



Department of  
**Infrastructure, Planning and Natural Resources**

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**Attn: Kenny Yap**

Dear Mr Roberts,

**Subject: Alternatives to the Directlink Transmission Line**

I refer to a meeting with the Australian Competition and Consumer Commission (ACCC) on 22 July 2004 and your letter of 1 December 2004 regarding the Directlink Joint Venture (DJV) seeking regulated status of the Directlink interconnector. Your invitation to provide comment is appreciated.

In summary, the PB Associates conclusion about "absence of legal directives for undergrounding" appears to be overly simplistic with respect to the reality of constructing and operating a transmission line in NSW. The Department considers that a more relevant legal question is whether or not a project could obtain a planning approval.

There is a legal requirement for the construction and operation of transmission lines to obtain planning approval in accordance with the requirements of the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act). Transmission lines are in almost all cases assessed under Part 5 of the EP&A Act.

To comply with the EP&A Act, any determining authority (generally any public authority whose approval is required) must take into account to the fullest extent possible all matters affecting or likely to affect the environment. If the carrying out, or granting of an approval in relation to an activity, is likely to significantly affect the environment, then an Environmental Impact Statement (EIS) must be prepared. In the case of Directlink, the Department considers that it would be extremely unlikely that an above ground alternative would **not** require an EIS.

When an EIS is prepared, the Proponent must obtain an approval from the Minister for Infrastructure and Planning. The Minister is legally required to consider the environmental impact of the activity including an independent environmental impact assessment report prepared by the Director General of the Department.

The Department has subsequently undertaken a comprehensive and independent review that identifies an environmentally acceptable route as an "alternative" to Directlink. The Report, which is attached, concludes that, whilst the Department's preferred option would be for a fully underground route, it accepts that it is possible that it could recommend approval for an alternative which includes a combination of overhead and undergrounding. However, given the particular sensitivities of the study area, and the strengthening community attitudes opposing above ground lines, the extent of undergrounding identified in the Report would be insisted as an absolute minimum requirement. Following further, more detailed assessment as part of the post approval activities, it is likely that additional mitigation measures, including additional undergrounding, could be required.

Please do not hesitate to contact me on (02) 9762 8147 should you require any additional information.

Yours sincerely

Mark Hather  
Director

**Major Infrastructure Assessments Branch**

7-12-04