

ALL CORRESPONDENCE TO:

367 Broadway,
PO BOX 1
Wycheproof VIC 3527

ALL ENQUIRIES:

Ph: (03) 5478 0100
Email: buloke@buloke.vic.gov.au



7 July 2025

[REDACTED]
Chief Executive Officer
VicGrid

Via Email: vicgrid@deeca.vic.gov.au

Dear Mr Parker

DRAFT 2025 VICTORIAN TRANSMISSION PLAN

Thank you for the opportunity to make this submission to VicGrid on the Draft 2025 Victorian Transmission Plan (VTP). Buloke Shire welcomes this opportunity to engage with VicGrid, and is looking forward to continuing a constructive relationship with VicGrid. However, the current VTP raises significant concerns for our community.

Context

Buloke Shire, in the Northwest of the State, is 8,000 km² and has a population of around 6,000. Our Shire is large, sparsely populated, and relatively isolated. The Shire is dominated by its agriculture industry. Farmers in the Shire grow \$500 million worth of grain annually, and we are one of Australia's top two grain producing regions.

Agriculture shapes both the local economy and the physical landscape. For its settled history, agriculture has been the dominant industry in the Shire. The introduction of large-scale energy infrastructure represents a profound shift for our Shire and an unprecedented level of change for our entire community. It will change the rural amenity that our residents value so highly, and there is grave concern about how the development and operation of transmission lines and renewable energy facilities will disrupt agricultural businesses.

Our Shire faces a range of challenges, including the continuing impacts and recovery efforts from floods in 2022 and 2023-24, and now the deepening drought. Our residents are confronted with the prospect of a vastly increased Emergency Services Levy. On top of these challenges, the renewable energy projects proposed for our Shire are causing significant stress and division in our community.

We ask that VicGrid recognises these compounding stressors on our community, and that it engages genuinely and respectfully with our community on the VTP and all other aspects of the energy transition.

This submission sets out our key concerns with the VTP and seeks responses to our questions about it.

Buloke Shire Opposes VNI West

The Council opposes the VNI West project in its current form and urges the State Government to give genuine consideration to alternative solutions. The project, as currently proposed, fails to

adequately reflect local concerns, lacks sufficient detail on its impacts within the Shire, and appears not to have undergone a comprehensive evaluation of viable alternatives. While we acknowledge the contents of the Australian Energy Market Operator's (AEMO's) 2023 VNI West Project Assessment Conclusion Report (PACR), we do not accept the conclusion that VNI West has been properly compared to other transmission options.

Our community's concerns include the impact of energy development on agricultural businesses, the degradation of our highly valued rural amenity, the risk of infrastructure not being decommissioned at the end of its life, and the pressure on housing and other services in the Shire, amongst other things.

The Council objects to how VNI West and Western Renewables Link (WRL) are presented in the VTP. The VTP assumes that both VNI West and the WRL will proceed, despite these projects being subject to formal approval processes that have not been concluded. Council questions why these projects are not classified as new proposals. The VTP should not pre-empt the outcomes of these approvals. We oppose the assumption that VNI West and WRL will be built, as our community's concerns about the transmission lines have not been adequately addressed by the State, VicGrid, Transmission Company Victoria, or through the relevant approval processes. This pre-emptive treatment of VNI West and WRL undermines the legitimacy of statutory approval processes and raises serious concerns about procedural fairness. It risks eroding public trust in both VicGrid and the State's energy transition efforts.

The Council's position on VNI West is based on a range of concerns, including the lack of social licence from the Buloke Shire community, the impact of the project and related renewable energy projects (and the uncertainty around all the projects) on community wellbeing, the disruption to agriculture in the Shire, and the adequacy of the consultation process to date. The Shire's concerns are heightened by the State's intention to use compulsory powers to access land, acquire easements over land and build on it.

Community Benefits

The Victorian Government talks consistently about the opportunities for the energy transition to provide local and regional community benefits. The Council strongly agrees with this aim but cannot see how these benefits will be achieved. For example, renewable energy facilities do not pay adequate rates, instead they are subject to the Payment in Lieu of Rates (PILOR) scheme. The community benefit funds established and controlled by project developers are often small in value and do not fund strategic, legacy projects and initiatives that would make a difference to the Shire.

Further, the VTP does not include any commitment to new or additional benefits for shire residents beyond the already announced REZ Community Energy Funds. We request that VicGrid and the State Government broaden the scope of these funds to include local priorities. These could include, for example, addressing the housing shortage in the Shire that will be exacerbated by the influx of energy project workers, and the lack of internet and mobile connectivity that is holding back the adoption of agricultural technology.

While the State Government promotes the importance of shared benefits from the energy transition, this goal is undermined by the Payment in Lieu of Rates (PILOR) scheme. Under this scheme, energy facilities pay much lower rates than they would if they were treated like other commercial and industrial facilities.

The Council cannot identify any rationale for this discrepancy. Why should a local grain handler pay rates on the capital improved value of their land, when a renewable energy project developer pays much less? There may have been some basis for lower rates when the State was trying to get renewable energy projects off the ground, but there is no longer any such need. The second reading speech for the legislation that introduced PILOR claimed that it would be “fair to councils and generators”. Providing energy generators with a deep discount on their council rates is not fair to councils nor equitable to the local communities.

The Council submits that an important way for the State to demonstrate its commitment to shared benefits for local communities from energy facilities is to end PILOR and return to the ordinary rates scheme in accordance with the Local Government Act 1989. The Council would like the opportunity for genuine discussion with VicGrid and the State about reforming PILOR.

Decommissioning

The Council has serious concerns about end-of-life energy assets not being decommissioned. At present, and decommissioning arrangements are contained in the private agreements between project developers and landholders. There is no transparency about these arrangements; this ignores the off-site impacts of end-of-life infrastructure and the interests of the broader community in ensuring these facilities are properly decommissioned. Otherwise we run the risk of looking at unsightly wind turbines and other facilities indefinitely.

