

# INFORMATION SHEET

# SOUTH AUSTRALIAN ENERGY TRANSFORMATION

JUNE 2018

## What is SA Energy Transformation?

South Australian Energy Transformation is an ElectraNet-led project to investigate interconnector and network support options aimed at reducing the cost of providing secure and reliable electricity in the near term, while facilitating the longer-term transition of the energy sector across the National Energy Market (NEM) to low emission energy sources.

## What is the project's current status?

On 29 June ElectraNet released a Project Assessment Draft Report (PADR) which has identified that a new 330 kV interconnector between mid-north South Australia and Wagga Wagga in New South Wales, via Buronga, is expected to deliver the highest net market benefits.

The release of the PADR forms a key stage of the Regulatory Investment Test for Transmission (RIT-T), which commenced in November 2016. The RIT-T is the economic cost benefit test that is overseen by the Australian Energy Regulator (AER) and applies to all major network investments in the National Electricity Market.

The purpose of the RIT-T is to identify the option that maximises the net economic benefits to consumers and producers of electricity.

## What are the benefits of interconnection?

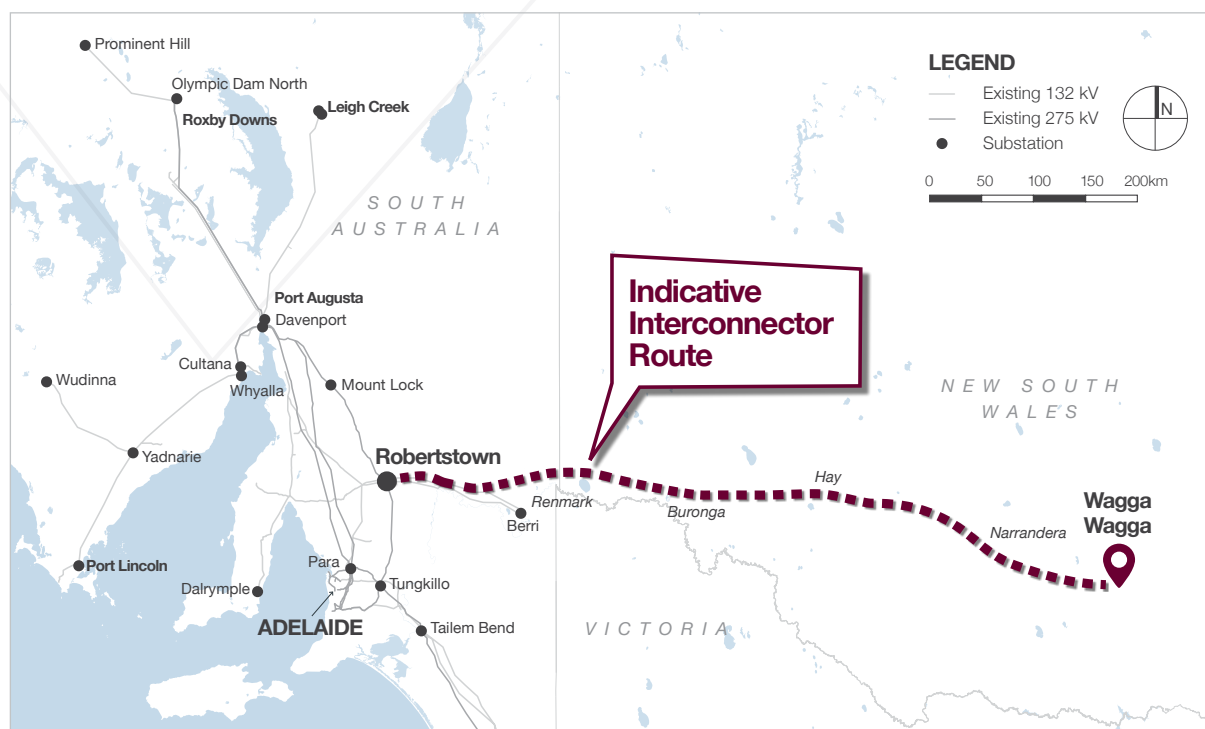
Interconnection between SA and NSW will deliver the following benefits:

- Independent modelling by ACIL Allen estimates that annual residential customer bills would reduce by up to about \$30 in South Australia and about \$20 in New South Wales.
- Enabling greater integration of renewables in the NEM across both states.
- Enhancing security of electricity supply, including management of inertia, frequency response and system strength in South Australia.

## How much will the new line cost and when will it be completed?

A proposed new interconnector is estimated to cost approximately \$1.5 billion across both states. Subject to receiving all necessary environmental and development approvals it could be delivered between 2022 and 2024.

## Map of indicative interconnector route



## What are the next steps?

Stakeholders, interest groups and members of the public are invited to have their say on the findings of the PADR, with submissions due by 10 August 2018. Submissions can be emailed to:

✉ [consultation@electranet.com.au](mailto:consultation@electranet.com.au)

The next step of the RIT-T involves the publication of a Project Assessment Conclusions Report, which ElectraNet currently anticipates will be released by November 2018. The AER will then make the final ruling on the outcome of the RIT-T.

## Where can I get more information?

For more information about the South Australian Energy Transformation project visit:

🖱 [electranet.com.au](http://electranet.com.au)