

Minutes

Gippsland Renewable Energy Zone™ project

Community Advisory Group (GCAG)

Meeting #6

Date: Thursday 23 November 2023
Time: 10:00am – 12:00pm
Location: Carrajung Estate, Lays Road, Willung South, VIC

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| Attendees: | <ul style="list-style-type: none"> • Wendy Bezzina (Chairperson) (WB) • Ian Bye (IB) • Hamilton Gerrand (HG) • Colin Young (CY) | <ul style="list-style-type: none"> • Di Best (DB) • Tony Cantwell (TC) • Ian Hill (IH) | <ul style="list-style-type: none"> • Lorraine Bull (LB) • Nick Dudley (ND) • John Petrakos (JP) |
| GREZ project team/AusNet attendees | <ul style="list-style-type: none"> • Lily Habib (LH) • Kellie Nichols (KN) • Chris Grinter (CG) | <ul style="list-style-type: none"> • Renee Kurowski (RK) • Brett Millsom (BM) | <ul style="list-style-type: none"> • Marisa Feher (MF) • Gary Stevens (secretariat) |
| Apologies: | <ul style="list-style-type: none"> • Tess Ingram • Mathias Wood | <ul style="list-style-type: none"> • Kirra Bott • Graeme Stuckey | <ul style="list-style-type: none"> • Peter Mooney |

Item	Discussion
1	<p>Welcome, Acknowledgement of Country, Housekeeping/Administration</p> <p>WB welcomed attendees to the meeting and acknowledged the Traditional Owners of the land on which the meeting was taking place, the Gunaikurnai people.</p>
2	<p>Project update</p> <p>LH gave an update on the G-REZ project.</p> <p>As this is the final meeting for 2023, LH thanked members for their input throughout the year. She acknowledged that members have raised valuable topics that AusNet has worked to address. These important topics and feedback provided by members has allowed AusNet to gain an understanding of the varying views and perspectives of the community.</p> <p>AusNet has continued to undertake environmental studies, and recently conducted cultural heritage and contaminated land surveys. During environmental studies ecologists found a glossy glass skink, which is listed as endangered under the <i>Flora and Fauna Guarantee Act 1988 (Victoria)</i> but is not listed under the <i>Environment Protection and Biodiversity Conservation Act 1999</i>.</p> <p>AusNet has continued to discuss options for easement or purchase with landowners proposed to host infrastructure.</p> <p>AusNet has continued to engage with CarbonNet and Star of the South to identify areas where the three projects overlap.</p>

AusNet has continued to engage with and is providing information to VicGrid to help form its business case for a transmission solution.

Following feedback from the GCAG, AusNet has completed a scope of works and contracted Advisian to complete a review on an HVDC underground option. The findings of the studies are expected to be presented at the February 2024 meeting.

LH presented a summary of engagement to date on the G-REZ project conducted by AusNet, while acknowledging that most of the statistics were related to activities conducted prior to the period in which it reduced community engagement while VicGrid developed its business case. This summary is included in the presentation slides distributed to members with these minutes.

LH also presented a summary of land access statistics in relation to the Giffard to Hazelwood proposed route as published on the grez.com.au website. This summary is also included in the presentation slides distributed to members with these minutes.

LH detailed priorities for 2024, which include:

- Continuing to discuss options for easement or purchase with landowners proposed to host infrastructure
- Continuing to refine the route, based on landowner and other stakeholder feedback
- Awaiting the release of VicGrid's preferred corridor and connection points and
- Reviewing the preferred corridor and connection points and considering what AusNet's role is in a tender process.

GCAG meeting dates proposed for next year (noting that the meetings might be required to pause during a potential tender process in 2024) are as follows:

- **Thursday 22 February 2024** Sale 1:00pm – 3:00pm
- **Thursday 18 April 2024** Traralgon 4:30pm – 6:30pm
- **Thursday 13 June 2024** Traralgon 1:00pm – 3:00pm
- **Thursday 8 August 2024** Sale 4:30pm – 6:30pm
- **Thursday 10 October 2024** Sale 1:00pm – 3:00pm
- **Thursday 21 November 2024** location and time TBC

AusNet contacted VicGrid to present to the GCAG and while VicGrid was open to the opportunity, it would prefer to do so after it had completed assessments and analysis for its business case.

Members asked the following questions:

Clarification around which category HVP was considered in the land access statistics. LH confirmed HVP is one of the eight corporate landowners.

Will any options for easement commitments made by AusNet still be honoured regardless of who won the tender to build transmission in Gippsland? LH responded that since it was an option, if AusNet did not win the tender process the option could either lapse or potentially be transferred to another party. Any commitment in the option would be met.

