

21 February 2020

Australian Energy Market Operator  
Level 22, 530 Collins Street  
**MELBOURNE VIC 3000**

By Email Only: [ISP@aemo.com.au](mailto:ISP@aemo.com.au)

To Whom It May Concern

### GREATER SHEPPARTON CITY COUNCIL RESPONSE TO DRAFT ISP

Thank you for providing Greater Shepparton City Council with the opportunity to submit comment on the AEMO Draft 2020 Integrated System Plan (ISP).

Council congratulates AEMO on developing a dynamic plan to upgrade the transmission grid to meet the complex and uncertain immediate future for secure energy delivery.

Greater Shepparton is committed to renewable energy. At the end of this financial year Council will have installed over 450kWh of solar on large energy using buildings and was the first regional Council to offer Environmental Upgrade Agreements (EUA) which are rate based loan agreements to finance investments in renewables on commercial properties.

After review of the Plan Greater Shepparton City Council would like you to consider the following feedback highlighting the benefits of prioritising the middle route (VNI 6) to leverage the significant advantages that our region would have to offer this concept.

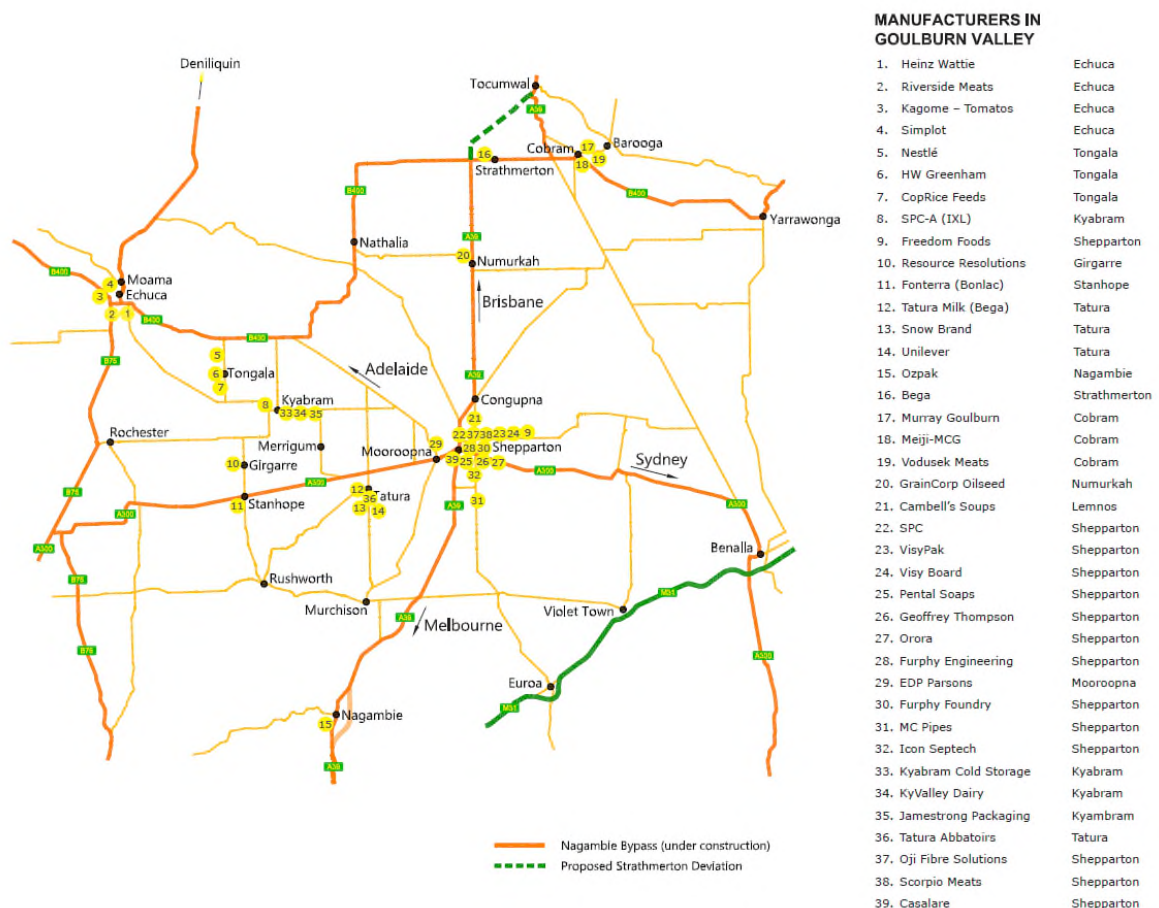


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Greater Shepparton lies in the heart of the Goulburn Murray Irrigation District, also known as Australia's food bowl. The strength of the Greater Shepparton region includes dairy, horticulture, livestock and broad acre cropping.

Greater Shepparton has a population of around 65,000 and is among the top Australian regional inland population growth areas. The population is expected to grow to 81,000 by 2030. The gross regional product for the region is in excess of \$3.51 billion. With the region so well placed centrally in Victoria, it is set to grow significantly in the future as a result of large investment from government and the private sector seeing rapid job creation highlighting greater needs for energy efficiency and capacity. The generation of cheap renewable electricity provides opportunities for energy intensive industries to invest in regional areas, further enhancing employment and growth in the region.

A number of benefits specific to the Shepparton region have been identified. As the below manufacturers in the Goulburn Valley map highlights the region is home to many large scale businesses that base themselves in the Greater Shepparton region. These include a number of international companies with iconic brands such as SPC, Campbell's Soups, Freedom Foods, Unilever, Tatura Milk and Pental Soaps.

