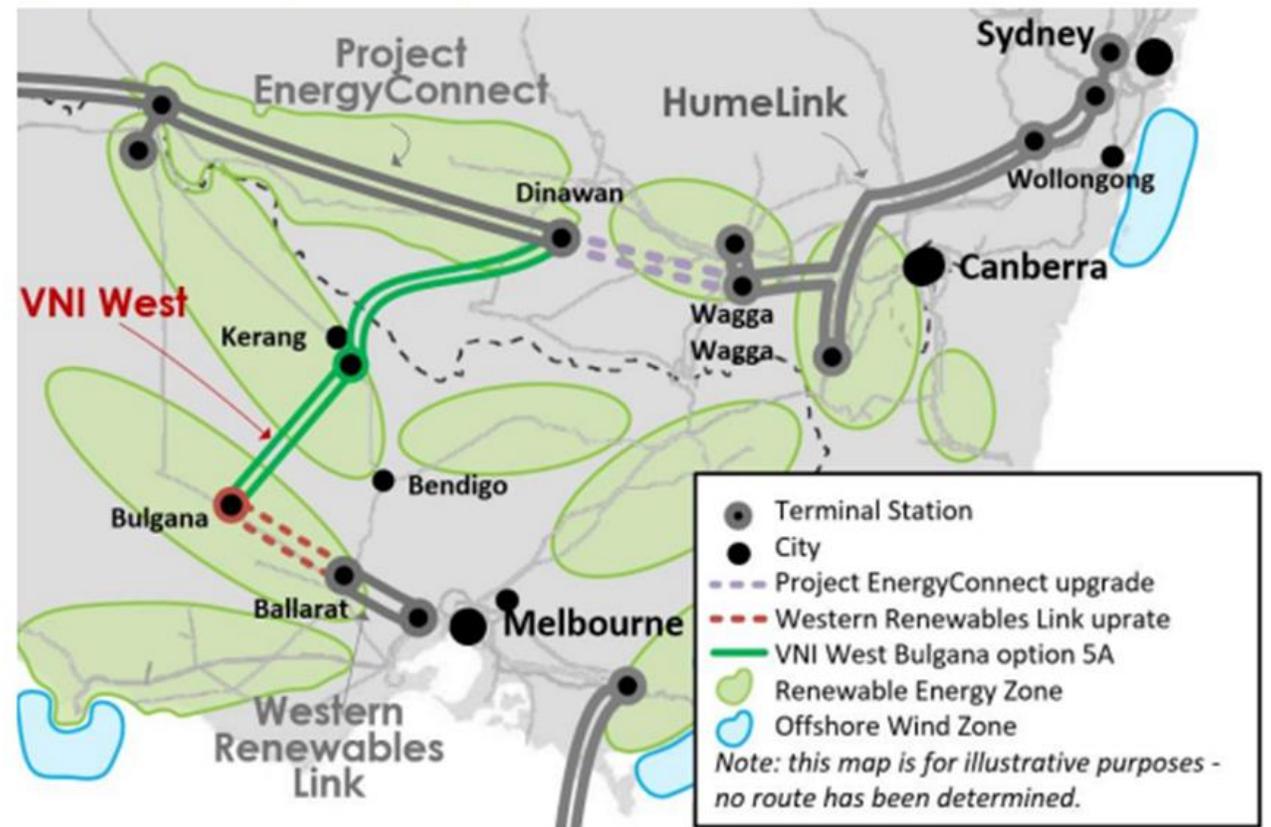


RIT-T Dispute

- On 26 May 2023, Moorabool and Central Highlands Power Alliance Inc. (MCHPA) lodged a dispute on the RIT-T PACR.
 - AER determination no later than 4 October 2023.
 - AER may direct us to amend or remake the PACR or dismiss the dispute
 - The dispute must be resolved prior to us:
 - formally seeking feedback loop confirmation from AEMO
 - submitting our CPA to the AER, which requires AEMO's positive feedback loop confirmation.
- Our draft Stage 1 Application:
 - is intended to facilitate pre-lodgement engagement and
 - in no way prejudices the outcome of the AER's dispute determination process
- Early stakeholder engagement is essential due to the scope of the activities and significant costs involved
- We will fully comply with the AER's decision should the AER uphold the dispute raised by MCHPA.
- AER's decision-making process will commence once the AER receives our final Stage 1 Application.

Scope and benefits for consumers

- Joint Transgrid and AVP VNI West project
- Involves 500 kV double-circuit overhead transmission line between Victoria and NSW
- It will increase interconnection capacity between Victoria and NSW to:
 - enable more efficient generation sharing between the states
 - support clean, low-cost electricity from REZs, and
 - improve the reliability and security of electricity supply as coal-fired power stations are retired.



The State and Federal Governments have provided concessional financing under the Rewiring the Nation plan to accelerate the delivery of VNI West to 2028, to ensure that the project's benefits are delivered as soon as possible

Early Works

Stage 1 activities in line with AEMO definition of Early Works:

- project initiation - scope, team mobilisation, service procurement
- stakeholder engagement - local communities, landholders and other stakeholders
- land-use planning - environmental approvals, route identification, field surveys, geotechnical investigations
- detailed engineering - transmission line, structure and substation design
- cost estimation – finalisation, including quotes for primary and secondary plant, and
- strategic network investment – PEC integration.

