

24 June 2025

Regulation Team

Transgrid

By email: regulatory.consultation@transgrid.com.au

To whom it may concern,

System Security Roadmap Operational Technology Upgrades PADR

The Justice and Equity Centre (JEC) welcomes the opportunity to respond to the Transgrid's Project Assessment Draft Report (PADR) on its System Security Roadmap Operational Technology Upgrades.

While we appreciate the effort taken to explain the implications of the increased complexity of the energy system for Transgrid's operation room, we do not agree Transgrid has sufficiently demonstrated the need for the project and preferred option.

Project need

Transgrid has extensively articulated why changes in the energy system have caused an increase in complexity of operations. However, they have not established any particular threshold which could serve as a criteria to demonstrate this increase complexity requires an extra investment to manage, or demonstrated that this complexity cannot be acceptably managed with increased operating expenditure (ie. increased resources in the existing operational control room).

We recommend creating such a threshold in the form of a point at which failure to uplift the operational capacities would result in a number of constraints being imposed that would lift outages for consumers above an acceptable level.

Without a clear threshold we – and any other respondents – are unable to disagree that the energy system has become more complex, and unable to agree or disagree with the claim that it has become so complex that investment is required. The reality of increased complexity need not necessitate investment and more robust criteria are required to demonstrate this.

Option selection

To the degree an identified need can be robustly established, option 1 should be preferred.

In the context of a 'messy' transition in which consumers face persistently high energy prices, this investment should prioritise ensuring minimum standards are met at least cost, rather than seeking to maximise net benefits.

Both options fulfil the requirement of ensuring the number of constraints is kept to an acceptable level. Where the next uplift of Transgrid's operational capacities will not be affected by which of the two options are selected, option 1 should be selected as it minimises the risk that consumers will be responsible for unnecessary, excess costs.

We welcome the opportunity to meet with Transgrid and other stakeholders to discuss these issues in more depth. Please contact Michael Lynch at mlynch@jec.org.au regarding any further follow up.

Yours sincerely,

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