

Victorian Planning Team Australian Energy Market Operator By email: VNIWESTRITT@aemo.com.au RWE Renewables Australia Pty Ltd

Suite 5, Level 9 350 Collins Street Melbourne, VIC 3000 Australia

+61 (0) 3 9600 2698 www.rwe.com

ABN 72 626 156 894 ACN 626 156 894

9 September 2022

Victoria to New South Wales Interconnector West – Submission to Project Assessment Draft Report under the Regulatory Investment Test for Transmission

Thank you for the opportunity to provide feedback on the Project Assessment Draft Report (PADR) for the Victoria to New South Wales Interconnector West project (VNI West)

RWE is a global energy company with over 12 GW of installed renewable energy capacity across our core technologies and markets. Its global renewable energy development pipeline exceeds 20GW. RWE operates across core markets including the Americas, Europe and Asia Pacific, with operations in 18 countries.

RWE's first Australian project is the 249 MW Limondale solar farm in Balranald, southwest NSW, and we have a development pipeline of wind, solar and storage projects across the NEM, including in Victoria.

When we look at the proposed route of VNI West set out in the PADR, specifically the leg from Ballarat to Kerang, we see missed opportunities for renewables development in Victoria.

Our experience in scoping greenfield opportunities for wind, solar and storage projects in northern and western Victoria suggests that the proposed Ballarat to Kerang leg, including the proposed North Ballarat substation, faces significant social licence and environmental issues both for transmission and new renewables projects, as well as lower wind resource and higher flooding potential. Furthermore, building that leg adjacent to the existing line provides lower system security benefits than a new route would.

RWE has identified great opportunities for renewables development further west of the proposed Ballarat to Kerang leg, and urge AEMO to consider re-routing VNI West to ensure the full benefits of the transmission project can be unlocked. We believe AEMO should test whether a new route further west connecting Kerang to Victoria's high voltage network would better meet the National Electricity Objective, by delivering more lower cost energy and better reliability and security of supply to consumers.

We understand the imperative to connect through Kerang to Dinawan, but suggest reconsideration of the options to connect Kerang into the high voltage network in western

. . .



Page 2

Victoria. To the west of Ballarat and Bendigo we see the following benefits for renewables development:

- Lower density dwellings
- o Increased wind resource
- o Larger agricultural properties, more compatible with renewable projects
- o Less native vegetation and ecological constraint areas
- o Less regions of cultural heritage sensitivity
- Less regions subject to flooding
- o A new transmission route rather than a parallel one, increasing redundancy in contingency events, including extreme weather events and bushfires

If a new route could be investigated, early, ongoing and meaningful community engagement could occur as per the Victorian Government's policy under their Transmission Investment Framework, rather than starting on the back foot with communities already feeling pressure around Ballarat and Bendigo.

We also urge consideration of higher voltage lines to further unlock Victoria's renewable resources, to further strengthen investment opportunities to increase reliability of supply to consumers at lower cost, as per the National Electricity Objective.

Thank you for your important work designing the grid of the future. We would be happy to discuss this submission in more detail if that would assist.

Yours sincerely,

Matthew Dickie

Head of Regulatory Affairs, APAC

RWE Renewables 0438 118 861

matthew.dickie@rwe.com