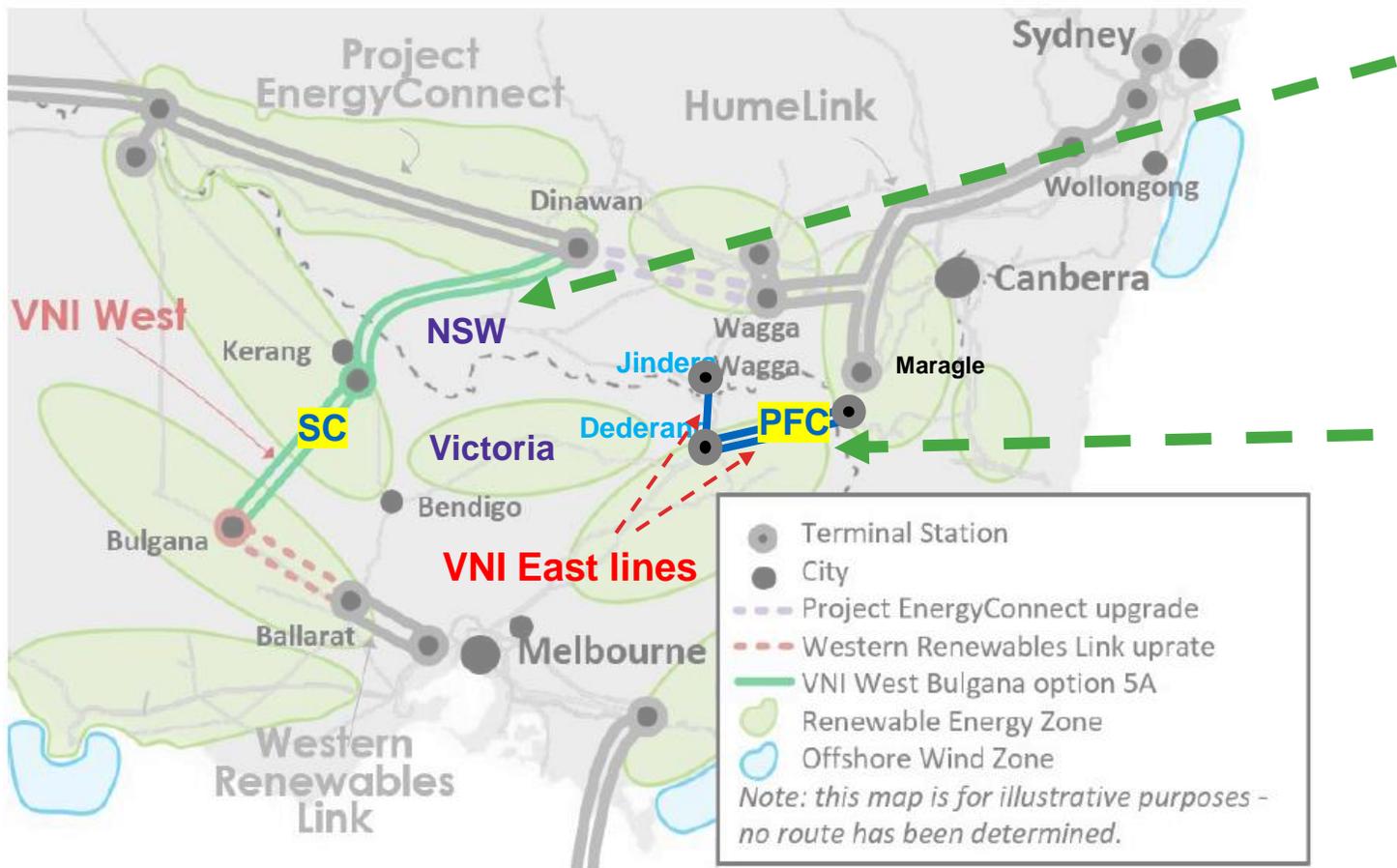
Two design and construction (D&C) packages to realise synergies:

- PEC enhancement - increase transmission line capacity - Dinawan to Wagga Wagga from 330 kV to 500 kV
- Gugaa integration - integrate 500kV PEC enhancement with the Gugaa 500/330kV Substation.

Estimated that the cost saving to consumers is \$787 million from undertaking D&C as part of Stage 1



Power Flow Controllers



The VNI West interconnector is a:

- high capacity, 500kV line
- longer route to the Sydney – Melbourne load centres, compared to the smaller capacity, 330kV VNI East lines.

To better utilise the VNI West lines, a combination of Series Compensation (**SC**) and Power Flow Controllers (**PFC**) is recommended, with:

- SC proposed to be installed on each of the 500kV Kerang to Bulgana lines
- PFC proposed on each of the 330kV Murray to Dedereng lines.

Series Compensation and Power Flow Controllers

Series Compensation (SC) on VNI West

Adding a 500kV Series Compensation on the Kerang to Bulgana lines, reduces the impedance (~50-75% reduction) on these lines which increases the power flows on VNI West.

Compensation effectively reduces the line length by ~100km (8%) and is particularly effective on long transmission lines.



VNI West Power Flow Controllers

Power Flow Controllers on VNI East

Adding 330kV Power Flow Controllers on VNI East, increases the impedance on these lines which reduces the power flows on VNI East and pushes more flows onto the high capacity VNI West lines.

It also enables greater Snowy Hydro and Western Renewable in Victoria to be dispatched without overloading line ratings.



Phase Shifting Transformers can be used instead of Series Compensation and Power Flow Controllers. This would increase costs to customers by \$400 million and required a further Stage 1 CPA (i.e., CPA-1 Part 2)

Cost Savings to the Consumers



\$60 million for securing LLE through our PTT program

\$787 million from the investment synergies:



- for the PEC enhancement, approximately \$697 million
- for the Gugaa integration works, approximately \$90 million.



\$400 million with the use of Series Compensation and Power Flow Controllers (compared to Phase Shifting Transformers)

Our forecast capex reflects an overall savings to consumers of \$1,247 million

Capex Forecast



CAPEX Forecasting Methodology

1. Initial budget developed

- Scope clarified
- Base design defined
- BOM developed
- Bottom up price built

2. Market tested

- Pricing provided by contractors
- Clarifications tested

3. Independent validation

- Independent cost estimate
- Review market feedback

4. Consolidated cost Estimate

- Cost analysis amongst data points
- Risk approach

A thorough and robust approach to achieving prudent asset delivery costing has been undertaken, to ensure that the project is delivered at the lowest sustainable cost to maximise benefits to customers

Capex forecast

- VNI West Stage 1 forecast capex is **\$1,096.33 million**, excluding equity raising costs
- We will incur most of this capex in the 2023-28 regulatory period.

VNI West	2018-21	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Actual	0.15	8.18	10.71	-	-	-	19.04
Forecast	-	-	58.10	499.68	450.11	69.41	1,077.29
Total	0.15	8.18	68.81	499.30	450.11	69.41	1,096.33

Stage 1 capex (\$M, Real 2023-23, excluding equity raising costs)

Basis of estimate – Direct capex forecast

Direct Costs		Basis of estimate
Procurement		
LLE	Transformers, reactors	Competitively tendered manufacture and supply contracts
	Conductor	Agreement with suppliers, which set out quantities and costs
	Steel	Fission independent estimate based on quantities and costs
	Power flow control units	Smartwires cost estimate for 10-1800 SmartValve units in NSW
PEC enhancement	500KV Transmission line enhancement	Contract cost (PEC variation) externally tendered (competitive) D&C contract.
		<p>This is based on a combination of:</p> <ul style="list-style-type: none"> our actual property compensation costs, \$19.16M alignment change request form from the D&C contractor \$8.83M a 330kV line diversion cost of \$14.41M WSP estimate for biodiversity offset cost \$10.12M Fission on the appropriate contingency allowance \$57.60M
Gugaa integration	Connection at the Gugaa substation	Contract cost externally tendered (competitive) D&C contract.
Pre-construction development	Transmission lines and substations	4.43% of the total construction cost from PACR
Land acquisition		
Land acquisition	Valuation and acquisition costs	An independent estimate from JLL
Biodiversity offsets	biodiversity offset liability costs	An independent estimate from WSP
Total Direct Costs: 890.72		

