

Victoria to NSW Interconnector West Frequently Asked Questions

What is VNI West?

[Victoria – New South Wales Interconnector \(VNI West\)](#), is a proposed new high-capacity 500 kilovolt (kV) double-circuit overhead transmission line, providing a connection between the Western Renewables Link in Victoria and Project EnergyConnect in New South Wales.

Why do we need VNI West?

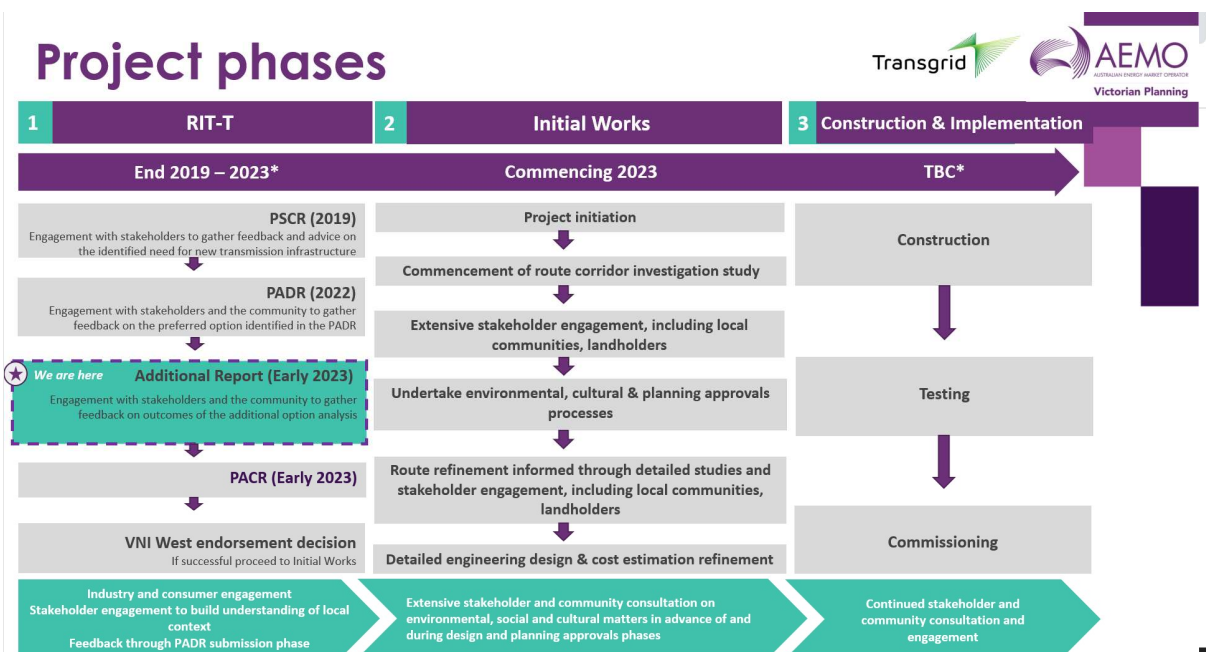
Australia is undergoing a once-in-a-generation change towards a net-zero emission future. The rapid retirement of major coal-fired generation in Australia has created an urgent need for new transmission infrastructure.

VNI West will provide a vital new transmission line to link new renewable generators with the grid and ensure reliable, affordable power as Australia transitions to clean, low-cost renewables.

VNI West will harness cleaner, cheaper electricity from existing and future renewable energy zones in New South Wales and Victoria, significantly boosting the ability to share energy between states and unlock the full potential of Snowy 2.0’s deep energy storage. Together, this will reduce carbon emissions and help to fill the electricity supply gap as coal-fired power stations close.

How far advanced is the project? What is a RIT-T?

VNI West is currently at an early project stage called the [Regulatory Investment Test for Transmission \(RIT-T\)](#). The RIT-T is an economic cost-benefit test: it is like a business case conducted early on in a transmission project, to determine if it will deliver economic benefits. This regulatory process ensures energy users avoid paying more than necessary for electricity through the transition to net zero emissions



*Delivery timeline TBC. The 2022 ISP identified VNI West as an actionable project to be progressed urgently, by no later than 2031. Rewiring the Nation calls for the project to be built by 2028.

