



TRR 2027-32

Transmission Stakeholder Advisory Panel (TSAP)

Summary Notes | Post-lodgement Engagement

Details	Members	AusNet Staff
9.30am to 11.00am Tuesday 24 March 2026 Online (MS Teams) Chair: Glenn Orgias Secretariat: AusNet prepared draft, finalised by Chair Glenn Orgias	Glenn Orgias, Chair Al Mills Alex Crosby Gavin Duffy Tennant Reed Theodora Karastergiou Rebecca Xuerub Roy Unny Observers: Mike Swanston, AER CCP Apologies: David Markham Harshal Patel Andrew Richards Richard Robson	Tom Hallam, <i>GM Strategy & Regulation</i> Laura Walsh, <i>GM Network Management</i> Martin Cavanagh, <i>GM Security & Network Operations</i> Nigel Turner, <i>Head of Delivery Construction & Commissioning</i> Melanie Tan, <i>Director Network Development & Planning</i> Lucy Holder, <i>Customer Engagement Manager</i> Khai Ling Chan, <i>Price Review Manager</i> Andrew Ponsoby, <i>Senior Regulatory Economist</i> Carine Lim, <i>Strategy & Regulatory Lead</i> Charlie Qin, <i>Senior Regulatory Economist</i> Daniel Chen, <i>Strategy & Regulatory Lead</i> Lia Mavrias, <i>Engagement Specialist</i>

Key outcomes

This meeting was held to update the Transmission Stakeholder Advisory Panel (TSAP) on material developments since the last meeting and to prepare the panel for deeper engagement once the AER's Draft Decision is released. The session focused on sharing updated information on system conditions, planning considerations and delivery challenges, rather than seeking agreement or endorsement of specific outcomes at this stage.

The TSAP engaged in substantive discussion on record summer demand, extreme weather impacts and the implications of emerging data centre load, particularly in Western Melbourne and at Keilor Terminal Station. The discussion highlighted that while the system operated through recent peak conditions, it did so close to its limits, reinforcing the importance of planned transmission replacements and augmentations to manage reliability risk and future demand growth. There was also a detailed discussion on deliverability, including the complexity of coordinating delivery across jurisdictions and market bodies, supply chain risks and the use of innovative construction approaches. The panel also heard reflections from the AER's Consumer Challenge Panel on public submissions and the growing importance of stakeholder panels in informing regulatory decision-making.

Purpose & Agenda

AGENDA ITEM		TSAP WILL BE ASKED	LED BY	TIMING
1	Introduction	Welcoming the TSAP to their first post-lodgement engagement session	Glenn & Tom	9:30am 5 mins
2	Review of January's record demand and extreme weather events	Providing an update on the extreme weather impacts experienced in January and discussing implications for our Transmission Revenue Reset	Martin & Laura	9:35am 20 mins
3	Update on Transmission Planning	Sharing updates from planners and recent joint planning discussions, including: Discussions with VicGrid on the Victorian Transmission Plan Recent reports released by AEMO (e.g. Victorian Annual Planning Report, Integrated System Plan)	Melanie & Laura	9:55am 20 mins
4	Data Centres	Sharing areas of interest for data centres, and implications for AusNet	Laura	10:15am 10 mins
5	TRR Deliverability Update	Showcasing the work underway on the network and providing an update on our deliverability work	Nigel & Tom	10:25am 20 mins
6	Public submissions on our Proposal to the AER	Sharing public submissions the AER received and how/if we are actioning the feedback.	Various	10:45am 10 mins
7	Open floor, next steps and close	An opportunity for the TSAP to ask questions and suggest topics for the next meeting. Flagging the next meeting and closing the session.	Tom	10:55am 5 mins
				End by 11:00am

