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Rachel Parry

Deputy Secretary Energy Climate Change and Sustainability

Office of Energy and Climate Change

By email: [contact@energyco.nsw.gov.au](mailto:contact@energyco.nsw.gov.au)

Dear Rachel

### **Draft connection prohibition guidelines**

Transgrid welcomes the opportunity to respond to the NSW Government's draft guideline on connection prohibition orders (**draft Guideline**) to network infrastructure in Renewable Energy Zones (REZs).

We note that a guideline on connection prohibition orders must be published by Energy Corporation (**EnergyCo**) in accordance with section 29(6) of the Electricity Infrastructure Investment Act 2020 (EII Act). As the jurisdictional planner, operator and manager of the transmission network in NSW and the ACT, Transgrid is keen to assist Energy Co to develop guidelines in way that enables the NSW Government to deliver on its objectives to provide low emissions, reliable and affordable electricity to consumers in NSW.

Transgrid shares the objectives noted in the draft Guideline, which is to ensure that:

1. the generation and storage projects that will be connected to network infrastructure in REZs will be in appropriate locations; and
2. the proponents of generation or storage projects will take the time to genuinely engage communities and build local support.

Transgrid is continuing to invest to embed processes and activities to build and maintain social licence in the communities in which we operate. We therefore regard the objectives in the draft Guideline as being fully aligned with our focus on building and maintaining social licence. In particular, we consider it reasonable that the infrastructure planner should be able to respond to community concerns by issuing connection prohibition orders, as provided for under the EII Act.

We also support the overall process outlined in the draft Guideline for issuing a connection prohibition order. In addition to the matters addressed in the draft Guideline, there are two further points of clarification that may assist stakeholders and minimise the costs to consumers:

- Transgrid understands that a connection prohibition order may relate to proposed projects seeking connection to its existing infrastructure within the REZ. In effect, therefore, Transgrid may be indirectly affected if a project proponent has failed to engage appropriately with the community. While Transgrid accepts this possibility, it will be helpful to clarify the reasons for issuing the

connection prohibition order and whether it is likely to affect future projects seeking connection to that specific area of the network.

- The resources and costs involved in progressing a connection application are significant for all parties, including Transgrid. In order to minimise these costs, it would be helpful if the connection prohibition order were issued as early as possible in the connection process. While Transgrid appreciates that it may not always be possible to avoid expending resources on connections that ultimately do not proceed, it would be useful if the final guideline noted this as an objective.

If you require any further information or clarification, please feel free to contact me at [david.feeney@transgrid.com.au](mailto:david.feeney@transgrid.com.au)

Yours faithfully

*David Feeney*

David Feeney  
**Head of Policy and Energy Market Reform**