Basis of estimate – Direct capex forecast

Direct Costs		Basis of estimate	
Procurement			
LLE	Transformers, reactors		Competitively tendered manufacture and supply contracts,
	Conductor		Agreement with suppliers, which set out quantities and costs
	Steel		Fission independent estimate based on quantities and costs
	Power flow control units		Smartwires cost estimate for 10-1800 SmartValve units in NSW
PEC enhancement			Contract cost (PEC variation) externally tendered (competitive) D&C contract.
	500KV Transmission line enhancement		<p>This is based on a combination of:</p> <ul style="list-style-type: none"> our actual property compensation costs, \$19.16M alignment change request form from the D&C contractor \$8.83M a 330kV line diversion cost of \$14.41M WSP estimate for biodiversity offset cost \$10.12M Fission on the appropriate contingency allowance \$57.60M
Gugaa integration	Connection at the Gugaa substation		Contract cost externally tendered (competitive) D&C contract.
Pre-construction development	Transmission lines and substations	49.40	4.43% of the total construction cost from PACR
Land acquisition			
Land acquisition	Valuation and acquisition costs		An independent estimate from JLL
Biodiversity offsets	biodiversity offset liability costs		An independent estimate from WSP
Total Direct Costs		890.72	

Basis of estimate – Labour and Indirect Stage 1 capex forecast

Stage 1 Capex		Millions	Basis of estimate
Labour and indirect costs			
Labour	Internal resource requirements	65.16	Bottom-up build of costs over the period from 1 June 2023 to 30 April 2025
Indirect	Professional and consulting services	140.45	Bottom up-build using current available market rates and recent historical data.
Total labour and indirect costs		205.61	

Incremental Revenue requirement and customer bill impact

Indicative customer bill impact commencing in 2025-26:

Residential customers: \$5.16 per annum increase

Small business customers: \$10.25 per annum increase



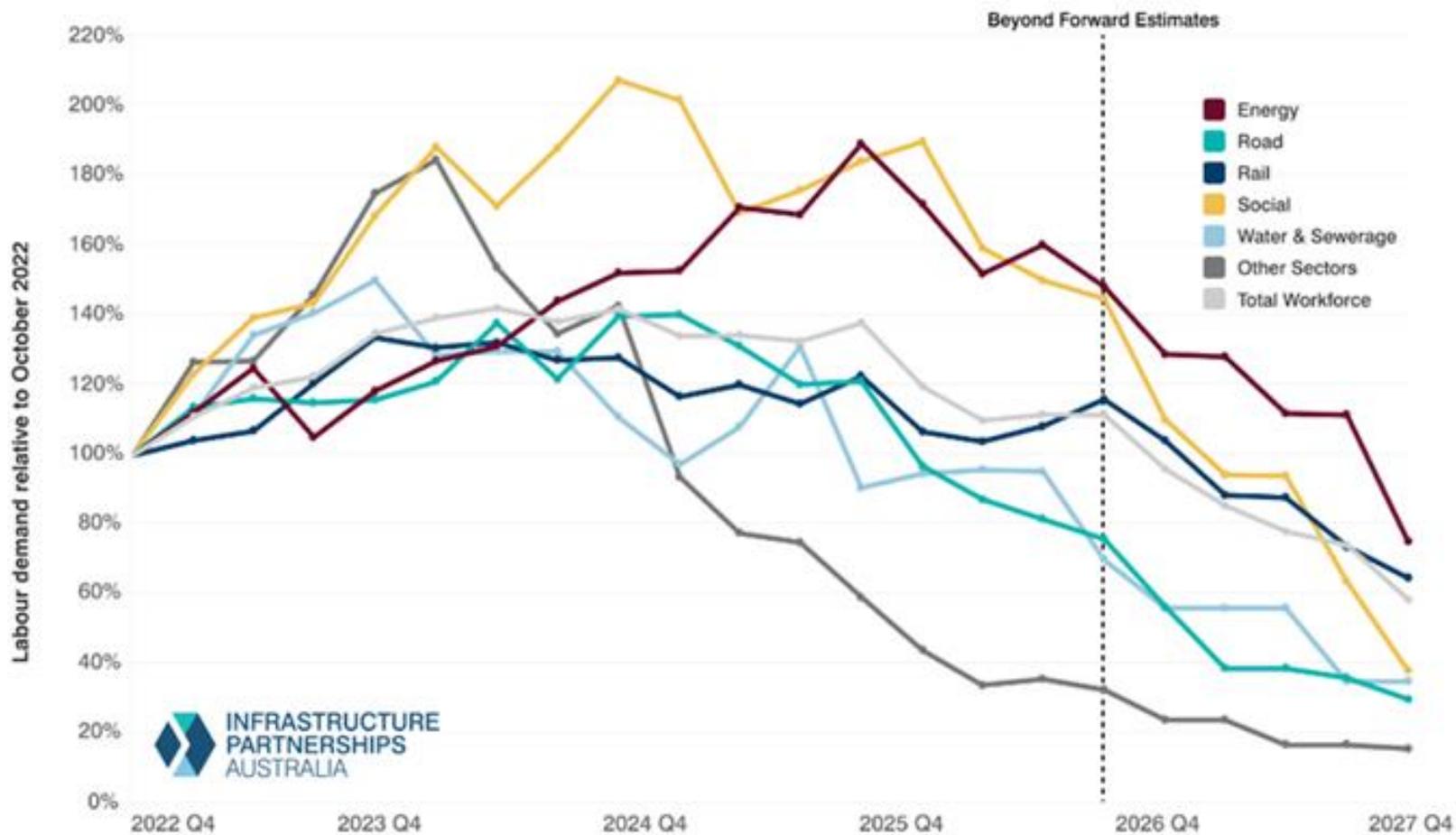
Cost increase offset by savings in wholesale costs.

The Project will deliver \$1.4 billion in net benefits (in NPV terms) primarily from avoided, or deferred, costs associated with generation and storage infrastructure, fuel cost savings and REZ transmission expansion cost savings.

