

VicGrid Corporate Plan

1 July 2026 to 30 June 2030



Maddi Moser (Taungurung artist), **'Every Step Matters'**, 2025

Acknowledgement of Traditional Owners

We acknowledge and respect Victoria's Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partnering and meaningfully engaging with Victoria's Traditional Owners and First Peoples to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.

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This Corporate Plan is a governance and planning document prepared for the purposes of the *State Owned Enterprises Act 1992*. It does not create, vary or confer any statutory power, duty or function, and does not constitute a decision under any law. Statements in this Plan about projects, timeframes or outcomes describe VicGrid's planned activities and intended contribution within its statutory functions. Delivery of any project or outcome remains subject to, and will occur through, the applicable statutory frameworks and the decisions of the relevant Ministers, regulators, planning authorities, network service providers and other participants.

Chair's message

Victoria's energy system is at a turning point.

In more than three decades working across Australia's energy sector, I have never seen change of this scale occur in such a short period of time.

The crucial role VicGrid must play in the energy transition is why I joined the Board, and I know that motivation is shared by people across the organisation.

This moment calls for all of us – across government, industry, communities, Traditional Owners and VicGrid – to work together to ensure all Victorians, regardless of where they live, continue to have access to reliable power.

But this is about far more than reliability and engineering.

To succeed, we must give project developers the confidence to invest in Victoria, support economic growth and maintain trust with the communities who host the infrastructure that makes it all possible.

As someone who grew up in, and continues to live in, regional Victoria, I understand that this is where the most significant changes will be felt.

Regional Victorians must benefit from the economic development created by this transition, not just carry its impacts. That means genuine partnership – listening before deciding and working with communities and landholders to achieve the best outcomes.

Respecting Country and partnering with Traditional Owners, as rights holders and custodians, must also continue to guide how we plan and build.

The Board is in place to provide oversight, challenge and support, and to stay anchored to the purpose at the heart of this organisation. But our success will depend largely on those working directly with communities, solving technical challenges, and supporting the running of the organisation day-to-day.

Everyone at VicGrid, bringing their own expertise and experience, has a vital role to play in getting this right.

I am both proud and excited to be the inaugural chair of VicGrid which became a State Business Corporation on November 1, 2025. Our first corporate plan marks an important step for the organisation and has been developed alongside a brand new organisational strategy. We look forward to implementing this plan, and future plans, as VicGrid matures and our long-term strategy evolves.

The road ahead will not be simple or easy, and there will be tough decisions at every turn. What gives me confidence is the quality of the people involved – within VicGrid, across government and in communities right across the state.

By working together, we can overcome the challenges and make the most of every opportunity.



Steve Rieniets
Chair, VicGrid Board

CEO's message

Victoria's energy system is undergoing its most significant change since the development of coal-fired power began in the 1960s.

The coal plants that have powered Victoria for decades are increasingly becoming unreliable and reaching the end of their operational lives. At the same time, electricity demand is rising, driven by electrification of industries, transport and homes. As we work to meet growing demand and transition away from coal, we must also address climate change. Victoria has a legislated target for 95% of our electricity grid to be powered by renewable energy by 2035.

The least-cost and most practical pathway to meet these challenges is to rapidly deliver new solar and wind generation, backed by batteries for storage and enabled by major investment in transmission. This is urgent work. As coal generation exits and demand continues to grow, Victoria must expand the capacity of its grid now to avoid reliability risks and rising costs. We need to get on with upgrading our power system so it can move energy from new renewable sources across the state to homes, businesses, hospitals, schools and other essential services, and do so in a way that delivers real, lasting benefits for all Victorians.

This is a huge change and, to get the best outcomes for all Victorians, it needs to be well planned and managed. We know we cannot get this right alone. Communities and landholders must be given a real say in the planning of energy infrastructure. We need the local knowledge of the communities, landholders and Traditional Owners who know their Country. We need to draw on the expertise of the agriculture industry and farmers who have been working the land for generations. And we need the input of the energy sector to help us foster investment in new generation and storage.

The benefits of the transition must be shared more fairly and Traditional Owners' position as rights holders and custodians of Country must be respected. We must also plan, procure and manage projects carefully to keep costs down for consumers.

VicGrid is responsible for planning and developing Victoria's renewable energy zones and transmission infrastructure in a better, fairer way. The energy industry needs to see a long-term plan to provide certainty for investment in new solar, wind and battery developments that will ensure all Victorians have access to reliable power. We need to make hard decisions, balancing the need to minimise impacts and keep costs down with the delivery of new energy infrastructure for Victoria.

