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9 September 2022
Nicola Falcon
Group Manager Victorian Planning
Australian Energy Market Operator (AEMO)

Via email: VNIWestRITT@aemo.com.au

Dear Ms Falcon

VNI West Project Assessment Draft Report

AusNet welcomes the opportunity to make this submission in response to the VNI West Regulatory Investment Test for Transmission Project Assessment Draft Report (the PADR).

AusNet is the largest diversified energy network business in Victoria with over $11 billion of regulated and contracted assets. It owns and operates three core regulated networks: electricity distribution, gas distribution and the state-wide electricity transmission network, as well as a significant portfolio of contracted energy infrastructure. It also owns and operates energy and technical services businesses (which trade under the name "Mondo"). We are also the project proponent delivering the Western Renewables Link; an ISP project unlocking up to 900MW of renewable energy capacity located within the same region as VNI West.

There is growing recognition that transmission investment is required in Victoria and the NEM to connect the scale of generation and storage required to protect consumers from energy reliability and resilience risks. The 2022 Energy Statement of Opportunities (ESOO) is testament to the rising risks of energy shortfalls in Victoria, and the need to replace retiring coal generation and meet electrification demands through projects such as Western Renewables Link, VNI West and the Gippsland Renewable Energy Zone™. In addition, there is added pressure on the existing regulatory framework to deliver early, ongoing and meaningful engagement with communities and landholders at all stages of transmission development, recognising this infrastructure will be part of the communities for many years to come.

These credible and evolving risks are raising the importance and scrutiny on VNI West and other actionable ISP projects within the 2022 Integrated System Plan (ISP). The decisions made as part of regulatory approvals process in pursuit of these projects will have a fundamental impact on outcomes for local communities, consumers and risks borne by parties responsible for project delivery. Recent projects suggest the RIT-T process as it stands today is the primary opportunity for genuine engagement of stakeholders on the project's area of interest, technology choices, benefits, costs and risks. In particular, the credible options and cost benefit assessment are likely to guide which communities are most impacted, costs borne by consumers and the parameters by which the relevant party contracted to deliver Victorian projects must adhere to.

AusNet's attached submission identifies several areas that warrant further consideration as follows:

- **The Ballarat to Bendigo Victorian alignment is a highly conflicted land use corridor and is likely to drive delays, cost increases and poor outcomes for communities regardless of the final corridor.** Potential routes along this portion of the alignment traverse areas which are environmentally sensitive, have established land uses and existing energy infrastructure. Further, there is a high portion of smaller and high value landholdings which will severely impact the ability to secure efficient and timely land, easements and statutory approvals for both transmission and generation infrastructure.
- **The set of options within the PADR is narrow and may not provide stakeholders with confidence in the transmission planning and approvals process.** For all practical purposes the two credible network options assessed within the PADR are the same option. In AusNet's view, the level of rigour or transparency expected by stakeholders as part of a cost benefit analysis may be compromised by such a narrow options assessment.

This may risk significant scope revisions and delays during the environmental approval processes which require assessment of all feasible alternatives. In addition, there is no recent precedent for considering two credible options within RIT-T's for committed or actionable ISP projects.

With these considerations in mind AusNet has completed further work identifying potential alternatives to VNI West, taking a multidisciplinary approach to transmission planning that ensures credible options are both technically and socially responsible. This approach is consistent with a proposed framework as considered through the recent Victorian Government Victorian Transmission Investment Framework consultation. This work has identified what AusNet considers to be credible alternative corridors which do not alter materially the technical solution proposed by the PADR, but do unlock a more diverse energy supply and avoid areas of high social and environmental constraint.

AusNet suggests that the RIT-T Proponents assess alternative options as part of the RIT-T process that align with the identified need and would provide similar benefits. We recognise the extraordinary challenges of building new transmission assets and we welcome the opportunity to work collaboratively with the RIT-T proponents to consider alternative options as part of the VNI West regulatory approvals process.

