

**Submission
No 37**

**INQUIRY INTO FEASIBILITY OF UNDERGROUNDING
THE TRANSMISSION INFRASTRUCTURE FOR
RENEWABLE ENERGY PROJECTS**

Name: Mr Peter Lees

Date Received: 10 July 2023

The Hon Emily Suvaal,
Committee Chair,
Inquiry - Feasibility of undergrounding the
transmission infrastructure for renewable energy projects
Standing committee on State Development
Parliament House
6 Macquarie Street
SYDNEY NSW 2000

10 July 2023

Dear Committee,

HumeLink fails NSW and regional communities with flawed, short-term economics; lack of community consultancy and licence; and increased exposure to Bushfire issues

Thank you for the opportunity to make a submission to this important inquiry into the feasibility of undergrounding transmission infrastructure for renewable infrastructure projects. This inquiry represents a once-in-lifetime opportunity to ensure better social and economic outcomes for regional communities and the State.

Key facts

- The project fails to assess the impact on key local industries such as tourism and agriculture
- The towers represent a real and present danger by increasing the region's risk of bushfire
- The only winner with HumeLink is foreign-owned Transgrid which will see a 40% jump in revenue

Executive Summary

As NSW and Australia move to a renewable energy future, it is critical that we build sustainable, efficient infrastructure based on proper planning, not flawed economic modelling and short-term thinking.

Unfortunately, HumeLink, fails on all counts, as it appears to be driven solely by minimising upfront costs and railroading approvals to expedite profits, with little or no consideration of environmental, community or economic impacts. There is no doubt that Transgrid's current HumeLink proposal for high voltage overhead transmission towers from Wagga Wagga and the Snowy Mountains to the outskirts of the Southern Highlands will make fire-prone southern NSW even more susceptible to devastating bushfires.

In fact, the current proposal for HumeLink, which will be the State's most expensive energy project ever, is a \$4 billion economic disaster for regional NSW that fails to assess its impact on key regional industries such as tourism and agriculture.

Compared to undergrounding, the outdated tower technology proposed for HumeLink are prone to outages and blackouts, requires regular and ongoing maintenance to remain safe, and significantly increases the risk of bushfire in the community.

The only ones benefiting from Transgrid's proposed 360 kilometre high-voltage overhead transmission lines appear to be its foreign corporate owners who will see a 40% jump in revenue, according to Victoria Energy Policy Centre, Victoria University.

Impacts of tourism, agriculture and the environment

Tourism is a major growth industry for regional NSW. Revenue from tourism was \$14.3 billion in 2019 alone, and visitors increased by 41% from 2014 to 2019.

While the Snowy Mountains and Tablelands have been selected as iconic locations to promote regional Australia, their tourism status was not treated as a serious consideration in Transgrid's HumeLink proposal. Instead Transgrid pushed ahead with its plan for a massive eye-sore, with towers as tall as the Harbour Bridge and pylons cutting an ugly 360km long, 70-metre-wide scar through old growth forests, state forests and working farms, from Wagga Wagga to the edge of the beautiful Southern Highlands. *In some cases the proposed line will actually cut through multiple dwellings that have been established to provide extra on-farm tourism income through "farm stays". This impact would be significantly reduced by undergrounding.*

Similarly, there has been little consideration about the impact of HumeLink on the region's productive farmlands, which are significant contributors to local employment and the State's food production and economy. Numerous farms, including ours, will see operations significantly impacted with HumeLink lines cutting through their land, which could again be significantly reduced by undergrounding.

Environmental impacts and network leakage

In its current form, the HumeLink Tower proposal will devastate habitats for more than 80 threatened or endangered species of flora and fauna, while undergrounding provides a far less destructive alternative at marginal extra cost.

The HumeLink towers project will impact an area of 5713 hectares of land (based on Transgrid's referral to the EPBC Act), including clear-felling areas of native forests and bushland with serious impacts on habitat, greenhouse gases and global warming.

Transmission towers will also increase the risk of bushfire, as highlighted in several recent bushfire inquiries, which could have devastating impacts on wildlife populations, and create large quantities of greenhouse gases.