Summary of discussion

Topics	Discussion points
1. Introduction	Glenn Orgias, Chair of the Transmission Stakeholder Advisory Panel (TSAP), opened the session and provided an overview of the agenda. He acknowledged TSAP members' contributions to the TSAP submission and thanked members for their comments and assistance. Tom Hallam, AusNet's General Manager of Strategy & Regulation, explained the three-phase post-lodgement engagement process: the current phase focuses on keeping the TSAP informed of market developments, the second phase will address the AER's Draft Decision and any directed areas, and the third phase will transition to business-as-usual engagement, adjusting membership and meeting frequency. He noted that AusNet has been responding to AER information requests and shared a high-level overview of the focus areas. Discussion included: AusNet invited suggestions for agenda topics for the next meeting, planned for May.
2. Review of January's record demand and extreme weather events	Martin Cavanagh, AusNet's General Manager of Security & Network Operations, provided a reflection on recent summer system conditions, including record demand outcomes and the operational impacts of extreme weather. He noted that peak demand on 27 January set a new record, with underlying demand materially higher than observed network demand earlier in the day due to rooftop solar output, and that record demand could have been higher still under cloudy weather conditions. It was noted that

while the transmission network largely held up, it operated close to its limits in challenging circumstances, including interconnector trips during bushfires and severe weather impacts that required an active control room response.

Laura Walsh, AusNet's General Manager of Network Management, walked the group through what Keilor terminal station load looked like on the 27 January peak day, showing that transformer loadings were materially higher than a typical summer day and approaching limits on parts of the station. She then explained that under a credible contingency (loss of one transformer), the remaining equipment would run much closer to capacity and could trigger operational and market impacts, reinforcing the need for the planned replacement and augmentation works to reduce that risk.

Discussion included:

- A TSAP member asked how actively AusNet is exploring demand flexibility from data centres at Keilor Terminal Station, particularly whether emerging technologies could reduce peak demand and defer augmentation. AusNet explained that while direct engagement with data centres occurs mainly through distributors and commercial channels, it is undertaking detailed planning work with distributors, VicGrid and AEMO to understand load profiles, operational and technical impacts, and potential flexibility options, noting this is a new and evolving area that is still largely in the investigation stage and cannot yet be relied upon for planning decisions.
- An observer confirmed with AusNet that the peak demand observed on the day discussed exceeded traditional one-in-ten-year (P90) system planning assumptions and noting that the conditions were a clear sky day on 27 January, meaning that if similar temperatures had occurred under cloudy conditions, materially higher demand would likely have been observed.
- An observer asked whether recent system conditions suggest it is time to revisit system planning criteria or forecasting assumptions, particularly in light of emerging load growth and data centre demand.
 - AusNet responded that it does not see a need to change planning criteria at this stage, but is undertaking extensive joint planning with distributors, VicGrid and AEMO to improve forecasting approaches, including advocating for more appropriate treatment of anticipated data centre load; it was noted that forecasting methodologies are still maturing, consistency across businesses has not yet been achieved, and while flexibility and new approaches are important, they remain an evolving area that cannot yet be relied upon.
 - A TSAP member representing Jemena noted that, from a distributor perspective, summer loads were very close to one-in-ten-year forecasts, and highlighted that forecasting methodologies, load shedding arrangements, connection agreements and flexibility mechanisms are still developing; it was acknowledged that while joint planning discussions are occurring, forecasting methodologies are not yet consistent across network service providers, and flexibility is a significant but complex lever that needs to be worked through collaboratively by transmission, distribution and data centre parties.
- A TSAP member asked whether the system's ability to operate through an extreme high demand day could be interpreted as evidence that the network is adequate and does not require further investment, noting that issues would only arise in the event of the loss of a major transformer, and queried whether AEMO supports the case for additional infrastructure investment beyond digital or operational measures.
 - AusNet responded that while the system remained operational, it was operating at the edge of its limits, and the loss of a key asset on that day would have resulted in significant load shedding; it was emphasised that the economic value of avoiding that load shedding, as well as the high

market costs associated with generator redispatch required to manage transformer loading, more than justify planned replacement and augmentations, with Keilor cited as a clear example of the need for additional redundancy to manage risk under extreme conditions.