Finally, AusNet sees opportunities for AEMO Victorian Planning to consider whether elements of the Victorian Government's Victorian Transmission Investment Framework (VTIF) could be applied to the Victorian portion of the PACR. This includes opportunities to provide greater transparency around the benefits, costs and risks of hosting energy infrastructure, how VNI West will integrate with future Victorian projects, and how government policies might affect the costs and benefits of VNI West.

If you have any questions regarding AusNet's submission, please contact Jack San, Manager Energy Policy by email at Jack.San@ausnetservices.com.au.

Sincerely,

Louise Bennett
Acting General Manager Government Relations, Policy & Marketing

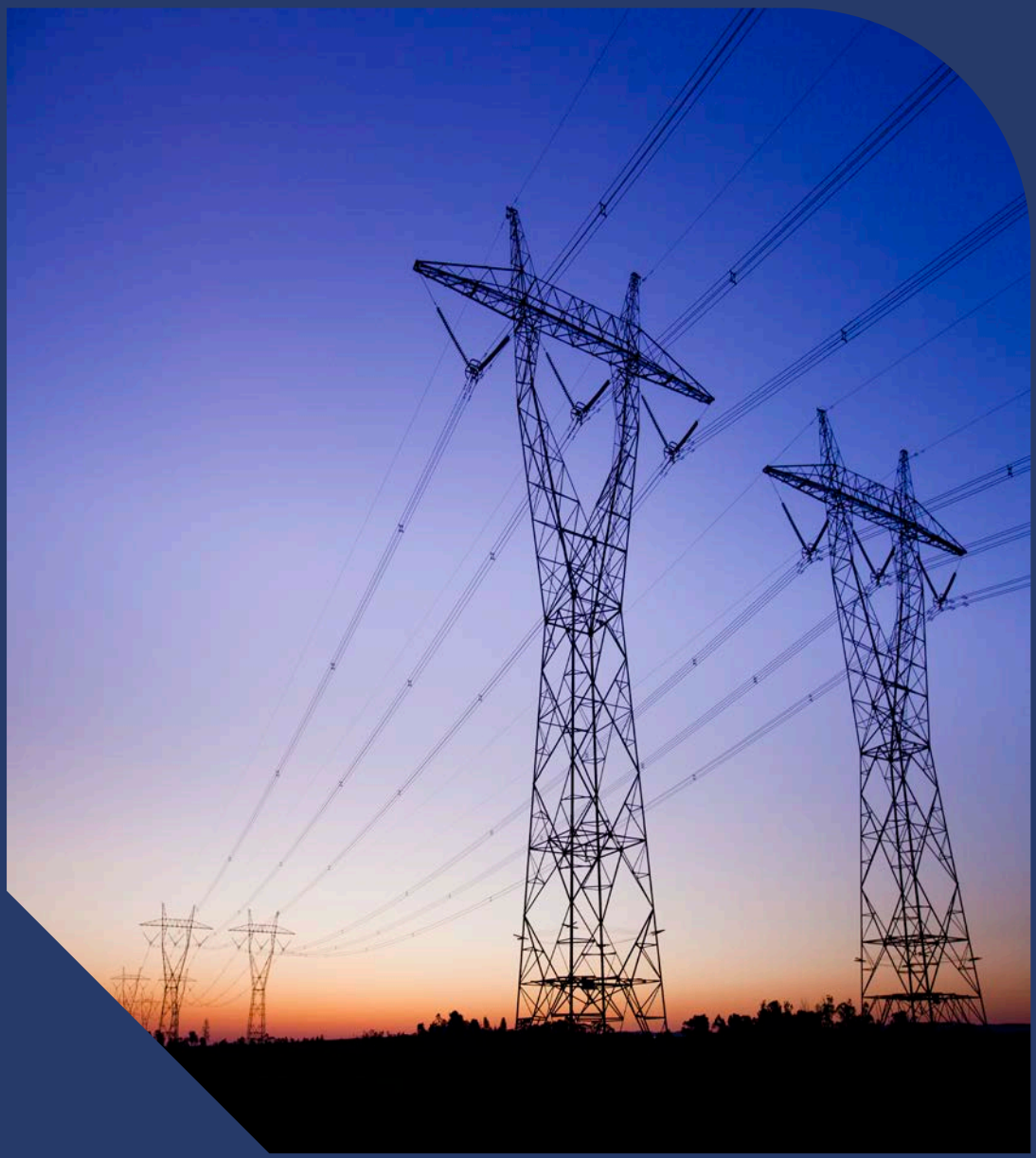
AusNet

AusNet

AusNet submission in response to the VNI West RIT-T Project Assessment Draft Report

Australian Energy Market Operator (AEMO)

Friday, 9 September 2022



1. Introduction

AusNet strongly supports transmission development being grounded in proactive and respectful engagement, particularly with the communities expected to host future energy infrastructure. This recognises that transmission infrastructure projects are part of the community and will be for many years.

Under Victoria's unique arrangements, the Australian Energy Market Operator (AEMO) is the transmission planner for the Victorian shared network. As the primary declared transmission system operator (DTSO), AusNet Transmission Group Pty Ltd (a subsidiary of AusNet) is responsible for operating, maintaining and replacing the existing shared network; and coordinating transmission connections of new generation and customers with AEMO. Separable augmentations to the Victorian shared network are generally contestable.

Our response is based on extensive analysis and our perspective as the primary transmission asset owner including our understanding and experience of: the current Victorian transmission planning and delivery arrangements; community needs; and outcomes for consumers. It is also based on our role as a major prospective investor and service provider, which includes our experience as the proponent delivering Western Renewables Link - an ISP project located within the same region as VNI West; and Gippsland Renewable Energy Zone™ – an industry led development of Victoria's first Renewable Energy Zone project.

With this experience in mind, our submission:

- Identifies critical delivery risks with the PADR's preferred option, specifically the Victorian component (Section 2)
- Explains why we believe viable alternative options need further consideration and the resultant impact of not doing so (Section 3)