As part of the RIT-T process, a preferred option must be identified that maximises the net market benefits for consumers while meeting the power system needs. This preferred option establishes the broad area of interest for the project, including locations for connecting the project into the existing network.

Should the project pass the RIT-T by demonstrating it would deliver the greatest net market benefits, it can progress to the next stage – Initial Works - which include route identification, planning and approvals processes. The RIT-T assessment decision is expected in 2023.

Why are you doing the RIT-T now if the project is not built until the end of the decade?

Transmission projects have long lead-times that require extensive community engagement, planning and construction activities. We need to progress VNI West urgently so that it is operational by the time it's most needed.

AEMO's 2022 Integrated System Plan (ISP) identified VNI West as an actionable ISP project to be progressed urgently and no later than 2031. In October 2022, the Victorian and Commonwealth Governments jointly announced support, through the Commonwealth Government's Rewiring the Nation plan, for this project to be built by 2028.

Due to these timeframes, and the long lead times of transmission projects, AEMO Victorian Planning (AVP) and Transgrid (the network planner in New South Wales) are progressing a joint RIT-T for VNI West, and endeavouring to complete this process in early 2023.

Is the RIT-T decided primarily on market benefits and ultimately providing benefits for consumers?

The RIT-T process is a regulatory process defined in the National Electricity Rules (NER) as limited to determining if a project will deliver positive net market benefits to the National Electricity Market (NEM) as a whole. The matters that can and cannot be considered are set out in RIT-T application guidelines developed by the Australian Energy Regulator (AER).

While the assessment involves evaluating the technical and economic feasibility of a new transmission line, environmental, social and cultural matters may also be considered to the extent that they are relevant to this analysis. For example, for the VNI West RIT-T, high-level land planning and environment constraints mapping is being applied to inform the credibility and feasibility of the broad areas of interest under consideration and the potential risks to cost and delivery times.

AVP and Transgrid are committed to working with industry, government, investors, consumers, Traditional Owners, communities and landholders on this project as we work to secure and shape Australia's energy future in the long-term interests of consumers.

Where will the proposed transmission line connect?

The Project Assessment Draft Report (PADR) proposed that, in NSW, VNI West would connect into EnergyConnect at the planned Dinawan substation, between Coleambally and Jerilderie. In Victoria, the PADR proposed a connection to the Western Renewables Link (WRL) at a new terminal station north of Ballarat.

Feedback was received during the PADR Submission process suggesting alternative connection points for the Victorian end of VNI West. In response, further analysis is currently being undertaken

jointly by AVP and Transgrid to include consideration of alternate VNI West options, connecting to WRL at different points between Mt Prospect and Bulgana, in the next phase of the RIT-T.

As part of this additional VNI West RIT-T analysis, we will be consulting with Traditional Owners, communities and local governments in the areas of interest. We will also be publishing an additional RIT-T consultation report in February 2023, outlining the results of the analysis to date, a proposed preferred option and the reasoning for selecting that option, and seeking formal feedback on the proposal. This will provide meaningful opportunity for stakeholder and community engagement on values, opportunities and constraints before a final decision on connection location is made at the time the RIT-T is concluded, and the Project Assessment Conclusions Report (PACR) is published.

While this additional analysis is exploring options for VNI West, there is potential for any decision to directly impact landholders and their neighbours along the existing WRL proposed route. AusNet Services has been contracted by AEMO to delivery WRL and has been notified of our current VNI West investigation.

AusNet has prioritised reaching out to landholders between Mount Prospect and Bulgana, who may potentially host the WRL infrastructure, and those surrounding landholders who may potentially be impacted by any changes. If you are in these areas and would like to know more, please email info@westernrenewableslink.com.au or call 1300 360 795.

Why connect into a terminal station along the Western Renewables Link route when this terminal station has not yet been approved? Has this project completed Commonwealth and State assessments and regulatory approval processes?