A well-managed energy transition presents significant opportunities for Victoria. It has the potential to create new jobs and business opportunities that drive economic investment in regional Victoria and power Victoria's prosperity into the future. Good planning and engagement are also needed to ensure crucial regional industries like agriculture can co-exist and flourish alongside renewable development and transmission.

Our people are the heart of our organisation. The way we work will be key to our success, including our collaboration with each other, our communities, industry, Traditional Owners, and both state and federal agencies. As a relatively new organisation, we are also focussed on refining and maturing our systems, processes and capabilities to support a high performing organisation.

In the coming year, we will continue to work openly, transparently and collaboratively to achieve our goals as outlined in this corporate plan and to deliver a fairer energy transition that benefits all Victorians.



Alistair Parker
Chief Executive Officer, VicGrid

Statement of corporate intent

About us

VicGrid was established as a new state business corporation on 1 November 2025, separating from the Department of Energy, Environment and Climate Action (DEECA), where it had operated as an administrative office since 2024.

As a state business corporation, VicGrid will:

- Take a long-term approach to transmission planning
- Perform its functions for public benefit, reducing overall system costs through timely and coordinated transmission delivery
- Operate as a distinct legal entity which does not represent the Crown, with legal liabilities generally resting with VicGrid rather than the State

Following amendments to the *National Electricity (Victoria) Act 2005*, which took effect from 1 November 2025, VicGrid has taken on functions associated with the declared shared transmission network in Victoria from the Australian Energy Market Operator (AEMO).

VicGrid is now responsible for planning, coordinating and developing renewable energy zones (REZs) and the transmission infrastructure that is needed to deliver safe, clean, reliable and affordable power to Victorians.

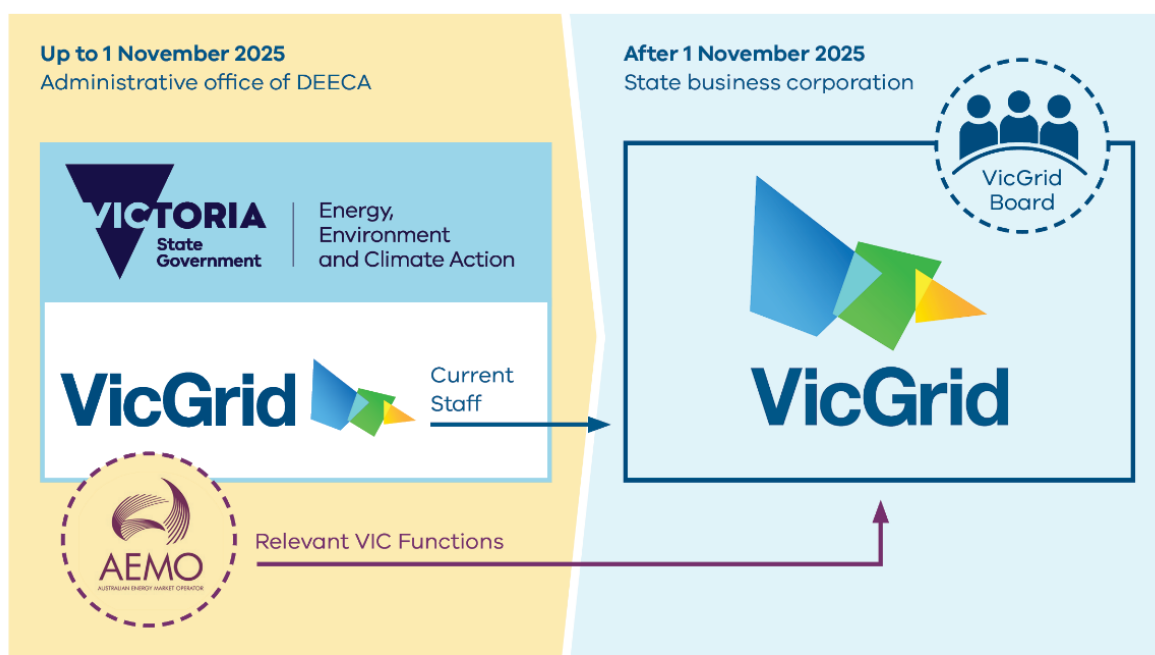
We are changing the way energy infrastructure is planned and delivered to give communities a real say, minimise impacts and costs, share benefits more fairly, and give industry certainty to invest.

Early and meaningful place-based engagement is at the heart of our new approach. VicGrid has regional teams that are committed to working openly, transparently and respectfully with regional and rural communities, landholders, stakeholders and First Peoples.