- Suggests alternatives corridors exist that align with the identified need, while unlocking greater wind capacity and avoiding areas of high social and environmental constraint (Section 4)
- Identifies further opportunities to enhance the Project Assessment Conclusions Report (the PACR) (Section 5).

2. Critical delivery risks with the PADR's preferred option

AusNet supports VNI West as a key project to protect consumers from energy reliability and resilience risk. However, there are critical delivery risks with the preferred option that in AusNet's view need further consideration than what appears to have been considered in the PADR. Without further consideration we do not consider these issues can be efficiently resolved through the allocation of additional funds as considered in the PADR.

Sections of the PADR VNI West preferred option are highly constrained. Subsequent early works activities are unlikely to mitigate the impact of new generation and transmission infrastructure in the region.

The PADR notes desktop land, planning and environmental feasibility studies have been undertaken to better understand the existing and known conditions relevant to the credible options in the PADR. Through this analysis the PADR notes that a range of significant environmental, cultural and social constraints have been identified, which have refined the broader geographical area of interest and that further investigation is required as part of Stage 1 early works.

The PADR also states that the desktop analysis ensured that the transmission options considered are likely to achieve future planning and environmental approvals and, as far as practically possible, are anticipated to be broadly acceptable to the community.

While AusNet welcomes the recognition of community acceptance as an important issue within the PADR, there is insufficient information included in the PADR to conclusively support that the preferred option is acceptable to the community or able to achieve future planning and environmental approvals. AusNet is concerned based on its own analysis that sections of the preferred VNI West option are highly constrained due to conflicted land use and environmentally and culturally sensitive areas, and that the early works activities are unlikely to mitigate these risks.

While the PADR refers to a broad area of interest, in reality there are very limited route options along certain parts of the Victorian portion of the project (e.g. the project proponent is likely to have to follow the path of existing infrastructure).