Western Renewables Link is a critical network upgrade to provide additional capacity to the Western Victoria REZ. WRL is in the preparatory stage of the Environment Effects Statement (EES) and is therefore yet to receive the required environmental and planning approvals.

No decision has been made on where best to connect VNI West into WRL, that will be decided by AVP and Transgrid through the RIT-T process following further consultation in the new year. A lot of work is currently underway to understand the specific land use and community issues for each of the potential connection points to inform that decision. This engagement will provide opportunities for all stakeholders to provide feedback and insights in relation to the potential alternative locations for the terminal station.

Should WRL not receive the required environmental and planning approvals, the impact on VNI West would need to be considered at that point in time.

Is the map shown in the PADR indicative of a likely route?

Maps appearing in the VNI West PADR, and the 2022 ISP, are illustrative only. The route, design and location of any new infrastructure required to deliver VNI West has not been determined.

Once AVP and Transgrid have determined in the PACR where best to connect VNI West into WRL, this will establish a broad area of interest that will subsequently be narrowed down to a corridor, and then a specific route, through further detailed assessment and planning as part of Initial Work activities.

To determine a route, a detailed route selection study that considers all technical, environmental, social and Cultural Heritage constraints and opportunities will be undertaken. This includes gathering Traditional Owners, Registered Aboriginal Parties, community and stakeholder feedback and land

surveys. Timing on the route selection process will be shared with stakeholders and community when known.

When will you be able to share a detailed route alignment?

A route selection study would follow conclusion of the project being endorsed by the RIT-T process, and is most likely to be progressed within the context of an EES (in Victoria) and an Environmental Impact Statement (in New South Wales).

The route selection study process will involve taking the broad project area of interest established through the RIT-T process, and narrowing this down and refining based on more detailed consideration of technical, environmental, social and cultural constraints, as well as Traditional Owner, community and stakeholder landholder feedback. The final, detailed route alignment would be the output of both the technical assessments and stakeholder engagement throughout the route selection study process.

AVP and Transgrid are committed to working with stakeholders and communities from an early stage in the RIT-T process to build our understanding of the local context, listen to interests or concerns, and use that information to help to refine transmission line route options.

How does VNI West improve access to renewables?

VNI West will be critical in the development of additional renewable generation in western Victoria and southwestern New South Wales, as the NEM transitions to low-emission generation technologies such as wind and solar.

It will harness clean, low-cost electricity from existing and future renewable energy zones (REZs) in New South Wales and Victoria (Murray River REZ and Western Victoria REZ), significantly boosting the ability to share energy between states and increase access to Snowy 2.0's deep energy storage.

What are the benefits to local areas?

The development of VNI West will open up opportunities for renewable generation investment and diversity in REZs across Victoria and New South Wales by providing spare transmission capacity to allow this generation to 'get to market'. The project is also expected to support regional employment and economic growth in some capacity across the LGAs where the project is sited.

We are committed to working closely with local stakeholders, Traditional Owners, landholders and communities throughout the project area to understand how we can maximise benefits across the board.

AVP and Transgrid also support [the Energy Charter's](#) work in developing social licence guidelines for co-existence of transmission infrastructure and agriculture in an attempt to mitigate negative impacts and prioritise the need for shared values through the energy transition. As part of this we are committed to having robust processes to determine stakeholder and community needs and be accountable on how feedback has been considered and incorporated into decision making.

We also note in Victoria, through the proposed Victorian Transmission Investment Framework (VTIF) currently under consultation, VicGrid is aiming to deliver social and economic benefits in ways that are fair, meaningful and participatory.

This includes '*opportunities for earlier and deeper engagement with local communities to help better manage impacts and to make the most of regional development opportunities for host communities*'.

Although VNI West will not be delivered under the VTIF, VicGrid has indicated that the principles detailed within the framework should be incorporated into the various phases of the project where possible.

AVP and Transgrid have already commenced engagement with a number of Traditional Owner groups and other key regional stakeholders, including councils and community groups through the RIT-T process to build understanding of unique, local issues.

There are routine meetings with councils and in the new year, we will be providing more details on further opportunities for stakeholders to share their insights and feedback on VNI West connection locations to WRL.

