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apa

## Attachment 7.4

September 15, 2023

# Physical Security Business Case

The bottom half of the page features a large, abstract graphic composed of several white geometric shapes. These shapes, including a large triangle and a complex polygon, are arranged to create a sense of depth and movement against the solid red background.

# Document control

## Template Control

Table 1: Revision Record

Version	Date	Updated By	Changes Made
1.1	31/05/23	Stephanie Biesaga	Initial Draft
1.2	22/08/23	Stephanie Biesaga	Feedback from initial review
Final	15/09/23	Stephanie Biesaga	Final

Table 2: Review and Distribution

Name	Role	Action	Sections
Ed Shaw	Critical Infrastructure Security Principle	Input	All
Stephanie Biesaga	Consultant	Input	All
Nives Matosin	Senior Regulatory Specialist	Input	All
Jamie Horwood	AP&L Specialist	Review	All
Mark Allen	Regulatory manager	Review	All

Table 3: Approvals

Name	Role	Approval	Date Approved
Paul Alexander	GM Asset Management		

# Contents

1. Executive Summary 4

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## 1. Executive Summary

APA is proposing several Stay in Business Site Update projects to remediate site-specific security risks for Basslink. These projects include:

- Remediating site fencing by energising existing wire mesh fencing to prevent it being breached using wire cutters or similar (as has occurred previously). (Unauthorised site access can facilitate a cyber attack against systems and infrastructure.)
- Upgrading closed-circuit television (CCTV) facilities.
- Installing electronic access systems (EACS).

The forecast expenditure for these projects over the five-year regulatory period is [REDACTED]

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## 2. Background

Basslink is an electricity interconnector acquired by APA in 2022. It consists of four sites – a converter station in Loy Yang and a transition station in Giffard, Victoria, and two sites in Georgetown, Tasmania (a transition station and a converter station) - connected by a high voltage transmission line and metallic return. Any reduction in the confidentiality, integrity or availability at any of the four Basslink sites would be expected to result in impairment, stoppage, loss of access to or interference with the entire asset. This would have a direct and immediate effect on the benefits provided by Basslink, as set out in the box below.

### Benefits provided by Basslink

By connecting the electricity transmission systems of Tasmania and Victoria, Basslink allows Tasmania to participate in (i.e., buy or sell power into) the National Electricity Market (NEM). This enhances security of supply in Tasmania and Victoria by protecting Tasmania against the risk of drought-constrained energy shortages<sup>1</sup> and providing Victoria and southern states with secure renewable energy during times of peak demand.

During the period 1 January 2007 and 31 December 2009 the benefits of Basslink were clearly evidenced during the drought period witnessed by Tasmania. Tasmania imported 5239.14GWh during that period compared with total exports to Victoria of 1260.01GWh. Basslink drought-proofed the State during a particularly dry period for Tasmania and the value of Basslink was clearly recognised through various media reports released by the Tasmanian Government, Hydro Tasmania and the people of Tasmania.

By opening up the NEM to Tasmania, Basslink also provides economic benefits by encouraging innovation and investment in capacity in Tasmania, particularly for green, clean wind power. The increased capacity and security of supply in Tasmania enables the State to seek further investment in high-energy users such as manufacturing.

Basslink also provides environmental benefits by enabling Victoria and other States to access electricity generated by the substantial renewable energy sources – hydro and wind – from Tasmania. By using green electricity, these consumers offset the amount of the greenhouse gases, such as CO<sub>2</sub>, that are produced.

Any break in represents a risk to the health and safety of the intruders and APA employees and asset reliability as critical equipment could have been damaged.

In 2019 a burglary occurred at the Basslink Georgetown converter station. The offenders gained entry to the site by cutting through the existing wire fence and were subsequently able to enter a maintenance storage facility. The offenders are suspected to have been on site for a number of hours and stole numerous items. Given the site had no intrusion detection, the incident was not detected until after the offending occurred.

<sup>1</sup> The primary source of electricity in Tasmania is hydroelectricity.

More recently, in December 2022 there was a burglary at APA's Diamantina Power Station. The offender used an angle grinder to cut through the fence and locks. The locks were put back together so it was not clear from a distance that the gate had been compromised (a technician arrived at the site to find it had been broken into). Video footage showed the offender had been onsite for around 90 minutes and stole equipment.

APA has seen a high number of unauthorised entries into infrastructure sites across Australia in the past 12 months.<sup>2</sup> On several occasions, damage was caused to infrastructure while threat actors have attempted to remove copper elements. Other valuable items have been targeted.

The potential for unauthorised and undetected access to our sites poses risks to the safety of both the public and our personnel and the reliability and security of our services.

APA subsequently undertook a security risk assessment of Basslink to identify, analyse, and evaluate security risks associated with the existing site security measures. Control recommendations would be made to support any uplift required.

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<sup>2</sup> As well as Diamantina power station there have been incidents at the Badgingara Wind Farm and a compressor station in Condamine, along the Roma to Brisbane pipeline.

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<sup>3</sup> As set out in the Basslink SoCI Business Case, APA, being a critical infrastructure asset owner in the energy sector, has adopted the AESCSF as the assessment framework most appropriate to comply with amendments to the *Security of Critical Infrastructure Act 2018*. However, we note that site security measures are considered in this business case. No costs for physical security controls are proposed to be recovered through the APA Basslink SoCI Business Case.

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<sup>4</sup> Details of APA's tender process are available on request,

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<sup>5</sup> That is, with CCTV of a quality that can track and zoom in on a person's face.

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<sup>6</sup> Details on APA's tender process is available on request,

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<sup>7</sup> Details on APA's tender process is available on request,

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<sup>8</sup> Details on APA's tender process is available on request,

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<sup>9</sup> Details on APA's tender process is available on request,