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SB



8 September 2022

Australian Energy Market Operator  
[VNIWestRITT@aemo.com.au](mailto:VNIWestRITT@aemo.com.au)

Dear Sir or Madam,

**VNI WEST REGULATORY INVESTMENT TEST FOR TRANSMISSION (RIT-T)  
PROJECT ASSESSMENT DRAFT REPORT (PADR) - SUBMISSION**

Thank you for the opportunity to comment on the Australian Energy Market Operator (AEMO) – TransGrid Victoria to New South Wales Interconnector West (VNI West) Regulatory Investment Test for Transmission (RIT-T) Project Assessment Draft Report (PADR).

The Swan Hill municipality is located in north-western Victoria about 340km from Melbourne and has a population of approximately 21,000 people. The region covers over 6,000km<sup>2</sup> and is renowned for its world class produce, spectacular landscapes and close proximity to the Murray River.

The municipality also sits within the Murray River Renewable Energy Zone (REZ) and as part of the Murray River Group of Councils has been working collectively to unlock renewable energy in the region and make North West Victoria the solar capital of Australia.

**Transmission Network Requires Upgrading**

Swan Hill Rural City Council (Council) recognises that the energy landscape across the National Electricity Market is changing rapidly and understands that well-targeted and timely invested in the transmission network is required to keep pace with these changes and provide consumers with the most cost-effective energy outcomes.

Within our own municipality and across the wider Murray River REZ, development of large scale solar farms has been restricted due to the existing transmission infrastructure, which is outdated and does not have the capacity to accommodate current let alone additional solar generation.

As such, Council strongly supports upgrading the interconnector capacity between Victoria and New South Wales as part of the overall upgrading of the transmission network.

## **Community Engagement and Social License**

The Loddon Mallee Renewable Energy Roadmap developed by the Central Victorian Greenhouse Alliance makes clear that there is strong social license for renewable energy development in the North West of the state, with strong levels of community support for large scale solar farms.

This has been demonstrated over a number of years by the planning permit processes Council has undertaken in approving applications, where four large scale solar farms are currently in operation.

## **Comment of the Preferred Option: VNI West**

After reviewing the VNI West RIT-T PADR and the two different options assessed, Council agrees with the identified proposed preferred option - VNI West (via Kerang).

As the largest and most capable REZ in Victoria, this new high capacity 500 kV double-circuit overhead transmission line will connect the Western Renewables Link (north of Ballarat) with Project EnergyConnect (at Dinawan) via new stations near Bendigo and near Kerang, and will help to unlock significant transmission transfer capacity for the Murray River REZ.

That said Council recommends stronger recognition of existing and planned large scale solar and other renewable energy projects in the Murray River REZ, where additional options to open-up capacity in a shorter timeframe would be well utilised with VNI West being the minimum augmentation option.

## **Other Comments**

Other key issues that Council feels AEMO should be aware of include:

1. The need for adequate timeframes and resourcing to enable meaningful local government and community engagement in the next phase of the VNI-West process (post-RIT-T) where route options will be identified and assessed in further detail.
2. Guiding principles and expectations for how Councils would like to be supported and engaged by AEMO and Transgrid in future consultation processes for VNI-West to ensure these are meaningful and effective.
3. The importance of benefit sharing for regional communities, ensuring that investment in new transmission infrastructure supports distributed energy in the regions to firm up local power supplies and improve reliability, particularly in and around communities that will be hosting infrastructure; and
4. Encouraging AEMO to work closely with local government authorities to consider how new transmission infrastructure may be placed to encourage renewable energy generation in areas away from irrigated productive farmland and built-up areas (recognising that large scale renewable energy facilities need to be close to transmission lines, notwithstanding capacity constraints).

## **Closing Statement**

Council strongly supports upgrading the interconnector capacity between Victoria and NSW as part of the overall upgrading of the transmission network and agrees with the proposed preferred option VNI West (via Kerang) as identified in the VNI West RIT-T PADR.

That said Council considers VNI West to be a minimum augmentation option, where additional capacity is required to accommodate and maximise the potential of the Swan Hill region and the wider Murray River REZ.

Thank you for your consideration, please feel free to contact me if you have any further question.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S Barber', written in a cursive style.

Scott Barber  
Chief Executive Officer