What are the social and environmental considerations of the RIT-T process?

Social and environmental issues are key considerations for a range of community and stakeholders in the assessment of any major infrastructure project, including major transmission projects.

We have worked to build connections with stakeholders, including councils, to ensure that we are communicating information regularly and sharing important details as early as possible.

We understand the importance of building social licence for transmission projects through the RIT-T process and we are committed to working closely with communities to understand unique, local issues, and consider these issues as early as possible. The issues we are aware of, and an explanation of how these issues have been considered where possible, will be outlined in the further RIT-T consultation report to be published in February 2023.

Important environmental, social, and cultural matters will be assessed in detail and addressed through the subsequent state and federal government environmental and planning assessments and approvals processes to minimise impacts. This will include extensive community and stakeholder consultation.

Will putting the transmission line underground be considered?

AVP and Transgrid have received feedback during the RIT-T process to consider undergrounding of transmission lines to mitigate specific impacts including visual amenity and bushfire risk.

The cost of undergrounding is generally much greater compared to overhead lines and would add significantly to a construction timeline. A recent study commissioned by a collaborative Steering Committee on Transgrid's HumeLink project noted that undergrounding of HumeLink would triple the project cost and add a further five years to the construction timeline.

While visual amenity impacts and bushfire risk are reduced, undergrounding raises its own suite of issues: for example, disturbance to flora and fauna, and archaeological sites, and increased impact on land use (the land above an underground power line may not be able to be used for some farming activity).

While undergrounding the entirety of VNI West is not viewed as a realistic option given the cost and timeframe implications, short sections of undergrounding might be considered in exceptional circumstances as part of the ultimate route design. Any decision to include undergrounding would require consideration of all technical, environmental, social and cultural constraints, together with stakeholder and community feedback. As these factors are route-specific, any potential solution would be proposed as part of the route investigation and early works stage.

What engagement is, and will be occurring?

We are committed to working with Traditional Owners, stakeholders, communities, and landholders to build our understanding of the local context and listen to interests and concerns as we develop and refine transmission line route options and Victorian terminal station locations.

Key learnings from previous projects are also informing the development of consultation plans.

We are collaborating with local governments, Traditional Owners, Registered Aboriginal Parties, the Australian Energy Infrastructure Commissioner, and other key representative organisations to inform and guide our engagement activities and to build broader community awareness of the project.

How can I have a say on the project?

We recognise the vital role that Traditional Owners and stakeholders, including community and landowners, have in the planning and delivery of major transmission infrastructure projects.

We are currently consulting with communities that may be potentially impacted by the alternative connection location of VNI West into WRL so we can be confident we understand all the local factors before making any decision.

This consultation will provide a number of different opportunities for community members to provide feedback in addition to our regular engagement with councils, governments, consumer representatives and industry. A community engagement event schedule will be published on our website and other channels early in the new year.

In February 2023, we will also be publishing a consultation report explaining the proposed preferred option from this additional analysis and inviting further feedback through written submissions prior to concluding the RIT-T.

We are and will continue to engage with Traditional Owners and stakeholders to facilitate meaningful input, and clearly explain the rationale and benefits of the project.

Further project information is available from AVP and Transgrid through the contact details below.

Connecting VNI West to Western Renewables Link

Why are AEMO Victorian Planning (AVP) and Transgrid looking at other locations for connecting VNI West to Western Renewables Link?

AVP and Transgrid sought and encouraged feedback from stakeholders via submissions and consultations on the Project Assessment Draft Report (PADR), which was published in July 2022.

Feedback from face-to-face and virtual meetings with stakeholders, including councils and local communities, on the PADR has seen 26 written submissions received from a broad range of stakeholders.

One of the key issues identified through the submissions and engagement was the proposal to connect VNI West to the Western Renewables Link (WRL) at the proposed terminal station at Mount Prospect, and its compatibility with land use between Ballarat and Bendigo.

In response, AVP and Transgrid are investigating alternative locations in the Waubra/Lexton or Bulgana areas for connection of VNI West, which would still run via a terminal station in the area of Kerang.

