

Dear Mr Cox,

I write to you today to persuade you to require Transgrid to reassess 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 by 80 per cent if the AER is persuaded there has been no material change in circumstance and therefore Transgrid is entitled to recover revenues from electricity consumers to deliver the HumeLink project as an overhead option.

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, 2028/29
3. Reduction in capacity – from 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.

I have attached for your information my HumeLink Environmental Impact Statement and a submission to the NSW Select Committee inquiry into the feasibility of undergrounding transmission.

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

There is a need for environmentally responsible transmission as well as generation as we transition to net zero. Overhead 500kV transmission lines will completely dominate rural landscapes for kilometres either side.

I trust that you will find that the HumeLink project must be reassessed in a reapplication of the RIT-T for the abovementioned reasons and for the good of Australia's future.

Yours faithfully,

Renate Lunardello