The State has previously required other industrial sectors, such as mining, to contribute fairly to rehabilitation and local infrastructure through financial bonds or levies. Similar principles should apply to renewable energy developments to ensure fairness and accountability.

The Council wants guarantees that end-of-life infrastructure will be properly decommissioned, and transparency around how this will be achieved. This includes robust decommissioning plans, financial guarantees for rehabilitation, and clear responsibilities to avoid leaving local communities with derelict, hazardous and unsightly infrastructure.

Uncertainty

The uncertainty about which renewable energy projects will proceed, and their scale and timing, is creating significant angst for the Buloke community. Just last week the Australian Energy Market Operator (AEMO) announced a two-year delay for VNI West. The VTP does little to reduce the uncertainty around energy projects in the Shire and raises more questions.

The VTP is short on detail about a range of practical and technical matters. The Shire has three wind farms on the drawing board – Wilkur, Corack East and Curyo. Wlikur and Curyo propose around 1,700 MW of wind generation, and Corack East is yet to publish its proposed size. It is critical to the Council to understand the impact of the VTP on these projects and whether they may proceed or not, yet the VTP does not answer these questions.

The VTP states that the land required for renewable energy projects will be minimal. This is based on assumptions that may not hold true. These include that offshore wind may not proceed as planned in Victoria and electricity demand may be higher than forecast. We are concerned that the VTP does not convey the true potential scale of renewable energy development in the Shire. These concerns are reinforced by the statement that the Renewable Energy Zone (REZ) capacity figures are not caps

or limits. The VTP states that projects outside REZ's will be subject to a Grid Impact Assessment, but it is not at all clear how this will affect projects outside REZ's.

The Council would like the final VTP to describe more clearly the fate of proposed renewable energy projects that are outside REZ's, and whether they are considered to be "currently in development." What level of development is required to be considered "currently in development"? How does VicGrid classify all projects in the Shire?

The VTP assumes that Victoria's offshore wind program will progress successfully, despite uncertainty about this outcome. The VTP assumes that offshore wind will provide the bulk of new renewable energy generation in Victoria. The Council is concerned that the VTP does not take into account market changes in the renewable energy industry that have occurred since the offshore wind energy targets were announced. Offshore wind is significantly more expensive than onshore wind and solar. The renewable energy industry is already talking about opportunities for "offshore scale at onshore prices" from large onshore wind projects, and "around the clock solar energy" from hybrid solar and battery projects. The VTP does not consider what happens if the offshore wind targets are not met and if the assumed offshore energy generation is displaced by onshore renewable energy generation.

The VTP is limited to a 2040 timeframe. This scope fails to address long-term impacts beyond 2040, raising questions around what will happen to the region after this timeframe, including the potential for considerably more new renewable energy generation in the Shire after 2040. We are aware that the proposed 2027 VTP will address the timeframe beyond 2040, but continuing to wait for answers increases uncertainty for our community.

The Council is seeking more information from VicGrid in the VTP beyond 2040. Our community deserves to see the scope for renewable energy projects in the longer term. It is not acceptable to wait until the proposed 2027 VTP for this information.

We are seeking more say in relation to energy projects in the Shire. While the State has made the Minister for Planning the decision maker for renewable energy projects, the Shire would like the VTP to provide more opportunity for councils to have their say on their design. This extends all the way through to ensuring projects are properly decommissioned, and that the Shire is not left with unsightly end of life facilities due to poor planning.

Impacts on Agriculture

Agriculture is the main industry in the Shire and the development of renewable energy projects in the Shire could significantly disrupt agricultural activities. These developments will affect land values, operations, and long-term viability of farming businesses.

The Council wishes to emphasise the importance of protecting its agricultural industry in the energy transition. We ask that the final VTP include information on how the State's, and the Shire's, agricultural industry is taken into account by the VTP.

Biosecurity is essential to our farms' success. The VTP does not address this issue. The movement of people, vehicles, materials and soil when developing projects in the Shire poses a very high risk that the VTP does not acknowledge. How will the VTP ensure proper biosecurity measures to protect our Shire's agricultural enterprises over the coming decades?

Land Access

To assist our community members, the Council would like more information on:

- When TCV will access private land without landholder consent. This activity will be disruptive for our community, and we would like advance notice of when it will occur.
- The timeline for the EES process for VNI West. We seek a detailed, updated timeline for the project given the delay announced last week so we can plan accordingly.
- Further engagement VicGrid and TCV plan with landholders on the proposed VNI West route.
- The land easement and access packages that have been provided to landholders on the VNI West route, so we can provide an informed community response to land access matters.

Batteries

While agriculture may occur around wind towers and solar farms, battery projects take up the land they occupy fully and exclude agriculture from that land. Battery developments are an intensive industrial activity in our rural landscape.

The State Government's PILOR for batteries discussion paper is also out for consultation now. The discussion paper refers to "unique characteristics of energy storage projects" (page 8) and states *"For example, a 100MW wind farm might have a land footprint of 2,000 hectares, while a 100MW battery might take up just one or two hectares"*. This description of the land footprint of a wind farm contradicts the VTP which attributes to wind farms only the land taken up by turbines and roads to service them. This contradiction undermines our community's faith in the sincerity of the State Government when it makes contradictory but self-serving arguments in support of its policies. We expect better of the State and seek genuine engagement with you to address our community's concerns.

The Council appreciates VicGrid's engagement with the Council to date, and I request an urgent meeting with you to discuss the issues raised in our submission.

Yours faithfully,



Wayne O'Toole

Chief Executive Officer

Buloke Shire Council