

Malcolm Park – Interim Report submission

NSW Transmission Planning Review

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Dear Review Team

Thank you for your in-person meeting with me to discuss the Interim Report this week, I did appreciate that opportunity.

As we discussed, in principle some major changes of how Transmission Planning is Planned, Modelled, Approved and initiated in NSW are required. I support the intentions of your Interim Report and the need for “one organisation” (such as EnergyCo) to grow their knowledge and skills to become the Jurisdictional Planner for NSW. Also, the somewhat confusion between the requirements on the National Electricity Market rules and the NSW EII Act requirements must be resolved and understood. Too many mistakes have been made over the last few years

The transfer to predominantly Renewable Energy supply in NSW offers major challenges for the integrated NSW power system, due to a few key factors:

- All major coal-fired power stations in NSW are privately owned and are expected to close within the next 4 to 10 years – and possibly earlier.
- The connection of a significant amount of additional load, especially in the Greater Sydney area, is now expected to be required as forecast by Ausgrid and Endeavour Energy.
- The development of the Snowy 2 pump-storage project is scheduled to be available by 2029. By that time there will be more than 7,000MW of dispatchable, Hydro and Gas generation capacity located in NSW south of Sydney, plus some RE generation in NSW and the capability of Inter-state transfers from South Australian and Victoria.
- A maximum of only about 2,700MW of that generation can be transferred to Sydney without completion of the Sydney 500kV Southern Ring.
- This must be rectified and ensure that this project is completed by 2029 regardless of the NEM rules or the EII act rules. Some “rules” may need to be changed to become appropriate to the immediate needs of NSW, - and quickly!
- The reliability of the NSW power system has been compromised by the present approvals processes and several modelling and approval errors by the present organisations involved – AEMO, Transgrid, EnergyCo, AEMO Services, Snowy Hydro and even the State Government.
- If this is not fixed the “lights in NSW will go out”.
- Within the Sydney Basin Transgrid has prepared a long-term plan for rebuilding existing lines to higher capacity – especially single-circuit 330kV lines to double-circuit 330kV lines on the same existing 60m wide easements. Increased load forecasts mean this plan needs rapid acceleration otherwise reliability of supply is unacceptably

compromised. The EII Act must become acceptable to cover this role and major distribution system works.

Outcomes from your review should include:

- EnergyCo to attend joint-planning sessions with Transgrid and the Distributors to help EnergyCo gain knowledge, particularly of the Distributor's system and connections to BSPs.
- Control and operation of the main NSW interstate and interconnected system should remain in one organisation - Transgrid.
- System strength planning and control should also remain with Transgrid.
- All Transmission Planning in NSW should be approved primarily under the EII Act. The NEM rules would then become a "back-up" procedure only. Its processes are laborious and too time consuming for projects that are clearly needed urgently.
- Market Modelling must be modified to ensure that it is consistent with system capability modelling.

Kind Regards,
Malcolm Park