Consumer Advisory Group (CAG) Meeting Minutes

Quarterly meeting #2, 6 October 2026

Meeting title:	CAG Quarterly Meeting #2	**Date:**	6 October 2026
Location:	Sydney and online	**Time:**	9.00am – 12.00pm
Chairperson:	Maryanne Graham, Executive General Manager, Corporate Affairs, Stakeholder Engagement and Environment		

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Meeting summary

Acknowledgement of Country, welcome and opening remarks

The Chair opened the meeting with an Acknowledgement of Country and welcomed attendees.

Recap of previous discussions and actions

Transgrid recapped actions from earlier Consumer Advisory Group (CAG) discussions about Project EnergyConnect social value reporting, data centre social licence and network costs, the Hunter Transmission Project (HTP), and Victoria to New South Wales (NSW) Interconnector West (VNI West). Transgrid noted that in line with CAG member feedback, it had updated the principles for engaging with the CAG on Electricity Infrastructure Investment (EII) Act projects, would support optional CAG member only pre-meetings where needed and would share relevant materials from the AER when available.

In conversation with the Chief Executive Officer (CEO)

The CEO provided an update on growing electricity demand, data centre connections, major transmission projects and the importance of stable regulatory arrangements for timely and efficient network investment, reflecting key themes identified in Transgrid's 2026 Transmission Annual Planning Report (TAPR).

Members considered whether existing regulatory approaches remained suitable for a period of sustained network expansion and how different approaches could affect investment risk, network charges and consumer protections. Discussions centred around how changing demand forecasts, rising project costs and delays could affect consumers, and how risks should be shared between investors, project proponents and consumers.

Transgrid noted the importance of clear, balanced and predictable rules for efficient investment and long-term network planning, and the potential impact of delays and uncertainty on the efficient delivery of projects.. The discussion highlighted the need to explain clearly how regulatory decisions affect reliability, affordability and who ultimately pays.

Policy engagement

Transgrid outlined proposed NSW reforms for data centre connections, including financial protections for consumers, charges for network upgrades, renewable energy procurement, demand flexibility and approval requirements. Members discussed how quickly these protections could apply to current connection proposals and the relationship between Transgrid's connection role and government policy settings.

Members asked how connection agreements would protect consumers if expected demand did not occur or a proponent failed. They also asked how network upgrade fees would be used and reported, how community concerns would be addressed, and who would manage the cost and supply of water for data centres.

Transgrid said the proposed protections included financial backing and arrangements requiring proponents to pay for committed capacity, even if they used less than expected. These measures were still being developed and would help protect consumers from paying for unused network assets. Transgrid supported transparent reporting of network upgrade fees and noted that development approval processes were the appropriate place to consider location, water use and wider community impacts. It also acknowledged that

the new generation and network investment needed for large data centres could create broader community concerns.

Regulatory Period 4 (RP4) Consumer Working Group (CWG) Chair update

The Independent Chair of the CWG noted that Transgrid's RP4 Draft Plan had been published on 30 September 2026 after the group provided verbal and written feedback.

The CWG Chair reported that the CWG considered its earlier feedback had been reflected in the Draft Plan, which it found to be more accessible and customer-focused, including clearer information about bill impacts and deliverability. Members responded positively to the plain English summary and its question-and-answer format. The CWG Chair noted that expenditure required continued consideration and that revised business cases were still needed to explain the options, evidence and consumer value supporting proposed investment.

The CWG was preparing an independent report and considered that much of its earlier feedback had been reflected in the Draft Plan. Transgrid noted its continuing work on the revised business cases and supporting material.

Revenue proposals: HTP and South West Renewable Energy Zone Network Infrastructure Project (South West RNIP)

HTP

Transgrid outlined its approach to identifying, allocating and quantifying risk for the HTP revenue proposal, including its approach to forecast the proposed risk allowance. Transgrid explained that its risk identification and risk cost assessment methodology used to forecast the proposed risk allowance aligns with AER Guidance. The proposed risk allowance is the P50 confidence level outcome from probabilistic risk modelling analysis. Transgrid said the proposed allowance excludes normal business risks and risks already managed through contracts or insurance.

