

Re: Victorian Government's Victorian Transmission Investment Framework Preliminary Design

The Committee for Gippsland (C4G) welcomes the opportunity to provide a submission into Department of Environment, Land, Water and Planning (DELWP) Victorian Government's Victorian Transmission Investment Framework Preliminary Design (VTIF) consultation.

C4G acknowledges and welcomes the important work undertaken by the Victorian Government in attracting and supporting investment into new energy opportunities in transmission, generation, and storage infrastructure across Gippsland.

The Victorian Government is to be commended for setting ambitious renewable energy targets and initiating the development of transmission networks and supply chains, and encouraged to reduce any legislative and regulatory barriers, which are required to achieve these ambitious targets in a timely and coordinated manner.

The VTIF will play an integral role in enabling Gippsland's Clean Energy Future: Through investment and growth, a vision and prospectus developed by C4G in consultation with industry, community and regional leaders, which was recently launched to help ensure the Gippsland region continues to play a leading role in the generation and supply of energy in Victoria.

Supporting the investment and coordination of clean energy infrastructure will help drive economic growth, provide opportunities for business and industry as our region transitions while strengthening and supporting our local communities.

About the Committee for Gippsland

The Committee for Gippsland is a positive and influential voice for Gippsland helping to create a thriving and sustainable future for our region.

As the region's lead voice to government, C4G represent business and industry views and interests to collaborate on regional priorities and outcomes which bring broader benefit to Gippsland communities. C4G's membership is diverse.

It includes well established industry such as energy, agriculture and health, emerging sectors, organisations which provide support services, education, tourism and professional advice as well as small-to-medium Gippsland businesses.

Following a thorough review in 2020 and in developing our Strategic Plan 2021-2024, C4G has identified a transition to a clean energy future as one of its key priorities.

About Gippsland

Gippsland is a diverse and resource driven region. It is 4.2 million hectares in size, with a population of 283,039 people. By 2026, this is forecast to grow to over 346,000 people. Gippsland is serviced by freeway and V/Line rail. It is one of

Victoria's eight key regional growth areas, along with Ballarat, Geelong and Bendigo. The region produces 60 per cent of Victoria's electricity, 70 per cent of Victoria's gas (40 per cent of Eastern Australia's domestic gas), around 23 per cent of Australia's milk output, and about 26 per cent of Victoria's beef production.

The region has a vibrant tourism industry, from snow peaks of Baw Baw National Park, the stunning beaches of Wilsons Promontory National Park to largest inland lakes system in the southern hemisphere; Gippsland boasts countless bed and breakfasts and wineries. It also includes Phillip Island and the Phillip Island Nature Park, which are not only a national icon, but an international draw card attracting millions of international visitors to Victoria each year.

Mining and agriculture are primary industries and a key driver of a vibrant supply chain, however, in Gippsland energy production is a large driver of economic activity due to the high concentration of power generators in the region.

Gippsland's Clean Energy Future

The Committee for Gippsland is highly supportive of the creation of an offshore wind energy zone, which as mentioned earlier, will help deliver on a priority identified in C4G's Strategic Plan 2021-2024 in developing *Gippsland's Clean Energy Future – Through investment and growth*, a copy of this can be found at our website www.committeeforgippsland.com.au.

It is important that state and federal governments work closely with industry and project proponents within the emerging clean energy sector to ensure the necessary infrastructure investment is prioritised, secured and delivered in a coordinated approach.

Victorian Transmission Investment Framework Preliminary

Investment into Victoria's existing transmission system and planning arrangements is required to accommodate the accelerating pace of transformation in the Victorian energy sector including the number of new energy projects proposed in regions like Gippsland.

When implemented, the VTIF will be the largest change to Victoria's transmission planning and delivery framework since the current transmission system was planned and built several decades ago. As Gippsland's lead industry voice representing Victoria's largest energy generators and project proponents, we provide the following feedback and submission.

A transmission planning framework should be developed that can connect the scale of renewable generation and storage required to protect consumers from reliability and resilience risks through timely, transparent and accountable investment decisions.

Victorians would benefit from elements of the VTIF being applied to major transmission projects that have already commenced the regulatory process, recognising these projects will impact how Victorians view future transmission and generation projects developed under the VTIF.

VicGrid, acting as a jurisdictional body, has key advantages in addressing the complexities in delivering new energy infrastructure in a socially responsible manner while ensuring an optimal blend of benefits for communities and

consumers. New planning tools and early engagement with a coordinated approach will help reduce community support risks for proponents and deliver better outcomes for communities.

Existing arrangements need to be reviewed to ensure a simplified and coordinated processes us developed that addresses the potential delays, costs and complexity for renewable developers operating, or seeking to operate, within Victorian energy system and environment.

C4G encourages VicGrid to play a leading role in the end-to-end planning and development of all new renewable energy zones, interconnections and major transmission projects.

New energy proponents would benefit from clarity in relation to how transmission for new projects and sectors, such as offshore wind, will be treated either government or developer led and owned, and the need to ensure firm access to the grid. Given the challenges associated with the build out of new transmission lines, it will be it's critical that a holistic approach to planning and development that incorporates social and environmental considerations (alongside technical and economic) are built in from the beginning of the planning process.

In Victoria there is capacity for AusNet to take responsibility for the Australian Energy Market Operators (AEMO's) remaining TNSP functions, including connections, operations and technical adequacy planning to maintain a secure Victorian network. Under this proposal, two parties rather than three are involved with Victorian planning and connections. This new model also provides benefits of increased accountability, better coordination and effectiveness of functions, improved connection complexities for generation proponents fully addressed; and resource duplication minimised.

Contestability arrangements can be improved with the threshold increased to \$100M, as a fair representation of a large transmission project. Such projects derive greater value from contestable processes – from increasing opportunity to innovate, and ability to attract competition from a broader pool of proponents. There are opportunities to improve the transparency and cost-efficiency of non-contestable projects including requiring the planner-procurer to release additional cost information and leveraging preparatory works to de-risk these investments.

The Committee for Gippsland would welcome further engagement in supporting the development of the Victorian Transmission Investment Framework Preliminary Design in Gippsland. If you require additional information or anything further, please don't hesitate to contact me at tony.cantwell@gipps.com.au or on (03) 5623 3219.

Thank you again for the opportunity to provide this submission.

Yours sincerely



Tony Cantwell
Chief Executive Officer
Committee for Gippsland