- A TSAP member asked whether the introduction of large data centres raises broader questions about loadshedding sequencing and priority, and whether there is a risk of cost shifting to consumers if data centres are not required to bear the consequences of system constraints first.
 - AusNet explained that load-shedding orders are set by VicGrid and DEECA, with direction that data centres are to be among the first loads shed, noting that this guidance has been provided to both transmission and distribution network service providers and that industry participants are still working through the practical implications.
 - The TSAP member emphasised the importance of keeping the consumer perspective visible, noting that if cost shift risks are not explicitly raised, they can go unaddressed, and stressed the need for continued focus on having those driving new demand appropriately pay for the system impacts they create; AusNet responded that while pricing arrangements are complex, the current framework generally supports a "causer pays" outcome, with data centres bearing costs in most instances and added that data centres may also bring their own redundancy and operational responses, creating an additional layer of load response where demand may need to flex in response to network constraints rather than immediately triggering load shedding, an area still being worked through with AEMO and distributors.
- A TSAP member asked whether data centres connecting directly to the 500 kV transmission network alleviate pressure on local terminal stations such as Keilor, and whether this capacity is funded by data centre proponents rather than customers.
 - AusNet confirmed that while the 500 kV network has greater capacity, Keilor remains a critical link between the 500 kV and 220 kV networks, and although data centres may drive and fund new terminal stations themselves, this does not reduce or defer the need for planned major augmentations; if anything, growing data centre demand reinforces the need for those investments within the current TRR period.
- A TSAP member asked how generation performed during the extreme demand day, whether there were any transmission bottlenecks, and what lessons could be drawn for planned transmission upgrades, noting that while prices were elevated, conditions did not reach extreme scarcity levels.
 - AusNet advised that generation availability was strong on the day, with all coal units online and sufficient reserves available, supported by renewables and batteries, which helped the system operate through the event; however, it was noted that aging parts of the network and connection assets were placed under significant stress, reinforcing the need for planned replacements and augmentations at key terminal stations such as Keilor and for Victorian Transmission Plan upgrades to support future renewable generation as coal retires.

3. Update on Transmission Planning

Melanie Tan, AusNet's Director Network Development & Planning, outlined that recent planning and forecasting work from AEMO, VicGrid and Victorian distributors consistently identifies growing demand pressure at Keilor, supporting the need for the proposed transformer replacement and broader transmission augmentations included in the TRR, particularly in the context of data centre growth and future renewable integration.

Discussion included:

- A TSAP member noted industry discussion about reassessing offshore wind targets in favour of greater use of onshore renewable energy zones, and AusNet agreed this optionality is positive for consumers and generators, citing lower costs and the potential to avoid significant transmission augmentations if offshore wind does not proceed.

4. Data Centres

Laura Walsh, AusNet's General Manager of Network Management, outlined that data centres are not a single, uniform type of load, with connection requirements varying by scale and use, and noted that larger and AI driven facilities increasingly require transmission level connections, particularly in Western Melbourne. She explained that while most existing data centres are relatively small and connected at the distribution level, emerging proposals are concentrated in areas downstream of Keilor, requiring close coordination with distribution businesses and alignment with Victorian Transmission Plan developments.

Laura also noted that although data centre demand is not fully captured in current TRR forecasts, ongoing engagement with AEMO has improved forecasting methodology, and that growing data centre demand further strengthens the case for planned transmission replacements and augmentations.

