



Transgrid Advisory Council CEO Meeting

Meeting #2 for 2025

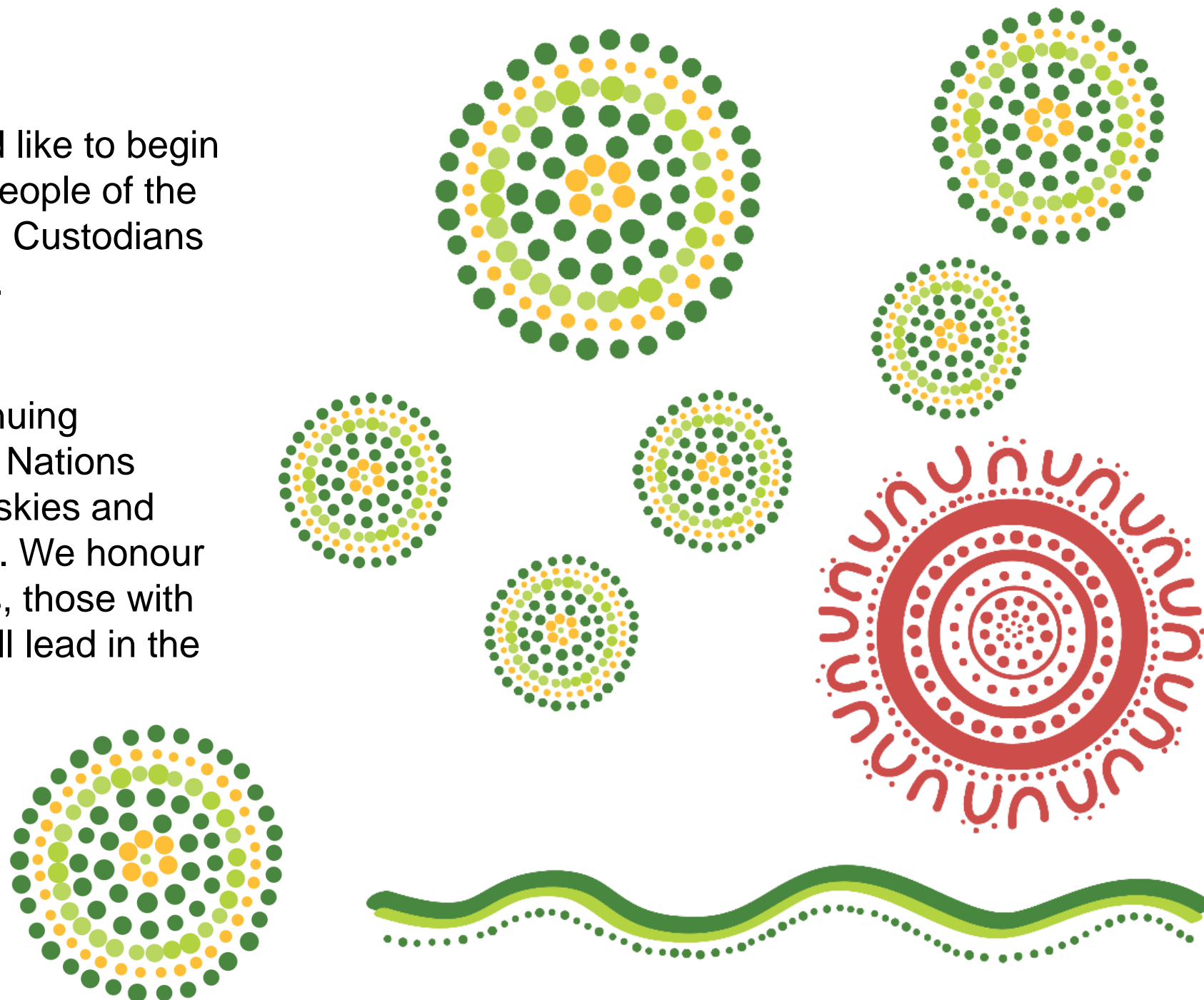
Wednesday 7 May 2025

People. Power. Possibilities.

Acknowledgement of Country

As we gather today, I would like to begin by honouring the Gadigal people of the Eora Nation, the Traditional Custodians of this land where we meet.

We acknowledge the continuing connection to Country First Nations people have with the land, skies and waterways where we serve. We honour Elders who came before us, those with us today, and those who will lead in the future.



Agenda



Please note: today's workshop is being recorded

Time	No.	Topic	Lead
9.30am - 9.40am	1	Welcome and Acknowledgment of Country	Maryanne Graham , EGM Stakeholder, Regulatory and Corporate Affairs
9.40am - 9.45am	2	Actions from last meeting	Nicole Ryan , GM Stakeholder, Government and Advocacy
9.45am – 10.30am	3	CEO Update and Q&A	Brett Redman , CEO
10.30am – 11.00am	4	Customer and Projects Focus Area Pillar update: Major Projects Portfolio Update and Q&A	Gordon Taylor , EGM Major Projects Daniel Banovic , General Manager Operations Rob Jilg, Jeremy Roberts and Struan Wilson , Project Directors
11.00am - 11.20am Morning tea break (20 mins)			
11.20am – 11.40am	5	Customer and Projects Focus Area Pillar update: RP4 engagement and ten-year Business Plan	Maryanne Graham , EGM Stakeholder, Regulatory and Corporate Affairs <i>and</i> Nadine Lennie , Chief Financial Officer
11.40am – 12.00pm	6	Regulatory Projects Focus Area Pillar update: Transmission Planning Review	Kasia Kulbacka , GM Network Planning
12.00pm - 12.20pm	7	Policy & Innovation Focus Area Pillar update: System Strength and System Operability updates	Robbie Aherne , GM System Resilience
12.20pm - 12.30pm	8	Summary, reflections and next steps	Maryanne Graham , EGM Stakeholder, Regulatory and Corporate Affairs
12.30pm – 1.00pm Meeting close and lunch			

Are there any topics you would like to see on the next agenda?

Tracking meeting satisfaction

We will launch a short poll at the end of the meeting to ask:

To what extent do you feel you had an opportunity to effectively engage today?



Do you have further feedback on any of the following topics discussed today?

- CEO Update
- TAC Focus Area update – Customer and Projects
- TAC Focus Area update – Regulatory Projects
- TAC Focus Area update – Policy and Innovation

We appreciate your feedback

Objective: To seek TAC member views on our engagement performance today

Actions from last meeting

Nicole Ryan, General Manager Stakeholder, Government and Advocacy

Level of engagement: Inform

Objective: To inform TAC members of the status of action items from the last quarterly TAC meeting held on 12 February 2025



Actions from last TAC quarterly meeting

Action	Status	
Finalise RP4 engagement workshop agenda in line with TAC feedback and invite TAC members to speak on specific agenda items if desired	✓	Complete
4 March risk workshop to include further discussion on financeability risks	✓	Complete
Wording of TAC purpose and objectives to be reviewed in line with TAC feedback and circulated to members	✓	Complete
Meeting to be scheduled between EGM Network, EUAA and JEC for further discussion on Black Start capability	✓	Complete

CEO Update and Q&A

Brett Redman, Chief Executive Officer





TAC Focus Area update:

