

11 May 2021

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Dear Mr Madden

Western Victoria Transmission Project (WVTNP) - Request for Re-application of RIT-T Process

Thank you for your letter dated 16 March 2021 requesting AEMO reapply the Western Victoria RIT-T under clause 5.16A.4(z3) of the National Electricity Rules (Rules).

AEMO is well aware of its responsibilities under clause 5.16.4(z3) of the Rules and continues to actively monitor the progress of the WVTNP with a view to identifying any change in circumstances of the type referred to in that clause. To date, there has not been a material change in circumstances with respect to the WVTNP. In particular, as referenced in clause 5.16.4(z4), there has been no change to the key assumptions used in identifying:

- the identified need described in the project assessment conclusion report for the Western Victoria RIT-T (PACR); or
- the credible options assessed in the PACR,

that would mean the WVTNP is no longer the preferred option.

In your letter you state that it has become evident that a decision has been made to materially change one of the three key elements of the WVTNP, being a 500kV circuit line instead of a new 220kV circuit line from Ballarat to North Bulgana (Possible Variation) as found in the most recent Department of Environment, Land, Water and Planning (DELWP) Victorian Renewable Energy Zones Development Plan Directions Paper, released in February 2021 (Directions Paper).

At this stage, AusNet Services has not requested, and AEMO has not proposed, a change to the scope of the WVTNP for the Possible Variation.

The potential network solutions in the Directions Paper are still subject to further consideration by the Victorian Government including stakeholder consultation and the final Renewable Energy Zones Development Plan has not yet been issued.

The Directions Paper notes that the Government will consider how current regulatory arrangements can progress the Possible Variation, amongst others. If it is evident that the projects identified in that paper are not able to be delivered effectively under the current national regulatory framework to enable significant new renewable energy capacity to connect, and that the projects are assessed to provide net benefits, the Government will consider further options to deliver them, including the use of the powers under the National Electricity (Victoria) Act. The Government will undertake further detailed analysis and provide an update on its assessment of the projects identified in the paper in May 2021.

It follows that circumstances do not currently exist which would require or justify AEMO reapplying the RIT-T in relation to the WVTNP. It is also clear that the WVTNP continues to be the preferred RIT-T option for addressing the identified need described in the PACR.

We will continue to monitor these circumstances and the impact upon the preferred option identified in the PACR, so that we remain fully informed concerning the circumstances which could potentially impact upon the preferred option considered in the PACR.

We will of course notify Moorabool Shire Council and other stakeholders in due course if circumstances change in a manner which trigger the requirements of clause 5.16.4(z3).

Yours sincerely



Tony Chappel
Chief External Affairs Officer