Capital Expenditure Sharing Scheme (CESS)

We do not support the application of CESS to AEMO's ISP projects

Figure 3: Forecast Labour Demand of the Australian infrastructure pipeline over the next five years



Source: Infrastructure Partnerships Australia



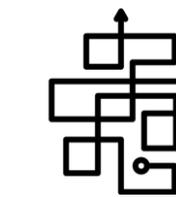
Shortage



Supply Chain Disruption



Inflationary and uncertain operating environment



Complex and specialised projects

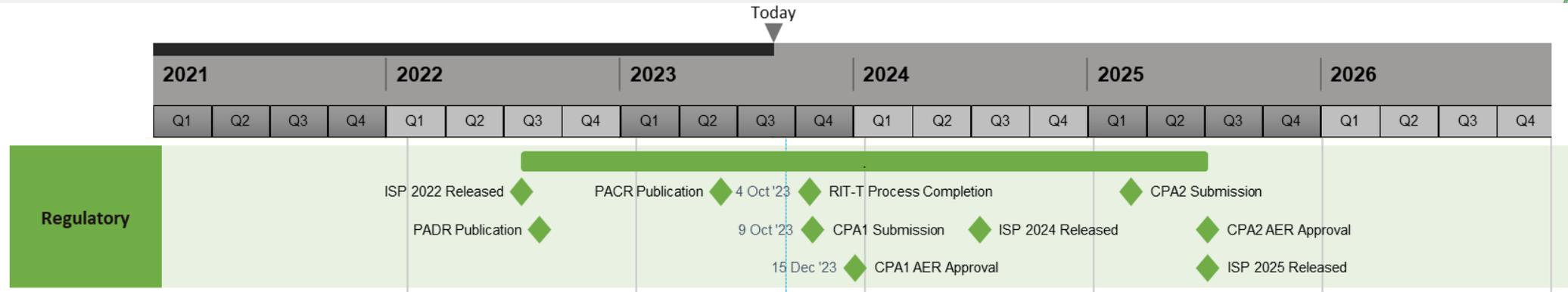
The IPA forecasts that the infrastructure labour force in NSW will be required to grow by 56% by 2024 to deliver the pipeline of infrastructure projects across NSW and Australia.

Next Steps to finalise our Stage 1 Application for VNI West

Milestone	Date
Submit draft CPA-1 to the AER	1 September
Submission on draft CPA-1	22 September
AER RIT-T Dispute Decision (see AER Notice)	4 October*
Action to address AER RIT-T Decision	October*
Submit (formal) Feedback loop request to AEMO	October*
Publish feedback loop confirmation from AEMO	October*
Lodge (final) CPA-1 with the AER	October*

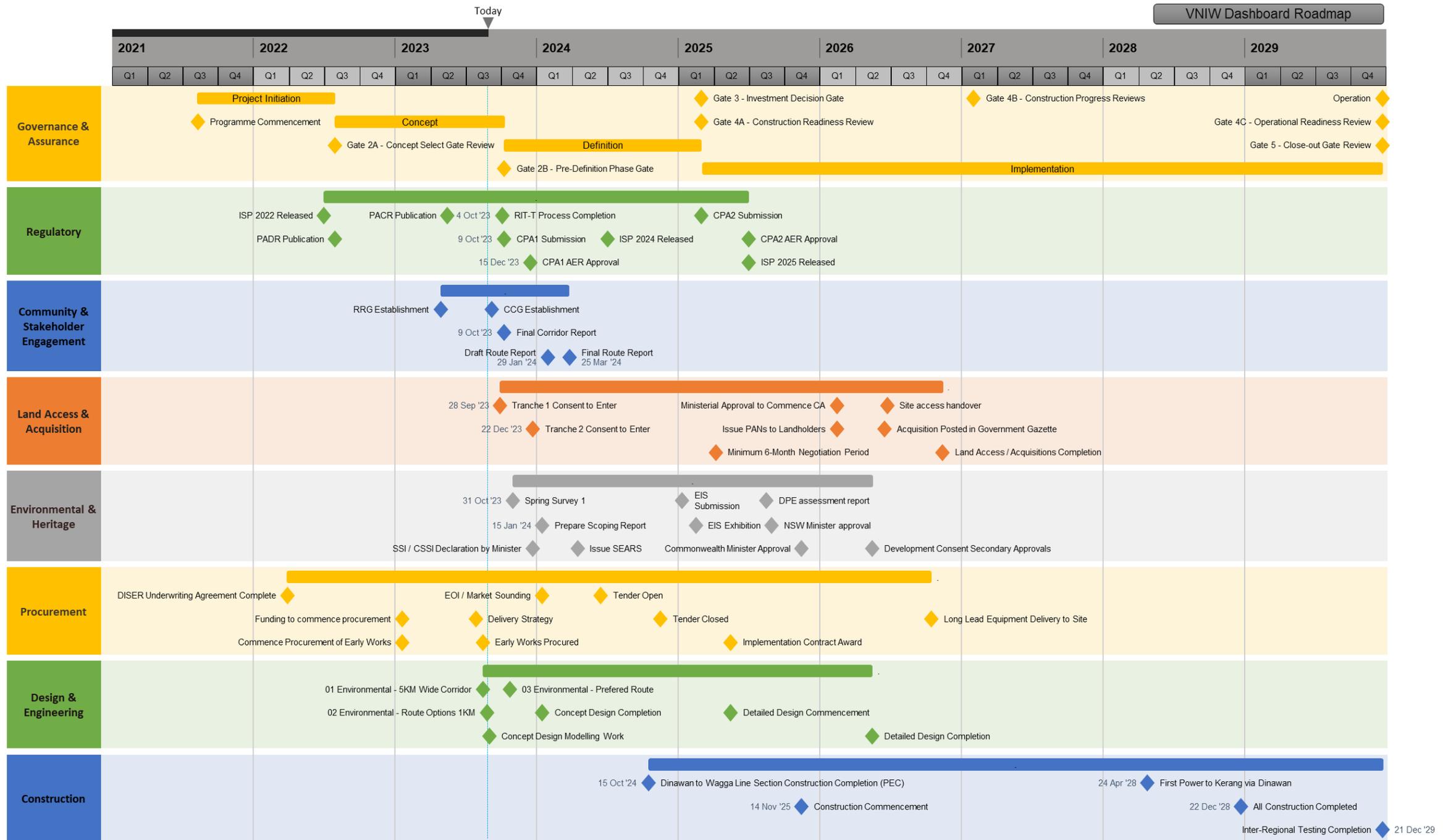
*Notes : * Estimated only*

Regulatory Submission Schedule and Project Milestones



Milestone	Date
CPA1 AER Approval	Q4 2023
Final Route Report	Q1 2024
CPA2 AER Approval	Q3 2025
Construction Start	Q3 2025
Enviro Approval	Q4 2025
Procurement D&C Award	Q2 2025
Detailed Design	Q2 2026
LLE to Site	Q4 2026
Land Access Acquisition Complete	Q4 2026
Construction End	Q4 2028

