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Submitted online: www.infrastructureaustralia.gov.au

Dear Romilly

Infrastructure Australia 2022 Regional Strengths and Infrastructure Gaps Report

Transgrid welcomes the opportunity to respond to the Infrastructure Australia 2022 Regional Strengths and Infrastructure Gaps Report. Transgrid is keen to engage in this consultation and with Infrastructure Australia on an ongoing basis to help build support for the electricity transmission infrastructure required to support Australia's transition to a renewable electricity supply backed up by low emissions firming infrastructure.

TransGrid is the planner, operator and manager of the high voltage transmission network connecting electricity generators, distributors and major end users in New South Wales and the Australian Capital Territory. Our network is also interconnected to Queensland and Victoria, and is instrumental in ensuring that the electricity system facilitates a reliable, low emissions and affordable electricity supply for consumers.

As identified in Infrastructure Australia's Regional Analysis Report for NSW, the development of renewable energy is a key strength and growth area for the NSW regions. To support this renewable energy development, Transgrid plans to invest \$11 billion in transmission infrastructure over the next 5-10 years. This infrastructure will create 7,000 jobs in regional NSW and \$25 billion in economic activity.

It includes Project EnergyConnect – a new energy interconnector between the power grids of South Australia and New South Wales, with an added connection to Victoria, which has already commenced construction. Project Energy Connect will generate up to 1,500 new jobs in the Riverina and Murray regions and will provide approximately \$4 billion in economic benefits to NSW. Transgrid has already progressed the development of this infrastructure.

It also includes HumeLink – a new 500kV transmission link in southern NSW, which represents a once in a generation investment in the nation's energy future and will deliver \$491 million in net benefits to the energy market. Other nationally strategic projects that Transgrid is preparing for that will significantly benefit regional communities are Sydney Ring (reinforcing Sydney, Newcastle and Wollongong supply) and VNI West (a new interconnector between New South Wales and Victoria).

These projects provide significant opportunities for local jobs, local procurement and suppliers, indigenous procurement, regional partnerships and skills and training initiatives in regional communities.¹ Transgrid is also assisting the NSW Government deliver the transmission infrastructure for Renewable Energy Zones (REZ) identified in its Electricity Infrastructure Roadmap. The first of the REZs that will be developed under the NSW Government's Roadmap is the Central West Orana REZ.

While these nation-building transmission projects, along with the renewable energy and low emissions technology development, will bring enormous opportunity for regional Australia in terms of jobs and economic growth, a key challenge will be to develop and obtain the skills required given the size and scale of these projects as well as their timing. To make the challenge even harder, other industries are also competing for labour at the same time. Accommodation for labour sourced from outside of the local region is also an obstacle.

To help fill the skills gap, Transgrid recently formed a partnership with Charles Sturt (Wagga Wagga). The partnership seeks to provide training, education and employment pipelines for Charles Sturt students and First Nations people. However further action is required and Government policies which support training and skills for Australians and increasing housing in regional areas needs to be prioritised in order to deliver the critical transmission investment.

Yours faithfully



David Feeney
Head of Policy and Energy Market Reform

¹ For more information on these projects and the economic benefits they bring, please refer to the Major Transmission Projects Report. See: <https://www.transgrid.com.au/media/r0ihrr4n/economic-stimulus-report-2020.pdf>