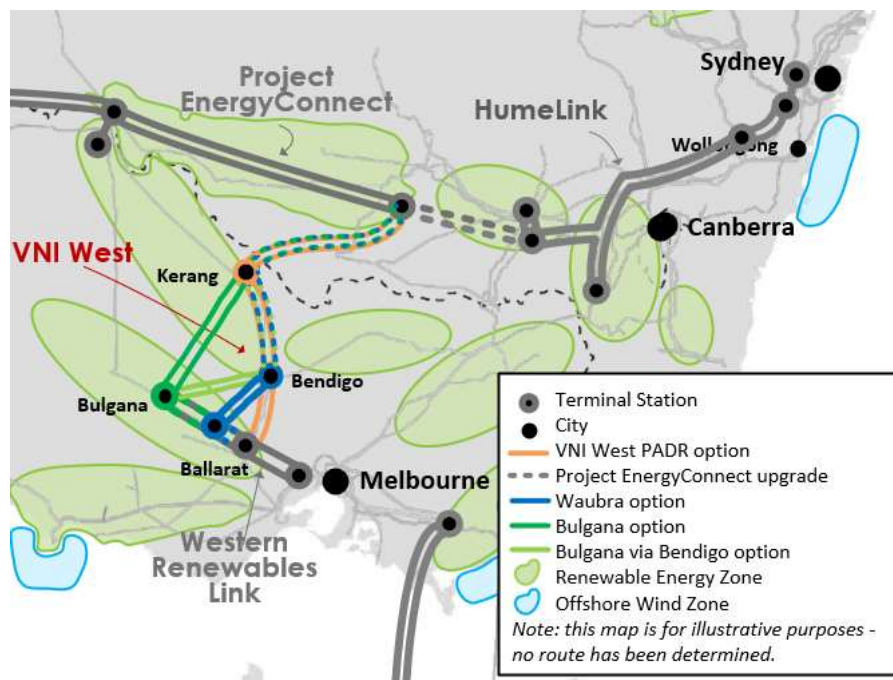
We are also working with AusNet as investigations are underway into alternative locations for VNI West connections and its potential impact on WRL. AusNet continues to investigate WRL project alternatives as part of the Environment Effects Statement (EES) and to evaluate the impact that any proposal to relocate the terminal station may have on the WRL project.

AVP and Transgrid appreciate the thoughtful submissions provided to date on VNI West and will continue open discussions with Traditional Owners, communities, and stakeholders on this important transmission project. Further formal consultation is proposed early 2023 before finalising the Project Assessment Conclusions Report.

This consultation will focus on Traditional Owners and communities that are potentially impacted by the alternative connection location of VNI West into WRL so we can be confident we understand all the local factors before making any decision.

What areas are being considered?

We are investigating potential VNI West connection locations along the proposed WRL route west of the currently proposed terminal station, including areas around Bulgana (Wotjobaluk Country) and Waubra/Lexton (Djaara Country). The diagram below has been provided for illustrative purposes only to provide an indication of the potential broad areas of interest under investigation.



The primary options being considered include:

1. **VNI West PADR options:** with a potential upgrading to 500kV for the WRL Mount Prospect to Bulgana section

2. **‘Waubra/Lexton option’**: a new 500kV line connecting WRL at a new terminal station (TS) near Waubra/Lexton to Project Energy Connect (PEC); plus, a potential variation of an additional 500kV spur to Bulgana (i.e. upgrade WRL from near Waubra to Bulgana)
3. **‘Bulgana option’**: a new 500kV line connecting WRL at a new TS near Bulgana to PEC; OR a new 500 kV line connecting WRL at a new TS near Bulgana to PEC, via a new TS near Bendigo and a TS station near Kerang.

The actual route for any of the options has not yet been determined. Route selection will be finalised after the regulatory test for this project is completed, and in close consultation with stakeholders and communities. Our engagement program to date and at this time, is to build confidence that the decision where best to connect VNI West into WRL has taken into account key technical, economic, social and environmental considerations to the extent possible at this RIT-T stage.

How will this impact the route for WRL?

