Australian Energy Market Operator Level 3, 22 Collins Street MELBOURNE VIC 3000

By email: forecasting.planning@aemo.com.au



16 February 2023

RE: Submission to AEMO Draft 2023 Inputs, Assumptions and Scenarios Report

The VFF wishes to state a position in relation to the need for AEMO processes to understand the context of the proposal in relationship to ownership, commercial consent and understanding of costs. This can be an issue across scenario, generation, demand and network stages of the process.

Ownership and 'commercial consent' are key considerations that the current process fails to consider. If an asset, such as a transmission line, is to be either partly or wholly located on private land, and if construction is not on the basis of 'commercial consent' then the current processes will continue to fail to capture the true costs of projects. Without understanding all costs, the viability of the project and alternatives cannot be considered.

The VFF has raised these issues through the VNI West PADR process and to the Victorian Government in relation to the draft Victorian Transmission Investment Framework.

The VFF recommends the solution is to ensure a full benefit cost analysis, including full compensation for impacts on business operations and rehabilitation is utilised for any process relating to a project on private land without 'commercial consent'. Infrastructure Australia has a position paper on benefit cost analysis, including external costs, which could be used as a starting point for developing a rigorous and fair process for consideration of these projects.

We would welcome the opportunity to discuss the problems and the solutions with you at a future date and attach our Managing Entry to Farms Policy Statement to assist you in understanding the range of issues to be addressed in energy projects on farmland. Further enquiries about our position can be directed through the VFF's Policy and Advocacy Team by email policyteam@vff.org.au.

Faithfully,

Gerald Leach

Chair Planning, Environment and Climate Change Committee Victorian Farmers Federation