With an approach grounded in disciplined investment, strong governance and accountability, and a focus on system-wide outcomes, VicGrid aims to minimise unnecessary infrastructure, reduce congestion-related costs, and support the delivery of lower-cost renewable energy.



VicGrid's evolution



Our strategic direction

VicGrid's Board and Executive have developed the organisation's first five-year strategic plan. The plan sets out our medium-term direction and priorities and reflects VicGrid's evolving role, operating environment, stakeholders, workforce, and the Victorian communities we serve.

The strategic plan establishes VicGrid's vision of an energy system that supports all Victorians to thrive. It is guided by four strategic goals that focus our

efforts across the five years. Twelve tangible objectives also help to drive focus and delivery of our essential program of work.

VicGrid's strategic goals and objectives are being embedded in its governance frameworks and, from 1 July 2026, will guide investment decisions, capability development and prioritisation over the coming years.

Strategic Plan 2026-27 – 2030-31

Vision

Our energy system supports all Victorians to thrive.

Role

Through enduring partnerships we plan, co-ordinate and deliver a resilient and equitable electricity network.

Connect
Genuinely

Explore
Meaningfully

Deliver
Purposefully

Goals

Goal 1

Victorians share the journey and the benefits of the energy transition.

Goal 2

Our people are focused and empowered in the vital work we do.

Goal 3

We move fast to deliver the infrastructure that secures Victoria's energy future.

Goal 4

We are a mature and resilient business that runs well.

Objectives

1. We improve Victorians' lives through our planning, decisions, actions and advice.
2. We communicate clearly and openly with communities, landholders, Traditional Owners and industry.
3. We embed 'delivering consumer benefits' in our decision-making.

4. We have clear roles, responsibilities and the skills we need to succeed.
5. We are accountable, responsive and timely decision-makers.
6. We learn from mistakes and successes to accelerate progress.

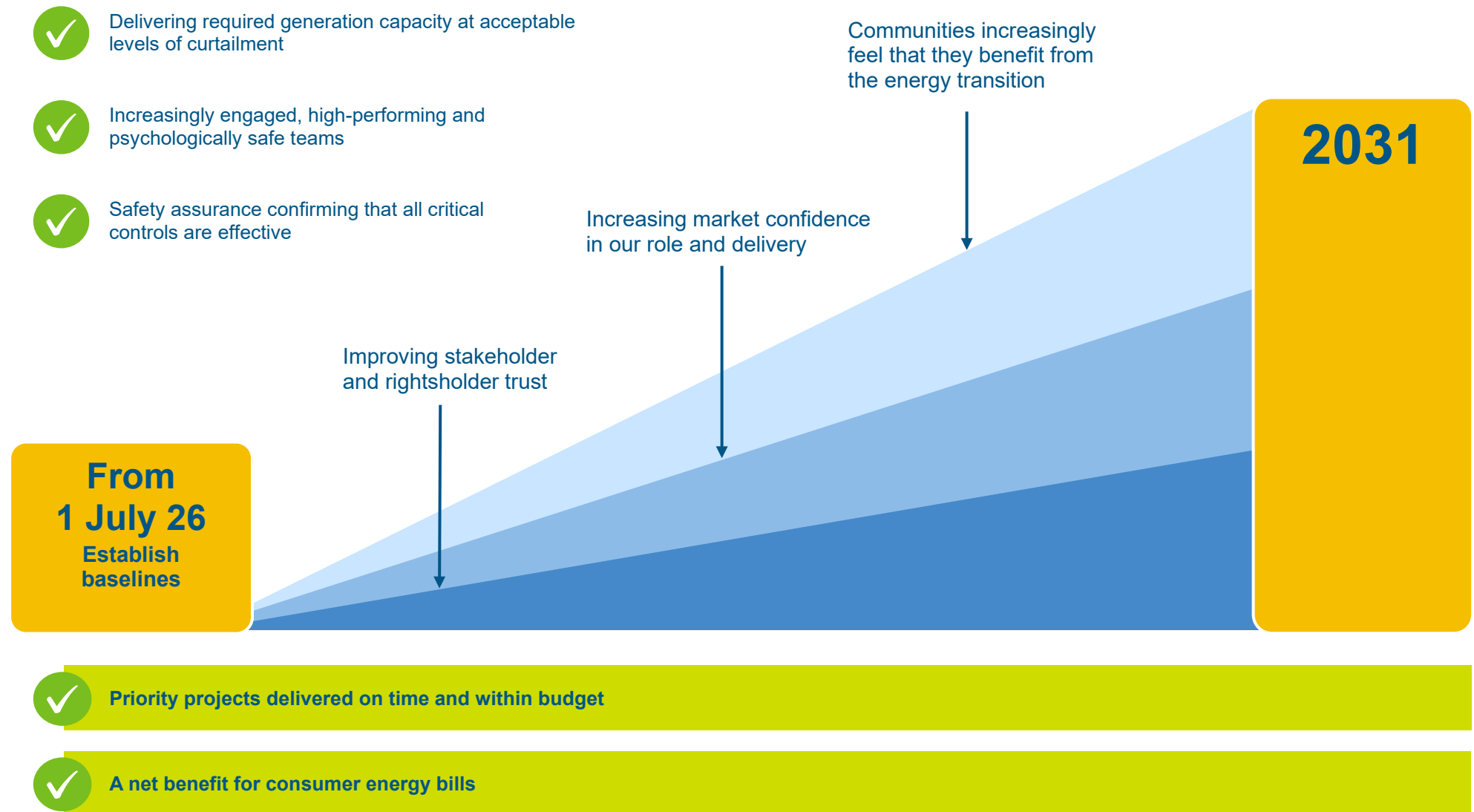
7. We streamline our approvals and delivery for all projects.
8. We advocate for policies that deliver community and industry confidence and prosperity.
9. We model, plan, design and deliver effective projects on time and budget.

