



Transgrid Advisory Council (TAC)

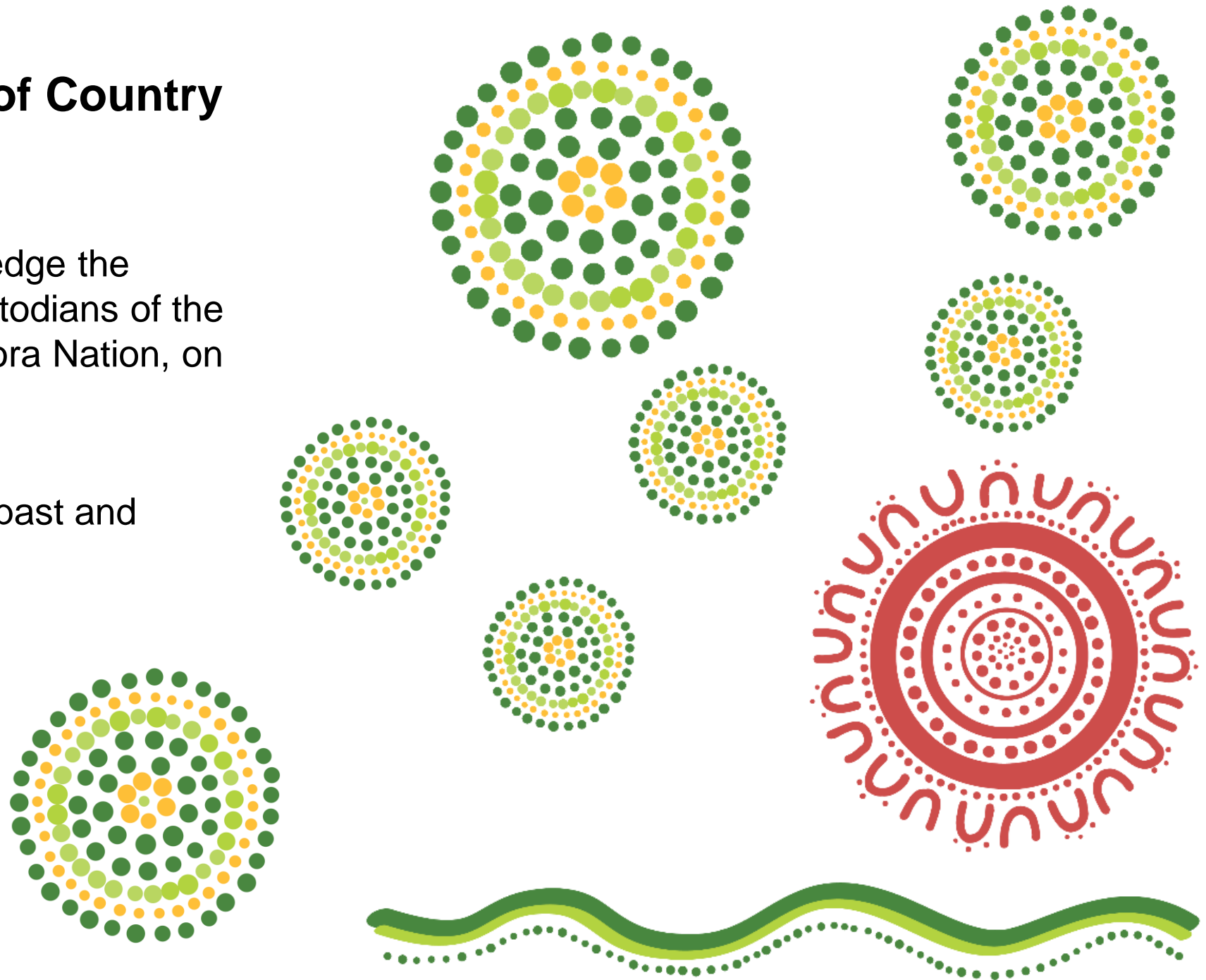
Meeting #2 for 2024

Tuesday 9 April 2024

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
9.30am - 9.35am	Welcome and Acknowledgment of Country	Maryanne Graham, EGM Corporate and Stakeholder Affairs
9.35am - 9.45am	TAC Member introductions	Maryanne Graham, EGM Corporate and Stakeholder Affairs
9.45am - 10.05am	Actions from last meeting and TAC Refresh Co-design Outcomes	Maryanne Graham, EGM Corporate and Stakeholder Affairs Cassie Farrell, Senior Manager Stakeholder and Corporate Engagement
10.05am - 10.20am	Morning tea break (15 minutes)	
10.20am – 10.50am	CEO Update and Q&A	Brett Redman, CEO
10.50am – 11.20am	Innovation Focus: <i>Challenges of transitioning to 100% renewables</i>	Marie Jordan, EGM Network
11.20am – 11.40am	Customer and Project Focus: <i>Major Projects Social Licence update</i>	Michael Johnson, Program Director Stakeholder Engagement
11.40am – 11.55am	Regulatory Projects Focus: <i>Regulatory & Policy update</i>	Christian Abran, Network Regulatory Manager Sam Martin, Policy Manager
11.55am – 12.00pm	Summary and next steps	Maryanne Graham, EGM Corporate and Stakeholder Affairs
12.00pm – 1.00pm	Meeting close and lunch	

Are there any topics you would like to see on the next agenda?

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?



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

- TAC Refresh Co-design outcomes
- CEO update
- Challenges of transitioning to 100% renewables
- Social Licence Major Projects update
- Regulatory and Policy update

Objective: To seek TAC member views on our engagement performance today

We appreciate your feedback

TAC Member Introductions

Maryanne Graham, EGM Corporate and Stakeholder Affairs



Welcome to the TAC



Adrian Dwyer, CEO, Infrastructure Partnerships Australia

Adrian's career spans business, policy and public service roles across the private sector and the NSW and Australian governments – with expertise across transport, utilities and social infrastructure markets, and wider public administration. Adrian served as Infrastructure Partnerships Australia's head of policy from 2011 until 2015, where he led major studies on road pricing reform, contracting and financing models, among others.