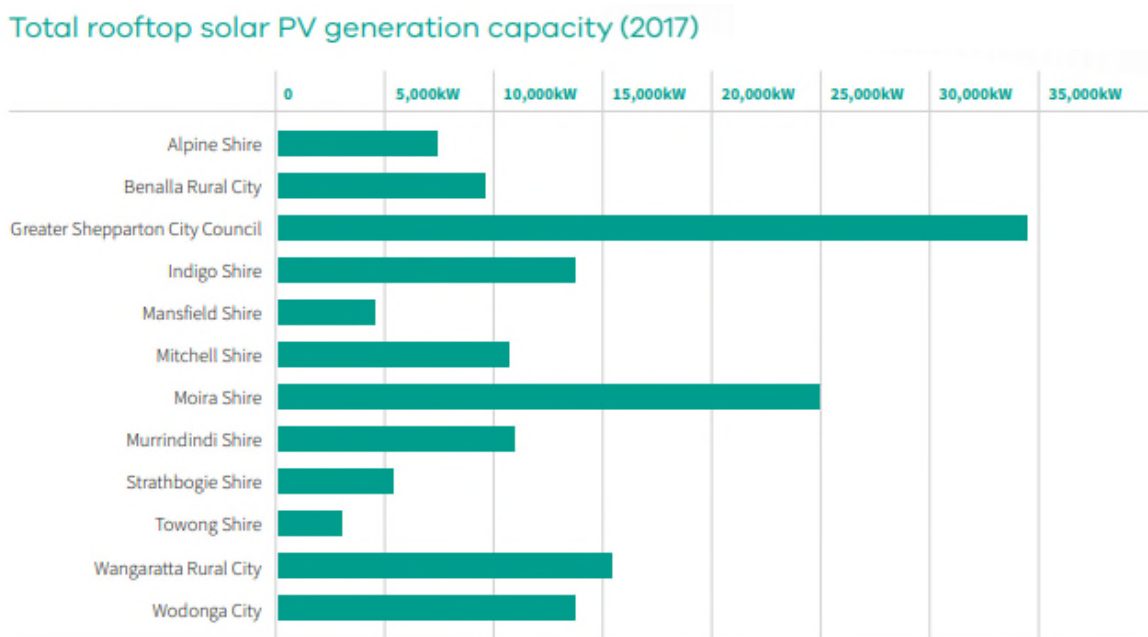


Shepparton is well positioned on the Victorian Gas and Electricity Transmission Networks with a 220kv transmission line and three substations. High solar exposures are comparable to more northern regions. The reliable gas supply provides strong commercial yields making this location particularly appealing for the establishment of a solar thermal type of technology.

Interconnection between Victoria and New South Wales from North Ballarat to Wagga Wagga via Shepparton will see significant expansion and increased productions at local manufacturing sites, for example; Tatura Milk (Bega), Unilever and Snow Brand, are at present limited to expansion due to their location on the current energy infrastructure and are extracting the maximum energy available from that line. To increase the existing capacity of the transmission line is not considered a financially viable option for the distribution service provider.

In Greater Shepparton, there are many opportunities to harness the solar potential for renewable generation but constraints within the existing grid has led to delays of millions of dollars of investment. We currently have multiple investors wanting to invest in the region however find difficulty in transparency from distribution service providers on locations that can be developed and capacity constraints in the grid are delaying project commencement. In terms of land use, the planning scheme provides protection for high value agriculture land and irrigation use in the region, however the abundance of agricultural land including dryland areas allow for multipurpose developments.

Solar generation is not restricted to large scale commercial enterprises. Household rooftop solar uptake has been strongly adopted by the local community as indicated in the table below.



Source: Hume Region Renewable Energy Roadmap 2018

As a result of solar uptake in Greater Shepparton, the service industries are already in place to support the construction and ongoing operation of the farms.

Greater Shepparton is experiencing significant investment in renewable energy with several large scale solar projects underway in the region. These include the following projects:

- Tatura East: Approved - a \$40M investment into 45MW renewable energy facility.
- Tallygaroopna: Approved- a \$34M investment into a 30MW renewable energy facility.
- Lemnos: Approved - a \$175M investment into a 100MW renewable energy facility.
- Congupna: Approved - a \$48M investment into a 68MW renewable energy facility.
- Toolamba: Application - a \$40M investment into a 23MW renewable energy facility.

Our energy landscape as highlighted in the Hume Region Renewable Energy Roadmap further outlines that Greater Shepparton is a critical missing piece in the energy delivery network.



Source: Hume Region Renewable Energy Roadmap 2018

The scope of the ISP is for 20 years. It is highly conceivable that renewable generation will exceed what the current plan caters for. Greater Shepparton is concerned this opportunity to optimise net market benefits may be underachieving on the real potential for greater renewable energy generation and the growing demand for zero carbon emissions by 2030.

In addition, we consider there are many advantages to considering the rapidly developing use of, and demand for, power electronics to control system strength, manage voltage, fault current and reactive power. We would encourage the ISP to note the massive changes in current control systems required in energy transmission and distribution, from council and business through to household systems.

If you require any further information, please do not hesitate to contact Geraldine Christou Director Sustainable Development, on 03 5832 9872 or via email at [geraldinechristou@shepparton.vic.gov.au](mailto:geraldinechristou@shepparton.vic.gov.au)

Yours sincerely

A handwritten signature in blue ink, appearing to read 'P. Harriott', is positioned above the printed name.

**Peter Harriott**  
**CHIEF EXECUTIVE OFFICER**

Ref: C20/4810