Customer and Projects Review Pillar

Major Projects Portfolio update and Q&A

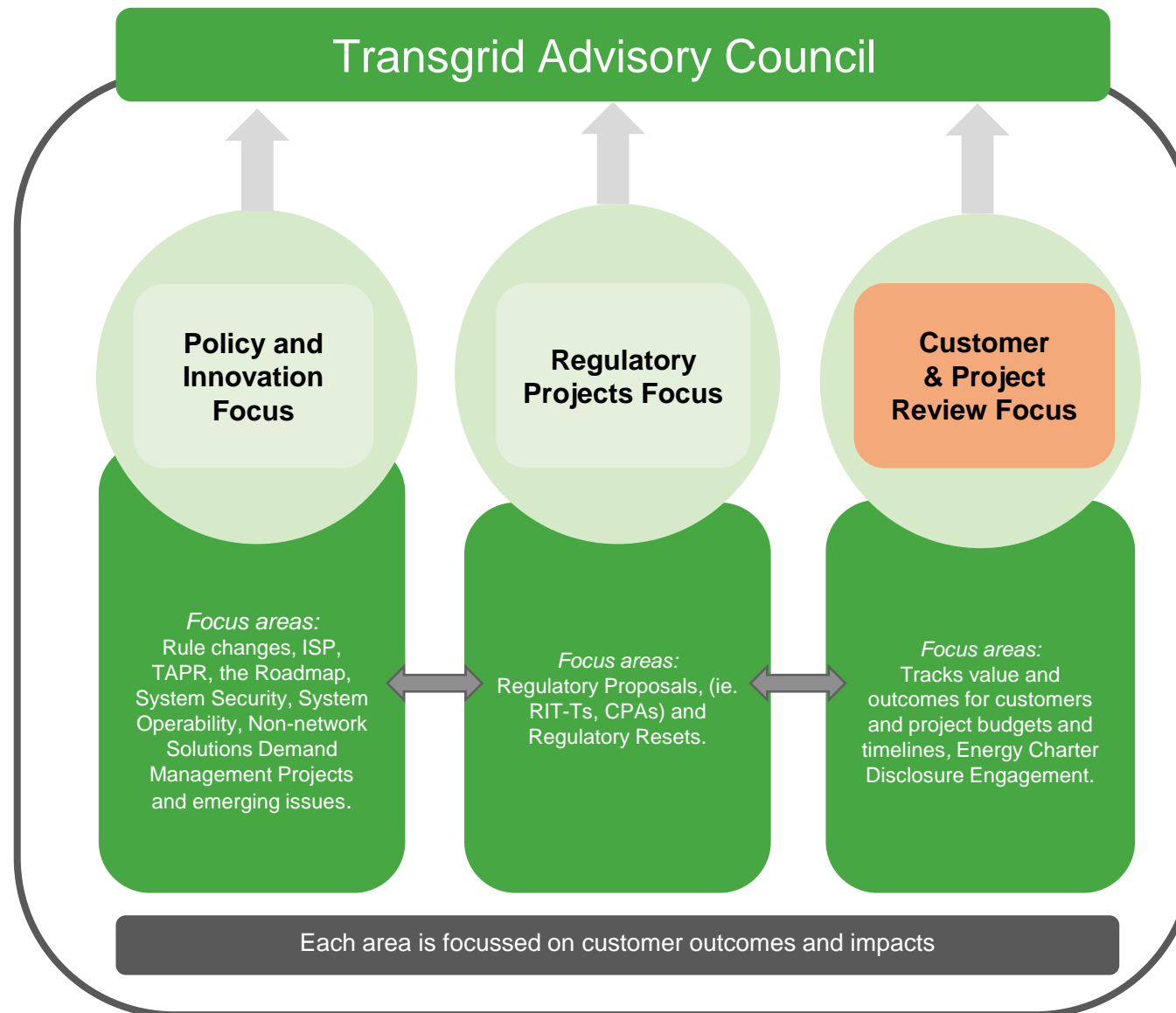
Gordon Taylor, Executive General Manager Major Projects
Daniel Banovic, General Manager Operations
Rob Jilg, Jeremy Roberts and Struan Wilson, Project Directors

Level of engagement: Inform

Objective: To inform the TAC of key updates on our major projects and respond to any questions, feedback or clarification required.

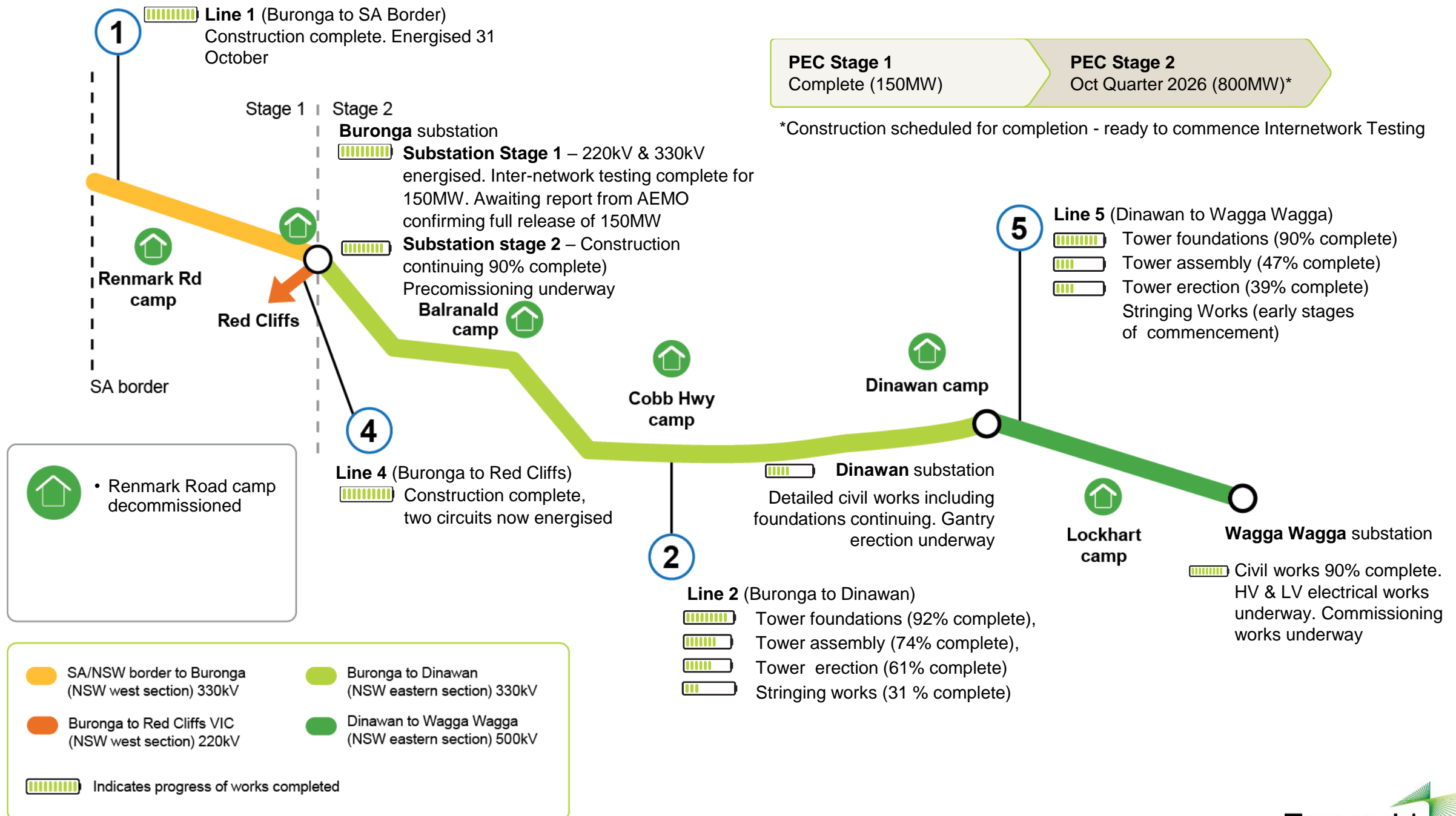


TAC Framework – Customer and Project Review Pillar



Energy Connect update

Where we are on the project timeline



Energy Connect update

Stakeholder Engagement

Key engagement activities in last month

- ✓ Community information session at Urana on L5 construction activities and crossings
- ✓ Jerilderie Fun Fair engagement pop-up stall
- ✓ 2025 Q1 EnergyConnect newsletter distributed to 500+ subscribers
- ✓ Notifications distributed for L2 and L5 line construction activities

Upcoming engagement activities

- ✓ 150MW energisation milestone finalisation
- ✓ West close-out engagement activities
- ✓ Construction notifications for L2 and L5
- ✓ Ongoing pro-active landholder check-ins
- ✓ Construction update with Hay and Wagga councils
- ✓ Hay Highlander engagement pop up
- ✓ EWON site visit

