



16 May 2024

Mr Arek Gulbenkogl
General Manager
Australian Energy Regulator

By email: contingentprojects@aer.gov.au

Dear Mr Gulbenkogl

Reassessment of Humelink Project

I understand that consideration is currently being given to reassessing Transgrid's Humelink project.

A number of constituents have reached out to me to urge the AER to require that Transgrid reassess the project by reapplying the regulatory investment test for transmission (RIT-T).

The PACR found in 2021 that the preferred option for the project was a loop of new overhead 500kv double-circuit lines. Undergrounding was not considered as part of that assessment.

However, there have been a number of material changes in circumstance since that report, including cost blowouts,¹ and delays to Snowy 2.0.² This provides an opportunity to review the project and adopt an underground solution.

I note that costing has been the key reason put forward against undergrounding to date. Notably, the independent report by Amplitude Consultants presented at the Inquiry has debunked the oft-quoted figure that HVDC undergrounding is 10 times the cost of the AC overhead equivalent.³

Recommendations from the Select Committee Inquiry into the Feasibility of Undergrounding Transmission included that:

1. AER explore ways to incorporate broader environmental elements into the RIT-T test;

¹<https://www.afr.com/policy/energy-and-climate/transgrid-inflated-cost-of-running-power-line-underground-farmers-20230718-p5dp2o>

²<https://www.theguardian.com/australia-news/2023/may/03/snowy-hydro-20-project-hit-by-delay-of-up-to-two-years-and-another-cost-blowout#:~:text=The%20climate%20and%20energy%20minister,Energy%20Council%20conference%20in%20Sydney>

³<https://www.parliament.nsw.gov.au/lcdocs/submissions/80311/0235%20Amplitude%20Consultants.pdf>

2. Energy transmission networks are built with the resilience to withstand more frequent and extreme weather events; and
3. That the NSW Government should work with Transgrid to explore ways to better support the use of undergrounded transmission.⁴

Humelink as an overhead line will have a significant and enduring impact on the environment, with a required easement of between 60-70m, for the 365 km length of the project. The *Environment Protection and Biodiversity Conservation Act* (EPBC Act) referral states that HumeLink has an action area of 48,322 ha and will significantly impact Matters of National Environmental Significance including 82 threatened species and six threatened ecological communities.

I ask you to consider the inquiry's recommendations and exercise AER's powers to compel Transgrid to reassess this important project.

Yours sincerely



Cate Faehrmann MLC

NSW Greens Transport, Infrastructure & Cities spokesperson

⁴<https://www.parliament.nsw.gov.au/lcdocs/inquiries/2966/Report%20No.%2051%20-%20Standing%20Committee%20on%20State%20Development%20-%20Undergrounding.pdf>