

Mr Tony Chappel
Chief External Affairs Officer
Australian Energy Market Operator
Level 22, 530 Collins Street
MELBOURNE VIC 3000

13 August, 2020

File: 13/03/010

Dear Mr Chappel,

Re: Western Victoria Transmission Network – Request for Further Information

We refer to our previous correspondence to AEMO regarding the Western Victoria Transmission Network Project, including our letters of 26 June 2019 and 22 October 2019.

We would again like to thank AEMO for the opportunity to be involved in the RIT-T consultation phase of the project, including the invitation to submit a response to the Project Assessment Draft Report (**PADR**) prepared by AEMO.

Since our previous submissions on the project, the “preferred option” for the Western Victoria Transmission Network (option “C2”, a combination of minor upgrades to existing infrastructure and major transmission works, including a new terminal station north of Ballarat and long-distance high voltage transmission lines between Bulgana and Sydenham terminal stations) was confirmed, and AusNet Services Group was subsequently awarded the contract to deliver the project.

Our submissions in response to the PADR centred on a recommendation to consider undergrounding the transmission lines because of the numerous environmental, farming, aesthetic and community implications that overground transmission lines would have. We acknowledged that undergrounding came at a significant cost, but implored AEMO to consider undertaking a cost/benefit analysis for even a partial undergrounding of the transmission lines, which would enable many of these implications to be avoided.

We note that the PADR contained (on page 20) a one-line explanation as to why undergrounding was not considered a credible option, in that the option

“...is expected to cost up to 10 times more per kilometre than overhead lines, and is not expected to deliver net market benefits”.

The Project Assessment Conclusion Report (**PACR**) also mentioned undergrounding, but only in passing, as a reference to complying with regulation.

Since the project has been awarded to AusNet Services Group, it has become evident there is significant concern in our community that the Western Victoria Network Transmission Project will have a negative impact on many aspects of daily life. As such, we feel obligated to further explore the reasoning behind the rejection of undergrounding.

In light of the above community concern, we would like to you to provide the following:



- 1. An expanded justification for the price comparison that was used as the reason to deem undergrounding as infeasible, which may include relevant modelling or data that is specifically based on the Western Victoria Transmission Network Project; and**
- 2. An explanation as to why partial undergrounding was not considered as an option, including relevant evidence to support this explanation.**

We understand that to our knowledge, the RIT-T process conducted by AEMO complied with all regulatory requirements, was conducted with suitable transparency, and sought appropriate input from key stakeholders throughout. We would like to be clear that our intention is not to discredit AEMO's methodology or to challenge any decision that AEMO made during the RIT-T process (including to deem undergrounding as infeasible).

The motive for our request is twofold: to pursue a fact-finding mission for our constituency and to enable the Council to more fully understand the basis used for the rejection of undergrounding, which was the key feature of the Council's initial submissions.

Given the transparency of the project so far, we trust that AEMO understands our position and will make every effort to accommodate our request.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Derek Madden', written in a cursive style.

Derek Madden
Chief Executive Officer, Moorabool Shire Council