Social Licence

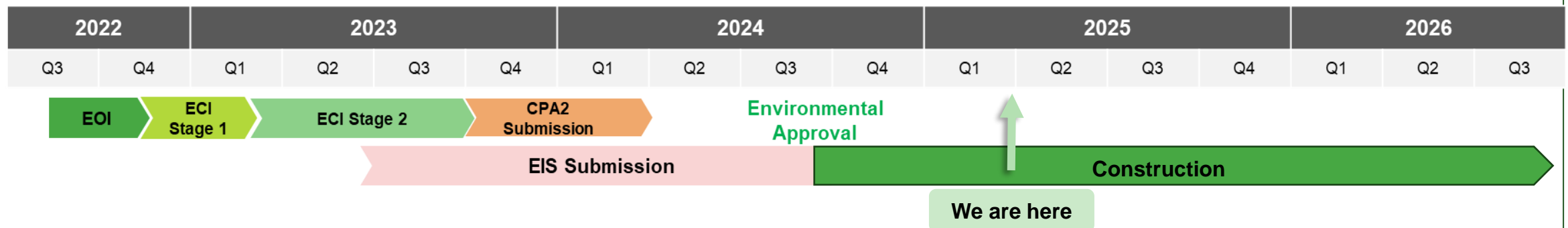
- ✓ Ronald McDonald sponsorship event
- ✓ RDA Riverina Economic Development Officer Forum attended by approx 40 reps from councils, government and industry. Included launch of TG funded Workforce Histogram and Child Care Study
- ✓ Transgrid launched its first round of Community Partnerships Program 2025
- ✓ RFS sponsorship – installation of bushfire monitoring cameras in Lockhart



Jerilderie Fun Fair engagement pop-up

HumeLink update

Where we are on the project timeline



Technical & Delivery Partner

- ✓ Design and Technical Workshops continue
- ✓ Continuing enabling works – access points, access tracks, compounds and accommodation facilities
- ✓ Execution of sub-contracts for procurement of tower fittings
- ✓ Planning and preparation for tower prototyping

Environmental Approvals

- ✓ Continuing preparation of required management plans ahead of main construction
- ✓ Worker accommodation options in Goulburn and Crookwell explored by HL East

Social Licence and Community Investment

- ✓ Community Investment and Benefits Program – consultation approach agreed with HLE and HLW with roll out to start on May
- ✓ Ronal McDonald sponsorship event
- ✓ Community Partnerships Program – Round 1 2025

Stakeholder Engagement

Completed in March

- ✓ HumeLink West and HumeLink East quarterly newsletter issued via email and letterbox drop
- ✓ Attended quarterly Batlow United Community Chamber (BUCC) meeting(2/03)
- ✓ Transgrid CEO met with Snowy Valleys Council Mayor and GM - topics included community investment, roads and water supply during construction
- ✓ HL East held Social Impact Management Plan stakeholder sessions in Goulburn, Yass and Tumut
- ✓ Spoke with 80+ community members at Batlow Show
- ✓ Met with Tumbarumba Chamber of Commerce on Maragle compound and substation works
- ✓ Ongoing engagement with Wondalga resident's regarding visual and construction impacts
- ✓ Reached agreement with Wagga Wagga Council re: Mates Gully Road works

Upcoming

- ✓ HumeLink to have a presence at the Wagga Wagga Mardi Gras 5 April
- ✓ Monthly HumeLink East and HumeLink West construction update
- ✓ HLE community information sessions in Goulburn, Crookwell, Yass and Tumut (May)
- ✓ Further site visit to residents in Wondalga (along with visual assessment consultant)
- ✓ Kick off HumeLink Community investment consultation (May)

VNI West Project update



Where we are on Project Timeline

- ✓ EIS documentation preparation well advanced
- ✓ Assessments of Expressions of Interest for substation package undertaken
- ✓ Substation package Request for Tender documentation nearing completion
- ✓ Engagement with landholders across the alignment following the issuing of Section 10a letters to progress negotiations and the development of Property Management plans for construction

Social Licence

- ✓ Transgrid launched its first round of Community Partnerships Program 2025
- ✓ The team is preparing the Community Consultation Outcomes Report to support the EIS

Stakeholder Engagement

- ✓ In March, the team met with a number of Government agencies and local Councils to progress matters relating to the EIS development, with a particular focus on: biodiversity, traffic and transport, water and waste
- ✓ Meetings continued with landowners affected by the Line 51 upgrade to support EIS consultation (brownfield upgrade)
- ✓ The team resolved a complaint from the Mutthi Mutthi traditional owners relating to the Cultural Heritage Assessment being undertaken as part of the EIS. An improved working procedure was established for cultural heritage surveys
- ✓ Engagement with Origin Energy on design interfaces continues to successfully identify and manage interactions between VNI West and the Yanco Delta Wind Farm near Dinawan

Hunter Transmission Project update



Where we are on Project Timeline

- ✓ The Project is progressing in line with its proposed schedule, with Transgrid and EnergyCo working closely to achieve several key project milestones under the Commitment Deed (CD)
- ✓ Following release of the Transmission Line Request for Tender (RfT) on Friday 28 February 2025, tender briefings for TL were completed in early March with Tenderers
- ✓ On 28 March, Transgrid provided its Conditional Endorsement to EnergyCo in response to its resubmission of the Substation (RfT). Transgrid's Conditions were accepted and the Substation RfT was released on that date
- ✓ The team is now in the Substation RfT process working on the selection process of the project's Delivery Partner for Substations, with tender briefings completed early April
- ✓ EnergyCo is responsible for developing the Environmental Impact Statement (EIS), a critical path item for the Project, with Transgrid reviewing, providing comments and endorsing the EIS package. The EIS program is under pressure, however Transgrid is working closely with EnergyCo to ensure on-time submission to DPHI

Stakeholder Engagement

- ✓ Transgrid continues to support EnergyCo with engagement. Activities included:
 - community information drop-in sessions in Cooranbong, Singleton and Cessnock
 - online briefings to stakeholders and community regarding environmental planning and approvals supported through embedded resource and Transgrid observers.
- ✓ Landowner meetings for near neighbours for workers accommodation and construction support sites.
- ✓ Landowner access support for Transgrid's existing landowners.

Social Licence

- ✓ Transgrid continues to work with EnergyCo to understand community benefit strategies to be implemented for delivery.



TAC Focus Area update: *Customer & Projects Review Pillar*

RP4 engagement and ten-year Business Plan

Maryanne Graham, Executive General Manager Stakeholder, Regulatory
and Corporate Affairs

