

11 January 2024

Arek Gulbenkoglu
General Manager
Australian Energy Regulator
GPO Box 1313
Canberra ACT 2601

Dear Mr Gulbenkoglu,

RE: Ausgrid Climate Resilience Revised Business Case

Thank you for the opportunity to comment on Ausgrid's revised Climate Resilience Business Case, submitted as part of the 2024-29 Regulatory Proposal.

The Committee for Sydney is the city's urban policy think tank, leading advocacy for the whole of Sydney and its broader national impact. We work with our 160+ member organisations – representing industry, government and the cultural and not-for-profit sectors – to produce research and policy recommendations on key issues for Sydney.

Resilience is a central focus for the Committee for Sydney and we work across a range of topics under this banner, including climate adaptation to baked-in impacts and the need to mitigate urban heat challenges. We play a pivotal role in bringing together resilience actors to work collaboratively on these complex challenges.

In August 2022, the Committee for Sydney released [Decarbonising Sydney](#), a report which details the possible pathways for Sydney to achieve net zero by 2030 and 2050, and recognizes that Greater Sydney is not on track currently to achieve either. We developed the report over 12 months in partnership with Ausgrid, Endeavour Energy, Dexu Property Group, McKinsey & Company, the Greater Cities Commission, NSW Treasury and the NSW Department of Planning and Environment. The report was also peer reviewed by more than 30 organisations, including universities, businesses, not-for profits, and local government representatives.

In October, 2023 we released [Defending Sydney: Adaptive planning for today's floods and tomorrow's climate](#) – a 9 month research report conducted in collaboration with over 35 organizations from business, academia, and Local, State and Federal government. The report highlights that Sydney is facing a housing crisis and climate crisis. The success of solving the housing crisis will be judged on whether more or less people are at risk of the climate crisis and its financial impacts. Without clear structures to manage this increasingly scary risk cocktail, the result will be more and more development in areas exposed to floods and climate change.

With this background, we believe we have deep insights into the shifts happening as a result of climate mitigation and adaptation efforts, including the broad scale electrification of industry, business and homes, and the increasing importance of energy resilience.



On behalf of the Committee for Sydney, I want to express my support for the proposed Climate Resilience investments described in Ausgrid's recent submission. This program is a timely and necessary investment to ensure the electricity distribution system is resilient to anticipated climate risks and supports and enables other important resilience and adaptation measures necessary to tackle climate change, such as urban cooling.

- A central pillar of the Committee for Sydney's resilience program is the recognition that regardless of future emissions, many of the impacts of climate change are now baked in, and we must develop and deliver climate adaptations across every aspect of our infrastructure and communities. The Ausgrid program shows an organised, measured and consciously prioritised approach to this challenge that brings together community needs and preferences with technical and scientific rigour.
- I am pleased to see Ausgrid has responded to immediate affordability concerns with an approach that still takes a long-term view by making a meaningful step in the right direction in this next period. By staging investments over a longer period, the resilience program is establishing an adaptive, best-practice approach to manage climate risk as it changes and avoid significant bill shocks down the track. The Committee for Sydney sees this as a necessary and financially savvy approach to reducing cost of living and building household buy-in to the energy transition
- Committee for Sydney is actively working on the urban heat challenge, with a focus on parts of Sydney (e.g. Bankstown and Parramatta) where without investment in trees, water and cooling public spaces, neighbourhoods will only be liveable in air-conditioned spaces, shut off from the outside world. Tackling this type of complex challenge requires collaboration and contribution from a broad range of stakeholders, including Ausgrid. Tree canopy is one of the best mechanisms we have to deliver urban cooling, and this is often hampered by overhead electricity transmission, particularly in suburban areas. We are therefore pleased to see the inclusion of the Extreme Heat Project and strongly support these investments to progress our collective understanding of extreme heat and begin enabling canopy growth through co-funded Aerial Bundled Cable (ABC).

The urgency demanded by our changing climate means that waiting another 5 years to initiate investments in urban heat mitigation would place an increasing number of Sydneysiders at risk of climate related hazards. We urge the AER to embed a focus on community climate resilience in your consideration of Ausgrid's revised Climate Resilience Business Case

Yours sincerely,

Sam Kernaghan
Director, Resilience Program
Committee for Sydney