If the location of the proposed VNI West connection to WRL changes, it is unlikely to significantly alter the proposed WRL route, although would require upgrading the proposed WRL transmission line to 500kV east of the connection point to accommodate the additional volume of renewable generation that would be harnessed from VNI West.

As part of the AVP and Transgrid analysis, options are also being assessed to determine the benefits of harnessing more renewable generation from the western Victoria renewable energy zone through upgrading WRL to 500kV all the way to Bulgana, irrespective of where VNI West connects in.

AusNet has and continues to investigate project alternatives as part of the EES.

Why weren't these other locations considered earlier?

A range of potential options have been considered through the RIT-T framework.

The PADR submission phase is designed to receive feedback from stakeholders, including community, on the proposed preferred option.

Our work to assess other potential locations is the result of this consultation process, and engagement with key local community representatives in the regions that may ultimately host the VNI West transmission lines.

How does any decision to move the location of connection for VNI West impact the evaluation of the ultimate value of VNI West and WRL for consumers?

Major decisions, such as the location of the VNI West connection to WRL, consider engineering and economic factors.

The financial implications of any potential move of the connection location needs to be carefully balanced with the issues raised by local communities.

This is why we are taking this step of consulting with potentially impacted communities so we can be confident we understand all the local factors before making any decision.

This consultation will provide a number of different opportunities for community members to provide feedback in addition to our regular engagement with councils, governments, consumer representatives, traditional owner groups and industry.

Doesn't moving the terminal station location just shift concerns from one community to another and undermine your work to build social licence for transmission?

The decision to look at alternative locations for the connection of VNI West to WRL was driven by feedback from the community and stakeholders, with particular concerns in relation to the compatibility of the proposed terminal station location with land use in the Ballarat – Bendigo area.

To understand specific land use issues, we are consulting with Traditional Owners, communities and stakeholders in the Waubra/Lexton (Djaara Country) and Bulgana (Wotjobaluk Country) areas.

Are you consulting with stakeholders about the connection location?

We have started engaging with stakeholders including local governments, Traditional Owner groups and community representatives on a range of local factors related to the project, including the location of the terminal station for the VNI West connection to WRL. More consultation will occur early 2023, before a final decision is made.

When will a decision be made on the location of the terminal station for VNI West connection?

We are currently undertaking this work and it's likely a decision will be made early in 2023, following further consultation. We acknowledge community concerns that can be created by this uncertainty and therefore want to make a decision as quickly as possible while ensuring that there is still adequate time for communities and other stakeholders to provide input.

How can I get involved?

We recognise the vital role that stakeholders, including Traditional Owners, community and landowners, have in the planning and delivery of major transmission infrastructure projects.

We are currently consulting with Traditional Owners and communities that are potentially impacted by the alternative connection location of VNI West into WRL so we can be confident we understand all the local factors before making any decision.

This consultation will provide a number of different opportunities for community members to provide feedback in addition to our regular engagement with councils, governments, consumer representatives and industry. A community engagement event schedule will be published on our website and other channels in the new year.

Early 2023, we will also be publishing a further consultation report on the outcomes of the options analysis and inviting written submissions prior to concluding the RIT-T.

We are and will continue to engage with stakeholders to facilitate meaningful input from stakeholders and communities, and clearly explain the rationale and benefits of the project.

If you would like to register interest for future notifications of consultation, or read more about the project, please reach out to AVP and Transgrid through the contact details below.

Does this mean WRL and VNI West will need to go through new/additional RIT-T processes?

This work is part of the RIT-T framework for VNI West.

A decision on the connection location will be made at the time the RIT-T process is concluded, early 2023.

We are currently working on a new community engagement plan to drive awareness of the additional work AVP will be undertaking to better understand potential connection opportunities between VNI West and WRL. A community engagement event schedule will be published on our website and other channels in the new year.

What does this mean for the WRL project, including the EES?

At this stage, the WRL EES will be submitted to the Victorian Government in early 2023. However, if a decision is made to connect VNI West to an alternative WRL terminal station location, the submission of the WRL Environment Effect Statement may be further delayed.

Please visit AusNet’s [website](#) for further details of the current schedule.

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