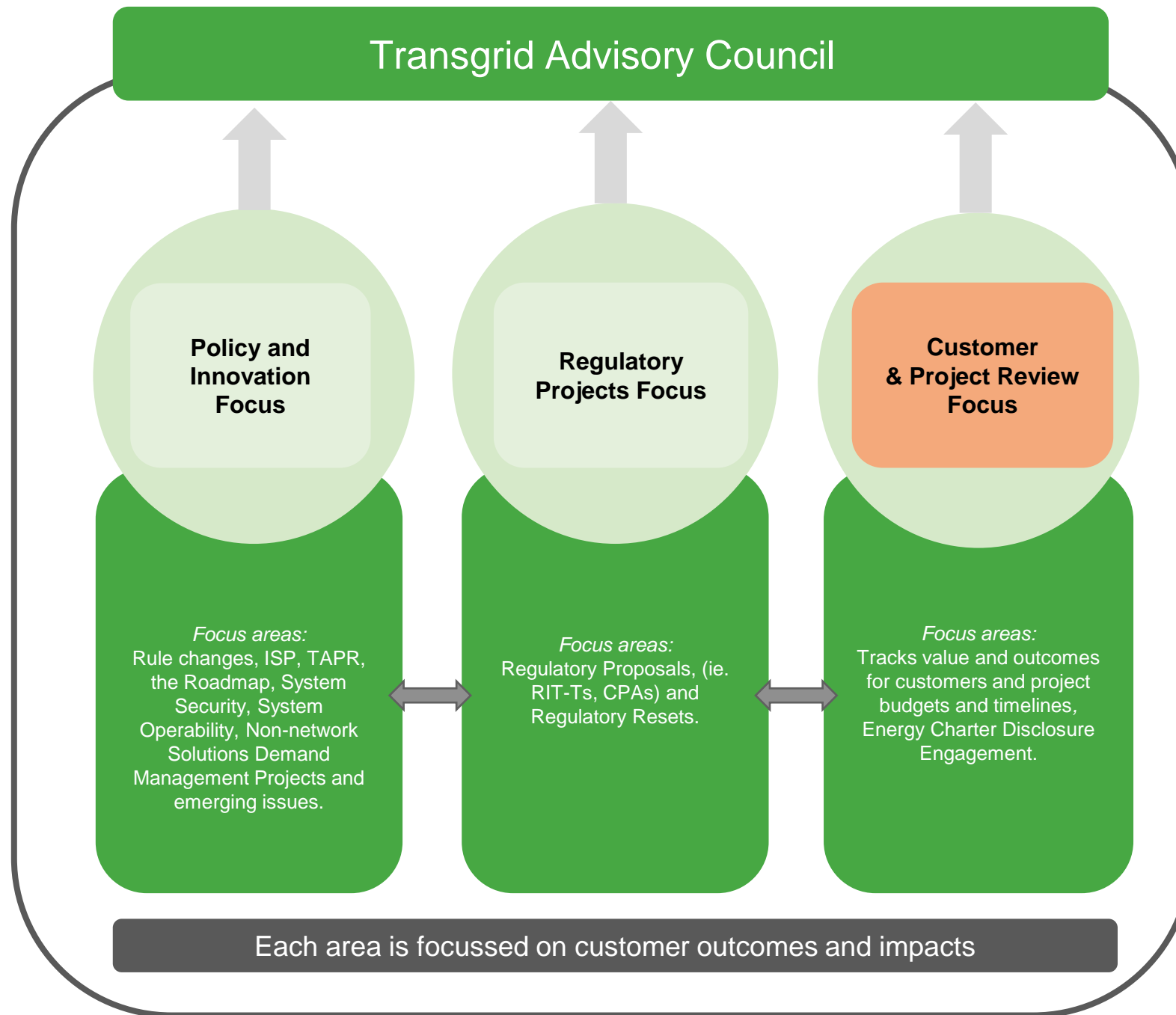
Nadine Lennie, Chief Financial Officer

Level of engagement: Inform

Objective: To recap the key outcomes of the RP4 Engagement workshop and
highlight the next steps for the RP4 engagement process



TAC Framework – Customer and Project Review Pillar



RP4 engagement workshop snapshot



- Held on 1 April with 49 participants representing the TAC, Transgrid and the Australian Energy Regulator
- Aimed at bringing together stakeholders to understand their expectations and align on engagement objectives, the overarching engagement approach and way forward
- A 'strawman' engagement plan was developed and shared with participants prior to the workshop formed the basis of discussion on the day
- We engaged on the following key elements of the draft stakeholder engagement framework:
 - *engagement principles and objectives*
 - *definition of a customer-based transmission company*
 - *stakeholders to engage*
 - *engagement topics and areas of influence*
 - *engagement tools and timeline*
 - *engagement evaluation and review*
- Feedback on what worked well included the early engagement, constructive conversations, Transgrid Board and Executive team attendance and external facilitation of the workshop
- Suggestions for improvement included that respondents would have liked to hear more from the Transgrid representatives in attendance and to understand more context around the key issues facing Transgrid.



Key takeaways

- The workshop was an **important demonstration of Transgrid's good intentions**
- There is a need for a **comprehensive narrative** that places decision-making within a broader context, highlights consumer benefits and is flexible to the evolving landscape
- Consumer advocates can provide a view on in the interests of consumers but **only consumers can provide a view on their preferences**
- A **"BAU first" approach** is recommended, leveraging existing channels and forums
- **Don't prioritise stakeholders at this stage** - service all stakeholders first, then consider how to go deeper later in the process
- Need to **better understand what Transgrid is putting forward for RP4** and what it hopes to achieve – what is different to past years
- The **potential topics for engagement and list of stakeholders to engage seemed ambitious for the time**. Prioritisation will be needed but there was optimism about finding a way forward to provide important benefits for consumers.

Next steps

- Seek feedback from the TAC on the RP4 Workshop Outcomes Report (issued as part of the pre-read pack for this meeting)
- Update the engagement framework to reflect workshop outcomes and feedback
- Distribute the draft updated engagement framework to stakeholders for their feedback
- Develop the draft RP4 Engagement Plan for TAC member review



**Thank you for joining the workshop,
we value and appreciate your input and collaboration**

Would any TAC members like to share their reflections of the RP4 workshop?



TAC Focus Area Update: Regulatory Projects Focus Area Pillar

Transmission Planning Review

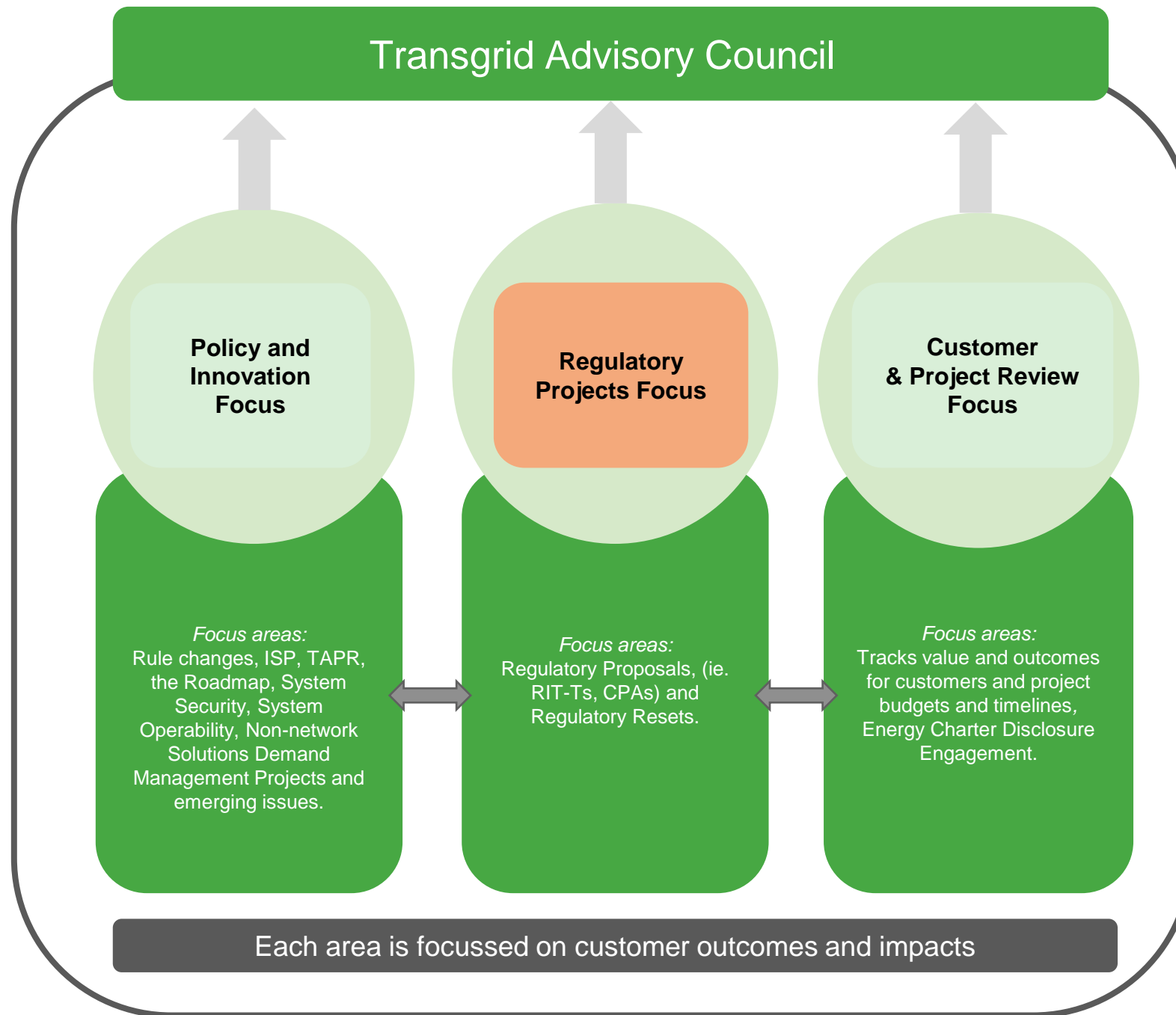
Kasia Kulbacka, General Manager Network Planning