Project Schedule



HumeLink CPA 2 update Cost Estimates Consultation

Jeremy Roberts, Project Director, HumeLink



Community Engagement update – *VNI West & HumeLink*

Michael Johnson, Program Director Stakeholder Relations Major Projects



HumeLink Community Engagement update

EIS community information sessions:

- 17 community information sessions + three CCG information sessions held in 11 locations, with 64 attendees.
- Stakeholders are well informed as a result of the 18 months of information provided by the HumeLink team. Impacted landowners are the most interested.
- Prepared report highlighting common concerns and queries.
- Three EIS webinars with 16 registrations.
- 12,000 visits to the Digital EIS on HumeLink website.
- Extension of EIS till 10 October

Remote Access Community Hub (RACH):

- 10 EIS pop-up sessions held with community members unable to make the EIS sessions (pictured on right).
- Attending Henty Fields Days with RACH.

Complaints:

- July – September: five complaints.

NSW RFS:

- Progress engagement with NSW RFS.

Delivery partner planning:

- **Contract signing:** coordinating contract signing with UGL CPB (JV) and AG (JV).
- **Preparing first 100 days:** coordinating joint branding across all collateral including signage, website and PPE. Reviewing and aligning communication and emergency response processes.



VNI West Community Engagement update

Draft Corridor Report engagement:

- 4 community information days to round out Draft Corridor Report consultation.
- A total of 16 engagement sessions held across July and August locations with 290 attendees.
- Community members are very engaged, with strong representations made to protect community, agricultural and environmental values in the region, in particular around Moulamein.
- 69 written submissions received in response to the Draft Corridor Report.
- Preferred Corridor Report to be published later in the year addressing feedback gathered in submissions.

Community Consultative Group:

- Advertising for Community Consultative Group recruitment to run throughout September.

Complaints:

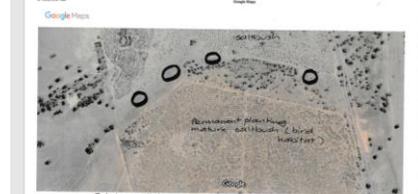
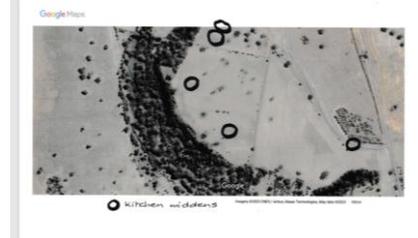
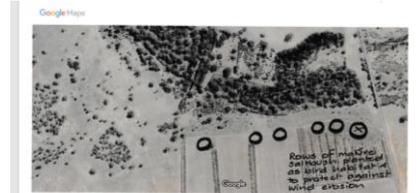
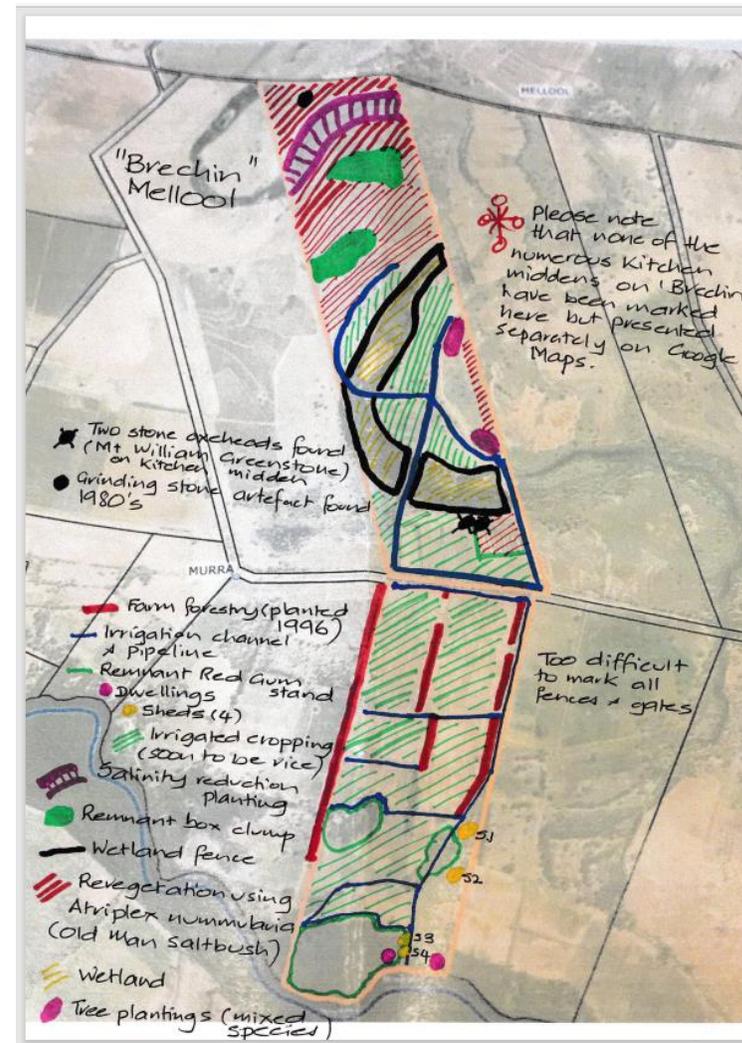
- July – September: two complaints.

SunRice and Ricegrowers Association:

- Initial economic impact advice received from RGA based on potential impact to rice production.

Route development:

- Consultation on Preferred Route to commence in Quarter 1 2024.
- Detailed mapping of on-property constraints underway targeting completion in December 2023.



Bushfire Season Preparedness

Lance Wee, GM Asset Management



Key Asset Management Activities

Our **Bushfire Risk Management Plan** outlines the approach of proactively managing, and appropriately mitigating, our exposure to bushfire risks.