In 2015, Adrian left Infrastructure Partnerships Australia to serve as the Executive Director of Policy and Research at Infrastructure Australia – the Commonwealth Government's statutory infrastructure body. Adrian was appointed as Infrastructure Partnerships Australia's Chief Executive Officer in March 2018.



Welcome to the TAC



Liz Ritchie, CEO, Regional Australia Institute

Liz's primary purpose at the Regional Australia Institute is to make a difference through providing leadership, engagement, information and connectivity. Heralding from country NSW, she understands the issues impacting regional Australia and has designed and executed programs across Australia to engage in economic and social issues affecting our regions.

Liz has been involved with the Ambassador Australian Gender Equality Council and formerly, Women in Westpac.



Welcome to the TAC

Louise Benjamin, Regulatory Consultant and Lecturer



Louise is a commercial and regulatory lawyer with extensive experience in telecommunication and energy regulation. Louise is a member of Ausgrid's Reset Customer Panel and was a Strategy Advisor and Energy Charter Advisor at Energy Consumers Australia. She was also a member of the AER's Member Consumer Challenge Panel.

Louise has over 20 years' experience in the legal profession, with in-depth knowledge of regulatory decision-making processes. As a Regulatory Consultant to Energy Consumers Australia, she provided regulatory strategy advice to the CEO and senior executive team. Louise also provided analysis of National Electricity and Gas Law, AER and Tribunal determinations and other regulatory materials to support the ECA's participation in National Energy Market issues.

Louise is also an adjunct lecturer at the College of Law.

TAC member introductions



Commonwealth Bank



Actions from last meeting and TAC refresh co-design outcomes

Maryanne Graham, EGM Corporate and Stakeholder Affairs

Cassie Farrell, Senior Manager Stakeholder and Corporate Affairs



Actions from last meeting

Action	Status
Provide slides from the EnergyConnect update on 12 March	Completed 18 March
Update TAC purpose statement and objectives to reflect TAC member feedback	Completed
Email TAC members to establish a suitable date to continue TAC co-creation session (out-of-session meeting or 9 April TAC meeting)	Completed – will be discussed today

Are there any questions on these action items?

Today's objectives



- ✓ Circle back on what we heard at the co-creation session
- ✓ Discuss key focus areas for the TAC in 2024

Level of engagement: collaborate

Circling back on the TAC refresh co-design outcomes

Topic	What we heard	How we responded
TAC purpose and objectives	Amend purpose statement to better reflect TAC's role	Purpose statement amended (next slide)
	Consider reflecting other values in statement	Purpose statement amended (next slide)
	Consistent use of 'consumers, customers etc.' across statement and objectives	Objectives amended (next slide)
Measuring our performance	Demonstrate how TAC feedback is reflected	Circle back at meetings and seek feedback through TAC pulse surveys
TAC membership refresh	Diversify and become more inclusive of consumer voices on the TAC	We will continue to refresh the TAC
TAC function	Consider working groups and how they feedback into the TAC (particular focus on innovation and resilience)	To be discussed today

TAC Purpose Statement and Objectives

TAC purpose statement

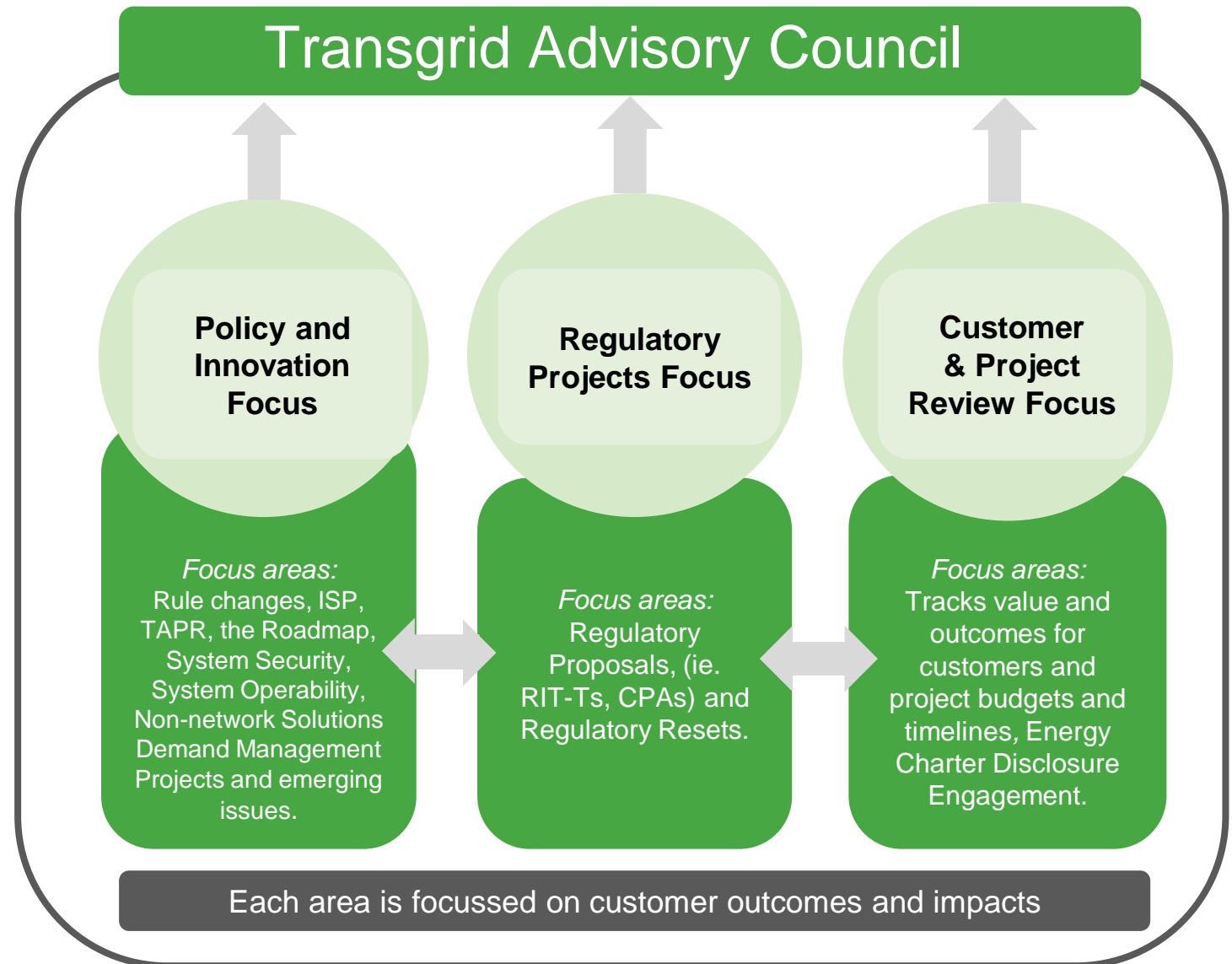
To inform and challenge Transgrid's investment in the transition to clean energy infrastructure to help ensure prudent, efficient and fair outcomes for consumers, customers and communities.

