

Far North NSW Project

COMMUNITY UPDATE

April 2011



TransGrid property staff assess the route of the Far North NSW Transmission Line.

Dear Resident,

Welcome to the latest community update on TransGrid's Far North NSW Project.

TransGrid has released its first round of compensation offers to property owners directly affected by the Far North NSW Transmission Line Project.

The offers of compensation were completed by independent property valuers.

Close to 100 property owners have received compensation offers. The remaining property owners will be issued with offers once outstanding compensation assessments have been completed.

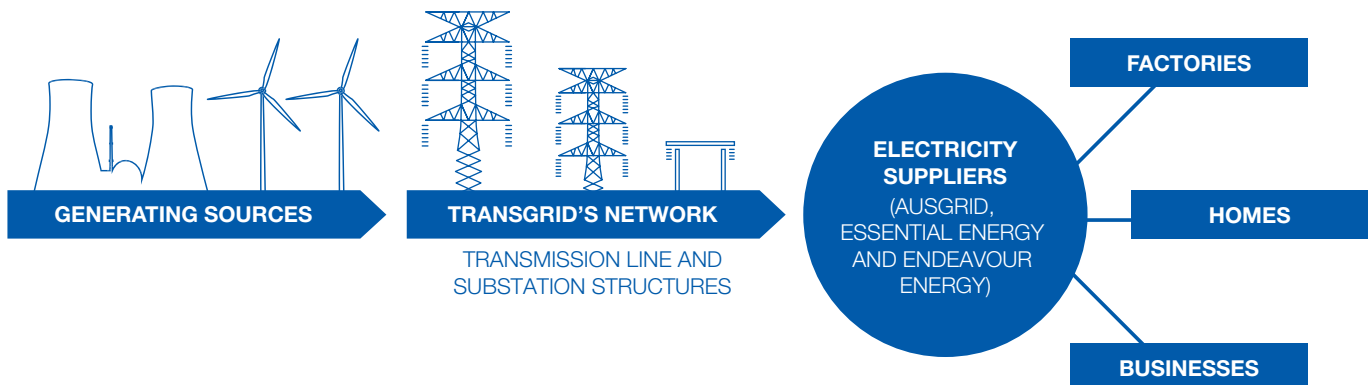
Wet weather and recent flooding caused delays to the assessment process, resulting in offers being released later than expected. TransGrid would like to thank you for your patience and will continue to keep you informed as the project progresses.

Yours sincerely,

The Project Team

Did you know?

- TransGrid currently connects to a large amount of renewable energy sources in NSW, including more than 4,000 megawatts of hydro and wind generation.
- TransGrid has opened a project site office for the Far North NSW Project at 371 Rouse Street, Tenterfield.
- Our Project Support Officer can be reached at the office from 8.00am to 4.00pm, Monday to Friday, or by phone on **6736 3554**.
- TransGrid is the owner and operator of the NSW high voltage transmission network, which is responsible for delivering a safe and reliable supply of electricity across the state
- You can sign up to receive email alerts of updates to the project website at: **www.transgrid.com.au/farnorthnsw**



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What was the result of the Request for Proposals?

In May 2010, TransGrid issued a Request for Proposals (RfP) for the Far North NSW Transmission Line Project. The RfP sought non-network solutions, which would offer network support during peak demand periods and have the potential to defer the project.

TransGrid has published a Supplementary Report on the outcomes of the RfP. Its findings support the Far North NSW Transmission Line Project as the most effective long-term solution to meet growing peak electricity demand in the region.

The report outlines the level of non-network support offered during the RfP process is less than the required amount and cannot be provided during the necessary timeframes. Therefore, the transmission line cannot be deferred beyond the current completion date of 2014.

However, one network support offer received may help reduce the risk of supply interruptions in the period before the line is completed and TransGrid is continuing to negotiate with the proponent to establish a network support contract.

Easement compensation

When TransGrid acquires an easement on private property the landholder is entitled to compensation under the *Land Acquisition (Just Terms Compensation) Act 1991*.

TransGrid undertakes to compensate each landholder with a monetary amount, which fairly reflects the overall impact of the easement on their property. The amount paid to each landholder may vary due to differing factors, which are considered when assessing compensation.

How is compensation determined?

TransGrid has engaged independent, registered property valuers to carry out detailed valuations and compensation assessments.

Once the valuation and compensation assessment process is completed, the valuation reports will be reviewed and TransGrid will make a formal compensation offer to the affected landholder.

Can I seek my own advice?

TransGrid encourages landholders to seek independent valuation and legal advice when considering their offers of compensation.

Certain "reasonable costs" incurred by the landholder as a result of the easement acquisition process, such as legal costs or valuation fees, will be reimbursed by TransGrid in addition to the agreed compensation payment.

Compensation negotiations

In accordance with the *Land Acquisition (Just Terms Compensation) Act 1991*, TransGrid seeks to obtain easements through private treaty negotiations with the landowner.

If the landowner has obtained a private assessment of compensation for the easement over their property, the valuations by both parties will be reviewed to assist the negotiation process.

The negotiation will consider the impact of the easement and construction works on the landholder's property, TransGrid's independent valuation of this impact, and any private valuation arranged by the landholder.

If a compensation agreement with the landholder cannot be reached after a reasonable period of time, TransGrid may consider commencing the process of compulsorily acquiring the easement.

In such cases, the amount of compensation is determined independently by the NSW Valuer General.

When is compensation paid?

Compensation will be paid to the landholder when agreement has been reached by both parties, the easement is registered on the land title and other legal requirements have been met.

Contact us

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TransGrid

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