

Addendum to the Rapid Earth Fault Current Limiter Cost Benefit Analysis

29 December 2020



Following completion of the Rapid Earth Fault Current Limiter (REFCL) Cost Benefit Analysis by the Nous group, Energy Safe Victoria (ESV) completed its assessment of Jemena's exemption application related to the delivery of REFCL protection at the Coolaroo zone substation, discussed in page 10 of the report.

The exemption involves Jemena constructing a new REFCL protected zone substation in the Greenvale area which will supply Coolaroo powerlines with bushfire ignition risk from this new substation, instead of installing REFCLs at Coolaroo. ESV found that the proposed solution would deliver an equivalent safety outcome for the community and made a recommendation to the government in support of the exemption. On 26 November 2020 the exemption order was published in the Government Gazette.

The exemption is estimated to deliver a total cost saving to the community of up to \$28.5 million (\$2020). This estimate is subject to the resolution of some operational issues that have recently come to light, and comprises of avoided costs of up to \$16 million (\$2020) to Jemena's electricity customers, and up to \$12.5 million (\$2020) in avoided costs to high voltage customers that may no longer need to be REFCL ready. This cost saving was not considered in the Nous report. The total estimated cost of the REFCL program will therefore be reduced from \$1.068 billion potentially down to \$1.0395 billion (\$2020).