TAC objectives

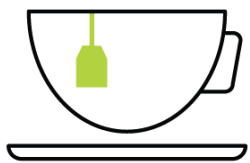
- Support Transgrid to consider and reflect consumer, customer and community perspectives in its business and decision-making processes
- Share information on key energy programs, regulatory projects, policy and service issues
- Provide input and feedback on emerging issues, projects and proposed solutions

Proposed TAC focus areas

- **How often would you like to meet?**
- **What areas do you want to focus on?**
- **How do you see these feeding back into the TAC?**



Morning Tea



CEO Update and Q&A

Brett Redman, Chief Executive Officer





Innovation Focus: *Challenges of transitioning to 100% renewables*

Marie Jordan, EGM Network





Customer & Project Focus: *Major Projects Social Licence update*

Michael Johnson, Program Director Stakeholder Engagement





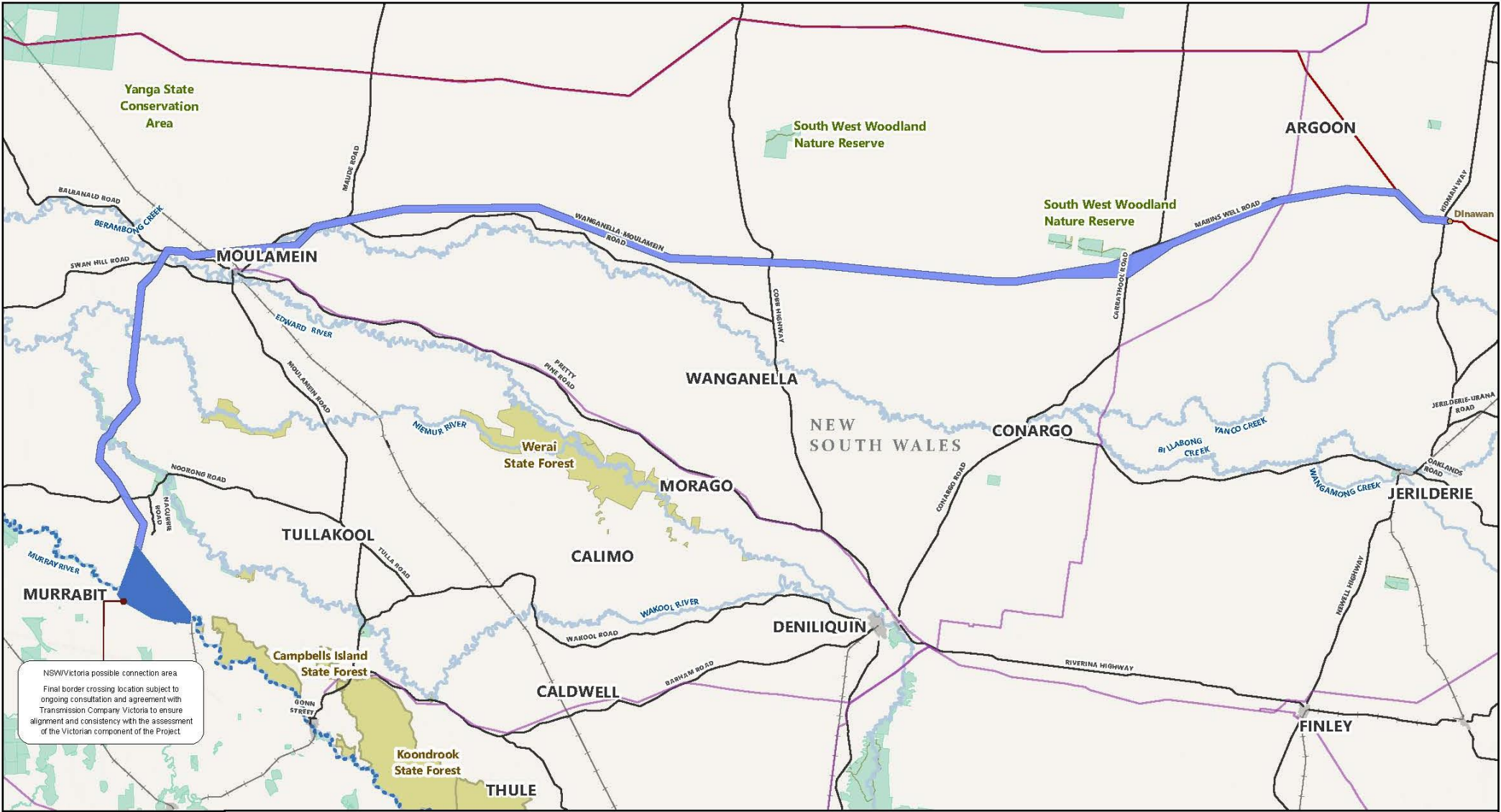
VNI West

Final Route Report

Community and Engagement

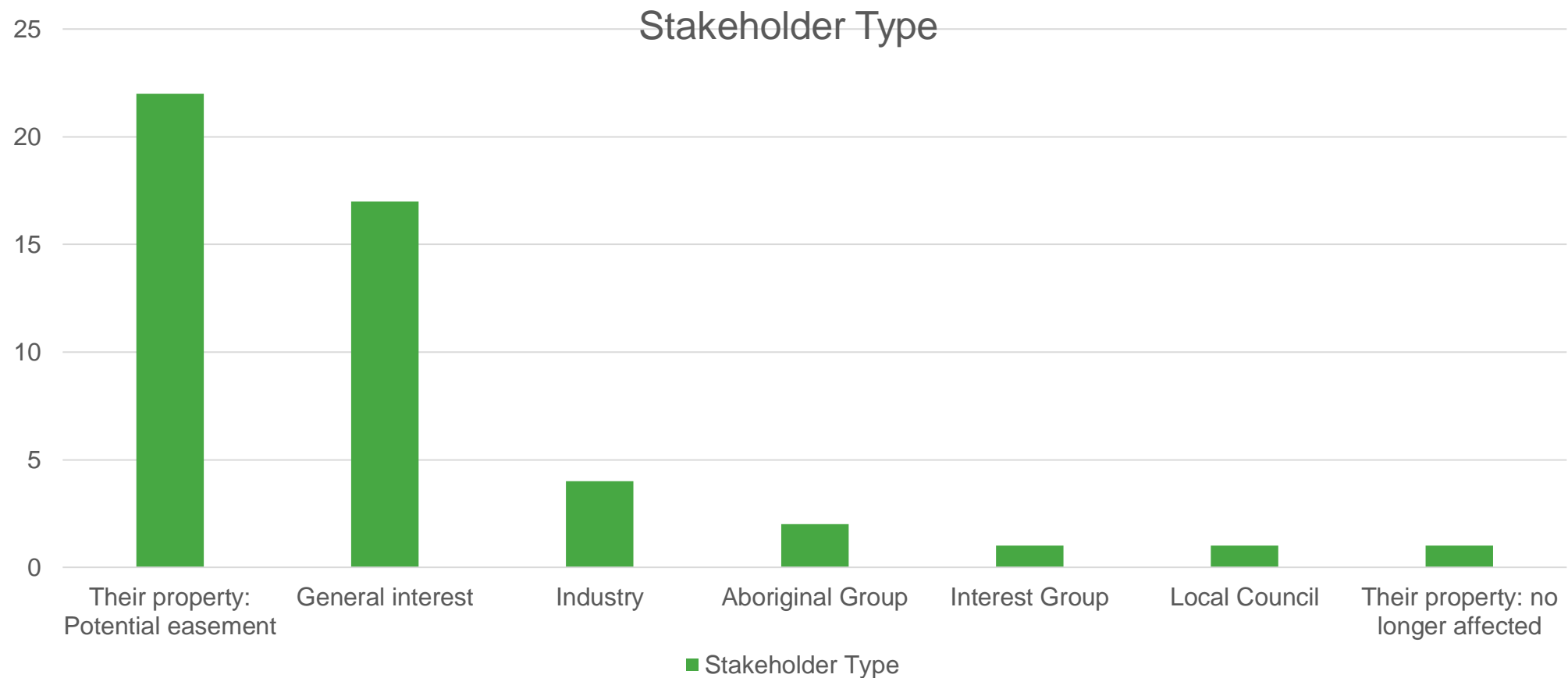


Preferred Route identified in *Draft Route Report*



Who we heard from

- 48 written submissions
- 3 town hall meetings attended by 150 people
- 12 community drop-in sessions attended by 50 people
- Approximately 42 landowner meeting/calls
- 6 briefings with government agencies and renewable developers