The Ballarat to Bendigo Victorian alignment is a particular area of concern. The primary reasons for this are:

- **The geographical area is peri-urban and traverses areas that are environmentally sensitive, have established land uses, and existing energy infrastructure. This results in a high degree of constraints.**

  The preferred option intends to connect a new 500kV double-circuit overhead line from Western Renewables Link north of Ballarat through to a new terminal station at Bendigo. This broad alignment passes through the Central Victorian Uplands, Victorian Volcanic Plains and Goldfield bioregions.

  Potential routes along the Greater Bendigo portion of the alignment would likely traverse the Greater Bendigo National Park and Bendigo Regional Park which have high biodiversity value and potential Aboriginal cultural heritage sites. Nearby residential land in Bendigo and Maiden Gully, and infrastructure related to the New Bendigo Gold Mine also represent a physical constraint for potential routes.

  These constraints limit the physical land available to build new transmission and generation infrastructure and provides minimal ability to 'detour' away from highly constrained areas.

  An example of this is the proposed Bendigo new terminal station. As an anchor point for the project, there is limited opportunity for the proposed alignment to be modified in order to mitigate potential social and environmental impacts which, given the surrounding land use, are likely to be the same regardless of the direction of the connection point.

  While it is acknowledged that some constraints along the proposed alignment could be addressed by localised realignment away from the existing transmission lines, the impacts are likely to be simply transferred from one property or area to another property or area.

  Where detours are possible, they have a high potential to create islanded communities (otherwise known as ring-fencing effects). This is where the separation distance between two adjacent transmission lines is less than 3 km, land use and landscape and visual impacts can be exacerbated and adversely affect properties and communities.

  Even if the islanding effects were acceptable to communities, additional adjacent transmission lines could attract a dense concentration of generation infrastructure further increasing the impact on local communities within the area.

- **The high proportion of small landholdings increases the number of landholders that must be engaged and likely impact to their existing operations.**

  Residential and rural residential subdivisions are located in and around Bendigo, Ravenswood and Castlemaine. Further lifestyle and hobby farms occur between Ballarat and Bendigo. As a result, there is a high proportion of small landholdings in this section of the Victorian alignment. Due to their smaller size, there is a higher probability that the transmission infrastructure will impact the landholdings existing operations. Based on our experience, these types of landholdings present a significant challenge in successfully negotiating the establishment of an easement.

  The number of small landholders also has a direct correlation with the number of engagement points, increasing the complexity and amount of effort required to secure land and easements during the delivery phase of the project. When combined with the fact that the project is approximately 400km long, the engagement and negotiation with landholders may impact on both the deliverability and timing of the project.

- **The geographical area includes a growing amount of high value landholdings, which we expect will increase the overall cost of the project, and development new large-scale generation in the region.**

  The proposed alignment would traverse an area comprised of intensively farmed irrigated land, mixed cropping and grazing, broadacre cropping, piggeries and poultry farms, which represent relatively high value landholdings. The desirable nature and growing value of this land between Ballarat and Bendigo has the potential to increase the complexity of negotiations with landholders, and the overall time and cost of obtaining the land and easements necessary to develop VNI West. These factors would also have an adverse impact on the attractiveness of locating new large-scale generation in the region.

This has a number of implications for the delivery of the Victorian component of VNI West:

- **Vocal community and media opposition to the project** – Early evidence of this is already starting to emerge through recent media attention.
- **Increased difficulty to secure land, easements and environmental approvals** – In addition to challenges and complexities with land access and tenure, the VNI West Victorian planning and environmental approvals assessment is more likely to include significant unaddressed concerns, with adverse potential impacts to project timelines and cost and the success of the overall project (see Section 3 for more detail).
- **Increased difficulty for developers to build renewable generation and efficiently connect renewables** – Due to high land costs, land use constraints and community opposition, new renewable generation is unlikely to choose to connect along the Ballarat to Bendigo alignment. In addition, developers may need to connect further away with longer connection assets. These impediments suggest renewable generation in this corridor may be more expensive than the ISP's costs may imply, even where a contingency is accounted for. It also raises questions

around whether the PADR will facilitate the "efficient" connection of renewable generation, and expected fuel cost savings. The PADR suggests 400-800 MW of additional generation development will be facilitated in the Western Victorian REZ despite these constraints.

