

## **SUBMISSION ON VICGRID OPTIONS ASSESSMENT METHOD TO OFFSHORE WIND TRANSMISSION IN GIPPSLAND AND PORTLAND**

27 August 2023

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The Clean Energy Council is the peak body for the renewable energy industry in Australia. We represent and work with over 1,000 of the leading businesses operating in the solar, onshore and offshore wind, storage and renewable hydrogen sectors.

In offshore wind, we represent companies that are actively developing more than 25GW of publicly announced offshore wind projects alongside many more that are yet to be announced. We are committed to accelerating Australia's clean energy transformation and recognise the critical role offshore wind will play in decarbonising the nation's electricity network.

Victoria has set targets of reaching 65% renewable energy by 2030 and 95% by 2035. These targets are commendable and represent an essential element of the state's response to the climate crisis. The state's targets for offshore wind – 2 GW by 2032, 4 GW by 2035 and 9 GW by 2040 – are also important policies that brings significant investment interest to Victoria.

Victoria's transition to renewable energy requires the timely construction of new transmission lines to enable upcoming offshore wind farms to connect to the grid. Delays to transmission means delays to these projects, which keeps Victoria's greenhouse gas emissions high, contributing to greater climate impacts.

Transmission projects are thus being developed to enable a significant public benefit – the reduction of greenhouse gas emissions – that is in the interests of all Victorian consumers.

Our feedback on VicGrid's *Options Assessment Method to Offshore Wind Transmission in Gippsland and Portland* falls into three categories:

### **1. The project objectives and guiding principles are generally appropriate**

- The CEC broadly supports the project objectives and the guiding principles that comprise the Options Assessment Method.
- In Objective 1, we particularly note the importance of delivering transmission infrastructure that is built with future needs in mind. As we noted in our previous submission on transmission for Victoria's offshore wind, it is important that VicGrid is planning from the beginning to provide transmission capacity for the 9 GW of offshore wind that the Victorian government is targeting.
- We believe Objective 1 should include an explicit mention of timeliness of construction. Successful achievement of Objective 1 must encompass adhering to

timelines that wind farm project developers can rely on and that supports the achievement of state targets.

- We support the inclusion of Guiding Principles 1-4 that aim to minimise local impacts of transmission infrastructure, and we agree that these need to be balanced against Guiding Principles 5 & 6 (ie. minimising cost to consumers and ensuring effective and timely completion of the infrastructure).
- We note that it might not be possible to fully *minimise* costs and impacts across all principles at the same time. We believe reducing these impacts *as much as practicable* may be a more appropriate test.
- We recommend that Guiding Principle 5 is rephrased to reflect the possibility that new transmission can come with net benefits to consumers – offshore wind’s anticipated generation profile means that transmission capacity that supports the introduction of offshore wind into the network could provide an overall reduction in costs to consumers.

## **2. Comments on the rating approach**

- It is unclear from the Draft Options Assessment Method whether each option will have 1-5 ratings for each of the Project Objectives and Guiding Principles which are then tallied to identify the best overall option, or whether each option will be given an overall 1-5 rating based on the “detailed measures and metrics” referred to on p5.
- Without knowing what these “detailed measures and metrics” are, we support the use of quantitative analysis of each objective/principle to support decision-making, alongside the more qualitative assessments that might be used.

## **3. Timeframes for decision-making**

- We are concerned about the timing of final decision-making on preferred corridors. The timelines on these decisions appear to be falling behind schedule, with the paper suggesting preferred options could now be decided in early 2024, rather than late 2023 as originally planned. This could have significant ramifications for more advanced projects, and we encourage VicGrid to ensure these decisions are finalised as quickly as possible.
- We appreciate the importance of getting transmission decisions right, but there is also a time pressure – any slippage in early-stage decision-making has a knock-on effect into project completion, which puts constraints on the ability of offshore wind projects to connect to the grid, supply electricity and meet state targets and federal government licencing timeframes.

Regards,

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