Vegetation Management

- Routine ground easement inspection and vegetation management are based on long term cycles to ensure that sufficient clearance is maintained prior to the next maintenance cycle (3-6 years). This de-risks intra-seasonal (bushfire) vegetation encroachment.
- Annual LiDAR inspections of the network completed prior to bushfire season to provide further assurance that any unexpected growth rates or intrusions are identified and managed in between routine inspections. LiDAR analysis considers maximum operating scenarios and Fast vegetation growth (1.5m buffer) to detect potential vegetation intrusion.
- Off easement hazard tree management is prioritised based on quantified bushfire risk.

Transmission Lines

Program designed to identify and correct any high priority defects prior to season commencement. This further reduces and mitigates bushfire risks associated with potential high consequence asset related defects.

- Annual aerial helicopter inspections of network completed prior to bushfire season to identify transmission line asset defects.
- Annual ground based inspection of the transmission line structures with the highest potential bushfire risk.
- Detailed inspection and routine maintenance tasks to detect defects and to identify longer-term condition-related deterioration of assets.

Recent Performance:
Top quartile result in *outage performance* across our Transmission Lines assets (2021 ITOMS Benchmarking).

Strong bushfire risk management and mitigation is underpinned by asset performance, and therefore having robust asset management practices.

Preparedness Assessment – 2023/24 Bushfire Season

Bushfire risk modelling

Phoenix bushfire risk models are current and operational.

Insight: The risk modelling enables enhanced confidence on decision making, and a prioritised effort driven program targeting potential high-risk sections of the network.

Pre-bushfire season maintenance program

Pre-season maintenance activities are forecast to complete pre-bushfire danger period. Oversight committees for corrective maintenance in-place for reporting and assurance.

Insight: Aims to provide a high degree of assurance our assets do not present bushfire risks prior to season commencement.

Detection and monitoring

Network Operations and field crews have adequate situational awareness of emerging fire events.

Insight: Provides good situation awareness to AMC/Control Room Operators, and field staff of potential emerging fire risks.

Emergency Response & Coordination

Emergency and Crisis Management teams are continually trained and exercised a major escalating bushfire scenario in May-23. Relevant stakeholders are actively involved in emergency service and industry coordination forums.

Insight: Business is trained and ready to respond to a developing emergency bushfire situation.

Continuity of Service

Network operating protocols and transmission system capability are robust to manage and mitigate bushfire threats, sufficient critical spares are available and response crews are trained and ready to be deployed if needed.

Insight: Mitigates network consequences from bushfire and ensures we can recover from failures rapidly.

Internal communications

Internal teams aware and ready to widely communicate commencement of bushfire danger periods.

Insight: Provides broad situational awareness to all staff.

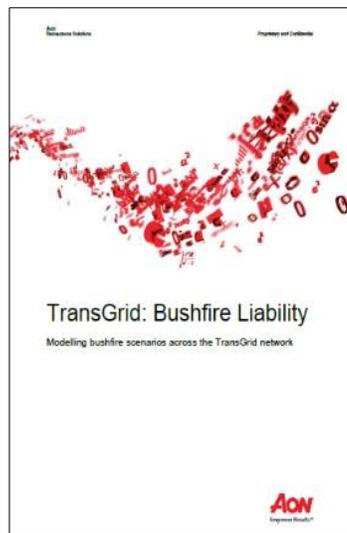


Overall Assessment

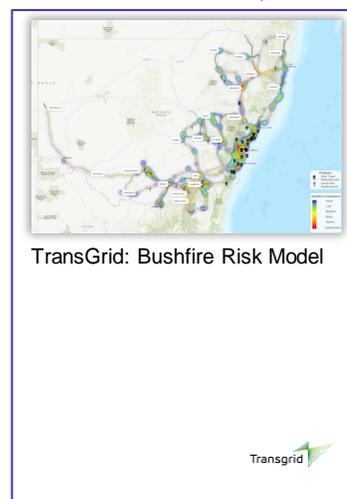
Key Asset Management Activities

Bushfire Risk Model

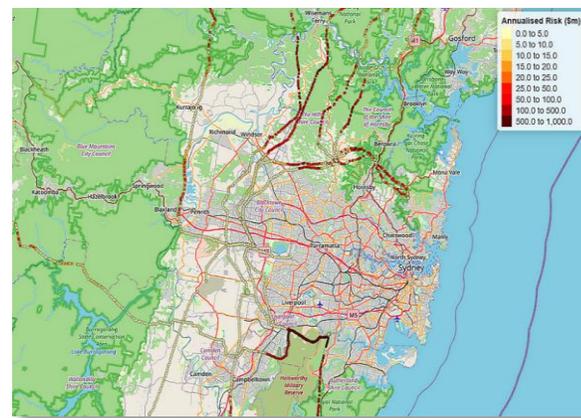
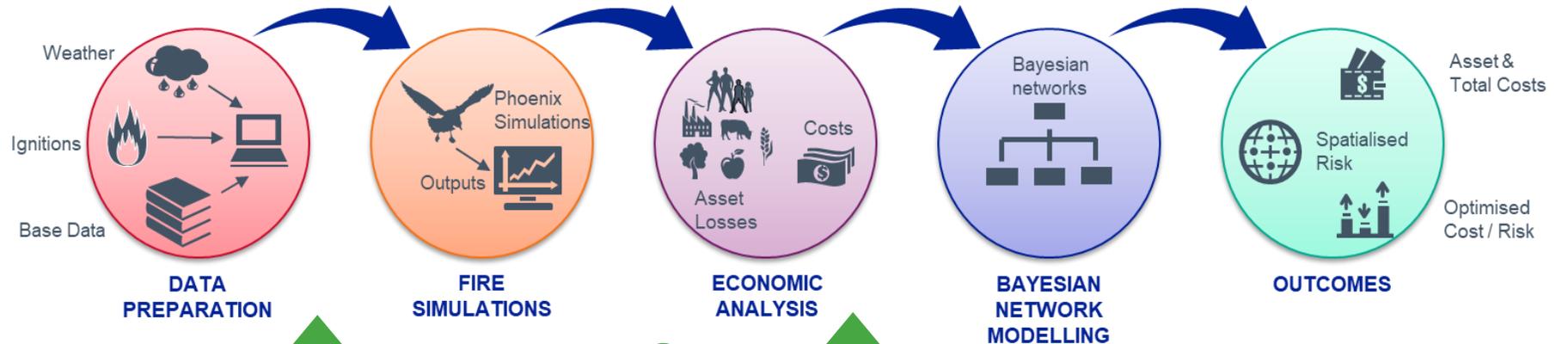
Top Down View



