



30 July 2025

Mr Alistair Parker
Chief Executive Officer
VicGrid
Via Email: alistair.parker@deeca.vic.gov.au

Dear Mr Parker

VNI West – Draft Business Impact Assessment

The project proponent for VNI West (the Project), Transmission Company Victoria, has provided a draft Business Impact Assessment (BIA) as part of the Environment Effects Statement (EES) for the Project to the Project's Technical Reference Group for comment.

The Northern Grampians Shire Council (NGSC) and the Buloke Shire Council (BSC) are writing directly to you with feedback on the draft BIA, as our concerns are of such a fundamental nature that we do not think they can be adequately conveyed in comments on the draft, and our comments will likely require significant new work.

In summary, the draft BIA has been prepared in a way that glosses over several very important impacts on businesses in our Shires and proposes no mitigation measures prior to the construction and operation phases of the Project. It appears to take a "nothing to see here" approach, rather than a genuine examination of the impacts that the Project may cause. The NGSC and BSC seek your intervention to ensure the draft BIA addresses our concerns, including genuine engagement with the Councils about pre-construction mitigation measures that could address the concerns we raise.

Background

Agriculture is the backbone of the economy, landscape and lifestyle in the NGSC and BSC. VNI West represents a significantly detrimental impact on the Shires' agricultural businesses, lifestyle, rural landscape, and connected farming community. In recognition of their communities' concerns, both Shire Councils have passed motions opposing VNI West in its current form and advocating to the State Government for an alternative to VNI West. The two Councils have urged VicGrid and TCV to engage constructively and sensitively with the Councils and their communities with an understanding of this context.

The EES Scoping Requirements for the Project require the EES to address (amongst other things):

- Potential adverse economic effects, including both direct and indirect effects on employment, farming and agriculture, other businesses, housing and local and regional economy (page 19).

We have been provided with a draft BIA that fails to identify and assess the potential impacts of VNI West on employment, farming, agriculture, businesses, housing and the local and regional economy in important ways. The BIA provides a very limited view of some of the economic impacts on the Shires.

The three main shortcomings with the draft BIA are set out below, and I seek your response as to how they can be addressed in the next draft of the BIA and in an economic impact assessment. Our Councils are ready and willing to work with VicGrid to design a more effective examination of the issues and pre-construction interventions that can reduce negative impacts.

Lack of Data on Regional Impacts

The Victorian Government frequently states that energy transition projects will provide significant benefits to the State and to local communities. NGSC and BSC are concerned that very few benefits may accrue to their communities. The draft BIA accentuates this concern: it does not present any data or evidence on potential business impacts, positive or negative, in the Councils' areas. Indeed, section 8.1.2 of the draft BIA states "As discussed in Section 7, the construction phase of the Project will result in a significant increase in economic activity for Victoria. **Much of this spend is unlikely to accumulate to the study area...**" (emphasis added).

NGSC and BSC request that the draft BIA include data at the local government area level for business and economic impacts. Without this, the draft BIA will continue to gloss over the real impact of the Project on our two Shires.

Impact on Housing Demand

The Project will require a large, temporary construction workforce. The influx of workers will increase demand for housing in the area. We have repeatedly raised the dearth of adequate housing currently in the Shires for local business needs. The lack of housing supply in the area already constrains local business growth. The draft BIA asserts that providing temporary accommodation camps will alleviate this concern by providing fully for workers who do not live locally (PDF page 58).

However, this claim is contradicted later in the draft BIA, where it states that the Project has a target of 45% local employees (PDF page 60). If this eventuates, many of these local employees will continue to live where they live now, in permanent housing in the Shires. New workers who must move to the Shires to fill the jobs of these workers who move to work on the Project will seek accommodation in permanent housing, which is simply not available in the Shires.

The VNI West may also create some new, ongoing, locally based jobs. The draft BIA presents no data on the numbers of ongoing jobs. The draft BIA must address this, and address the provision of additional, permanent housing in the region to accommodate these workers without putting further pressure on existing housing supply.

In addition to the Project, there are several large energy projects proposed along the VNI West route that will also require large, temporary construction workforces. The BIA does not address the potential cumulative impacts of these workforces on housing demand at all.

The NGSC and BSC seek a much more detailed examination of the claim that the Project will not impact worker accommodation availability and expects the draft BIA to consider cumulative impacts and other mitigation measures, including developing permanent accommodation in the Shires, to alleviate this pressure. This is a critical issue for our two Councils, and we are seeking your commitment to genuine engagement with us on designing pre-construction interventions that can alleviate the pressure on housing. We would like to discuss with you:

- a genuine assessment of the impact on housing availability in our Shires,
- proper consideration of the business and economic impact of the increased housing demand on existing businesses in the Shires that already struggle to attract workers due to the shortage of housing, and
- design a housing strategy for implementation that will address this impact.

Failure to Include Agricultural Businesses

The draft BIA states that in preparing the BIA, it interviewed five businesses along the VNI West route (PDF page 30). At least one of these businesses was a renewable energy project developer, leaving four other non-agricultural businesses as interviewees.

There are approximately 500 landholders along the VNI West route, most of which operate a farming business. While the draft BIA states that "It is important to note that impacts on agricultural businesses were not assessed as part of the draft BIA, as these were considered in a **separate assessment**" [the agricultural impact assessment, emphasis added], the exclusion of the most significant category of businesses from the draft BIA, agriculture-based businesses, is a serious shortcoming that needs to be addressed.

NGSC and BSC request that the draft BIA include agricultural businesses and assess the economic impact of the Project on agriculture along its route.

The NGSC and BSC appreciate VicGrid's engagement with the Council to date. We would like the opportunity to explain our concerns in detail to you and relevant VicGrid staff. If you have any questions about this request, please contact [REDACTED].

Yours faithfully



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