All of this is likely to drive delays and cost increases in delivering VNI West that may be avoided by considering alternative credible options (as discussed further in Section 4).

3. Viability of alternative options warrants further consideration

Without considering a range of credible options within the RIT-T, it may compromise stakeholder confidence in the transmission development process.

The PADR has dismissed all options previously considered in the Project Specification Consultation Report (PSCR) and Integrated System Plans (ISPs) on the basis that the actionable ISP framework in the National Electricity Rules (NER) does not require RIT-T proponents to consider any credible options that were previously considered in the ISP and are not part of the Optimal Development Pathway. Instead, a summary of alternative options and a brief explanation of the rationale for not progressing these options is provided in Section 6.5 of the PADR.

As a result, for all practical purposes, the two credible network options within the PADR are essentially the same option (albeit Option 2 includes a Virtual Transmission Line to be commissioned ahead of the network solution).

AusNet is concerned that the options considered in the PADR are narrow and may compromise stakeholder confidence in the transmission planning and delivery process. The key reasons for this are as follows:

- **The RIT-T is designed to consider all credible options using the same set of assumptions and analytical tools and in doing so provides a transparent and accountable process.**

  The RIT-T process is the critical point at which consumers and communities can transparently review key project decisions. In Victoria, contestable arrangements mean that the RIT-T is the primary process by which key project decisions are subject to public consultation before AEMO Victorian Planning tenders for a technical scope of works. The next opportunity for formal public comment on a transmission project is likely to be several years later as part of the jurisdictional planning and environmental approvals process (i.e. there is no subsequent contingent project application process to further test the merits of the preferred option as there is in other NEM jurisdictions).

  Dismissing all alternative options based on ISP analysis conducted at various points since the PSCR does not deliver the rigour or transparency expected by stakeholders from a cost benefit analysis process. Only VNI 6 (via Shepparton) has been considered using the same assumptions as the credible options in the PADR. All other options were discounted in the 2020 ISP, which applied a different set of assumptions and preferred scenario. This makes it difficult to clearly identify any relative net-benefits of the alternative credible options compared to the preferred option.

  In addition, AusNet submits there are now additional credible options that were not contemplated as part of the PSCR or recent ISPs, which represent superior solutions (see Section 4 for further information). Considering these options would further the promotion of the National Electricity Objective (NEO).[1]

- **There is no recent precedent for considering two credible options that are essentially the same option.**

  The table below provides a summary of the number of credible options assessed in RIT-T's for recent ISP projects. It shows that these projects all considered at least four credible options at the PADR and PACR stage. This includes Marinus Link, which is similar to VNI West in that it is an interconnector and subject to the actionable ISP framework transitional arrangements.[2]

Table 1: Credible options included in recent RIT-T's for ISP projects

Project	Number of credible options considered in PADR	Number of credible options considered in PACR
Western Renewables Link (VIC)	8	6
Humelink (NSW)	12	7
Marinus Link (TAS/VIC)	4	4
Project EnergyConnect (SA/NSW)	4	4

[1] AER, *Application guidelines for the regulatory investment tests – Final Decision*, December 2018, p 17.
[2] The AER's actionable ISP framework new rules and guidelines apply to all RIT-T processes for actionable ISP projects that commenced after its publication in August 2020. For RIT-T processes where a PADR has been published the previous instrument and application guidelines can continue to apply or the proponent can choose to adopt the new framework.

- **Any time savings achieved from excluding additional credible options in the RIT-T will be completely outweighed by the scope revisions and delays in the delivery phase.**

  The PADR notes avoiding duplication between the ISP and RIT-T as a key driver for dismissing credible options previously considered in the PSCR and ISP processes. While excluding these credible options is permitted under the NER, this position fails to recognise the greatest opportunity to save time is in the early works stage of the project (e.g. land and easement acquisition, planning approvals etc).