Members asked how the proposed risk cost allowance components aligned with AER Revenue Proposal decisions on previous projects. They requested clarity on which major risks were new and which had been accepted before. Members questioned whether the proposed P50 allowance fairly balanced risk exposure between consumers and Transgrid. It was noted that a P50 risk allowance is the precedent set by the AER on previous submissions.

Transgrid outlined EnergyCo's proposal for an Independent Assessor. Members asked how the proposed independent assessor would work and stressed the importance of AER oversight and public transparency. Transgrid noted that the AER would retain its revenue determination role, and that the proposed Independent Assessor concept remains subject to finalisation. Transgrid agreed to provide further information as the revenue proposal progressed.

South West RNIP

Transgrid provided an early update on South West RNIP, the first stage of VNI West which involves network upgrades between substations at Dinawan, Gugaa and Wagga Wagga. The project was described as mainly using existing Transgrid sites and easements. Procurement and approvals were still under way, and the project approach would continue to be refined as further information became available.

Members asked for a clearer explanation of the project scope, expected cost and proposed treatment of risk. They suggested comparisons with similar projects and relevant AER decisions. Members also asked how the proposal would ensure costs were allocated appropriately and not recovered through more than one mechanism. Land access and approval timing were also discussed.

Members sought additional information before judging whether the proposal protected consumers and supported efficient delivery. They requested further engagement on the project scope, risk allocation and comparisons with similar projects. Transgrid agreed to further engagement and to providing more supporting information.

Summary, reflections and next steps

The Chair thanked members for the open and constructive discussion.

Transgrid noted that feedback from the CAG and the RP4 engagement process was increasing staff awareness of consumer impacts and supporting more mature consideration of consumer perspectives across the organisation.

Members supported continued engagement on major transmission planning, regulatory developments and emerging policy issues. They proposed a future discussion on Victorian energy policy developments and the implications for VNI West and other major transmission projects. Members also requested a practical way to be notified of significant regulatory decisions relevant to future CAG discussions.

Transgrid agreed to consider future discussion topics and options for improving the way relevant regulatory updates are shared with members.

Action items

Action item	Status
Close the loop on the AER's final system strength revenue proposal decision and identify lessons and implications for other revenue proposals, including HTP.	To be discussed at the next general CAG meeting
For HTP's eight material risks, identify which risks are new and which have been accepted in previous AER decisions.	To be discussed at the next general CAG meeting
Arrange further CAG engagement on HTP's proposed adjustment mechanisms.	To be discussed at the next general CAG meeting
Provide further CAG engagement on the risk allowance for VNI West, including what is new or novel, the allocation between contestable and non-contestable mechanisms, further information on the project scope, and comparison with other relevant brownfield projects.	To be discussed at the next general CAG meeting

Contact details

If you require any information on this summary or in relation to CAG meetings, please email stakeholderengagement@transgrid.com.au

Next quarterly meeting

Date:	Wednesday, 16 December 2026	**Time:**	9.00am – 12.00pm
Chair:	Executive General Manager, Corporate Affairs, Stakeholder Engagement and Environment		

Appendix A: Attendee list

Attendee name	Attendee organisation/position
Transgrid attendees	
Maryanne Graham	Executive General Manager, Corporate Affairs, Stakeholder Engagement and Environment; Meeting Chair
Brett Redman	Chief Executive Officer (CEO)
Nicole Ryan	General Manager, Strategic Advocacy, Government and Legacy
Jane Deane	Senior Manager, Stakeholder and Corporate Engagement
Patrick Duffy	Director of Regulation
Rupert Doney	Head of Energy Policy
Jennifer Hughes	Executive General Manager, Delivery
Amelia Pang	Stakeholder Relations Advisor
Struan Wilson	Program Director, Hunter Transmission Project (HTP)
Arkady Karamyan	Project Controls Director, Hunter Transmission Project (HTP)
Daniel Banovic	Program Director, Major Projects
Elias Elias	Corporate Finance Director, Network
Transgrid Board directors	
Philippe Wind	Transgrid Board Director
Cristina Cifuentes	Transgrid Board Director
Anthea McKinnell	Transgrid Board Director
CAG members	
Tennant Reed	Australian Industry Group
Louise Benjamin	Independent Consumer Advocate
Michael Lynch	Justice and Equity Centre
Gavin Dufty	St Vincent de Paul Society
Michael Swanston	Independent Consumer Advocate
Mary Karras	Ethnic Communities' Council of New South Wales