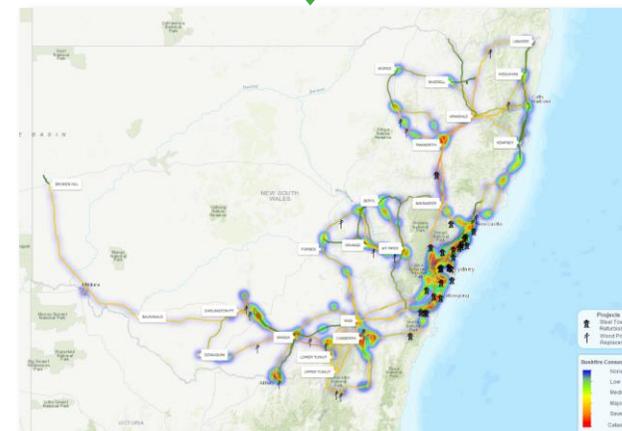
Validation



Bottom Up View



Transgrid Bushfire Model



Bushfire heat map

Used to inform investment and maintenance decisions to reduce the likelihood and consequences of bushfire incidents to as low as reasonably practicable.

1 Transgrid applies both top down and bottom up approaches to bushfire risk assessment in order to validate outputs.

2 Transgrid's bottom up model utilises the same fire simulation model applied by the New South Wales Rural Fire Service. The modelling methodology is in line with the Energy Networks of Australia industry guidance.

3 This analysis has enhanced the ability to prioritise available capital and operating funding to develop optimised programs of work that efficiently manages and mitigates all bushfire risks to as low as reasonably practicable.

Transmission Line Capital Projects – Bushfire Mitigation

Transgrid has a portfolio of capital projects to further mitigate bushfire risk:

- Scope is based on asset condition and relative bushfire and public safety risk at each location on the network.
- These projects involve:
 - targeted replacement/refurbishment of corroded fittings, insulators, steelwork, foundation, and conductor.
 - targeted wood pole replacement with concrete/steel pole due to decay or termite damage.

Regulatory Period 2 - Transmission Lines capital projects update

- Tower Refurbishment program – completed.
- Wood Pole Replacement program – completed.

Regulatory Period 3 - Transmission Line capital projects are in development.



Transgrid manages and mitigates bushfire and public safety risk to **as low as reasonably practicable** – our capital programs are a key enabler.

Transgrid Energy Charter Disclosure Report FY 2022-23

Cassie Farrell, Stakeholder Engagement Manager



Energy Charter Disclosure Report Key highlights for 2022-23

- We improved performance on nine principles since our last report
- The highest rated principles are ‘**shift to cleaner energy system**’ and ‘**connection, service and reliability**’ which are rated as **empowered**
- Key achievements informing our assessment for 2022-23 include:
 - Our major ISP projects enabling the clean energy transition
 - Release of our System Security Roadmap
 - Improving how we work with landowners and communities.

Following TAC feedback, we:

- ✓ Scaled back our assessment of ‘Principle 2’ - ***We will improve energy affordability for customers*** - from ‘evolved’ to ‘emerging to evolved’
- ✓ Changed the way we presented our ratings, deleting dots that indicated a sliding scale

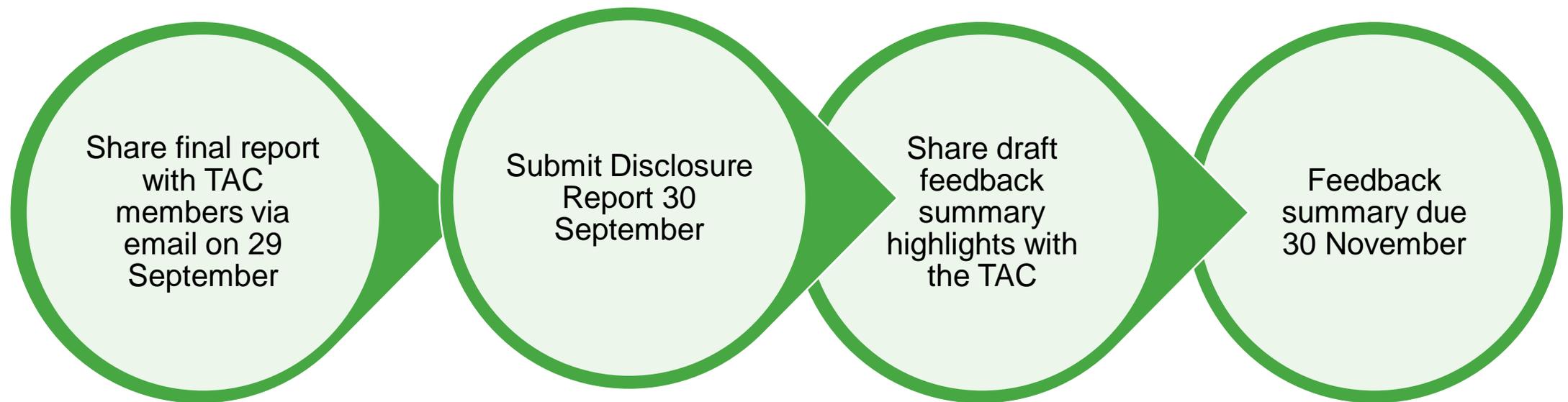
Thank you for your feedback.

Outcome of maturity self-assessment for 2022-23

		2019-20	2020-21	2021-22	2022-23	
PRINCIPLE 1	We put customers at the centre of our business and the energy system	Elementary/Emerging	Emerging/Evolved	Emerging/Evolved	Evolved	
PRINCIPLE 2	We will improve energy affordability for customers	Emerging	Emerging	Emerging	Emerging/Evolved	
PRINCIPLE 3	We will provide energy safely, sustainably and reliably	Safety	Evolved	Evolved	Evolved/Empowered	Empowered/Exceeding
		Environment	Emerging	Evolved	Evolved	Evolved/Empowered
		Shift to cleaner energy system	Evolved	Evolved	Evolved/Empowered	Empowered
		Connection, service and reliability	Evolved	Evolved	Evolved	Empowered
PRINCIPLE 4	We will improve the customer experience	Fair customer outcomes	Emerging	Emerging/Evolved	Emerging/Evolved	Evolved
		Customer communication	Emerging	Emerging/Evolved	Emerging/Evolved	Evolved
		Complaints	Elementary/Emerging	Elementary/Emerging	Emerging	Emerging/Evolved
PRINCIPLE 5	We will support customers facing vulnerable circumstances	Elementary/Emerging	Elementary/Emerging	Emerging	Emerging	

Please provide any further feedback via our survey.