Submission themes

Proximity to
Moulamein

Alternate
connection to
EnergyConnect

Ecological
and heritage
impacts

Socio-
economic
impacts

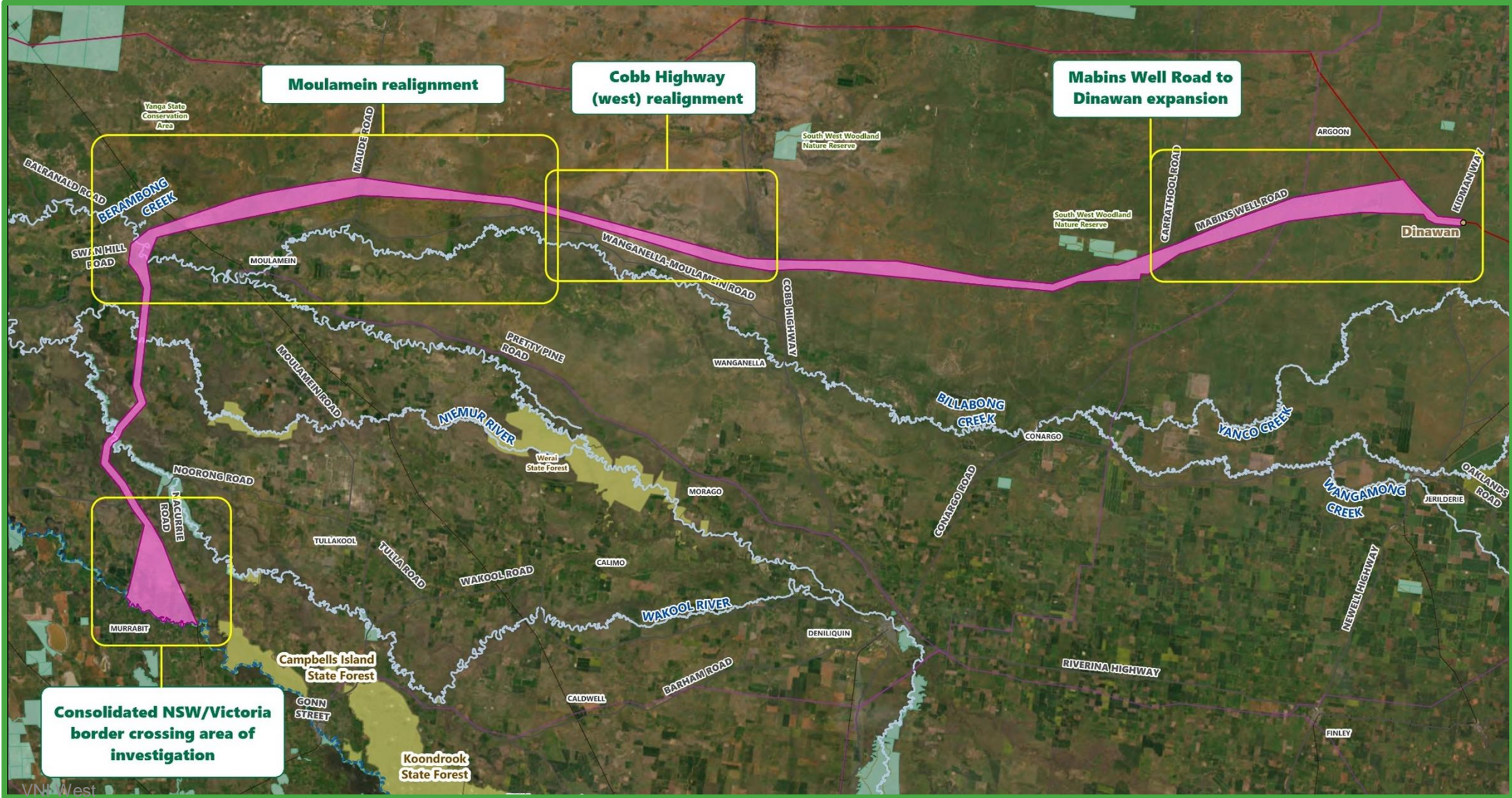
Visual impacts

Consultation

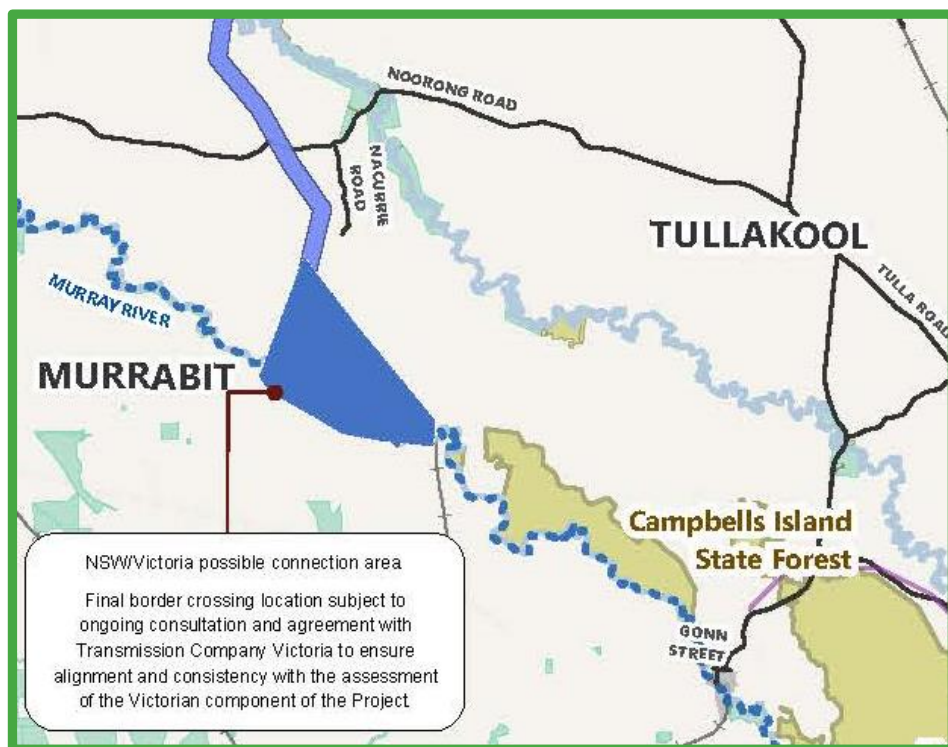
Impacts on
