

From:
Sent: Friday, 21 March 2025 12:07 PM
To: AER Inquiry <aer inquiry@ aer. gov. au>
Subject: Expenditure guideline review 2025

Dear Australian Energy Regulator,

I am writing to strongly object to the proposed amendments to the Capital Expenditure Incentive Guideline, as they fail to address the deep flaws within the Integrated System Plan (ISP) process. The ISP is not fit for purpose and has been pushed forward with fudged figures, unrealistic assumptions, and a complete disregard for rural communities, energy consumers, and national security.

The ISP is built on a transmission-heavy, taxpayer-funded expansion that has not been costed properly, and yet Australian households and businesses are expected to foot the bill. Even worse, the destruction of prime agricultural land for these projects threatens food production, and energy security is being treated as more important than food security—when both together are fundamental to national security.

Key Issues and Objections

- 1) The ISP Lacks Any Meaningful Transmission Costing
 - Nowhere in the ISP is there a full, transparent costing for the massive transmission build required.
 - Transmission is one of the most expensive and disruptive aspects of this energy transition, yet the financial impact is hidden or understated.
 - Every major transmission project (HumeLink, VNI West, Marinus Link) has already blown out in cost before construction has even begun—yet no lessons have been learned.
 - Consumers will be forced to pay skyrocketing network charges with zero say in how their money is spent.

- 2) Complete Disregard for Farming Families, Agricultural Land & Food Security
 - The ISP's expansion of transmission corridors, renewable energy zones, and battery storage sites is devastating prime agricultural land.
 - Farming families are being forced to give up land that has produced food for generations, with no genuine consultation or compensation that reflects the long-term economic and social losses.
 - Food security is not secondary to energy security—both are equally vital to national security. Destroying productive farmland for transmission and renewables is reckless and short-sighted.
 - Rural communities are being sacrificed for a flawed energy plan that does not guarantee affordability or reliability.

- 3) The Ex Post Review Mechanism Fails to Protect Consumers
- The proposed changes do nothing to hold AEMO accountable for their misleading cost estimates and biased modeling.
 - Instead of reviewing these projects before approval, the government and AEMO are pushing them forward regardless of feasibility—only reviewing them after the money is spent.
 - The result? Massive cost overruns, higher electricity bills, and projects that were never viable to begin with.
 - Consumers are being completely ignored while foreign-owned companies profit from government subsidies.
- 4) The ISP is Politically Driven, Not Independent
- AEMO and the regulatory bodies involved are not independent, despite their claims. They nudge their own modeling to align with government agendas, not real-world market needs.
 - The energy transition is being dictated by politics, not engineering, economics, or consumer needs.
 - Instead of an honest assessment of all available energy options, Australians are being forced down a path that is unreliable, expensive, and destructive to our farming sector.

A Complete Overhaul is Needed

The ISP in its current form is dead and buried—it is financially flawed, environmentally destructive, and completely disconnected from reality. Before any further transmission or generation projects are approved, there must be:

- ✓ A full, independent cost-benefit analysis of transmission requirements.
- ✓ A proper assessment of alternative solutions, including local generation and decentralization.
- ✓ Genuine consultation with rural communities and landowners, with the protection of prime agricultural land as a priority.
- ✓ A model that prioritizes affordability, reliability, and consumer interests—not political ideology. I urge the AER to reject this limited review and instead conduct a full, transparent, and accountable evaluation of the ISP's true costs and consequences for energy consumers, rural communities, and national security.

Sincerely,