Submission No 151

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

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Hayes Bros

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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

Re: Feasibility of undergrounding the transmission infrastructure for renewable energy projects

Dear The Hon Emily Suvaal MLC,

Thank you for the opportunity to make a submission to this important inquiry into the feasibility of undergrounding transmission infrastructure for renewable infrastructure projects.

We are landholders affected by the proposed Humelink line. We are 4th generation graziers at 'Hillwood' located approximately 20 km north of Goulburn. Our primary business is the production of merino sheep for meat and wool, as well as angus beef cattle.

Our property already hosts two 330kV towers that were established in 1968 by the then Electricity Commission. The current proposal would see the new 500kV Humelink line established on our property immediately adjacent and to the south of the existing line.

We are in support of undergrounding the new 500kV Humelink transmission line for four key reasons:

1. To help landholders manage work, health and safety (WHS) and biosecurity risks
2. To help landholders manage the corporate culture of Transgrid
3. To reduce the impost on landholders by minimising the size of the easement
4. To minimise the impact on private landholders and help make up for the disproportionate targeting of private land over public land for this project.

Managing WHS and biosecurity risks

Farms are inherently dangerous workplaces and we have a duty of care to ensure the safety of any visitor to our property. Like any other business, we require visitors to sign in upon entry to ensure we know where visitors are and to be able to find them should something go wrong. We also provide visitors with a safety induction to alert them to risks they may encounter, to highlight relevant safety protocols and ultimately, to minimise the risks to the health and safety of everyone on our farm.

Our site induction also includes protocols for managing biosecurity risks. Biosecurity is an ever-increasing threat to our business and the best way to manage it is to exclude as many people and animals from our farm as possible. There are serious implications for our national agricultural industries of certain pest and disease outbreaks that we all have an interest in managing. However, at the individual farm level, certain biosecurity breaches can put individual farms out of business overnight. Our farm was caught up in one such outbreak twenty years ago, through no fault of our own, following the detection of ovine johnes disease. Our business was lucky to survive the debilitating regulatory regime that was imposed on us in the period 1996-2001 where we were excluded from markets and we are very mindful of avoiding similar situations in the future. With heightened measures of traceability now in place following the introduction of compulsory electronic identification (RFID) tags in all sheep, cattle and woolpacks, the biosecurity risk to our business and threat of quarantine regulations has never been greater.

The relevance of this to the present submission is that undergrounding powerlines will result in fewer physical visits to the infrastructure located on our property over the life of the installation compared with overhead powerlines. This needs to be taken into account when costing the different options, because the days are over of anyone, including Transgrid, going from property to property through the nearest gate. They must allocate time for each new visitor to be inducted on every property, which would surely add substantially to the cost of any work they plan to do on site. It takes me about 50 minutes to induct a new visitor to our farm. Moreover, as ours is a farm business and our office is infrequently staffed, Transgrid must anticipate delays in accessing properties as inevitably, not everyone in the district will be available to receive their contractors at the time that best suits Transgrid. Undergrounding the powerlines will reduce the ongoing costs of this infrastructure for all parties.

The corporate culture of Transgrid

One of our primary concerns with the proposed Humelink line is Transgrid itself. We know that once these towers are built, we will have to live with Transgrid for the next 80-100 years. The problem is that Transgrid is a faceless, corporate bureaucracy that has no concern for the land over which they run. They have no capacity to maintain their own infrastructure and no regard for modern farming practices and regulatory requirements. This contrasts the old Electricity Commission with whom our family had a relatively good relationship. We suppose the difference in culture between the Transgrid of today and the Electricity Commission of yesteryear to be in no small part due to the latter being a public entity that could be held to account. In 1968 the installation of the 330kV transmission line went ahead relatively unopposed in the spirit of nation-building, undertaken by a public company in the public interest. Transgrid's modern approach is widely opposed by landholders who feel they are being screwed for the lowest cost outcome. We are one such landholder; we feel we are being screwed because there is no allowance being made for the 80+ year post-construction phase and we know that we will have to bear the ongoing costs because Transgrid, as a private entity, cannot be held to account.

We offer some recent experiences of dealing with Transgrid to highlight the point: When the Electricity Commission installed the present 330kV line, they also installed an access track. The easement cuts across the north end of our property and gates were installed on the boundary fence with both adjoining landholders, the idea being that maintenance crews could just travel from property to property along the line. The gates and the track were always maintained by the Electricity Commission.

Transgrid freely admit they now have negligible budget for ongoing maintenance. This is a real problem when you are dealing with an asset with a long lifespan, and it is the landholder that inevitably suffers the consequence. In our case, there has been no grader or any other equipment perform maintenance on the easement access track since Transgrid took over. As a consequence, the existing track is eroding in some places, overgrown in others and positively impassable in our

next-door neighbour's property. On our property, the only maintenance that is done to this access track is undertaken by us.

One of the wooden gate posts that was originally installed by the Electricity Commission has rotted beyond repair. In 2020 I attempted to contact the Transgrid maintenance team to request it be replaced. The phone number I was given went straight to messagebank and my calls never returned. The post was never replaced by Transgrid.

Transgrid have been tasked with the construction of the Humelink line and I am sure they will complete this, one way or another. However, our concern is what happens then? There has been nothing in our dealings with Transgrid to suggest they have the will or capacity to maintain assets post-installation. Therefore, it will inevitably be the landowner that maintains the access tracks and the gateways. Our family does not view this kind of exploitation favourably. Undergrounding the new transmission lines goes some way to alleviating tensions that result from the corporate culture of Transgrid, in so much as it will reduce the frequency of site visits required post-installation.

Size of the easement

One clear advantage of undergrounding the new transmission line is that it will inevitably reduce the size of the easement required. Our ideal scenario would be that the new line could be constructed on the margins of the existing easement, which would partially offset the increased construction costs due to reduced levels of compensation for new easements.

The advantages of a reduced easement size are obvious. It is difficult to imagine what infrastructure might be envisaged on a parcel of land over the next 80 years but a reduced easement would reduce the impediment on future landholders who again, will inevitably bear any opportunity cost of not being able to develop land due to the Humelink easement.

It is also worth thinking ahead here. The 330kV overhead line was installed in 1968. A Transgrid engineer who recently visited our property indicated that the life of those towers was probably about 60 years. It is now 2023. It is not a stretch to think that in the not-too-distant future, the existing 330kV line will need to be upgraded. Surely the same advantages will exist in undergrounding that line too, when the time comes, and have two lines side by side on a much narrower easement, capturing the many aesthetic, environmental and practical benefits of undergrounding, and actually improving the present state of the environment by removing the overhead transmission lines altogether.

Disproportionate targeting of private land

One of the causes of the public relation problems that Transgrid is presently experiencing relates to their targeting of private land for this project. In our case, a nature reserve administered by the National Parks and Wildlife Services is the reason why the proposed Humelink line runs to the south of the existing line and will consume more of our property. When pressed on this issue, Transgrid staff freely admit that they have no intention of considering an alternative route that cuts through public land when private land is available.

If private land is to be targeted in this way, it only seems just that the construction should be done in such a way as to minimise the impost on landholders. An underground line is far less imposing than overhead towers. The private landholder will still bear the impost, over the life of the asset, of the costs of inducting visiting contractors, the costs of maintaining ancillary infrastructure and the opportunity cost for future developments of having an easement on their land but for the reasons described above, those costs are reduced when the infrastructure is underground.

Thank you for considering this submission. Please feel free to contact me if you wish to discuss any of these issues further.

Yours sincerely,

Richard Hayes