Level of engagement: Inform

Objective: Provide the TAC with an overview of the NSW Transmission Planning Review and options put forward by the Review team



TAC Framework – Policy & Innovation Pillar



O' Rielly Report background

In November 2020, the NSW Government released the NSW Electricity Infrastructure Roadmap that was legislated under the Electricity Infrastructure Investment Act 2020



In 2023 the NSW Government commissioned Marsden Jacob Associates to undertake an Electricity Supply and Reliability Check Up to identify additional steps NSW needs to take to deliver the Roadmap and ensure a reliable supply of clean, affordable energy



The Check Up considered transmission planning in NSW to be overly complicated, with a tension created between many parties involved in planning decisions: the jurisdictional planner (Transgrid), REZ planner (EnergyCo), the Integrated System Plan (ISP) planner (AEMO), and REZ network project approval (Consumer Trustee).

The report noted the range of transmission planning publications issued by these entities, all of which cover many of the same projects



The NSW Government accepted Recommendation 18 of the Check Up on 5 September 2023, which states that:

'Under s.21(2)(b) of the Energy and Utilities Administration Act 1987 (EUA Act), the Minister should commission an expert review of current Transmission Planning arrangements in NSW to reduce duplication and advise on the best approach to ensuring coordination between the Roadmap bodies (EnergyCo, Transgrid, AEMO, AEMO Services).'

Transmission Planning Review – Review Panel Members



Richard Owens, Director farrierswier

Richard has over 20 years' experience as a regulator, policy maker and adviser to regulated businesses. Previously with AEMC where he was Executive General Manager and led the AEMC's work on electricity and gas networks.



David Swift, Essential Services Commission of South Australia

David was appointed as a Commissioner in 2019 and as Chairperson in 2021. He has worked in the electricity industry for many years, including as an executive leader in AEMO from its inception to 2019.



Jess Hunt NEM Regulatory Specialist, Radbone

Economist and regulatory specialist. Previously worked in AEMO, AER and OfGem



Geoff Swier, Principal, farrierswier

Economist with over 35 years' experience in reform, policy development, regulation and operation, and business decision making in utility industry in Australia, New Zealand and Asia



Claire Rozyn, Senior Consultant, farrierswier

Has over 15 years' experience as an economic and policy adviser to energy market regulators both in Australia and Great Britain.

Review Scope and Timing

In Scope

- Roles & responsibilities in transmission planning across NSW legislation & regulations
- Coordination & streamlining of planning functions, including REZ integration
- Planning of the NSW transmission system including forward planning of major augmentations, connection processes, REZ planning and integration, and third-party infrastructure
- Decision-making processes for transmission infrastructure delivery
- Transmission planning arrangements, including centralised system strength services and infrastructure
- Distribution network planning for the higher-voltage parts electricity distribution
- Consultation outcomes from all interested stakeholders of NSW electricity network planning

Out of Scope

- Project delivery not directly related to future network planning including procurement, financing, cost recovery, construction ownership, operation, or maintenance of transmission networks
- Economic regulation of transmission networks under NER chapter 6A or section 38 of the EII Act
- Regulatory arrangements related to generator connections to the transmission network under chapter 5 of the NER
- Environmental planning regulation under the Environmental Planning and Assessment Act 1979 or other NSW or Commonwealth regulatory requirements
- Removing the option for contestable procurement of transmission network projects in NSW under the Electricity Infrastructure Investment Regulation 2021
- Change contractually agreed, licenced and/or gazetted REZ Network Operator roles and responsibilities regarding network planning, including for system strength

Timeframes

Deliverable	Indicative timing
Consultation Paper published	14 February 2025
Engagement with stakeholders on the Consultation Paper	Mid-February to late-March 2025 (written submissions due by 10 March 2025)
Options Paper issued to impacted parties and other relevant stakeholders for 3 weeks targeted consultation	24 April 2025
Engagement with stakeholders on the Options Paper	Late-April to late-May 2025 (written submissions due by 16 May 2025)
Interim Report published for 4 weeks public consultation	27 June 2025
Engagement with stakeholders on the Interim Report	July 2025 (written submissions due by 25 July)
Final Report delivered to the Minister for Energy	By 11 September 2025 (within 7 months of establishment of the review)



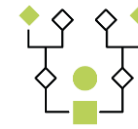
Timely delivery

Deliver a transmission planning regime fit-for-purpose to support timely delivery of a clean, affordable, reliable power system and net zero targets



Consumer Alignment

Allocation of roles and responsibilities that are in the best interests of energy consumers and communities hosting transmission infrastructure



Efficiency

Enhance transmission planning for simplicity, cost-effectiveness, and efficiency, ensuring timely coordination with renewable energy while considering the broader NEM



Clarity

Clearly defined responsibilities, tasks, and quality standards for transmission planning, ensuring clear coordination and governance to avoid duplication

Transgrid supports the Review objectives.

Transgrid executives have met with the Review Panel on several occasions. We have also held deep dive sessions with the Panel on Joint Planning and System Strength.

Overview of network planning in Australia

New South Wales

- Transgrid is the jurisdictional planner and main TNSP for NSW.
- EnergyCo, who leads the contestable delivery of REZ transmission projects, is the Infrastructure Planner for NSW REZs. EnergyCo also undertakes network planning within each REZ and not the relevant Network Operator (e.g. ACE REZ).
- AEMO Services' Infrastructure Investment Objectives Report sets out the development pathway for renewable generation and long-duration storage and firming infrastructure.
- The Minister may direct a network operator to carry out a REZ network infrastructure project or priority transmission infrastructure project (identified in the ISP)

Victoria

- System planning is currently undertaken by AEMO (rather than the main TNSP AusNet)
- These responsibilities are planned to shift to VicGrid (pending legislative change) who is now responsible for coordinating and developing Victoria's REZs. Timing of the responsibilities shift is planned for 1 July 2025 but is understood to possibly be delayed
- AEMO is currently undertaking tenders for new links (e.g. VNI – West) but this is also planned to shift to VicGrid.
- VicGrid is developing the Victorian Transmission plan which will set out the optimal development pathway for transmission.

Queensland

- Queensland Government owned TNSP Powerlink retains its planning function – but will be directed to assess and deliver government identified priority projects.
- Powerlink also responsible for REZ – planning, design, owning, constructing, operating and maintaining.
- Queensland Government develops – and the Queensland Energy Security Board provides advice on – the Queensland SuperGrid Infrastructure Blueprint which sets out the optimal infrastructure pathway for transmission.

