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MEDIA RELEASE

Updated cost estimate reflects VNI West's advance in project planning

Following the recent announcement of revised project timelines, Transmission Company Victoria (TCV) has confirmed the updated estimated cost of the Victorian section of the VNI West transmission project has increased from 2021's early-stage estimates of $1.4 billion to approximately $3.87 billion, with construction now targeted for completion in late 2030.

VNI West's critical role is to enable bi-directional energy flow between states and unlock new wind, solar, and storage projects; helping to put downward pressure on electricity bills as more renewable generation comes online.

TCV spokesperson, Claire Cass, said the revised cost estimate reflects the changes the project has made in design and construction planning; providing a clearer picture of the resources, time and investment required to deliver this critical energy infrastructure.

"VNI West is a critical energy infrastructure project to keep the lights on in Victoria, but it is not immune to the inflationary pressures that are affecting major infrastructure projects across Australia and the globe," Ms Cass said.

"This update reflects the reality of delivering a vital and complex, large-scale energy infrastructure project today – balancing our obligations to landholders, Traditional Owners and local communities, while minimising impacts where possible and ensuring value for the Victorian energy consumers who ultimately pay for these grid-connecting projects through their energy bills."

Ms Cass said VNI West remains the most effective and responsible way to maintain energy reliability as coal-fired power stations retire and electricity demand continues to grow.

"VNI West is a foundational project for Victoria's energy transition – and to keeping the lights on – unlocking new renewable energy, maintaining security of supply and helping to put downward pressure on electricity prices over time as more and more renewable generators connect to the National Electricity Market."

"This project is an investment in long-term reliability. It gives our energy system the resilience it needs to handle future growth and unpredictability, whether that's from extreme weather or the retirement of older infrastructure," Ms Cass said.

TCV is currently finalising the appointment of a development partner, who will work with the project team to refine cost estimates and confirm the most efficient and responsible approach to delivering this important infrastructure project.

"We're confident in the planning that's gone into this project, and we remain focused on delivering long-term value for Victorian energy consumers," Ms Cass said.

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About VNI West

VNI West is a major project to build a new transmission line between Victoria and New South Wales. It will harness renewable energy in both states and maintain the reliability and security of electricity supply as coalfired power stations retire and energy demand continues to grow. As coal-fired power stations retire, new renewable energy generation will be built to fill the supply gap. New transmission lines are needed to connect this power with our homes and businesses and improve reliability. In Victoria, a project easement of 70m wide along most of the route has been identified. The easement runs from Bulgana to near Kerang and then across the border into New South Wales.

About TCV

Transmission Company Victoria (TCV) is a company created by AEMO Victorian Planning to progress the VNI West transmission project. TCV will discuss the VNI West transmission project with landholders, Traditional Owners and the community to understand local concerns and ensure that commitments made in the early stages are captured and honoured across the life of the project. TCV will provide early project updates and will work with the community on this important transmission line. For more information, head to www.transmissionvictoria.com.au.