

TAC Meeting Notes - Summary

Meeting title: Quarterly TAC Meeting #3 Date: 2 July 2025
Location: Microsoft Teams and Transgrid Office, 180 Thomas St Ultimo Time: 9.30am – 12.30pm
Chairperson: Nadine Lennie, Chief Financial Officer

Attendees:

TAC Members

Tennant Reed	Ai Group
Wendy Black	Business Council of Australia
Christiaan Zuur	Clean Energy Council
Michael Dello-Iacovo	Energy Consumers Australia
Andrew Richards	Energy Users Association Australia (EUAA)
Leigh Clemow	Energy Users Association Australia (EUAA)
Mary Karras	Ethnic Communities Council NSW
Louise Benjamin	Independent TAC member
Adrian Dwyer	Infrastructure Partnerships Australia
Craig Memery	Justice and Equity Centre
Michael Lynch	Justice and Equity Centre
Brian Williams	Snowy Hydro
Gavin Dufty (<i>in person</i>)	St Vincent de Paul

Transgrid Representatives

Brett Redman	Chief Executive Officer
Nadine Lennie	Chief Financial Officer
Jennifer Hughes	Executive General Manager Delivery
Gordon Taylor	Executive General Manager Major Projects
Stephen McSweeney	Executive General Manager, People & Culture
Jason Krstanoski	Acting Executive General Manager Network
Fiona Orton	General Manager Innovation and Energy Transition
Kasia Kulbacka	General Manager of Network Planning
Eric Lalauze	General Manager Corporate Finance and Strategy
Grant Nowland (<i>online</i>)	General Manager Development
Monika Moutos (<i>online</i>)	General Manager of Regulation, Policy and Governance
Nicole Ryan	General Manager of Stakeholder, Government and Advocacy
Daniel Banovic	General Manager Operations
Zainab Dirani (<i>online</i>)	Policy and Advocacy Manager

Christian Abran (<i>online</i>)	Senior Manager Regulation
Jeremy Roberts	Regional Major Projects Director
Struan Wilson	Regional Major Projects Director
Belinda Ackermann	Senior Advisor Stakeholder Engagement
Joshua Everson	Senior Manager Regulation, Policy and Advocacy
Jane Deane	Senior Manager Stakeholder and Corporate Engagement
Amelia Baker	Stakeholder Relations Advisor

Transgrid Board of Directors

Stasha Prnjatovic (<i>online</i>)	Transgrid Board Director
-------------------------------------	--------------------------

Apologies

Grant King	Transgrid Non-Executive Director and Chair
Liz Ritchie	Regional Australia Institute

Meeting summary

Welcome and actions from the last TAC meeting

The meeting commenced with an Acknowledgement of Country given by a TAC member, this recognised the Gadigal people of the Eora Nation and the Wurundjeri people of the Kulin Nation, and paid respects to Elders past, present, and emerging.

Transgrid provided updates on three action items:

- Contingency Reclassification Risk – HumeLink
 - This matter was discussed directly with relevant stakeholders, and supporting documentation was circulated prior to the meeting.
- Sydney Ring South Project Update
 - An update was provided confirming that the AER has extended the planning timeframe to April 2026, allowing for a more robust development process aligned with broader market planning revisions.
- System Strength PACR Follow-up
 - A follow-up conversation was held with the Clean Energy Council to clarify outstanding points.

CEO Update and Q&A session

Transgrid's CEO shared reflections on recent developments, including the NSW Budget's support for transmission infrastructure and the establishment of a new Investment Delivery Authority. These initiatives are expected to support more streamlined delivery processes.

The interim report of the NSW Transmission Planning Review was noted as broadly consistent with Transgrid's expectations. The CEO highlighted the increasing complexity of planning in NSW and welcomed efforts to improve coordination across jurisdictions.

Regarding the VNI West project, the CEO acknowledged Victoria's formal announcement of a two-year delay. Transgrid had anticipated this and has adjusted its approach accordingly, continuing with preparatory activities such as environmental assessments and stakeholder engagement.

The CEO also addressed the Broken Hill outage and the final report to the NSW Parliamentary Inquiry. Legal and jurisdictional constraints were noted. It was noted that Transgrid has now completed the permanent reconstruction and energisation of the 3.5km section of transmission line damaged in the severe weather event.

A broader shift toward state-led planning was discussed. The CEO advocated for a balanced approach that supports timely approvals while maintaining genuine engagement, quality and accountability.

Progress on major projects was outlined, including EnergyConnect, which is meeting revised milestones, and HumeLink, where early works are underway. Final approvals for full-scale construction are pending.

Concerns about system reliability were raised, particularly in light of recent events in Victoria. The CEO reiterated support for coal retirement but emphasised the importance of a managed transition to maintain public confidence and system stability.

Q&A

Transgrid's CEO addressed several key topics during the Q&A session with TAC members. On the transfer of the Jurisdictional Planning Body function to EnergyCo, the CEO noted minimal impact to Transgrid, with core responsibilities remaining unchanged and a pragmatic approach being taken to avoid disruption.

Cost implications of inter-network connections were discussed, with decisions around access points driven by system security. Ownership and operational arrangements are structured to ensure reliability.

Regarding planning delays, the CEO pointed to legal challenges and called for a broader societal conversation on balancing development rights with infrastructure delivery timelines.