Regulatory Period 4 Consumer Working Group Chair	
Ruth Lavery	Independent Chair, Regulatory Period 4 Consumer Working Group
Australian Energy Regulator attendees	
Kenny Tran	Australian Energy Regulator
Daniel Feng	Australian Energy Regulator
Ben Roberts	Australian Energy Regulator
Apologies	
Andrew Richards	Energy Users Association of Australia
Wendy Black	Business Council of Australia
Leigh Clemow	Energy Users Association of Australia
Rod Stowe	Independent Consumer Advocate

Appendix B: Glossary of terms

Acronym or term	Full term	Meaning
Adjustment mechanisms	Adjustment mechanisms	Arrangements allowing specified project costs or allowed revenues to change if defined events occur, subject to contractual and regulatory requirements. They are separate from the upfront risk allowance.
AER	Australian Energy Regulator	The independent regulator that sets allowed revenues for regulated electricity networks, including Transgrid, and performs other energy market regulatory functions.
Brownfield project	Brownfield project	A project that upgrades or expands existing infrastructure or uses existing sites and corridors, rather than developing an entirely new site or route.
Contestable adjustment mechanisms	Contestable adjustment mechanisms	In these project discussions, mechanisms for adjusting costs associated with competitively procured contracts when specified events occur, subject to the agreed contract and regulatory arrangements.
EII Act	Electricity Infrastructure Investment Act 2020 (New South Wales)	New South Wales legislation underpinning the state's Electricity Infrastructure Roadmap and investment in transmission, generation, storage and firming infrastructure. EII Act projects are projects delivered under this framework.
EnergyCo	Energy Corporation of New South Wales	The New South Wales Government body leading delivery of renewable energy zones and other priority electricity infrastructure projects under the state's Electricity Infrastructure Roadmap.
HTP	Hunter Transmission Project	A transmission project connecting Bayswater in the Upper Hunter with Olney in the Lower Hunter to increase electricity transfer capacity.

Non-contestable adjustment mechanisms	Non-contestable adjustment mechanisms	In these project discussions, mechanisms for adjusting costs retained by Transgrid outside the competitively procured contract component, subject to the Australian Energy Regulator's assessment and the applicable revenue determination.
P50	P50	A modelled estimate with a 50 per cent probability that the outcome will not exceed it, based on the model's assumptions. It does not mean that the financial impacts above and below the estimate are equal.
Probabilistic risk modelling	Probabilistic risk modelling	Analysis that uses the likelihood and potential impacts of risks to estimate a range of possible outcomes and their probabilities, rather than a single fixed outcome.
Project EnergyConnect	Project EnergyConnect	An electricity interconnector linking South Australia and New South Wales, with a connection to Victoria.
Revenue determination	Revenue determination	The Australian Energy Regulator's decision setting the revenue a network business may recover for regulated services or a specified infrastructure project, under the applicable framework.
Revenue proposal	Revenue proposal	A submission to the Australian Energy Regulator explaining proposed expenditure, services, risks and the revenue sought to operate the network or deliver a specified project.
REZ	Renewable Energy Zone	An area where renewable generation, storage and network infrastructure are coordinated to connect electricity supply to consumers.
Risk allowance	Risk allowance	An amount included in a project estimate to cover specified risks retained by Transgrid. It is distinct from costs covered by contracts, insurance or separate adjustment mechanisms.
RP4	Regulatory Period 4	Transgrid's five-year regulatory period from 1 July 2028 to 30 June 2033, and the associated revenue proposal process.
South West RNIP	South West Renewable Energy Zone Network Infrastructure Project	Network upgrades involving Dinawan, Gugaa and Wagga Wagga substations, described as Stage 1 of Victoria to New South Wales Interconnector West.
System strength	System strength	The power system's ability to maintain a stable voltage waveform during normal operation and following a disturbance.
TAPR	Transmission Annual Planning Report	Transgrid's annual report on electricity demand forecasts, network capability, emerging constraints and planned network developments.
VNI West	Victoria to New South Wales Interconnector West	A proposed transmission link between Victoria and New South Wales. The South West Renewable Energy Zone Network Infrastructure Project is the first stage.