

Email submission:
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To whom it may concern,

RE: WESTERN VICTORIAN RENEWABLE INTEGRATION – PROJECT ASSESSMENT DRAFT REPORT

Thank you for the opportunity to respond to AEMO's Project Assessment Draft Report (PADR) for the Regulatory Investment Test for Western Victoria.

The Loddon Mallee New Energy Taskforce (LM-NET) is a regional leadership entity in the area of energy transition, covering ten local government areas including Buloke, Central Goldfields, Bendigo, Loddon, Gannawarra, Macedon Ranges, Mildura, Mt Alexander, Swan Hill and Campaspe. Many of these council fall within the Murray Renewable Energy Zone.

LM-NET leads:

- Development of regional new energy projects and actions, including the provision of advice and direction to the development of the Regional New Energy Roadmap
- Engagement of regional communities and stakeholders to establish a vision for the energy transformation in the Loddon Mallee
- A forum for identifying emerging issues
- Development of Strategies to resolve issues
- Strategic guidance for projects and initiatives

LM-NET is also steering the development of a Loddon Mallee Renewable Energy Roadmap led by the Central Victorian Greenhouse Alliance.

In providing feedback to the options proposed in the PADR, LM-NET has chosen to take a nontechnical analysis and review. This approach is to provide a focus on strategic insights around local drivers and aspirations of communities within the LM-NET's area of influence to provide greater awareness of potential opportunities or constraints around the scope of any options proposed in the Murray Renewable Energy Zone.

The two main themes for our feedback are around; the 'Potential Solar Growth /Regional Growth Visions' and 'Social Licencing'.

POTENTIAL SOLAR GROWTH/ REGIONAL GROWTH VISIONS

Generally, LM-NET supports the proposed transmission network upgrades in Western Victoria including:

- Minor transmission line upgrades on the Red Cliffs to Wemen to Kerang to Bendigo 220 kV transmission lines
- A 500 kV lines to facilitate future Snowylink South interconnector (Ballarat – Bendigo – Kerang to NSW).
- Red Cliffs to Buronga upgrade as part of South Australia to New South Wales interconnector upgrade.
- Construction of a new 220 kV double circuit line from Red Cliffs to Buronga

LM-NET though strongly request that additional options be considered to expand the capacity of the networks in the Murray Zone REZ. This includes opportunities to build additional transmission capacity between Mildura and Melbourne.

Despite planned and approved renewable energy projects, the need to ensure increased levels of system strength within the grid is at the core of local renewable energy investment in the region for many local governments and Regional Partnership Groups in the Murray Renewable Energy Zone. (<https://www.rdv.vic.gov.au/regional-partnerships>). The situation that appears to be holding back the development of renewables particularly solar in the Murray REZ is a debate around the appropriate cause and effect between energy generation developments and transmission capacity. Energy generation developers won't invest where there's no transmission capacity, and transmission capacity won't be opened up until there are developers. For many of these organisations, there is a view that the realisation of the full economic potential of solar generation within the Murray Zone is undervalued.

Unlocking the potential for large scale energy generation is a critical regional economic focal area for both the Mallee Partnership and Loddon Campaspe Regional Partnership and their Economic Growth Strategies.

The PADR fundamentally focuses on revenue opportunities without broader economic benefits that could be attributed to more dispersed energy generation within rural and regional locations. An example of this is the demand by the regions food industry sector currently transitioning to greater automation and 'Smart Farming'.

The Food Industry sector in the Mallee Region (made up of Agriculture, Forestry and Fishing and Food Product Manufacturing) contributes \$2,382.249 million of total output in the Mallee and supports over 6,950 jobs in the region.

The transition to greater automation and 'Smart Farming' is reliant on more reliable energy, to power data sensing, transmission, and storage systems as well as operating autonomous machinery. Currently, the Victorian Government is running four 'Internet of Things' trials in key agricultural areas, covering Victoria's major agriculture sectors broad-acre cropping, meat production, dairy and horticulture. However commercial adoption at scale is hindered by the pervasive issue between increased productivity, reliable access to energy and secure access to digital connectivity.

COMMUNITY ACCEPTANCE AND SUPPORT

While LM- NET supports the planning, approach required by the successful tenderer, pre-design engagement is needed with the community as well as regulatory and referral planning authorities in the Renewable Energy Zones (REZ). As the primary mechanism for transmission upgrades, we think that the RIT-T should consider broader strategic non-statutory planning consideration.

We see this engagement to be critical in understanding the strategic consideration and due diligence around known or perceived social, cultural, economic and environmental factors. An example of this is current REZs that support wind development predominantly have well-documented challenges around community acceptance and support when it comes to energy generation and network developments compared to REZ's with a focus on solar, yet most of the options support more significant development and or upgrades in wind zones.

The Victorian Government and most Councils also have strong policies to put communities at the centre of decision making. By landing on a preferred option before working with communities on non-economic considerations of community acceptance and support as well as other land use planning issues is not with current best practice. This consideration is particularly true for Traditional Owners. The Dja Dja Wurrung expect to be involved in the design phase rather than waiting until a preferred proposal has been made about any new or duplication of transmission infrastructure that may occur on Dja Dja Wurrung Country.

LM-NET appreciates that AEMO met with the Dja Dja Wurrung in February 2019 as part of the stakeholder engagement for the Project Assessment Draft Report and sought to understand how to work together at the earliest possible opportunity to deliver (if confirmed) a project that provides both for excellent outcomes for Victorian electricity consumers as well as the various Traditional Owner Groups and Registered Aboriginal Parties.

While there may not be a legal imperative for developers and other non-government entities to engage with Traditional Owners, we seek to promote this as best practice, and as a practice that is consistent with the international human rights framework that underpins the Human Rights Charter, particularly as it relates to Aboriginal Cultural Rights and the special importance of Human Rights to Victorian Aboriginal People.

The Loddon Mallee Regional Renewable Energy Roadmap covers the majority of the Murray River Zone in Victoria and will provide an essential basis for understanding the variability of community acceptance and support across the region. This project will also seek to understand the attributes of a renewable energy future that the communities in the Region wish to see. There is a significant opportunity for this work to inform the RIT-T process to ensure that the process can avoid substantial delays and work with a more informed understanding of local and regional issues in the medium and long term.

Thank you again for the opportunity to provide feedback on the PADR. LM-NET would be happy to clarify any aspects of this submission if required.

Further inquiries regarding this submission can be directed to Mark Costello, LM-NET Secretariat by email at mark.costello@delwp.vic.gov.au or by phoning 0408 150 655.

Yours sincerely,

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