Across Australia, system planning responsibilities are interlinked with the approach for transmission line / REZ development with each jurisdiction deviating from the national framework – in a different way

Issues identified by the Review Panel

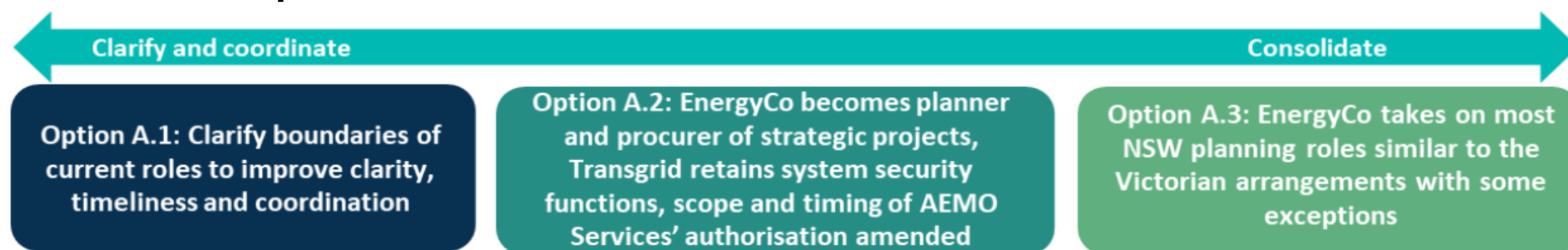
Theme A: Allocation of roles and responsibilities	<ul style="list-style-type: none"> • Multiple bodies share responsibility for planning and approving transmission projects in NSW with risks of unclear accountabilities, delays and inefficient outcomes • The introduction of contestability significantly complicates planning arrangements and results in potential conflicts of interest and a need to re-examine some roles and responsibilities
Theme B: Planning reports	<ul style="list-style-type: none"> • There are numerous different reports that guide transmission planning in NSW, without clarity on the purpose of some of the reports and how each report interacts with other reports to drive consistent planning decisions
Theme C: Interaction between the NSW and national frameworks	<ul style="list-style-type: none"> • The EII Act has created an alternative pathway for planning and approving projects, but there is a lack of clarity on which projects should be progressed under the EII Act or the NER and why • The NSW electricity transmission system cannot be planned efficiently without considering interactions with other states and territories and effective coordination between jurisdictions
Theme D: Planning for system security services, distribution networks and the needs of customers	<ul style="list-style-type: none"> • System strength and other system security services are increasingly important but have a very complicated planning framework that is not well integrated into other aspects of transmission planning under the EII Act • Planning of distribution networks, customer load growth or new connection requirements, and consumer energy resources (CER) is not sufficiently integrated into transmission planning
Theme E: Governance	<ul style="list-style-type: none"> • The EII Act does not include a framework for effective engagement with consumers and local communities on transmission planning decisions • The bodies involved in transmission planning in NSW have a range of different structures, objectives, funding models and oversight mechanisms, some of which may not support effective governance that promotes the long-term interests of customers

Major options identified by the Review Panel

Pre-read

- The Panel identified 36 separate recommendations (please see Appendix A) including options in the following areas:

Roles and Responsibilities



Planning report reforms



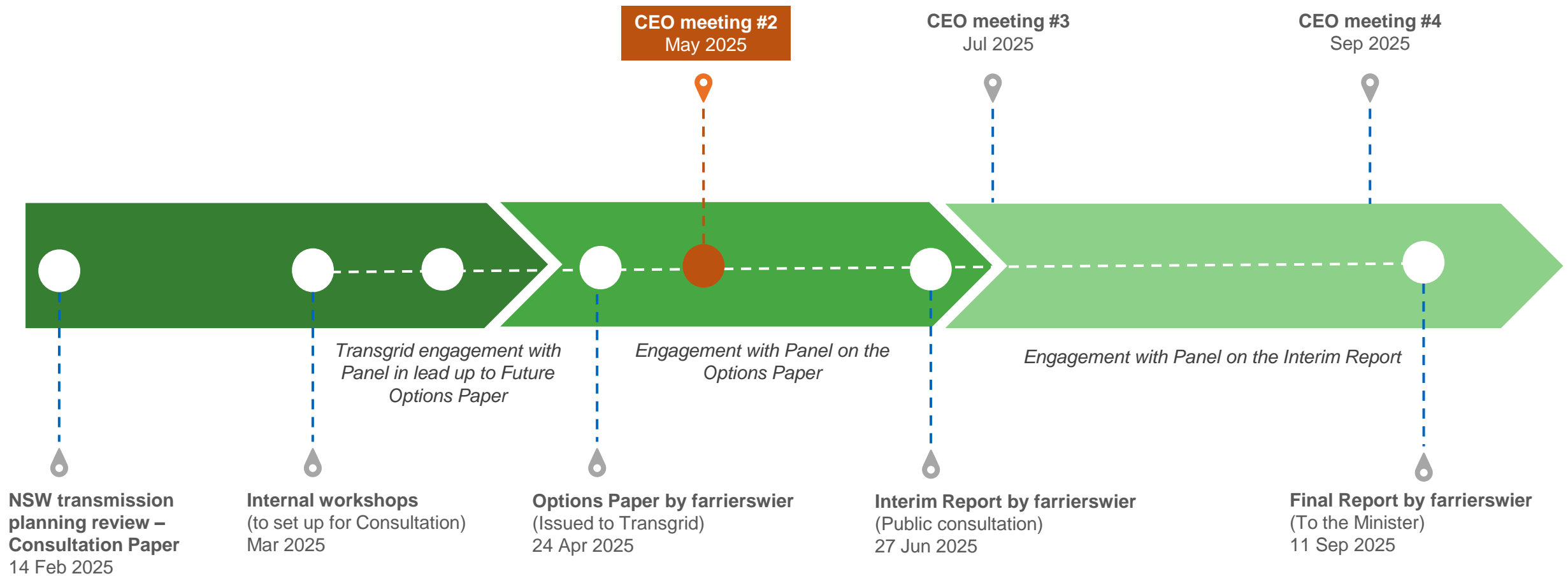
Other areas where options have been put forward

- Interactions between the NSW and national frameworks
- Planning for system security services, distribution networks and the needs of customers
- Governance

- More Transmission projects may proceed under the NSW EII Framework in the future instead of the NER:
 - There is currently no rigorous RIT-T process under the EII Framework which could lead to reduced investment efficiency and potentially higher costs for consumers.
 - Greater project contestability may arise but is unclear what impact this will have on consumers.
 - Improved joint planning processes and ISP planning accountability could reduce delays and support timely delivery of NSW Net Zero targets. Strategic NSW project delivery could accelerate through greater certainty on regulatory approval pathways and early works funding.
 - Expanded consumer and community engagement obligations may be introduced under the EII Act Framework with EnergyCo likely to lead this engagement. It is unclear what impact this may have on obtaining social licence (speed and cost).
- All NSW system strength planning, analysis and service provision could move to EnergyCo in the future potentially creating system security risks, especially over the short term.
- Transitional arrangements may be required and this could lead to short term disruptions and delays to existing activities.

Next Steps

Pre-read



Appendix A – Options put forward by Review Panel

Pre-read

A: Roles and Responsibilities

- Option A.1: Clarify boundaries of the current roles to improve clarity, timeliness and coordination.
- Option A.2: EnergyCo becomes planner and procurer of strategic projects, Transgrid retains system security functions, scope and timing of AEMO Services' authorisation amended.
- Option A.3 EnergyCo takes on most NSW planning roles similar to the Victorian arrangements with some exceptions.
- Option A.4: Introducing a test or criteria to determine which projects should be procured contestably
- Option A.5: Introducing more prescriptive network-to-network connection processes.

B: Planning Reports

- Option B.1: Increase clarity and consistency
- Option B.2: Expanded Network Infrastructure Strategy
- Option B.3: New NSW Integrated Infrastructure Plan

C: Interaction between the NSW and national frameworks

Options for clarifying which projects should be planned and approved under the EII Act or the NER:

- Option C.1: Introduce a test or criteria to determine which projects should be planned and approved under the EII Act instead of the NER.

