

9 September 2022

Australian Energy Market Operator (AEMO) By email: VNIWestRITT@aemo.com.au

To whom it may concern,

Submission from the City of Greater Bendigo Victoria to New South Wales Interconnector West - Project Assessment Draft Report

Thank you for the opportunity to make a submission to the Victoria to New South Wales Interconnector West (VNI West) Project Assessment Draft Report (PADR). This is an important project which has the potential to transform the energy landscape in Central Victoria.

Please note that this submission represents the views of officers from the City of Greater Bendigo and has not been formally endorsed by Council.

Policy Context

In October 2021 Council adopted its *Climate Change and Environment Strategy 2021-2026* which includes a goal to achieve zero emissions across the City by 2030. In addition, Council's adopted economic development strategy, *A Stronger Greater Bendigo 2030*, aims to deliver lower cost energy to businesses and households through locally based and owned renewable energy. Together these strategies aim to ensure the City capitalises on the energy transition currently underway in terms of industry attraction, lower cost energy and emission reductions.

Council's local strategies complement the *Loddon Campaspe Economic Growth Strategy* which aims to achieve a "regional renewable energy network" and the *Loddon Mallee Regional Renewable Energy Roadmap* which seeks to "enhance grid infrastructure and realise the region's solar potential". The Roadmap also seeks to "maximise community benefit sharing and maintain social license" which are both important goals for this project.

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<u>Submission</u>

1. In principle support for the project which will strengthen the national electricity grid, unlock opportunity for renewable energy generation in the region, facilitate the region's transition to clean energy and provide opportunities for local jobs and investment.

In principle, Council supports the proposal to install 500kV transmission lines between Victoria and New South Wales via Bendigo and Kerang. This high capacity transmission will unlock opportunities for large scale renewable energy in Central Victoria which will increase the region's access to clean and reliable energy. It also has potential to attract investment from energy intensive industries as well as the renewable energy sector, thereby benefiting local economies.

2. Maximise local economic and community benefits.

While VNI West aims to stabilise and decarbonise the broader electricity network, Council is keen to ensure the Greater Bendigo community benefits from the new infrastructure and the renewable energy projects that follow in tangible ways. This involves establishing community benefit sharing models that extend beyond directly affected landholders and identifying ways the project can contribute positively to the Bendigo economy. This may include utilising local suppliers, creating opportunities for community investment structures, establishing opportunities for local training and employment and maximising opportunities for development of complementary industries in the region. A review of existing network and transmission pricing may be required to enable local industries located close to the transmission lines to benefit from reduced pricing in recognition of the efficiency gains achieved from reduced transmission losses.

3. Ensure sufficient connections are available for new large and small scale renewable energy generation along the alignment.

Unlocking the renewable energy potential of the region will require the installation of sufficient substations at strategic locations that enable large and small scale renewable energy projects to connect to the high voltage transmission lines along the extent of the alignment. Planning for sufficient substations at the early stages of the project should reduce costs in the future, improve the efficiency of the region's deployment of renewable energy and help attract complementary industries.

4. Work with Powercor to ensure local distribution networks are suitably upgraded before or concurrent with the transmission upgrades to enable local communities to benefit from the high voltage powerlines.

Realising the local benefits listed above will rely on complementary upgrades to the local distribution grid to ensure the local electricity network can cater for an increase in energy intensive industries and small scale renewable energy generation. Working collaboratively with Powercor to ensure these local benefits can be achieved will assist in building the project's social license.

5. Maximise opportunities for the Bendigo Regional Employment Precinct near Marong to benefit from its proximity to the high capacity transmission.

Council is progressing plans to facilitate development of the Bendigo Regional Employment Precinct which is located south of the Marong township. This precinct will provide industrial zoned land for new manufacturing and other industrial businesses. Providing opportunities for this precinct to benefit from the new high voltage transmission lines will help attract industries to the precinct, supporting economic development in the region. Note that this precinct could provide a suitable location for the new substation required near Bendigo.

A map of the location of the Bendigo Regional Employment Precinct is provided at the end of this submission.

6. Ensure any new alignment avoids areas of native vegetation and minimises impacts to biodiversity and landscape values.

The City's natural environment and scenic qualities are highly valued by our community. Council is currently preparing a Biodiversity Strategy for the City which will clarify the City's priorities for biodiversity enhancements and connectivity. This strategy is likely to emphasise the importance of protecting and enhancing existing natural values and improving connectivity between conservation areas.

In line with these goals, Council is keen to ensure the alignment of any transmission lines or associated infrastructure avoids negative impacts to native vegetation, waterways, views and other natural values in the first instance. Where impacts are unavoidable, these should be minimised as much as possible. This would involve undergrounding sections of the transmission line as needed to reduce impacts to biodiversity or sensitive landscapes.

7. Preference for use of the existing 220kV easement where possible or for colocation of any new infrastructure to avoid visual and environmental impacts elsewhere.

One way to minimise impacts to environmental and landscape values involves utilising the existing 220kV easement where possible. Council recommends that this option be explored prior to investigating alternative alignments.

8. Ensure community engagement throughout the process is thorough, transparent, inclusive and honest.

The VNI West project is complex, involving multiple stages of investigations, assessments and approvals. It is important that community consultation throughout this process is clear, transparent, timely and inclusive. This involves resourcing the consultation appropriately, providing information in plain English, creating multiple different opportunities for community input and clarifying what aspects of the project the community can influence at different stages. Council would be happy to continue to provide advice to AEMO about how best to engage the Greater Bendigo community.

Thank you for the opportunity to provide input into this important project. We look forward to hearing about the outcomes of the PADR and to participating in the project's future stages.

If you have any queries or wish to discuss any of the above matters, please do not hesitate to contact me at m.wyatt@bendigo.vic.gov.au.

Yours sincerely,

Michelle Wyatt

Manager Climate Change & Environment

Figure 1: Map showing location of the Bendigo Regional Employment Precinct (BREP)

