

Victoria's Draft 30-Year Infrastructure Strategy

SUBMISSION 28 April 2025

Southerly Ten thanks Infrastructure Victoria for this opportunity to comment on Victoria's Draft 30-year Infrastructure Strategy (draft strategy). We welcome the opportunity to discuss our submission in more detail.

About Southerly Ten

Southerly Ten is a specialist offshore wind energy developer for Australia and New Zealand, from the team behind Star of the South – Australia's most advanced offshore wind project.

Having been on the ground in Australia since 2017, we bring unmatched commitment and capability to our mission – to advance a local offshore wind industry and leave a legacy of clean energy for future generations. Our pioneering work in Gippsland and network of global offshore wind experts gives us rare insight into what it takes to bring projects from idea to reality – and to make offshore wind a success in Australia.

Southerly Ten is powered by **Copenhagen Infrastructure Partners (CIP)**. CIP is the world's largest fund manager dedicated to greenfield renewable energy investments and a global leader in offshore wind. CIP partners with superannuation funds worldwide to build worker's retirement nest eggs with investments that support the energy transition.

We are developing **two Gippsland-based projects – Star of the South and Kut-Wut Brataualung**. Together, they could power more than 2.4 million homes, inject \$14 billion into the Australian economy and create up to 12,000 jobs over the life of the projects. Star of the South is Australia's most advanced offshore wind project targeting first power by the end of the decade to deliver on Victoria's 2GW by 2032 offshore wind target and energy needs as coal stations retire.

FEEDBACK

Draft recommendation 29 – Coordinate faster delivery of key energy infrastructure

Enabling faster delivery of renewable, reliable and affordable energy for Victorians is critical to achieve climate, energy and economic commitments. As highlighted in the draft strategy and supporting documents, there is an urgent need to secure significant new energy generation and supporting infrastructure at the earliest opportunity. Current processes do not allow this to happen quickly or efficiently.

We support the recommendation to establish a central energy transition coordinator on the basis that the coordinator is:

1. enabled with the right resourcing, budget, a clear mandate to drive progress, and performance indicators.
2. focused on solving the challenges that government is best placed to solve – while enabling industry to address other challenges within its purview.

Transforming the energy system we've relied on for a century is a complex task with many moving parts and risks. Victoria's Big Build of transport infrastructure provides a useful case study for how a central coordinator could work. Managing the energy transition is an even more complex task with a range of interfaces, requiring a dedicated focus and highly effective coordination.

Offshore wind energy is vital to meet Victoria's energy and climate goals. This ready-to-deploy technology can deliver the large-scale generation needed to boost supply, reliability, place downward pressure on wholesale energy prices, cut emissions and support regional economies. Offshore wind will play a vital role alongside other forms of generation and storage to deliver secure, reliable electricity for Victorian homes and businesses.

As an offshore wind developer, we have undertaken our own analysis to test when and where it makes sense to develop offshore wind. Our findings are consistent with those in the *Energy transition analysis* (Aurora, 2024) and *Victoria's energy transition risks and mitigation actions* (Jacobs, 2024) reports which accompany the draft strategy. Victoria has a unique advantage in offshore wind compared to other states, with strong wind speeds accessible in relatively shallow waters.

With offshore wind expected to make up 22% of Victoria's, and 5% of the NEM's, total energy generation by 2035, maintaining the already tight delivery timelines in Victoria's Offshore Wind Implementation Statements is critical. Any delay will directly affect the State's ability to achieve climate and energy commitments.

There is already a solid foundation and momentum behind offshore wind. A lot of the heavy lifting to get policy and regulations in place has been done, leading global offshore wind developers have invested heavily in Australia with a strong focus on Gippsland, and there is broad community support – particularly in Gippsland where projects are proposed.

Government holds many of the levers to move offshore wind projects forward. This includes approvals, access to supporting infrastructure, and support mechanisms. These levers can be used to maintain existing momentum and realise Victoria's offshore wind commitments.

Draft recommendation 30 – Improve environmental assessments and site selection for energy projects

We support the recommendation to reform environmental approvals legislation and guidance to achieve the same level of environmental protection through a faster, more cost-effective and predictable process.

Offshore wind farms will be located outside Victorian jurisdiction, with only the connecting transmission assets crossing Victorian waters and land. As such, these projects are assessed under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC).

Given the extensive and wide-ranging nature of the assessment under the EPBC Act, which includes impacts in Victoria, an additional overarching assessment process under the Victorian *Environment Effect Act 1978* (EE Act) has the potential to cause duplication and confusion amongst local communities. There is no additional level of assessment provided by an EE Act process that is not already covered by the EPBC Act. Further, the EE Act cannot provide a meaningful assessment of projects outside Victorian jurisdiction.

The EE Act provides an advisory assessment process only and cannot issue any environmental approvals. Therefore, offshore wind projects would still be assessed under Victorian planning and environmental legislation (even if an EE Act process does not apply) in order to gain any required approvals. This ensures any environmental impacts in Victoria are still assessed and managed under Victorian legislation.

We support a robust environmental assessment and approval process – it is critical to ensure projects are responsibly developed and managed in line with government policy and community expectations. It is also critical that these assessment and approval processes are timely and fit-for-purpose and not 'tick the box' exercises that add unnecessary cost, time and effort for project proponents, government and local communities.

Draft recommendation 27 – Better prepare infrastructure for climate change

We support the recommendation for an energy sector adaption plan to improve energy infrastructure resilience. Transmission infrastructure is particularly vulnerable to extreme weather events, which are becoming increasingly common, with significant consequences for safety, energy security, productivity, and community trust in the energy system.

Draft recommendation 4 – Expand TAFE

We support investments in TAFE and the \$50 million TAFE Clean Energy Fund to build the workforce needed to deliver on Victoria's renewable energy commitments.

Gippsland TAFE will provide an important role providing training for local people – including those seeking to transition from the region's traditional industries – to work in and benefit from the region's offshore wind industry. Gippsland and the Latrobe Valley will be most affected by the closure of coal power plants. New jobs in renewable energy represent a significant opportunity and access to training is key to unlocking this opportunity for local people and those seeking to transition from sunset industries in the region.