Options for improving joint planning and cooperation between jurisdictions:

- Option C.2: Expand obligations on EnergyCo to consult and engage in joint planning with AEMO on relevant issues
- Option C.3: Expand joint planning with jurisdictional planning bodies in other jurisdictions
- Option C.4: EnergyCo to consult with VicGrid to identify opportunities to improve consistency between contestable procurement processes in NSW and Victoria
- Option C.5: NSW government to engage with the ACT government to implement mechanisms to ensure effective planning across the NSW region of the NEM

Appendix A – Options put forward by Review Panel

Pre-read

D: Planning for system security services, distribution networks and the needs of customers

Options for more efficient and coordinated planning of system security services:

- Option D.1: Make EnergyCo the System Strength Service Provider (SSSP) and inertia service provider for NSW
- Option D.2: Amend the NER planning arrangements for system strength to account for contestable network operators
- Option D.3: Clarify the test or principles for when system security services should be planned under the NER or the EII Act
- Option D.4: Expand obligations on EnergyCo when developing recommendations for an RNIP or PTIP to consult with AEMO on system security issues
- Option D.5: Introduce other mechanisms to improve coordination between AEMO, EnergyCo, Transgrid and contestable network operators who provide system security services

Options to better integrate planning of distribution networks, customer connection requirements and CER into transmission planning under the EII Act:

- Option D.6: Expand the NIS and/or IIO Report to include information on distribution networks and CER issues, including distribution network and non-network options that will be considered for planning as an RNIP or PTIP
- Option D.7: Expand AEMO Services' modelling capabilities and engagement with EnergyCo and DNSPs so that it can obtain increased information on distribution network issues and more accurately model distribution network options in the IIO Report, eg consistent with changes AEMO is currently making for the ISP
- Option D.8: Clarify or expand how the NIS, IIO Report and ESTM Report forecast major new load connections to the distribution network and forecasts of CER uptake, distributed generation and demand growth, and how those matters are taken into account when planning RNIPs or PTIPs including network augmentations that are required to maintain reliability or security based on forecast major new connections
- Option D.9: Expand joint planning between EnergyCo and DNSPs so that EnergyCo can obtain more comprehensive information on distribution network issues to inform the NIS and provide to other Roadmap bodies to inform the IIO Report and ESTM Report
- Option D.10: Clarify or expand the scope of the RNIP and PTIP tests to include distribution network options or non-network options that may be a preferable alternative to meet the infrastructure investment objectives or an identified reliability or system security need

Appendix A – Options put forward by Review Panel

Pre-read

E: Governance

Options to improve engagement with consumers and local communities and transparency of decision making by Roadmap bodies:

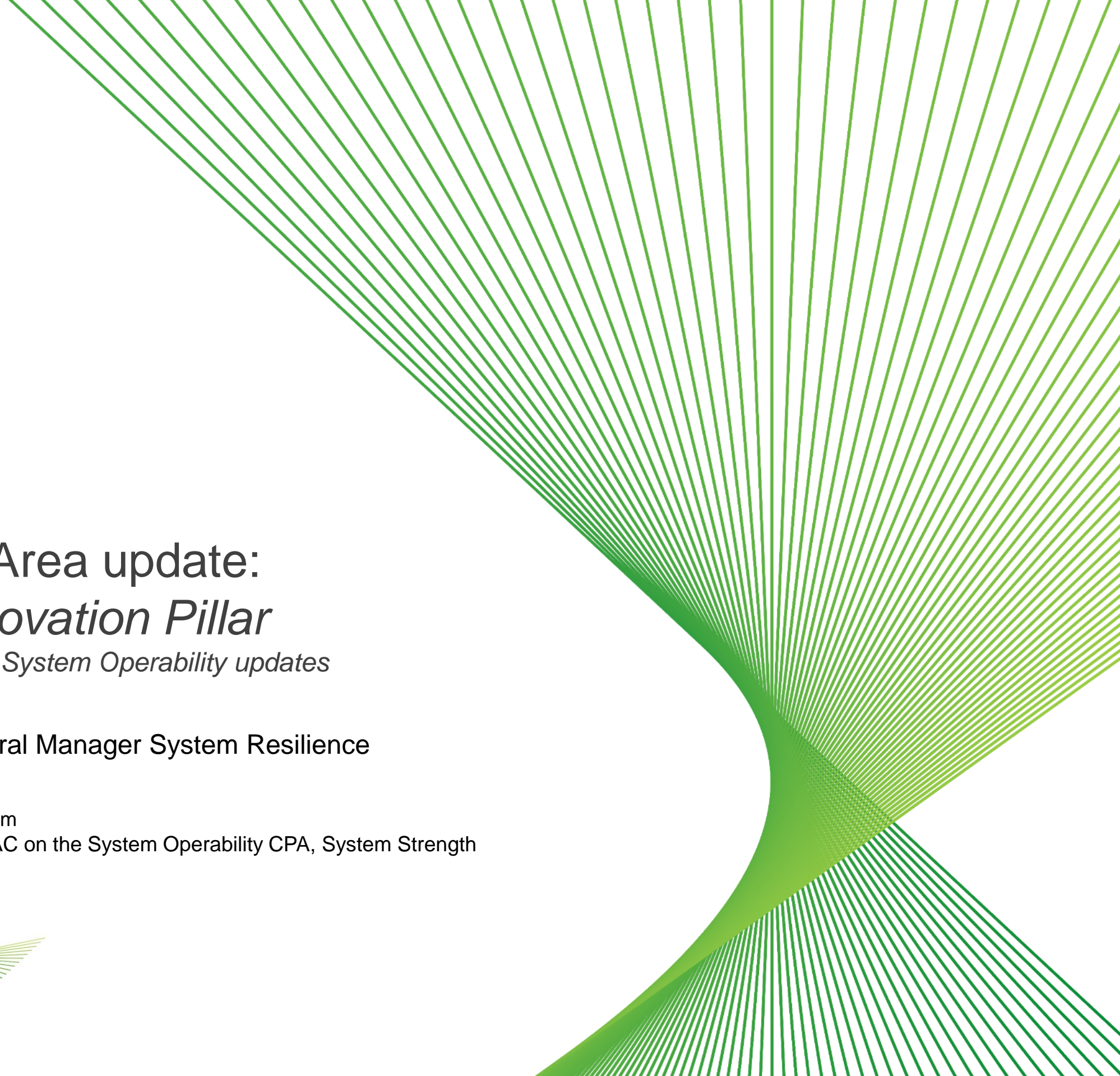
- Option E.1: Amend the EII Act or EII Regulation to require EnergyCo to engage with electricity consumers or consumer representatives and local communities potentially affected by an RNIP or PTIP
- Option E.2: Require EnergyCo to establish and fund a Consumer and Community Panel comprised of representatives of consumers and local communities
- Option E.3: Require EnergyCo and AEMO Services to consult with the Panel prior to making key decisions
- Option E.4: Require the Panel to prepare and publish a report that the decision maker must have regard to when making certain decisions
- Option E.5: Require EnergyCo and AEMO Services to publish and publicly consult on drafts of key decisions, including recommending an RNIP or PTIP or setting access fees
- Option E.6: Require EnergyCo to consult on, develop and publish a process and approach paper explaining how it will perform its key functions
- Option E.7: Require EnergyCo to consult on, develop and publish a stakeholder engagement plan
- Option E.8: Require AEMO Services to publish the results of the cost benefit assessment it performs as part of its RNIP authorisation decision

Other governance issues:

- Option E.9: Make changes to EnergyCo's governance and funding arrangements to improve its ability to attract and retain suitable staff and perform any new functions
- Option E.10: Introduce additional mechanisms for funding and approving staged projects, early works and long-lead time items, for example through changes to the RNIP and PTIP processes to make it easier to approve projects in stages or additional EnergyCo funding mechanisms
- Option E.11: Require EnergyCo to publish and consult on its budget
- Option E.12: Introduce a mechanism for IPART, the AER or the NSW government to review whether EnergyCo's expenditure on a RNIP or PTIP that will be recovered from consumers was prudent, efficient and reasonable
- Option E.13: Ensure a clear separation between DCCEE and EnergyCo on policy development so that EnergyCo's opportunity to influence policy decisions that affect its roles and responsibilities is consistent with that of other stakeholders

Discussion points

- In your view, what are the key issues or concerns with the options presented?
- What should Transgrid consider in formulating a response to the options paper?
- How do you think this review will impact consumers?
- Do you have any further comments or questions?