More information about AusNet's discussions with CarbonNet and its proposal for compensation to landowners. LH responded that it was important for the two organisations to engage with each other since the corridor alignments are similar and there are areas in which both projects overlap. However more work would need to be done to determine whether the two projects could co-locate at any point. RK suggested that AusNet could ask CarbonNet to present to the CAG at some point in 2024. MF clarified that CarbonNet was being developed under a different Act (the *Pipelines Act 2005*) to G-REZ and therefore any payments/compensation framework to landowners would also differ.

3 Overhead and underground infrastructure development discussion

Chris Grinter, AusNet Engineering Manager, first outlined the scope of work for the independent review of an underground HVDC option for G-REZ, which AusNet has contracted Advisian to undertake:

- Engineering analysis and recommendation on the optimal HVDC technology suitable for the proposed development
- Concept design
- Supply chain analysis to get an understanding of expected timeframes to source materials and labour
- High level review of constructability and environmental impacts
- Indicative project cost for construction, and ongoing operations and maintenance costs
- High level project schedule.

Findings are to be presented at the February meeting and CG encouraged members to use that opportunity to ask questions of the consultants. Advisian engineers are highly experienced and knowledgeable on the most up-to-date HVDC technology, and have been involved in HVDC projects such as Directlink, Murraylink and Basslink, as well as international projects.

CG then provided a refresher on the key benefits and challenges associated with overhead and underground transmission infrastructure development, with the following topics:

HVAC and HVDC differences

- For HVAC, which is used in the Victorian transmission network:
 - Generators create AC power which is stepped up via transformers to higher voltages and then transmitted via lines or cables to energy customers.
 - AC power requires a minimum of three conductors/cables to transmit power.
 - Stepping up HVAC voltage through transformers is simple and inexpensive.
 - HVAC transmission has lower power losses compared to HVDC over shorter distances (<200km).
 - HVAC is best suited for multiple connections over shorter distances and provides greater operational flexibility.
- For HVDC:
 - Generators create AC power which is stepped up via transformers to higher voltages, converted into HVDC, transmitted via lines or cables then converted back to HVAC again prior to supplying energy to customers.
 - DC power requires a minimum of two cables/conductors to transmit power.
 - HVDC voltages cannot be stepped up (or down) and converting from HVAC to HVDC is complex and expensive.
 - HVDC transmission lines have lower power losses compared to HVAC over long distances (200km+). At a shorter distance, the losses through the converter stations would likely be greater.
 - HVDC is best suited for point-to-point transmission over long distances.

How is G-REZ different to other projects?

Members were presented with an outline of various transmission projects from eastern Australia and how G-REZ compares with these. A major difference is G-REZ's higher capacity (MVA) and CG explained that this was to ensure the amount of infrastructure needed for transmission of energy is minimised. This comparison outline will be available in the presentation slides sent with the minutes to members.

What does underground transmission look like?

CG presented a graphic to show what the current design for a 500kV double circuit HVAC line might look like. He explained thermal backfill (a sand/cement mixture) would be placed around the cables to transfer associated heat away from them. He also explained vegetation with deeper roots (such as trees) could not be grown on the easement because the roots could potentially damage the backfill, therefore reducing its ability to dissipate heat. Graphics will be available in the presentation slides sent with the minutes to members, as well as in the G-REZ

factbook 'Electricity transmission: Overhead and underground transmission options' (<https://admin.grez.com.au/media/G-REZ-Fact-booklet-Electricity-Transmission.pdf>).

Land use on transmission easements (500kV HVAC double circuit line)

CG outlined permitted activity height clearances and Energy Safe Victoria-determined no-go zones for overhead and underground transmission. He also explained that depending on height, some activities would require safety assessments. Permitted land uses will be available in the presentation slides sent with the minutes to members, as well as in the G-REZ factbook 'Electricity transmission: Overhead and underground transmission options' (<https://admin.grez.com.au/media/G-REZ-Fact-booklet-Electricity-Transmission.pdf>).

Members asked the following questions:

Is there any indication as to VicGrid's preference for either overhead or underground technology? CG responded that VicGrid had indicated it's open to all options and our understanding is that they are also exploring HVDC underground.

Should the capacity of G-REZ be higher to alleviate community concerns about potential for a 'spaghetti effect' of transmission lines to meet higher generation targets? CG responded that while G-REZ would be able to facilitate the Victorian Government's initial target of 2 GW of offshore wind power generation, the transmission solution would potentially have to be managed with another circuit to meet future targets of greater than 4 GW.

Clarification around offshore wind generation targets. The current targets are 2 GW by 2032, 4 GW by 2035 and 9 GW by 2040. G-REZ is planned as a 500 kV, double circuit line to maximise efficiency and minimise the number of lines that need to be built to allow renewable energy generators to connect into the NEM.

What is the operating temperatures of conductors? CG responded that the conductors had been designed to allow for an operating temperature of 82 degrees and a 100-120 degree overload temperature.

What does the thermal backfill consist of? CG responded that it is a sand/cement mixture similar to a mortar.