Transmission towers are inefficient compared to undergrounding in that waste precious renewable energy supplies through leakage. [The AEMO says that as electricity flows through the transmission and distribution networks, energy is lost due to electrical resistance and the heating of conductors. The losses are equivalent to approximately 10% of the total electricity transported.](#)

Increased risk of bushfires and outages

HumeLink towers will make fire-prone southern NSW even more susceptible to devastating bushfires.

At our property we have regularly defended our land against bushfires. When this was raised with TransGrid in relation to the route of the proposed line and the fact that it will run over significant trees on our property, their solution was to say that they would be removing the trees. The benefit that offered was to stack it for firewood! We will be losing old grow trees in return for a few piles of firewood.

The Committee must look at the economic cost of bushfires that will potentially and unnecessarily be caused by projects like HumeLink. These costs could run into billions of dollars, well in excess of any additional cost associated with undergrounding, if indeed there is any.

Underground energy transmission is more reliable, safe and efficient and will not be impacted by outages during extreme weather, or increase the risk of catastrophic bushfire.

Transgrid's insistence on building the foundation for our State's renewable future on dangerous 19th century technology instead of undergrounding, ignores the fact that electrical distribution networks are one of the primary sources of major bushfires. [When weather conditions elevate fire risk, up to 50% of major fires are ignited by faults in distribution networks.](#)

But the problem with overhead powerlines isn't restricted to the increased threat of starting fires, but the impediment they present in fighting fires. High Voltage powerlines effectively stop the management of bushfires in the vicinity because the space over and under powerlines are no go zones for firefighters. For some landowners who have lower voltage transmission lines on their properties already lost significant parts of their property during the Black Summer bushfires of 2020 as a result of not being able to fight the fires.

The cost of bushfires is significant. Deloitte Access Economics put the tangible and intangible costs of the Victoria Black Saturday bush fires at \$7.6 billion. By extrapolation, the cost of the 2019-20 Australian bush fire season, 'Black Summer', has been estimated at \$230 billion.

In the US in 2019, to escape the billions of dollars from claims of fire victims, energy company PG&E started undergrounding and has implemented a plan to bury 10,000 miles of power lines and equipment in areas with high fire risk. PG&E's modelling shows burying lines reduces their risk of igniting wildfires by approximately 99 percent.

Good planning pushed aside for short-term thinking and shareholder returns

Transgrid is pushing through the overhead proposal, it appears Transgrid's only consideration has been upfront delivery costs and shareholder returns.

This is in direct contrast to the NSW's general valuation principle that all first round impacts should be valued as changes relative to the base case regardless of whether the impacts are direct or indirect' (NSW Government Guide to Cost-Benefit Analysis, Policy and Guidelines Paper, NSW Treasury, March 2017). The current costing doesn't incorporate the environmental, social or economic costs, of which there are many.

Humelink's costings also do not properly consider ongoing maintenance of towers to keep them safe over the 80-10 year life of the project, but instead focus only on upfront build costs. Maintenance costs would be significantly reduced by undergrounding.

Conclusion

The significant social, economic and environmental issues associated with HumeLink can be overcome by taking the transmission underground, as they have in Europe and California and Transgrid has done recently in Sydney's CBD.

While the direct costs may be greater, undergrounding would be a cheaper long-term option when you consider the ongoing maintenance costs, potentially higher transmission losses and outages associated with old towers technology, even before you factor in the cost of bushfires, and the environmental and community devastation associated with these huge towers and the clear-felling of forests and habitat.

Recent costings provided by independent consultants and real world experience overseas clearly show that the differential cost between undergrounding and overhead transmission is not as great as Transgrid's inflated estimates, which have already proved to be wildly inaccurate.

While Transgrid is telling the community nothing can be done, and the towers will be built, the NSW Government must take a leadership position and ensure this foreign-owned company doesn't railroad decision-making and build a multibillion-dollar firetrap through the middle of our communities.

I urge the Committee to strongly recommend the case for undergrounding and strive for a better renewable energy solution that not only Southern NSW, but all Australians and our natural environment deserves.

Regards,

Peter Lees
"Kiah-Lee"