  This is because jurisdictional planning and environmental approval processes, such as the Environmental Effects Statement (EES) in Victoria, require identification and analysis of feasible alternatives that have the potential to deliver suitable social, environmental and economic outcomes whilst meeting the project objectives. This includes detailed consideration of alternative corridors, sites, designs (e.g. full or partial undergrounding) of the project – such as the types of options dismissed in Section 6.5 of the PADR. Failing to consider alternate options as part of the RIT-T, in AusNet's view, merely defers an integral part of the transmission project development phase to the EES stage, where the cost of commitment is much higher.

  Failing to consider a range of credible options during the RIT-T will have an adverse impact on the timely delivery of a major transmission project and the proponent's ability to deliver a positive legacy for local communities. This is because:

  - the PADR only identifies significant environment cultural and social constraints for one network solution
  - reconsidering network options and scope revisions as part of an EES or other environmental assessment or planning processes can be time and resource intensive
  - it may not align with the expectations of local communities, councils, associations or other important stakeholders seeking genuine engagement around the route, technology choices, benefits, costs and risks of hosting energy infrastructure before decisions are made.

- Demonstration of the assessment of alternative options as part of the RIT-T may reduce or avoid these scope revisions and delays to the benefit of all interested stakeholders. Importantly, this project will continue to carry a material uncertainty around whether conflicted land use and environmentally and culturally sensitive concerns can be effectively mitigated, until the completion of the EES.

The NER expressly permits RIT-T proponents to consider credible options already considered (or similar variations).

As noted earlier, the PADR dismisses all alternative options on the basis that a RIT-T proponent is not required to consider any credible option that was previously considered in the ISP, but does not form part of the optimal development path. This is consistent with NER Clause 5.15A(b)(8)(i).

The PADR also notes that the ISP provides guidance to RIT-T proponents on options to consider in the RIT-T under the actionable ISP framework. However, regardless of this guidance, NER Clause 5.15A(b)(9) expressly states that the RIT-T proponents are not prevented from considering credible options already considered.

This recognises that the policy intent of the AER's final actionable ISP guidelines is to allow for appropriate testing of investment options without unnecessarily drawing out the process through duplication or redundant steps. For reasons expressed above, we do not consider that considering these credible options would result in duplication or cause redundancy. To the contrary, we consider that including the credible options identified in the PSCR will yield a preferred option that better achieves the NEO. This is because testing a number of options against a common set of assumptions will provide both proponents and stakeholders confidence that the preferred option is the one that maximises the net economic benefit and therefore promotes efficient investment.

Critically, considering a broader range of credible options in the RIT-T also promotes efficiency by imposing transparency and accountability on major network investment decisions. Ensuring that major transmission investment decisions are the subject of comprehensive consultation is central to the success of the project. It can allow communities and other key stakeholders to identify potential impacts, and proponents to adopt appropriate modifications earlier in the project when cost and time impacts may be able to be better managed.

For these reasons, we strongly recommend the RIT-T proponents consider additional credible options in the PACR.

4. Early findings of alternative credible options

Alternative credible options exist that align with the identified need, while unlocking greater Victorian wind capacity and avoiding areas of high social and environmental constraint.

In May 2020, AusNet's response to the PSCR suggested that there were other credible options for VNI West that should be considered and identified a variant to VNI 6 Option for further investigation.

As acknowledged by the PADR, there have been a range of key developments that materially impact the assessment of the RIT-T and suitability of various options since the PSCR. This includes changes to:

- Key assumptions and scenarios (e.g. existing and potential hosting capacity within each REZ, early withdrawal of supply particularly Victorian coal closures, increased demand driven by electrification of carbon intensive sectors)
- The location of Project EnergyConnect, which impacts the expected entry point of VNI West into Victoria
- Land development and uses within the Murray River, Western Victoria and Central North REZ.

These developments mean that further alternatives options now exist that have not been considered in the PADR or previous processes. This includes alternatives to the preferred option and the variant proposed to VNI 6.