agriculture

Landowner
compensation

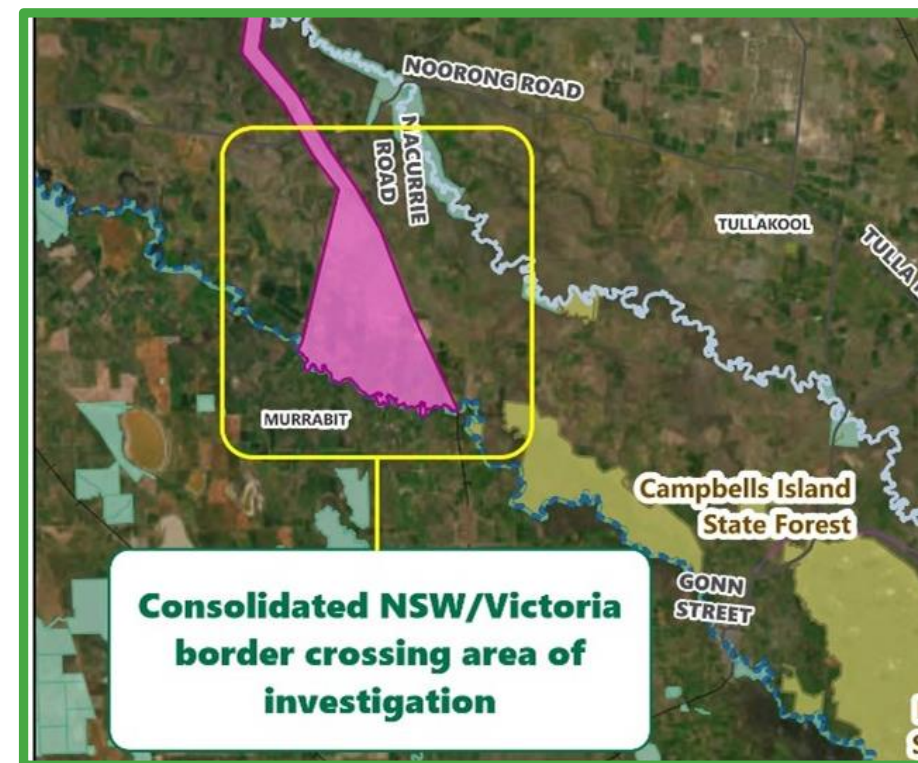
Preferred Route identified in Preferred Route Report



Change to border crossing trumpet



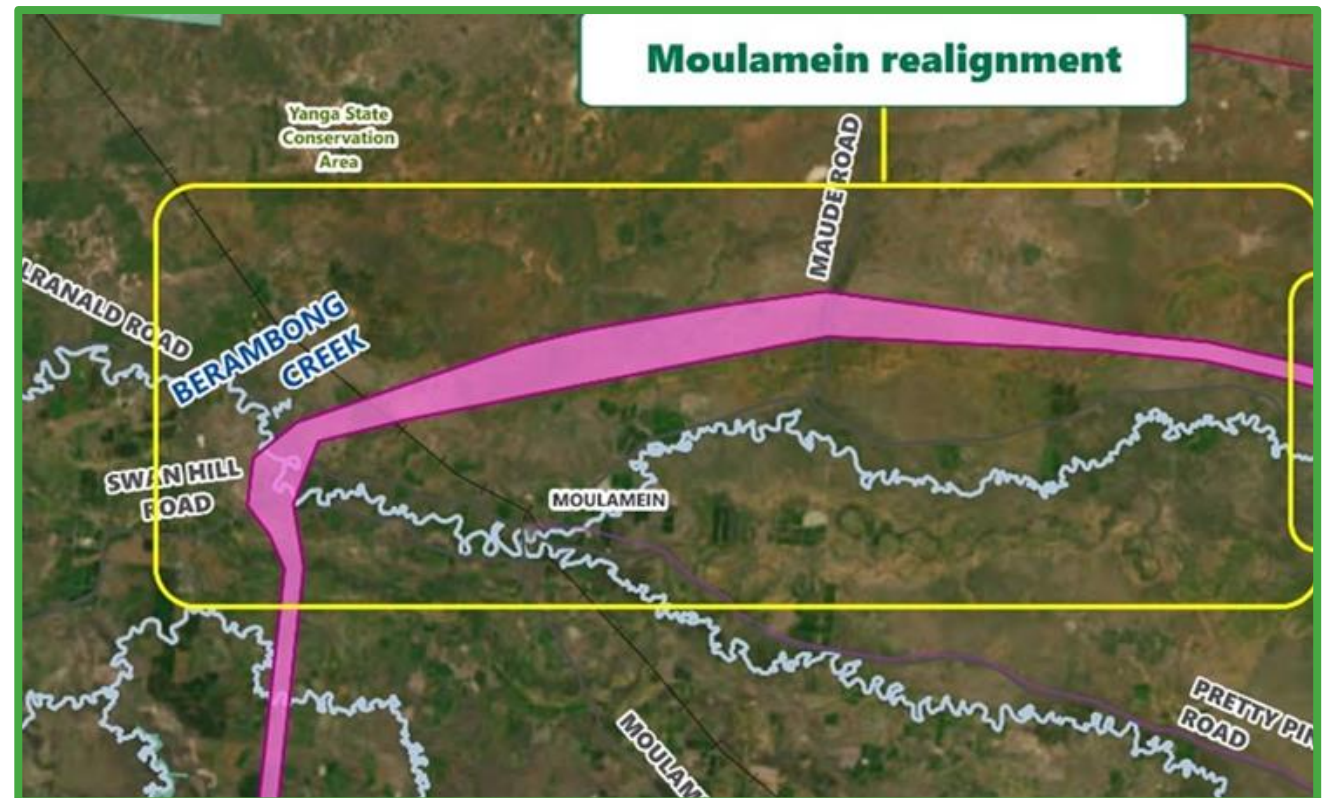
Original 'Trumpet' at border



New 'Trumpet'

