

From: Braeburn Pastoral

Sent: Monday, May 13, 2024 2:54 PM

To: Jim Cox

Subject: Reassessment of the HumeLink project for material changes in circumstance

Attention: Mr Jim Cox, Deputy Chair of the Australian Energy Regulator (AER)

Dear Mr Cox,

I urge you to require that Transgrid reassesses the HumeLink project by reapplying the regulatory investment test for transmission (RIT-T), as required under the rules for a material change in circumstance (MCC).

The AER cannot be confident of Transgrid's opinion that the preferred option identified in the HumeLink Project Assessment Conclusions Report (PACR), is still the preferred option for the project. Transgrid has a conflict of interest in assessing whether the current preferred option for the HumeLink project remains the preferred option, as their regulated asset base and revenues will increase some 80 per cent if the AER is persuaded there has been no material change in circumstance, and so Transgrid is entitled to recover revenues from electricity consumers to deliver the HumeLink project as an overhead option.

Consistent with the HumeLink Alliance Inc. submission to the MCC assessment, I argue there have been five material changes in circumstance for the HumeLink project as follows:

1. Cost blowout – from \$1 billion in January 2020, to \$4.92 billion in December 2023;
2. Delays to Snowy 2.0 - from 1 July 2025 to December 2028 at the earliest;
3. Reduction in capacity - 2,570 MW in July 2021 to 2,200 MW in September 2023;
4. Change in assumption about other generators – in July 2021 the Kurri Kurri/Tallawarra B gas fired power stations were not committed - now they are; and
5. Proven feasibility of undergrounding HumeLink - Transgrid maintained that the cost of undergrounding HumeLink would be 10 times the cost of overhead lines, but the Amplitude Consultants review shows undergrounding can be delivered for 1.1 to 1.5 times the cost of the overhead option.

To further inform you of the impacts of this project, I have attached my submissions to the HumeLink Environmental Impact Statement and the NSW Select Committee inquiry

into the feasibility of undergrounding transmission. I also recently made a submission into the CPA2 assessment. I strongly believe that an overhead transmission project is not in the best interests of consumers, regional NSW or the environment. Any large project needs the support of the community and HumeLink does not have it. Our community deserves to know that HumeLink has been thoroughly, transparently and fairly assessed at all stages.

Transgrid gave the community a commitment that if undergrounding was feasible, they would reapply the RIT-T to the HumeLink project. We ask that this commitment be honoured. With Snowy 2.0 significantly delayed and the Australian Energy Market Operator's (AEMO's) optimal timing for HumeLink 2029-30, there is time to review the HumeLink project and assess an underground option.

Governments overseas have come to the conclusion that when you take into account all the environmental and community costs of overhead lines, undergrounding is the least cost option. We need environmentally responsible transmission as well as generation as we transition to net zero. It's not possible to put wind farms and solar farms underground, but we can, and should be putting transmission lines underground, particularly 500kV transmission lines. These lines are the biggest, bulkiest and most imposing of all transmission lines in Australia, and completely dominate rural landscapes for kilometres either side. Undergrounding HumeLink will have less environmental impact and maintain the liveability, workability and beauty of regions along the 365-kilometre route, for the next 80 years.

I implore you to find that:

1. there has been a MCC for the HumeLink project;
2. Transgrid's opinion that the preferred option for the project hasn't changed, cannot be relied upon; and
3. the HumeLink project must be reassessed in a reapplication of the RIT-T.

Yours sincerely,
Rachael Purcell