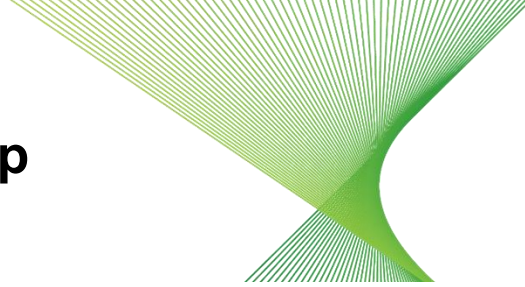


# Energy Transition Working Group (ETWG) Meeting minutes

4 May 2022



## Attendees

<b>Location:</b>	Via Webex		
<b>Chairperson:</b>	Craig Stallan, EGM Delivery	<b>Time:</b>	2:00pm-4:30pm
<b>Attendees</b>			
Transgrid Advisory Council Members	<p><b>Andrew Richards</b>, CEO, Energy Users Association of Australia  <b>Panos Priftakis</b>, Head of Wholesale Regulation, Snowy Hydro  <b>Dr. Nicholas Aberle</b>, Director Energy Generation &amp; Storage, Clean Energy Council  <b>Prof. Andrew Blakers</b>, Director, ANU Centre for Sustainable Energy Systems  <b>Tennant Reed</b>, Head of Climate, Energy &amp; Environmental Policy, AiG  <b>Gavin Dufty</b>, Executive Manager Policy and Research, St Vincent de Paul  <b>Scott Young</b>, Executive Director, Commonwealth Bank of Australia  <b>Brian Spak</b>, Director Energy Transformation, Energy Consumers Australia  <b>Michael Ottaviano</b>, Partner, ERM Advisory  <b>Kim Woodbury</b>, COO, City of Sydney</p>		
Transgrid attendees:	<p><b>Brian Salter</b>, EGM Legal Governance &amp; Risk  <b>Marie Jordan</b>, EGM Networks  <b>Gordon Taylor</b>, EGM Major Projects  <b>Craig Stallan</b>, EGM Delivery  <b>Kasia Kulbacka</b>, Head of Network Planning  <b>David Feeney</b>, Head of Policy &amp; Energy Market Reform  <b>Fiona Orton</b>, Head of Energy transition and Innovation  <b>Heather Wagland</b>, Head of Community Indigenous Engagement and Sustainability  <b>Suzanne Westgate</b>, Head of Land and Property  <b>Mark McEearney</b>, Project Director – VNI West  <b>Padraig Clifford</b>, Project Manager – VNI West  <b>Jesse Steinfeld</b>, Future Grid Planning Manager  <b>Llinos Walters</b>, Community &amp; Engagement Advisor – VNI West  <b>Mike Cleary</b>, PowerRunner (Consultant)  <b>Catherine O’Neill</b>, Consultant  <b>Deyi Wu</b>, Stakeholder Relations Advisor</p>		
AEMO (VNI West Discussion)	<p><b>Sandra Neilsen</b>, Stakeholder Engagement Specialist  <b>Sarah Walsh</b>, Manager Victorian Transmission Investment</p>		
Guests	<p><b>Slavko Jovanoski</b>, AER  Members of the AER Consumer Challenge Panel</p>		
Apologies	<p><b>Christian Zuur</b>, Director Energy Transformation, Clean Energy Council</p>		

## Meeting summary

---

### 1. Welcome and introduction

Meeting opened at 2.33pm.

### 2. System Security Roadmap Workshop 1

See separate Minutes.

### 3. VNI West – RIT-T progress update

Mark McEneaney, Project Director of VNI West, outlined the project attributes and benefits, and provided an update on the RIT-T process – currently at the PADR development stage. Mark also outlined the stakeholder engagement approach including the objectives of stakeholder engagement for the RIT-T phase and upcoming stakeholder activities during the pre-PADR and post-PADR consultation period.

In discussions the following issues were raised:

- Interaction between VNI West benefits and Project EnergyConnect benefits, ensuring there is no double-counting of benefits.
  - > Transgrid noted this is being addressed in the market modelling to ensure no double-counting.
- The impact of offshore wind.
  - > Transgrid advised that modelling offshore wind continues to demonstrate a benefit to consumers.
- The certainty of cost estimates by PACR stage in relation to route selection, social and environmental impacts, capex accuracy.
  - > Transgrid noted the aim is for capital costs to be realistic and risk assessed; we are currently narrowing numbers with AEMO.
- Social licence issues.
  - > Customer advocates noted it would be useful for networks to build up a log of social licence issues - what worked and what didn't work, including learning from the experiences of AusNet.
  - > Transgrid said we are sharing learnings including through the Energy Charter and Better Together initiatives. It was also noted that for VNI West, engagement is starting earlier and work is underway on improving our engagement approach and incorporating learnings from the Landowner Advocate (Stowe) report.
- The importance of AEMO being transparent to ensure there is no conflict of interest.
  - > Transgrid advised there are two separate teams working on the projects as joint proponents. Transgrid will look after NSW scope; AEMO will look after VIC scope.

### 4. Social Licence – easement acquisition compensation

Suzanne Westgate, Head of Land and Property, provided an overview of easement compensation:

- The current methodology for valuing compensation - what compensation value is 'fair and reasonable' under the *Just Terms Act*

- Investigating alternative compensation arrangements, including discussing additional landholder payment for transformational projects with government.

Heather Wagland, Head of Community, Indigenous Engagement and Sustainability, discussed a proposal for annual payment options: periodic payment of easement compensation; a lease arrangement; an additional host payment for the life of the asset.

TAC members raised the following issues:

- One pathway could be an easement land tax like the one which was introduced in Victoria to pay for the State's commitment to the aluminium smelter. This could be re-purposed for landowner compensation – although need to be cautious with this approach as potentially a political issue.
- Compensation is another area where the current RIT-T rules aren't fit for purpose; Transgrid should be publicly advocating for reforms.
- Moving away from the Just Terms Act is difficult as changes would apply broadly.
  - > Transgrid noted many factors to consider, including existing landholders and impact on consumers. Transgrid is engaging with the NSW Government on fairer compensation models.
- Consider finding different payments for different paths e.g. levies and Rewiring the Nation funding, and also carefully weigh up the costs of biodiversity offsets versus the merits of undergrounding.

## Meeting close

---

Meeting closed at 4.25pm.