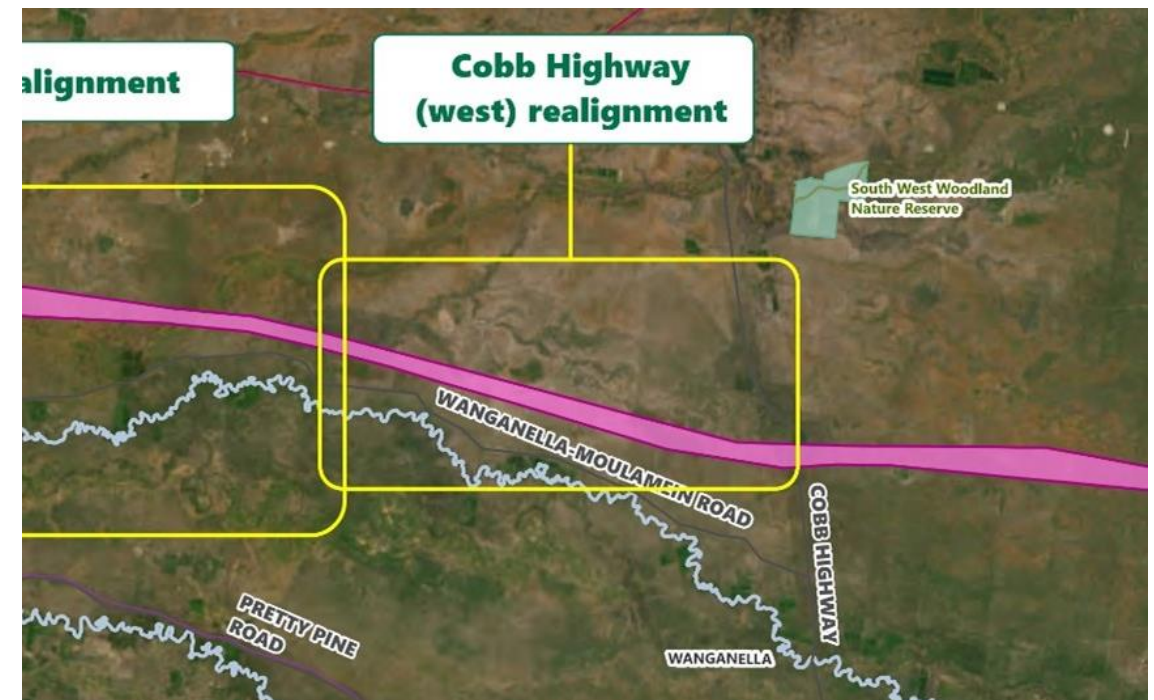
The adjustment to this area narrows to align better with Victoria's TCV, while broadening at the northern section to allow for additional optionality for the route alignment crossing the border.

Changes around the township of Moulamein



The distance from the township has been increased to approximately 6km to the north and the route has been widened to allow for additional investigation.

Realignment of the route north of Wanganella



This realignment to the west of the Cobb Highway at Wanganella results in a shorter line length and increasing the distance between the line and residential properties to the south of Wanganella-Moulamein Road.

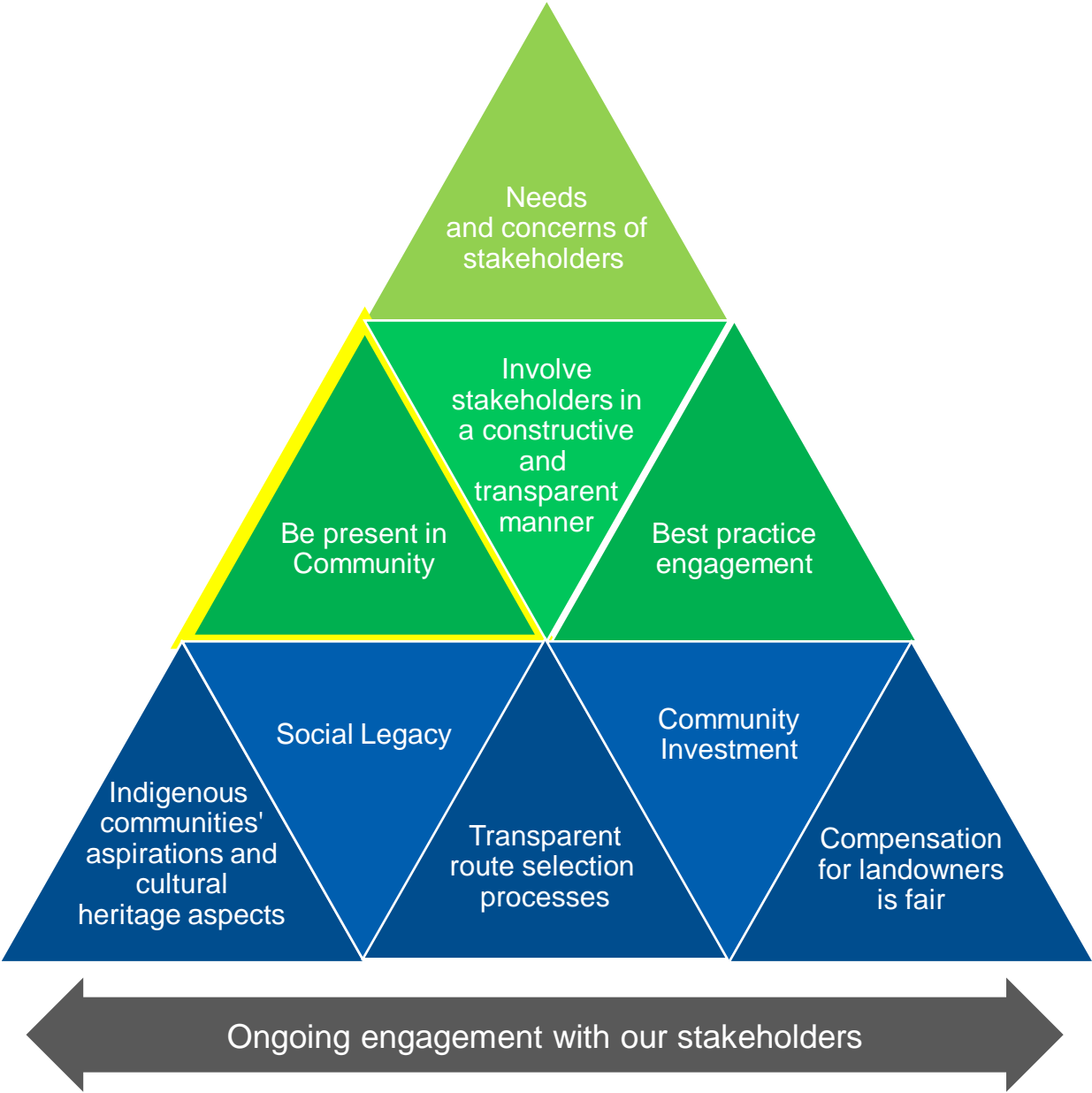
Widening of the route west of Dinawan



After discussions with renewable project developers in the area, the route has been widened for additional flexibility navigating this area.