10. Our systems and processes work and are fit for purpose.
11. We are an industry leader in delivering a culture of safety.
12. We have place-based teams that balance community and project needs.

Outcomes

1. Delivering required generation capacity at acceptable levels of curtailment.
2. Increasingly engaged, high-performing and psychologically safe teams.
3. Safety assurance confirming that all critical controls are effective.
4. Priority projects delivered on time and within budget.
5. Improving stakeholder and rightsholder trust.
6. Increasing market confidence in our role and delivery.
7. A net benefit for consumer energy bills.
8. Communities increasingly feel that they benefit from the energy transition.

The strategic plan is supported by eight key outcomes that measure our progress toward our vision and strategic goals over the next five years. As a new organisation, VicGrid is focused on target setting, performance monitoring and improvement aligned with its strategic plan. High-level key performance measures for VicGrid are summarised below.



What we do

VicGrid is responsible for:

- Coordinating the planning and development of [renewable energy zones](#)
- Planning the [declared shared network](#) and all associated functions
- Changing the way electricity transmission infrastructure is planned and developed in Victoria to ensure it benefits all Victorians through the [Victorian Transmission Investment Framework](#)
- Delivering the transmission projects set out in the [Victorian Transmission Plan](#)
- Coordinating the delivery of the transmission required to connect [new offshore wind resources](#) to the grid
- Overseeing the delivery of current [major transmission projects](#) underway in Victoria
- Investing in projects to strengthen and modernise [Victoria's energy grid](#)
- Coordinating and publishing Transmission Use of System (TUoS) prices
- Providing information to communities

TUoS pricing

Electricity affordability and cost of living pressures are key considerations for VicGrid, as increases in transmission costs flow through to electricity prices paid by Victorians via TUoS charges. VicGrid's approach emphasises disciplined investment, strong governance and outcomes that benefit both consumers and the broader energy system.

VicGrid's role in setting and collecting TUoS charges from Victorian distribution businesses and large customers directly connected to the transmission network is overseen by the Australian Energy Regulator (AER) to ensure costs remain prudent and efficient. VicGrid is required to prepare and maintain a five-year pricing methodology for how VicGrid's annual TUoS revenue requirement is allocated amongst transmission-connected customers, which is subject to public consultation and approval by the AER.

As part of the transition of functions from the Australian Energy Market Operator (AEMO), VicGrid has adopted AEMO's 2022-27 TUoS Pricing Methodology as its own, in accordance with section 118 of the under the *National Electricity (Victoria) Act 2005*. The methodology sets out how VicGrid calculates its TUoS prices and charges from its annual TUoS revenue requirement and allocates the revenue requirement for each financial year. Allocations are based on customers' actual demand and total consumption from two financial years prior, with higher average peak demand and annual consumption resulting in a higher share of TUoS charges.

The total charges applicable to a customer are built up from three distinct charges:

- **Locational charge** reflects how much it costs to serve customers at different locations on the transmission network. Customers connected in areas that are more costly to serve pay more, while those in lower cost areas pay less.
- **Non-locational charge** recovers the balance of VicGrid's annual TUoS revenue requirement allocated to prescribed TUoS services. All customers pay the same price regardless of where they are located, and the amount each customer pays depends on how much they use.
- **Common services charge** includes the cost of planning and operating the network (which includes VicGrid's operating costs and any adjustments for system strength). Like the non-locational charge, everyone pays the same price, and the amount each customer pays depends on how much electricity they use.