Since our response to the PSCR, AusNet has completed further work identifying potential alternative options to meet the identified need of the project. This work leverages a multi-disciplinary lens to consider energy supply needs and is consistent with the considered frameworks as proposed under the recent Victorian Transmission Investment Framework. This includes inputs beyond nodal market modelling and network engineering requirements such as community, land use and stakeholder impacts. This approach ensures options considered are both technically and socially responsible.

To date our analysis has found:

(1) **Alternative options have the potential to establish more diverse set of renewables in Victoria than the preferred option.** The current VNI West alignment predominately enables new large scale solar development in Victoria. By moving the southernmost section of VNI West away from Bendigo, VNI West can unlock wind resources further west of the current area of interest or further east in Central North REZ. AusNet is aware of more than 3,000 MW of proposed wind with landholdings secured in this area that could be development with a western alignment of VNI West. This would increase the diversity of renewables critical to Victoria's future energy needs, avoid areas of urban density, while achieving equivalent market benefits and line length. As outlined in the table below, the 2022 ISP indicates a need to facilitate additional wind generation earlier in the modelled period as compared to solar.

Table 2 Step Change – Victorian energy requirements according to Optimal Development Plan (CDP12)

Year	2030	2040	2050
Solar	1,002 MW	3,619 MW	11,583 MW
Wind	6,686 MW	10,441 MW	12,503 MW

Source: 2022 ISP, AEMO

(2) **There are alternative points of connection that could unlock the benefits of solar capacity in Murray River REZ.** The VNI West preferred option passes through Murray River REZ (e.g. Kerang) which offers strong potential for new large-scale solar connections. Our analysis suggests there are alternative points of connection that could unlock the solar capacity in this region but avoid the Ballarat and Bendigo alignment.

(3) **Future consideration should be given to the criticality of the Sydenham to Ballarat transmission element and how this will be assessed in future transmission contingency planning scenarios.** A loss of this line would result in the majority of generation in Western Victoria and imports from NSW to be reduced by about 3,000 MW which would severely impact system security.

Given the above, AusNet requests the RIT-T Proponents assess alternative options as part of the RIT-T process that align with the identified need and provide similar benefits. Corridors that have the potential to unlock wind and solar capacity in Victoria and avoid the Sydenham to Bendigo alignment should be prioritised. We welcome the opportunity to work collaboratively with the RIT-T proponents to consider alternative options as part of the VNI West regulatory approvals process.

5. Opportunities to enhance the PADR

We encourage the VNI West regulatory approvals process to incorporate the objectives and practices of the Victorian Transmission Investment Framework.

VNI West is a significant and permanent addition to Victoria's future network. Whether or not the project is delivered on time, to budget and with a high degree of community acceptance will have a material impact on how Victorian's view transmission and generation infrastructure projects in the future, including under the Victorian Transmission Investment Framework (VTIF).

AusNet encourages AEMO Victorian Planning to consider whether elements of the VTIF could be applied to Victorian portion of VNI West PACR. This includes:

- **Providing greater transparency around the benefits, costs and risks to communities hosting energy infrastructure.**

  The RIT-T proponents make a series of commitments to improve engagement processes. This includes a commitment to engage key stakeholders such as consumer groups and community representatives early to help them better understand the need for, and benefits of, VNI West, and promote meaningful and timely stakeholder input into the project's cost benefit assessment.

  A further commitment is made to collate and address any concerns not yet able to be addressed as part of the regulatory approvals process as part of the route determination process (e.g. Stage 1 early works). This includes important social and environmental matters.