TAC Focus Area update:

Policy & Innovation Pillar

System Strength and System Operability updates

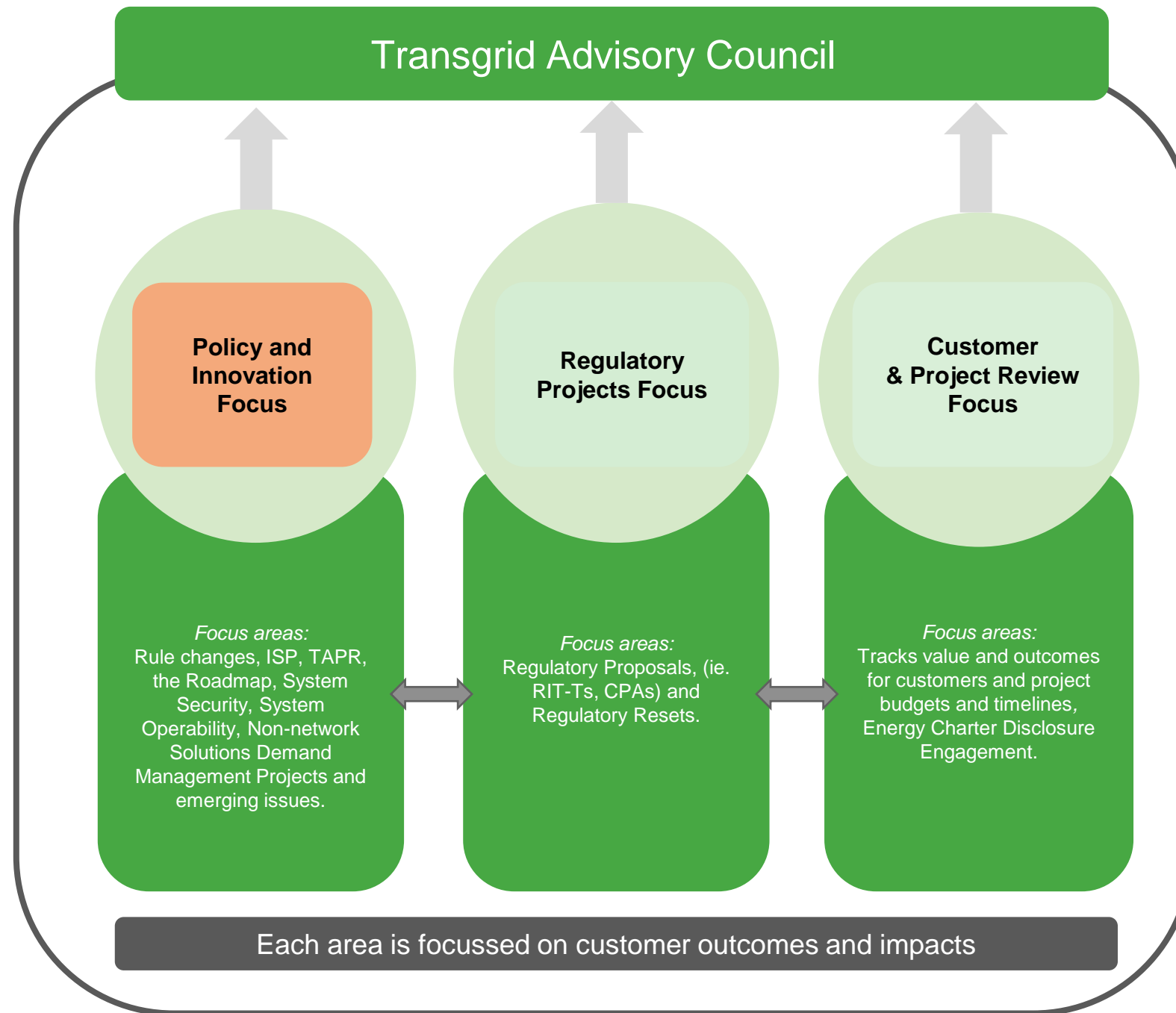
Robbie Aherne, General Manager System Resilience

Level of engagement: Inform

Objective: To update the TAC on the System Operability CPA, System Strength project and engagement



TAC Framework – Policy & Innovation Pillar



System Operability CPA

Upgrade operational technology and tools used in Transgrid's control rooms and corporate offices

Project Assessment Draft Report (PADR) – Overview

The PADR is considering the three options presented in the Project Scoping Consultation Report (PSCR).

- Option 1 – Reactive capability: uplifting core operational technologies and tools, enabling Transgrid to react to events more effectively
- Option 2 – Proactive capability: more comprehensive uplift across a portfolio of operational technologies and tools, including the development of essential new capabilities.
- Option 3– Predictive capability: advanced upgrades to existing operational technologies and the addition of advanced new capabilities.

Expected to be published in May following final reviews

Market Sounding

A robust and detailed market sounding was been conducted across all three options.

- Sought response from all Transgrid's current Energy Management System (EMS) Vendor's Australian-based System Integrator partners
- Option 3 has been excluded as a viable option. Vendors indicated the capability uplift within Option 3, while aligned with software product roadmaps, has high degrees of cost and functional uncertainty and could not be delivered by 2030.

Capital Costs	
Option 1	\$117m
Option 2	\$173m

This is the latest information and subject to change

System Operability CPA

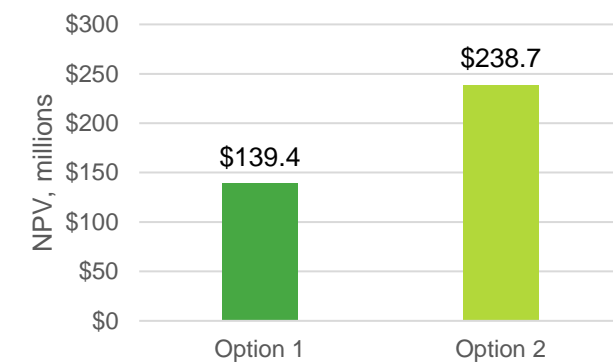
Market Benefit Assessment

- Market Benefits – a case study approach was used
 - CS1 – Reduction in the likelihood of unserved energy
 - CS2 – Increase in network utilisation
 - CS3 – Reduction in the duration of outages

Other benefits, including those associated with a reduction in testing time for new assets connecting to the transmission network and faster recovery from faults, have not been assessed in the PADR.

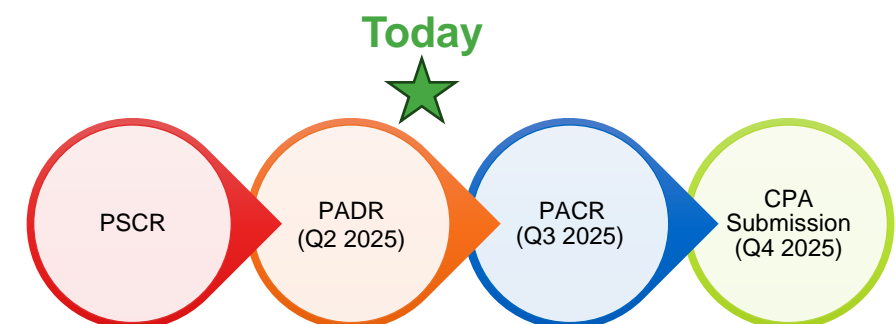
Both proposed options have a positive net market benefits, with Option 2 ranking #1, with net market benefits of \$238.7 million

Headline net market benefits (\$m NPV, weighted scenario)



Stakeholder Engagement

- 4 x TAC deep dives – April 2024, September 2024, November 2024 & April 2025
- DNSP & TNSPs – Powerlink, Western Power, Electranet, AusNet, Transpower, Ausgrid, Endeavour Energy & Essential Energy
- Government Bodies – AER, AEMO, AEMC, EnergyCo, Government
- AEMO PADR briefing and continued alignment
- April 2025 TAC deep dive: Transgrid Control Room tour and PADR overview
- Next TAC engagement: Co-create a consumer benefits overview supplement to the PADR



Summary, reflections and next steps

Maryanne Graham, Executive General Manager Stakeholder, Regulatory and Corporate Affairs



Launch of poll

We will now launch the short poll:

To what extent do you feel you had an opportunity to effectively engage today?



Do you have further feedback on any of the following topics discussed today?

- CEO Update
- TAC Focus Area update – Customer and Projects
- TAC Focus Area update – Regulatory Projects
- TAC Focus Area update – Policy and Innovation

We appreciate your feedback

Thank you

Contact details

For further information or discussion, please contact:



Jane Deane, Senior Manager Stakeholder and Corporate Engagement
0437 546 540 //jane.deane@transgrid.com.au



Belinda Ackermann, Senior Advisor – Stakeholder Engagement
0448 746 434 //belinda.ackermann@transgrid.com.au



Amelia Baker, Stakeholder Relations Advisor
0427 892 392 //amelia.baker@transgrid.com.au