Why are underground cables planned to be laid in a flat horizontal arrangement rather than in a three-phase trefoil arrangement? CG responded that this was to better manage the dissipation of heat.

Does AusNet have information about the temperature and moisture level of the soil around the underground cables as a result of their heat, and could they be buried deeper? CG responded that tests showed the soil at ground level could be warmed by 2-3 degrees above the cables and if the cables were buried deeper it would be more difficult to dissipate the heat.

Why does the height of towers on G-REZ (60-80 metres) seem to be taller compared to other projects? CG responded that the towers had a higher design to allow for higher access under the conductors. Each tower would be constructed around 450 metres apart, which also means higher towers but less of them.

Further clarification on native vegetation removal for both overhead and underground transmission. CG responded that for overhead transmission, new vegetation with a mature growth height of up to three metres was permitted, and pre-existing trees over three metres could be retained based on assessment. For underground transmission, roots would have to be managed so as not to damage thermal backfill or cables, so vegetation would be removed and only grasses could be grown. While the easement would be smaller for underground transmission, more vegetation may have to be removed.

What are the converter station requirements for HVDC? CG responded that a switching station would be needed for generators to connect into the transmission line for both HVAC and HVDC. In addition, converter stations would be required for HVDC transmission, in order to convert from generated AC to transmitted DC and back again.

What is the footprint of an AC substation compared to DC? CG responded that it would likely be many hectares more for a DC hub, since both a switching and converter station would be required.

4 Compensation framework overview

KN gave members background and context about the compensation framework which is specific only to the G-REZ project. The framework was developed by the G-REZ team along with external consultants, learning from other projects. G-REZ separates land access agreements from the option for easement process. By entering into land access agreements with G-REZ, landowners are not tied to the project – it is purely for the purposes of information gathering studies such as ecological, contamination and cultural heritage.

Discussions about land access for survey and options for easement or purchase are voluntarily negotiated. Compensation payments for hosting transmission infrastructure are not determined using a one size fits all approach.

The compensation framework contains:

- a \$30,000 option fee paid to landowners upon signing the option for easement
- an easement payment which takes into account market value loss resulting from the easement on the property, financial loss suffered in connection with the impact of the easement, and a construction licence fee (paid yearly during construction) and rehabilitation payment dependent on land use and areas of construction impact
- a payment of up to \$13,500 for professional fees (up to \$10,000 for legal, valuation and other professional fees payable by AusNet directly to the service provider, and \$3,500 for registration of the easement on title)
- a Victorian Government payment of \$8,000 annually per linear kilometre for 25 years

Members asked the following questions:

Would signing a land access agreement stop landowners from getting their own independent technical studies undertaken on the land? KN responded that AusNet does not pay for landowners to coordinate their own studies. The technical studies undertaken for the G-REZ project on behalf of AusNet are carried out by independent contractors as part of the Environment Effects Statement (EES) process. The findings are then presented and reviewed by the independent Technical Reference Group (TRG). KN encouraged landowners to get further information from organisations such as Landcare, the local Catchment Management Authority or Trust for Nature.

Is timing of the annual construction licence fee adequate, due to costs involved in having to keep the farm while the construction area is not able to be used? MF responded that issues around farm use during the construction period were taken into consideration in the property management plan. KN offered to present the property management plan process at a future GCAG meeting.

Would compensation be affected if a landowner's farming practices change during the terms of the agreement? KN responded that AusNet would honour the compensation value that was determined at the point of execution of the options agreement.

Has AusNet developed any model for easement payments based on amount of infrastructure on a property? KN responded that there was no linear model per kilometre or tower. MF reiterated that each property is different and is impacted differently, and is therefore treated in a unique manner.

Are agreements treated as commercial-in-confidence? KN responded yes, however AusNet does not require a confidentiality agreement from landowners.

The issue of taxation of the Victorian Government's easement payment was also raised. KN encouraged landowners to utilise AusNet's professional fees payment to seek independent legal and financial advice.

5 Member feedback – ‘Priorities for 2024’

WB thanked GCAG members for their insights, considerations and time, as well as the G-REZ team for keeping members up-to-date and informed by responding to questions. She called for members to nominate any topics they see as priorities for AusNet to address during GCAG meetings in 2024.

The following topics were proposed by members:

- Acknowledgement of the impacts on community members' mental health with the cumulative effect of having so many developments proposed in the area. WB further encouraged members to raise these issues in meetings if they are heard in the community.
- Establishment of a community benefits sharing scheme. RK acknowledged that while this had been mentioned early on in the project, it is currently on hold by AusNet. A Victorian Government department-led working group is currently looking at a community benefits scheme which would be contributed to by renewable energy proponents in the region. RK suggested AusNet could invite a representative of this group to present to the CAG in 2024.
- A summary of the work being undertaken on cultural heritage assessments.

Actions

Action	Assigned to	Due date
N/A		

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