

The Victoria to New South Wales Interconnector West (VNI West) is an essential infrastructure project that will link new renewable generators with the grid and ensure reliable, affordable power as Australia transitions to clean, low-cost renewables.

This Project Assessment Conclusions Report (PACR) is the final report in the Regulatory Investment Test for Transmission (RIT-T) process for VNI West, which commenced in 2019.

Due to the highly specialist nature of the subject matter in the PACR, it is unavoidable that some language in this summary is technical.

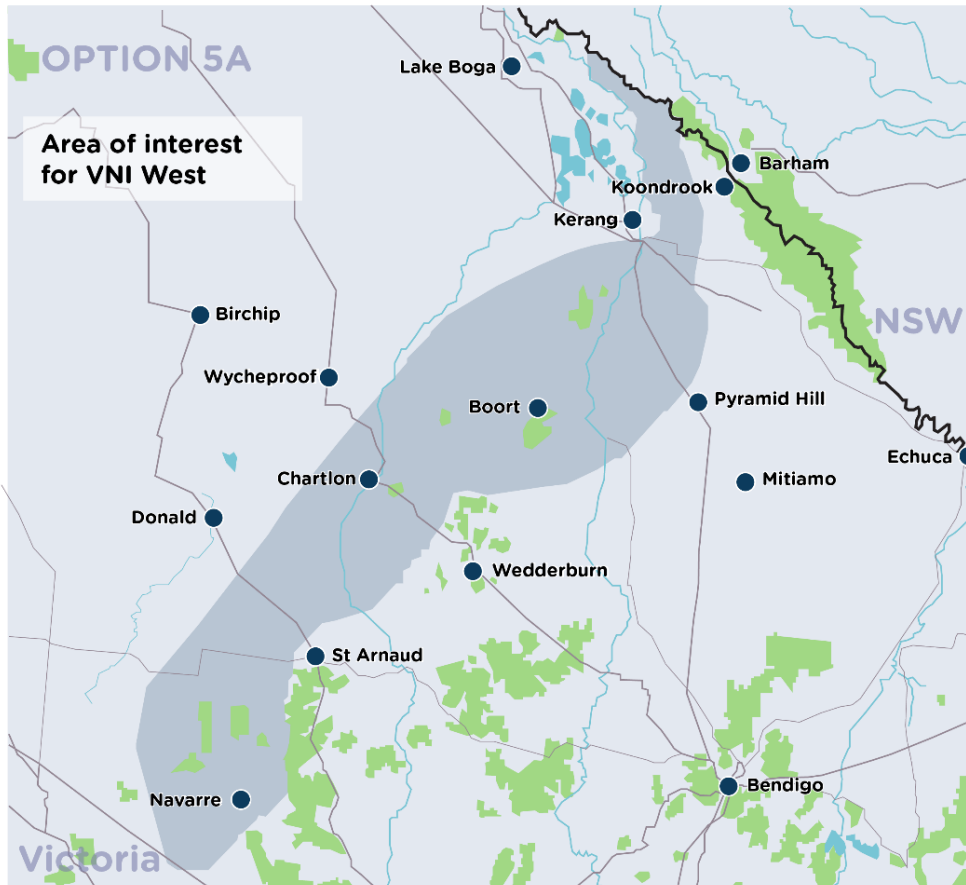
The release of the PACR on 27 May 2023 signals the completion of the regulated investment process which establishes the business case. The project now moves into a new phase to refine the route and continue the 'early works' including ongoing community consultation, studies and assessments required for planning and environmental approvals.

## **Report conclusion**

The PACR finds that the preferred option for VNI West ('Option 5A') is a 500 kV double-circuit overhead transmission line connecting the Western Renewables Link (WRL) transmission project at Bulgana with Energy Connect at Dinawan in New South Wales, crossing the Murray River north of Kerang. The option includes the uprating of WRL to 500 kV from North of Ballarat to Bulgana in Victoria.

The PACR investigates the VNI West network option set out in the Additional Consultation Report in February 2023 (Option 5) and compares it to a new variation (5A). Option 5A is electrically similar to Option 5 (the same network option), despite covering a different area of interest in the north of Victoria and the south of New South Wales.

The PACR identifies a preferred area of interest spanning 5 km to 50 km in width, which will be refined to an indicative route based on further assessments and community consultation in coming months.



### Benefits of Option 5A

The analysis found that the overall costs and benefits of both Option 5 and 5A were similar (within 1%). Option 5A harnesses more renewable generation from the Murray River Renewable Energy Zone (REZ) and the Western Victorian REZ, delivering approximately \$1.4 billion in net market benefits to consumers. By crossing the Murray River further north-west, the project can avoid some of the sensitive cultural and environmental areas that were identified in feedback from local communities and avoid the habitat of the endangered Plains-wanderer.

### Assessment criteria and process

As part of the assessment of options, an MCA (multi-criteria assessment) was carried out to identify constraints and opportunities and, through a methodical analysis, ranked options against project-specific objectives. The objectives were centred around critical social, environmental, cultural and engineering factors, in addition to technical and cost-benefit considerations. The results of the MCA, market modelling and information received through the regulatory process since 2019 informed the final option recommendation.

### Feedback from submissions

Between February and April this year, AVP undertook an additional consultation period with industry, consumer groups, Traditional Owners and the local community in relation to the proposed preferred option (Option 5) in the additional Consultation Report.

Over this period a number of information sessions and engagement activities were conducted across the area of interest including community "drop-ins", online webinars/information sessions, engagement with Traditional Owner groups, deep dive sessions, and briefing sessions for key stakeholders including local councils.

AVP and Transgrid received more than 500 submissions to the additional Consultation Report and many of these insights are reflected in the PACR. A number of submissions from community members expressed concerns about new transmission and provided valuable local insights that will be significant as we commence the process of narrowing the area of interest.

Submissions are available on the VNI-West [website](#) and a response to the key issues raised can be found in the PACR Volume 2.

### **Next steps**

With the final report in the regulatory process published and a preferred network option identified, the focus for coming months is to refine the wide area of interest into a narrower corridor.

Concerns over the potential impact of hosting transmission have influenced the approach to this new phase for the project.

A new company called Transmission Company Victoria (TCV) will undertake the planning and engagement work in this next stage. TCV is a new company created by AEMO Vic Planning.

As AEMO is the system planner, and will not physically construct or own the transmission lines, it established TCV to make sure that commitments made in the early stages are captured and honoured across the life of the project.

TCV will provide early project updates, and will work with the community on this important transmission line.

TCV is going to move quickly from the AOI, which is 5-50 kms wide to a preferred corridor of approximately 500m - 1 km by July.

We believe this schedule will provide better certainty for landholders and allow TCV to engage directly with landowners to discuss issues such as land access, compensation and benefits.

Communities and stakeholders are encouraged to share their local knowledge through the interactive map on the new TCV website.

This map will be a key source of local intelligence through this next phase of the project and will play an important role in refining the route along with workshops, community information sessions and direct engagement with potentially affected landholders from June.

In July, TCV will publish more detail about the 500m – 1km corridor after landholders have been contacted by our land team and during Spring this corridor will be refined to 200m-400m indicative route for environmental surveys.

Further information about planned engagements in Victoria and opportunities to provide feedback to the project team will be publicised on our TCV website, through local newspapers and social media channels.

For more information, including the complete PACR report, please visit the AEMO website at

[www.aemo.com.au/vni-west](http://www.aemo.com.au/vni-west)

### **Contact us**

Contact the team for further information on the project and upcoming engagement activities through the contact details below.

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