2025 Victorian Transmission Plan changes summary

August 2025

# Key changes from the draft Victorian Transmission Plan (draft VTP)

VicGrid has considered the feedback received as part of the consultation on the draft 2025 Victorian Transmission Plan (VTP) and has made changes where appropriate.

Additionally, VicGrid has undertaken the analysis identified as required in VTP, including an update of our energy market modelling and economic analysis and robustness analysis of each of the candidate development pathways, which has necessitated changes to the VTP.

VicGrid acknowledges not all community or industry requests have been adopted. The Victorian Transmission Plan reflects difficult choices, made by weighing up many factors to deliver a plan that best serves all Victorians.

We need to balance the need to minimise impacts on agriculture, the environment and landholders, and also ensure Victoria develops new energy sources to replace coal while keeping costs down for all Victorian energy consumers.

A summary of the key changes made to the draft VTP is set out below. VicGrid has also published a Draft 2025 Victorian Transmission Plan Final Engagement Report – What We Heard at [Engage Victoria](https://engage.vic.gov.au/victransmissionplan).

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| Driver of change | **Summary of the changes in the 2025 VTP** |
| 1. Finalisation of consultation on the draft VTP | A formal 6-week consultation period on the draft VTP commenced on 16 May 2025. The VTP has been updated to reflect feedback received by landholders, communities, Traditional Owners, along with those from energy and agriculture industry stakeholders.  Additional sections have been included in the VTP which summarise the key themes and outcomes from the consultation period, including Section 5 and Section 6.  The outcomes of the consultation on the draft VTP have been published in the Draft 2025 Victorian Transmission Plan Final Engagement Report – What We Heard. |
| 2. Feedback from community and industry regarding the design for each draft proposed REZ | Feedback from the latest round of consultation has resulted in certain key changes to the proposed REZs when compared to the draft proposed REZs:   * The total footprint of the proposed REZs has expanded in size following feedback from industry regarding the need for larger areas to develop technically and commercially viable renewable projects and to respond to calls from some sections of the community to increase the opportunity for landholder and community participation. * The shape of of the proposed REZs has changed in response to feedback about sensitive areas within the original draft proposed REZs and to align with generator interest. • Two draft proposed REZs, the Grampians Wimmera and the Wimmera Southern Mallee REZs have now been combined to allow more choice about how and where generation projects are delivered and to make better use of transmission infrastructure. This brings the total number of proposed REZs to 6 in the VTP (from 7 in the draft VTP).   For more information about the proposed REZs, please see Section 6 of the VTP. |
| 3. Feedback from community and industry regarding the presentation of modelled generation for each REZ | We have clarified that the modelled generation for each proposed renewable energy zone are not caps on the generation in that REZ but are estimates that are used to inform how much transmission infrastructure is needed. An overview is set out in the Executive Summary of the VTP. |
| 4. Introduction of National Electricity (Victoria) Amendment (VicGrid Stage 2 Reform) Bill 2025 to Parliament | Changes to reflect the progression of the National Electricity (Victoria) Amendment (VicGrid Stage 2 Reform) Bill 2025, following its introduction to Parliament in June 2025. |
| 5. Release of the Access and Connections Consultation Paper and draft Grid Impact Assessment (GIA) guidelines | Changes to reflect that VicGrid will release an Access and Connections Consultation Paper and draft Grid Impact Assessment (GIA) guidelines. This includes the inclusion of further information about these documents in Section 9 of the VTP. |
| 6. Revised guide to community engagement and sharing economic and social benefits | The Community Engagement and Benefit Sharing (CEBS) in Renewable Energy Development in Victoria Guide for renewable energy developers was last updated in 2021. This guide outlines the Victorian Government’s expectations of leading practice in community engagement and benefit sharing and provides practical advice on how to meet these expectations.  The VTP has been updated to reflect that together with DEECA, VicGrid is updating expectations through a revised guide to community engagement and sharing economic and social benefits. For further information, see Section 9 of the VTP |
| 7. Improved inputs to estimate transmission cost estimates | We have revised the cost estimates for transmission projects to reflect updated inputs. These costs have been benchmarked against Australian Energy Market Operator (AEMO)’s recently released Transmission Cost Database. |
| 8. Updated generation generation modelling | VicGrid has planned for a range of future scenarios, including where electricity demand is significantly higher due to new data centres and other energy intensive industries.  We have refreshed the energy market modelling to reflect minor changes to the input data, which is outlined in Appendix B of the VTP |
| 9. Updated power systems engineering studies and feedback from industry stakeholders | We have made minor changes to the transmission projects included in the candidate development pathways to reflect updated power systems engineering studies and feedback from industry stakeholders.  This is also reflected in the proposed delivery dates for the 7 priority programs, which have been informed by the results of the updated power systems modelling, which is outlined in Appendix C in the VTP. |
| 10. Finalisation of the cost benefit analysis | The benefits of the optimal development pathway were not previously published in the draft VTP. We have finalised the cost-benefit analysis which highlights the benefits to Victorian energy consumers that come from investing in the transmission projects on the optimal development pathway.  The appraisal framework has been revised to show the additional analysis undertaken to evaluate consumer bill impact and macroeconomic modelling outputs. The methodology and results are outlined in Appendix D. |
| 11. Improved clarity and changes inherently required as part of a change from the draft to the VTP | Minor editorial updates and changes that summarise the engagement undertaken on the draft VTP, key engagement themes and how this has informed the VTP. |

# Contact us

**Phone:** 1800 418 341

**Email:** [vicgrid@deeca.vic.gov.au](mailto:vicgrid@deeca.vic.gov.au)

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