Next steps



Regulatory Policy and Government Relations update

Stephanie McDougall, GM Regulation and Regulatory Reform

Nicole Ryan, GM Community, Stakeholder and Government



Regulatory Policy update

Enhancing community engagement in transmission building draft rule determination

- Transgrid submission likely to support the rule change request and seek clarification on the scope of the engagement required and appropriate remedies provided by a TNSP.

Improving security frameworks for the energy transition (formerly Operational Security Mechanism) – AEMC second directions paper

- While we support the AEMC's overall direction, we have concerns with a proposal for TNSPs to have a settlement roll, which would be more appropriately performed by AEMO.

Enhancing investment certainty in the R1 process rule change

- Transgrid is working through the details of the rule change, which seeks to clarify the obligations and timeframes for updated technical models of expected generator performance, and the assessment of these by Network Service Providers and AEMO.

AER Gamechanger Project

- We are engaging with the AER and ENA. The industry structure is designed that energy retailers are best placed to manage financial risks of vulnerable customers.

Government Relations update

Legislative Council Report published

- *Finding* - HumeLink to proceed as planned
- *Recommendation* – Independent Ombudsman
- *Dissenting opinion* – off the back of a motion by the Greens, a new Select Committee has been formed to examine undergrounding.

NSW Electricity Supply and Reliability Check-up released

Recommendations:

- Government to enter into negotiations with Eraring
- EnergyCo – greater governance
- Social license – near neighbours compensation.

Transmission Tuesday

- Federal National Party continue to introduce motion to refer inquiry to committee, not passed.

NSW Budget – First Minns Budget

- \$800 million for Transmission Infrastructure Facility
- \$1 billion for Energy Security Corp – a CEFC like functions.

Local MP Engagement

- HumeLink EIS and VNI West.

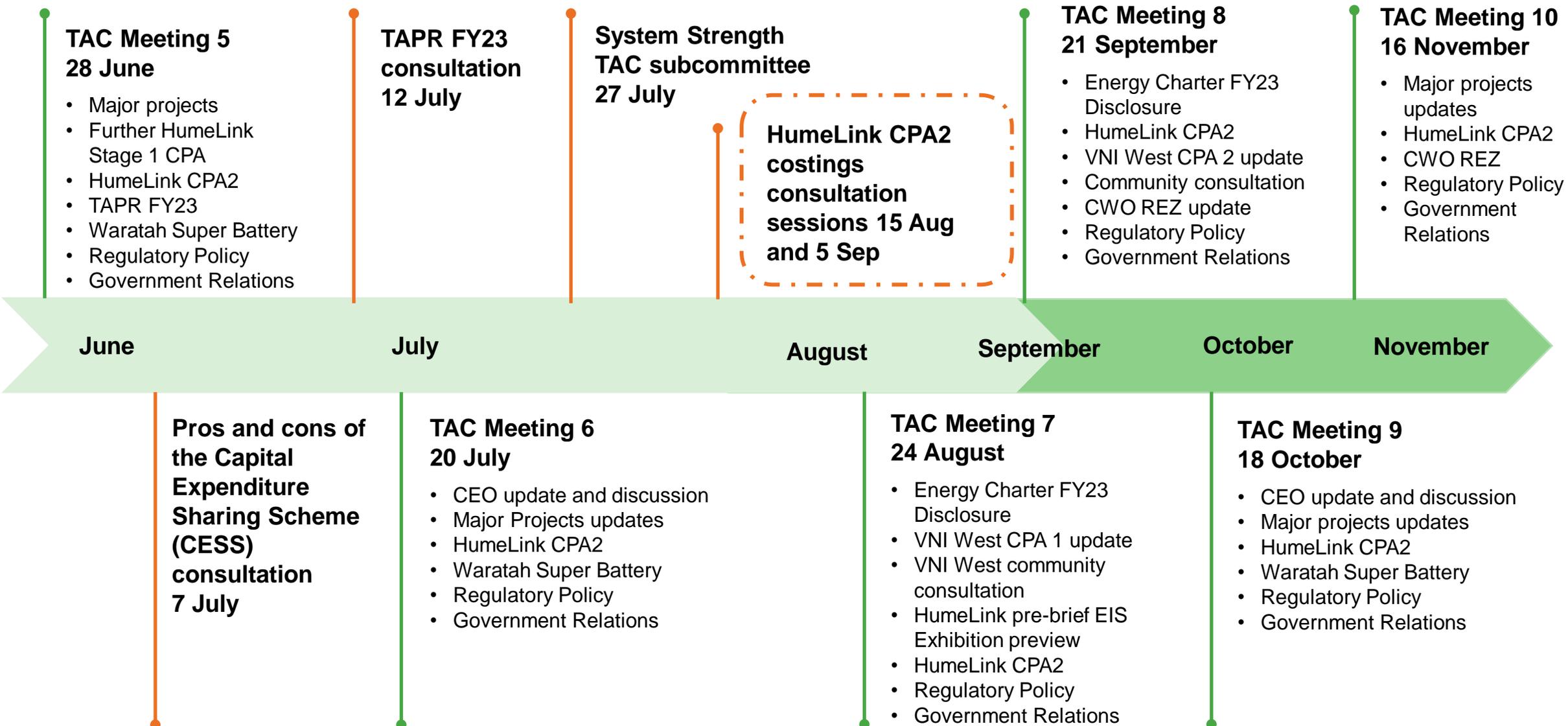
Summary and next steps

Maryanne Graham, EGM Corporate and Stakeholder Affairs



TAC meeting program for the remainder of 2023

*12 consultations since March 1, 2023.
Thank you for your participation.*



Tracking meeting satisfaction

A reminder to complete our short poll

To what extent do you feel you had an opportunity to effectively engage today?



not effective



very effective

Do you have further feedback on any of the following topics discussed today?

- Central-West Orana REZ
- VNI West Contingent Project Application (CPA-1) update
- HumeLink Contingent Project Application (CPA-2)
- Community Engagement Update
- Bushfire season preparedness
- Energy Charter Disclosure Report
- Regulatory Policy and Government update

We appreciate your feedback

Thank you

Contact details

For further information or discussion, please contact:



Cassie Farrell, Stakeholder Engagement Manager
0448 377 497 // cassie.farrell@transgrid.com.au



Jane Deane, Senior Advisor - Stakeholder Engagement
0437 546 540 // jane.deane@transgrid.com.au



Belinda Ackermann, Stakeholder Relations Advisor
0448 746 434 // belinda.ackermann@transgrid.com.au