In response to a question about outage communication, the CEO acknowledged Ausgrid's approach but noted legal constraints that limit Transgrid's capacity to send direct messages to end-user consumers during emergencies. Transgrid is exploring improvements within existing frameworks.

Forecasting and cost accuracy were also addressed. The CEO highlighted that early works funding has improved cost certainty, citing examples like HumeLink and VNI West. However, regulatory delays continue to challenge contractor pricing.

Infrastructure Market Briefing

The CEO of Infrastructure Partnerships Australia presented a briefing on the infrastructure pipeline across Australia and New Zealand. Energy projects now represent 50% of future infrastructure spend, while transport investment is declining due to fiscal constraints. The construction sector is facing pressure from reduced forward work and rising costs.

There was consensus that while capacity exists, regional workforce mobilisation and cost management remain key challenges. The decline in transport investment presents a temporary opportunity to support energy projects. It was noted by the Transgrid CEO and Executive General Manager Major Projects that Transgrid is working to smooth project sequencing to retain skilled labour and avoid escalation.

Investor confidence was also discussed. Concerns were raised about regulatory complexity and sovereign risk. Stable policy frameworks and transparent planning processes were identified as essential to maintaining investment interest.

TAC Focus Area Updates

Customer and Projects Focus Area Pillar – Major Projects Portfolio Update and Q&A

Project Directors provided updates on EnergyConnect, HumeLink, VNI West, and the Hunter Transmission Project. EnergyConnect is progressing well, with transmission line and substation works advancing. HumeLink construction is active, though forestry regulations are currently limiting access to timber in certain areas. Transgrid is engaging with government to address this.

VNI West is proceeding in NSW, with substation works and route engagement underway. The EIS is scheduled for submission toward the end of July. The Hunter Transmission Project continues to progress through joint coordination with EnergyCo.

Q&A

During the Major Projects Q&A session, TAC members asked questions regarding the background and status of VNI West. Transgrid's CEO provided an update on VNI West, confirming that CPA1 covers early works while CPA2 will address transmission line components. Costs are being managed carefully, with prudent preliminary activities continuing to support project progress.

The Capital Expenditure Sharing Scheme (CESS) applies to both CPA1 and CPA2, and Transgrid remains committed to maintaining cost discipline and transparency.

A commitment was made to provide more detailed information on capital flows and project segmentation for VNI West in future updates.

Policy and Innovation Focus Area Pillar – 2025 TAPR and NSW Transmission Planning Review

The upcoming Transmission Annual Planning Report (TAPR), scheduled for release in August, will highlight how the scale of the transition requires rapid mobilisation of all segments to deliver renewable generation and firing capacity. It will include an interactive tool to help proponents identify optimal connection points. It will also feature detailed analysis of emerging demand trends, including the rapid growth in data centre inquiries.

Concerns were raised about the intersection of TAPR, the Integrated System Plan (ISP), and the NSW Roadmap. The CEO acknowledged the issue and noted that the NSW Planning Review aims to clarify project pathways and improve coordination.

It was noted that the Transmission Planning Review aims to improve coordination across Distribution Network Service Providers (DNSPs) and Transmission Network Service Providers (TNSPs) to clarify project pathways and planning.

Policy and Innovation Focus Area Pillar – Australian Energy Market Commission (AEMC) Directions Paper: Inter-regional settlements residue (IRSR) arrangements for transmission loops

A presentation was given on the AEMC's Directions Paper regarding IRSR arrangements. Transgrid advocated for netting positive and negative residues, a recommendation now reflected in the AEMC's directions paper. Feedback from TAC members was encouraged, particularly given limited consumer representation in the consultation process.

Q&A

Concerns were raised by a TAC member regarding the clamping mechanism in settlement residue management. Transgrid's CEO noted that issues were raised about the reset behaviour of clamping protocols, with suggestions for event-based measurement and review periods to better reflect actual flow impacts.

A parallel consultation on automation of negative residue management was noted, which may influence future protocol development and implementation.

Customer and Projects Focus Area Pillar – RP4 Engagement and ten-year Business Plan

Due to time constraints, the CFO proposed deferring the RP4 and ten-year Business Plan engagement discussion to a dedicated session. Transgrid committed to re-circulate the meeting presentation and schedule follow-up meetings to support meaningful TAC member engagement and contributions. This approach was strongly supported by TAC members.

Summary, Reflections and Next Steps

The meeting concluded with thanks to all participants and a reaffirmation of Transgrid's commitment to transparency, collaboration, and consumer advocacy.

Action items

Action	Status
Re-circulate meeting presentation to TAC members	Completed 2 July
Schedule a dedicated session with TAC members on Transgrid's RP4 engagement and ten-year Business Plan	In progress
Provide an update and breakdown on capital flows and project segmentation for VNI West	To be addressed at VNI West TAC Focus Area meeting on 24 July 2025

Next Meeting

The next TAC CEO meeting is scheduled for 2 September 2025, from 9.30am until 12.30pm.

Contact details

If you require any information on this summary or in relation to TAC meetings, please email stakeholderengagement@transgrid.com.au or contact Jane Deane, Senior Manager Stakeholder and Corporate Engagement via jane.deane@transgrid.com.au or on 0437 546 540.