Social Licence is more than just engagement and investment

Social Licence building blocks



Project Delivery Initiatives



Transgrid Discovery Hub



This initiative aligns with recommendations [from the Australian Energy Infrastructure Commissioner's independent Community Engagement Review](#) and the [AEIC Review of community engagement practices](#).

Sewell Design

Transgrid Discovery Hub



Transgrid Discovery Hub

Grand Opening 16 April



Discovery space

It's a broader lens to project and place specific work. Foundational discussion to understand concepts about the way we work. Based on energy, engineering, and environment.

- Education workshop
- Consultation with schools
- Discovery Pod Challenge
- STEM programs



Engagement Space

This area is the community impact and opportunity view of Transgrid. It's a lens to project specific work. It is where we talk about why, what, who, and how. Along with shared community spaces.

What we are doing

- Community & Industry workshops
- Information and feedback loop
- Community shared spaces
- Community Partnership Program
- Career/ Pathways Program
- Training and development
- Industry partnerships



External Space

Community inclusivity and connection. Demonstrate interactive experience, our commitment to community connection.

- Yarning Circle Project
- Wiradjuri share space
- EV Charging station
- Solar bench with WiFi

Regulatory and Projects Focus: *Regulatory and Policy update*

Christian Abran, Network Policy Manager

Sam Martin, Policy Manager



Regulation

Key updates

HumeLink CPA2

- 176 detailed questions received to date from the AER via information requests. Common themes were risk costs, contingency, delivery delay scenario to 2029, MCC, biodiversity and social licence
- EMCa (AER Consultant) All Day Workshop
- [Material Change of Circumstance \(MCC\)](#) – Option 3C remains the preferred option - 10% ahead of option 2C with over \$1 billion worth of benefits
- [Capital Expenditure Sharing Scheme \(CESS\) Report](#) – Independent CESS report provided to the AER reinforcing:
 - CESS is not applicable for large projects
 - Contractor and Transgrid still have incentive to deliver the project efficiently via contractor model and Ex Post review

VNI West CPA1

- 129 questions received from the AER via information request. Common themes were risk costs, contingency, PEC enhancement and Gugga Integration, biodiversity and social licence.
- CPA is at decision stage. The AER has verbally indicated:
 - Reductions/Deferred cost to CPA2 to Risk Contingency, Biodiversity and Social Licence

Upcoming :

Central West Orana REZ

- Consumer Trustee Authorisation expected mid 2024
- Can consult once project has been authorised

Regulatory Policy

Key updates on AEMC rule changes

Financeability and Concessional Finance

- AEMC published final rule determinations on 21 March (largely consistent with the drafts)
- The AEMC's financeability rule falls short as it does not provide the level of predictability and investor confidence that the AEMC intends. We will engage with the AER on the development of its Financeability Guidelines (to be in place by the end of the year)

Improving Workability of the Feedback Loop

- AEMC published final determination on 7 March
- Final rule allows for concurrent feedback loop and CPA assessment and requires AER to establish a feedback loop exclusion window

Enhancing R1 Connection Process

- AEMC released a draft determination on 7 March
- We broadly support this decision which provides incremental improvements to the existing process. Submissions due 18 April

Improving Security Frameworks for the Energy Transition

- AEMC published final determination on 28 March
- Key outcomes for Transgrid include co-optimised inertia/system strength frameworks and improved TNSP recovery frameworks for non-network security costs

Recent submissions [available on our website](#)

- AEMO Draft 2024 ISP – 16 February
- Commonwealth consultation on introducing New Vehicle Efficiency Standards – 4 March
- Commonwealth Senate inquiry into the transition to electric vehicles – 22 April
- AEMC consultation on transmission ring-fencing framework draft determination – 4 April
- AER consultation on STPIS framework – 5 April

Flexibility in Allocation of Interconnector Costs

AEMC published consultation paper on 14 March on a rule change to introduce greater flexibility in allocating costs for critical interconnector projects. Submissions due 11 April

Non-Network Solutions (Transgrid driven)

- Rule Change 1 focused on cost recovery timing and certainty issues to be submitted to AEMC imminently
- Rule Change 2 being progressed internally, planning next engagement with TAC on developing positions

Emissions Reduction Objective in the NEO

- AER consultation to begin shortly on relevant guideline updates (eg. CBA and RIT-T guidelines)
- [AER](#) & [AEMC](#) published updates on value of emissions reduction interim values (\$66 in 2023 to \$420 in 2050 onwards (AUD2023)) and guidance

Summary and next steps

Maryanne Graham, EGM Corporate and Stakeholder Affairs



Tracking meeting satisfaction

A reminder to complete our short poll – launching now

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



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

- TAC Refresh Co-design outcomes
- CEO update
- Challenges of transitioning to 100% renewables
- Social Licence Major Projects update
- Regulatory and Policy update

We appreciate your feedback

Thank you

Contact details

For further information or discussion, please contact:



Cassie Farrell, Senior Manager Stakeholder and
Corporate Engagement
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

