



Star of the South

Submission: VicGrid Offshore Wind Transmission Roadmap

14 May 2023

Star of the South welcomes the opportunity to make a submission in response to VicGrid's Offshore Wind Transmission Development and Engagement Roadmap (**Roadmap**).

About Star of the South

Star of the South is Australia's most advanced offshore wind project, with the potential to power nearly 20 per cent of Victoria's electricity needs while creating thousands of jobs and directing long-term investment to the Gippsland region.

The project has been developed under a Commonwealth Exploration Licence since 2019 and is currently in the advanced stages of feasibility studies and environmental assessment, targeting approvals around the middle of this decade and first power before the end of the decade. Star of the South is backed by Copenhagen Infrastructure Partners (CIP), one of the world's largest clean energy investors, and Cbus Super, a leading Australian Industry Super fund.

Support for a planned and coordinated approach

The transmission assets required to connect offshore wind farms to the grid are significant. We welcome a dedicated focus from government on this need, through the establishment of VicGrid, the subsequent progress in developing this Roadmap, and through the commencement of consultation.

We support the commitment to meaningful consultation, landholder payments and benefit sharing set out in Roadmap, to help reduce the burden of transmission development on local people and landscapes, and to support the achievement of Victoria's renewable energy, emissions reduction and offshore wind targets.

Our experience engaging on transmission in Gippsland

We have been engaging with Gippsland communities since 2018 to develop the Star of the South project, including a transmission solution to connect the proposed offshore wind farm to the grid in the Latrobe Valley.

During this time, we have engaged extensively with the Gunaikurnai Land and Waters Aboriginal Corporation, landholders, councils, communities, and other interested local stakeholders to identify transmission route options, select a preferred route and to study and refine that route.

It is overwhelmingly our experience that the people of Gippsland are practical and pragmatic, with a strong understanding of the energy sector and the need for new forms of energy generation to come online as coal power stations retire. In fact, there is a strong appetite for this to happen as quickly as possible, to avoid the energy shortfalls, price spikes and job losses experienced following the unplanned closure of the Hazelwood Power Station.

There is also deep pride in the region's long history of power generation and its contribution to the Victorian economy over decades, and a strong desire to protect the region's natural environment, high-quality agriculture, and rural amenity.

When consulting on transmission route options within the same area of interest identified by VicGrid, key themes identified in the feedback we received were:

- A strong desire for underground cables to be used as much as possible;
- A preference to select a corridor with the least environmental impact on land and at sea, least impact to farms and private landholders, and to Aboriginal cultural heritage;
- Avoid native vegetation wherever possible;
- Support for following existing infrastructure as much as possible or sharing infrastructure with other projects where possible; and
- Recognition that practical considerations such as constructability, cost and efficiency are also an important part of transmission development decisions.

Based on our understanding of community views and having undertaken extensive investigations to plan transmission in the area, we believe there is strong merit for the use of underground cables, where feasible, to minimise visual and land use impacts, build in resilience to natural disasters such as bushfires and to minimise risks to timely project delivery. While undergrounding of transmission is not always possible or appropriate, the ground conditions and topography in this area are suitable.

We are pleased to note that the Roadmap commits to developing transmission infrastructure for offshore wind in line with the Victorian Transmission Investment Framework (VTIF) preliminary design, to ensure a more proactive, strategic and adaptive approach than has traditionally been applied to such projects. The inclusion of social and environmental factors, alongside technical and economic factors, in route selection and project design is critical to achieve publicly acceptable outcomes.

Need for certainty and timeliness

Certainty of a connection location, capacity, access scheme and timing is critical to unlock the scale of investment required to bring any offshore wind project to fruition this decade, and to deliver on the government's energy, economic and jobs objectives and targets.

With offshore wind set to play an important role in the energy transition by boosting large-scale renewable energy supply throughout the 2030s as coal-fired power plants retire, and with targets of at least 2GW by 2032, 4GW by 2035 and 9GW by 2040, the first tranche of supporting transmission infrastructure will need to be operational by early to mid-2029 to enable the flow of first power from the first projects seeking to meet the 2032 target.

The Roadmap sets out key steps across 2023 to select preferred route options and connection points in Gippsland and Portland. We seek visibility of future steps, as soon as possible, to ensure VicGrid's delivery plan and offshore wind project development are aligned to meet investment requirements and deliver on the State's energy needs and other policy objectives.

In planning those future steps, it is important to acknowledge that delivering Australia's first shared offshore wind transmission system is unlikely to be all smooth sailing. A realistic delivery schedule which includes allowance for the unique risks and challenges associated with a 'first-of-a-kind' development, and which learns from past local and international experience, will help to build industry confidence and ensure that developers can align investment, resourcing and development activities appropriately.

Conclusion

We thank VicGrid for its engagement to date. We look forward to continued engagement to support the successful development of Gippsland's offshore wind industry and to secure investment and jobs for the State and Gippsland region at the earliest opportunity.