  AusNet suggests the approach proposed by VTIF could enhance the 'early and meaningful' engagement approach. Ensuring the values, priorities and concerns of potentially affected communities are adequately considered would require the PACR to:

  - **Give detailed consideration to social, cultural and environmental factors through a multicriteria analysis (MCA) and strategic land use assessment (SLUA).** These assessment tools are being considered as part of the VTIF to help avoid geographical areas with significant constraints, enabling credible corridors to be taken forward to the community for their input and open discussions with communities on potential benefits. This may facilitate or promote a more efficient statutory planning and environmental assessment and approvals process, social licence, meaningful community engagement. It may also reduce the risk of costly scope revisions and project delays during delivery, and improve the success of the overall project.
  - **Outline how local communities are likely to benefit from the development of major transmission infrastructure.** The VTIF makes it clear that REZ development should deliver local benefits, minimise impacts and foster community support while delivering the investment needed to enable the energy transition. This recognises energy infrastructure is increasingly being hosted in greenfield locations, where local communities are likely to bear the costs and impacts of this infrastructure without necessarily receiving adequate local benefits.

    There is value in considering and communicating the wider economic benefits (e.g. economic output, jobs, benefit sharing activities) local communities are likely to receive in connection with the project, even if they cannot be formally included within the cost benefit assessment.

- **Analysis to demonstrate a holistic and integrated view of the Victorian transmission network has been considered.**

  AusNet is conscious that designing a resilient and efficient Victorian transmission network requires a holistic view of how each project integrates within the broader network (rather than focus on each individual project or REZ).

  We encourage the RIT-T proponents to consider and provide commentary on the way VNI West will integrate with future Victorian projects, and maximise the benefits to Victorian and NEM consumers. This includes opportunities to lift the thermal capacity and resilience of the overall network (both within Victoria and the broader NEM) through integrated design approaches, such as network meshing (e.g. creation of loops tying together network rather than creating critical points of failure on the network). This type of thinking is embedded within the VTIF's proposed objectives and necessary to avoid the reliability concerns signalled in the 2022 Electricity Statement of Opportunities.

- **Clarity about the role of Victorian Government policy such as its Offshore Wind Targets and VTIF.**

  There are likely benefits in considering whether government policy is expected to influence the VNI West PACR. For example, the Victorian Government's Offshore Wind Targets and VTIF Optimal REZ Pathway may reduce Victoria's reliance on interconnection following the closure of its existing coal fleet, and therefore requirements for VNI West.

  We suggest AEMO Victorian Planning clarify whether government policy such as the Victorian Government's Offshore Wind Targets, REZ Development Plan and VTIF have been inputs into the RIT, and how they might impact the costs and benefits of VNI West.

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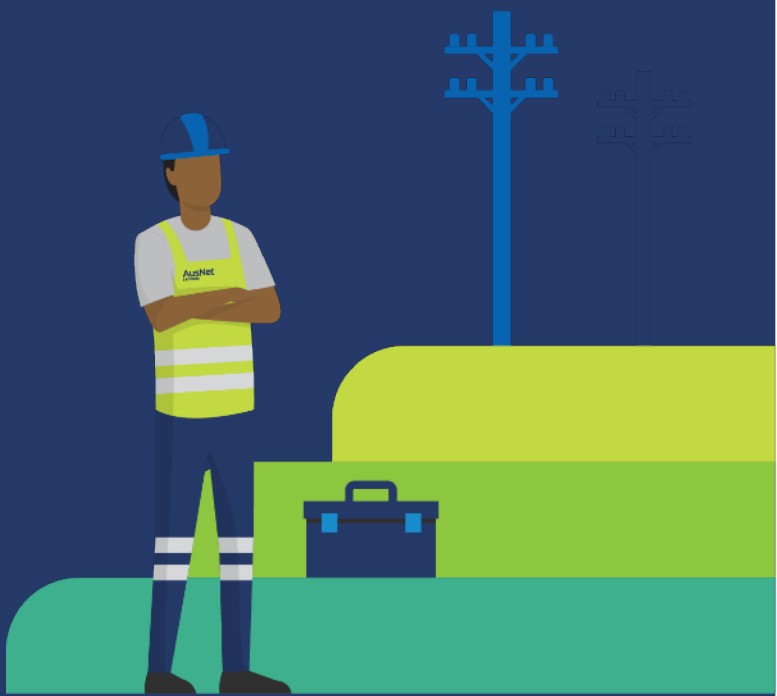

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