Discussion included:

- A TSAP member asked for AusNet's current view on the plausible scale of data centre peak demand growth in Victoria over the next five to ten years, noting wide variation in industry commentary ranging from modest incremental growth to multi-gigawatt scenarios.
- AusNet responded that forecasts at the upper end of the range are not considered feasible given system constraints, while current official forecasts are viewed as conservative, but emphasised that estimating the extent of under forecasting remains highly uncertain; it was noted that while development activity is occurring, data centre load growth is speculative, evolving, and difficult to quantify, particularly given emerging flexibility in AI driven operation

5. TRR Deliverability Update

Nigel Turner, AusNet's Head of Delivery Construction & Commissioning, provided a brief recap of delivery progress over the past year, highlighting that AusNet has continued to focus on getting projects done and maintaining network reliability. He outlined the completion of a range of transmission line and station works aimed at improving resilience, as well as progress on several major projects now in construction, noting the complexity of delivering these works while keeping critical assets energised.

He also highlighted recent customer-driven projects delivered alongside TRR works, emphasising that timely delivery of these projects has been critical to supporting system reliability during recent peak demand conditions.

Tom Hallam then presented on deliverability and emphasised that it remains a live and evolving issue, with AusNet continuing to reassess its program as new information emerges, including coordination with distribution businesses, VicGrid, and the progression of regulatory investment tests, costs and commercial arrangements. He noted that AusNet will consult the TSAP if material changes are required, and highlighted that emerging external factors, including VicGrid decisions and global supply chain risks, may

influence deliverability and will be reported back to the panel as impacts become clearer.



Brand new replacement AIS switchyard at SYTS is close to completion

Discussion included:

- A TSAP member asked whether the recent live line transfer trialled at MOPs is expected to be used more widely and whether it delivers a cost benefit; AusNet explained that the trial was driven primarily by outage constraints rather than cost, noting that while live line work is more expensive, it is likely to be used more often as outages become harder to secure for major upgrades, particularly across the 220 kV and 500 kV networks.
- AusNet highlighted the innovative delivery approaches being used on current projects, including temporary bypass infrastructure with removable foundations to manage construction constraints and noted that extensive upfront planning has enabled *in situ* replacement of ageing assets and the ability to bring forward replacements where failures have occurred, confirming end-of-life forecasts and supporting network reliability.
- TSAP members noted that geopolitical uncertainty may affect electrification and investment decisions in complex ways and encouraged AusNet to continue monitoring and sharing any material implications for deliverability.

6. Public submissions on our Proposal to the AER

Michael Swanston, AER Consumer Challenge Panel, reflected on recent AER Board discussions about the growing importance of consumer engagement in regulatory decision-making, noting that stakeholder panels such as the TSAP are increasingly valued for providing context, narrative and consumer perspectives alongside formal regulatory analysis. He observed that AusNet's TSAP was discussed positively at Board level as an example of how these panels are maturing and was viewed as a credible and effective model for informing AER decisions.

Michael commended AusNet on the organisation and execution of the TSAP process, highlighting the quality of planning, documentation, feedback loops and the presence of appropriate senior and technical staff in discussions. He noted that while the panel required time to build capability, it became increasingly effective in challenging proposals and influencing aspects of the submission where possible and emphasised the value of continuity and engagement beyond a single regulatory reset. He encouraged AusNet to maintain this momentum, noting that the TSAP model is being referenced positively across other transmission reviews as an example of effective engagement practice.

Discussion included:

- The Chair thanked Michael Swanston for his time and encouraged TSAP members to review the CCP report, noting that the observations and recommendations provide useful guidance for both AusNet and the panel in reflecting on its role and approach.
- Michael offered to share a one-page summary of the CCP view for inclusion in meeting records.

Wrap up AusNet noted it intends to hold another TSAP meeting in May ahead of the AER's Draft Decision and invited TSAP members to nominate issues or developments they would like discussed.

Tom thanked participants for their time and contributions and closed the session.

Action items			
Action	Assigned to	Status	Due
1 AusNet to share if there are any implications from the Middle East conflict on procurement	AusNet	Underway	May 2026
2 TSAP to suggest topics for May 21 Meeting if possible	AusNet	Underway	May 2026
3 Engagement to share the AER CCP's one-page summary from their submission	AusNet	Complete <i>See attached</i>	N/A