The current pricing methodology, established by AEMO, has been extended from expiring on 30 June 2027 to 30 June 2028 to give VicGrid, as the new Victorian transmission planner, sufficient time to undertake meaningful public consultation to develop its next pricing methodology for the 2028-33 period, while accommodating the regulator's review and approval process timeframe.

The draft pricing methodology will be provided to the AER by the end of 2026 where it will undergo a comprehensive review, consultation and approval process. The final approved pricing methodology is anticipated to be published in early 2028.

The current pricing methodology is published online at www.vicgrid.com.au/industry/access-and-connections/fees-and-charges.

Our Governance

VicGrid Board

VicGrid was established as a state business corporation under the *State Owned Enterprises Act 1992* and is governed by an independent board, appointed by the Victorian Government. Our Board brings deep expertise across energy, infrastructure, sustainability, finance and public policy and shares our vision of an energy system that supports all Victorians to thrive.

Our Board members as at 1 July 2026 are:



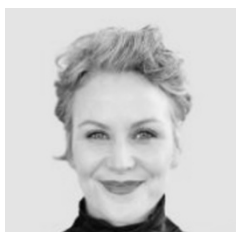
Steve Rieniets,
Chair

Steve is an experienced energy industry leader with over 35 years' experience managing major operations and infrastructure across Australia's energy sector.

He has held senior roles with AGL Energy and GDF SUEZ Australia, leading operations, renewable integration, asset decommissioning, site rehabilitation and major project delivery.

With deep roots in regional Victoria and a strong connection to farming, Steve brings a practical understanding of regional communities and land use. He is committed to advancing Australia's energy transition.

Steve holds a Bachelor of Engineering (Civil) from Monash University, an MBA from Deakin University, and is a Graduate of the Australian Institute of Company Directors.



Sarah Clarke,
Deputy Chair

Sarah leads the Mirvac sustainability strategy, This Changes Everything, and is also the Deputy Chair of Cladding Safety Victoria. She has worked with organisations across multiple sectors to improve social and environmental outcomes, including property, oil and gas, energy, carbon sequestration, public transport and social policy.

Sarah received a Master of Arts (Professional and Applied Ethics) from the University of Melbourne.

She is a graduate of the University of Oxford Scenarios Programme, the McKinsey Executive Leadership Program, and the University of Cambridge Prince of Wales Business and Sustainability Leadership Program. She also holds a Bachelor of Arts (Hons, English) from James Cook University.



Jess Howard

Jess is an experienced public sector leader currently working as Director of Healthy Communities and Environments at the City of Greater Bendigo.

She leads teams responsible for community partnerships, climate change and environment, emergency management, regulatory services, sport and recreation, health and wellbeing, diversity and inclusion.

Jess holds a Bachelor of Arts/Bachelor of Laws (Hons) and is a graduate of the Australian Institute of Company Directors. She has held roles as the Director of Infrastructure and Development at Mount Alexander Shire Council, a law lecturer at Melbourne University, in private sector infrastructure consultancy and as an adviser to State Government.



Seona James

Seona is a Yorta Yorta woman from Shepparton with 30 years' experience in the public and private sectors working across water, energy, environment and Indigenous consultation.

She is the managing director of Indigenous Cultural Connections, which works to support culturally respectful consultation and culturally safe workplaces.

Seona's previous board experience includes the Victorian Government Purchasing Board and the Victorian Aboriginal Economic Board. She also brings expertise from previous roles with the Victorian Civil and Administrative Tribunal, Linfox Logistics Australia and Australia Post.



David Stegehuis

David has worked in the energy and infrastructure sectors for more than 25 years. He began his career as a chartered accountant and, since 2000, he has worked across investment banking, institutional funds management and corporate-CFO roles.

His energy transition experience includes developing and managing large-scale renewable energy generation assets,

energy trading and retail, and managing energy transmission and distribution assets. He brings a rigorous investment mindset, as well as experience originating and managing major projects.

David's previous board experience includes NSW Ports, Southern Cross Station, Ecogen Energy, Pacific Hydro and chairing the School Advisory Council for St Joseph's Malvern.



Kane Thornton

Kane has more than 20 years' experience leading the transition of the Australian energy sector. He was previously Chief Executive of the Clean Energy Council – the peak national industry body for the clean energy sector in Australia – where he advocated for and helped design policies that have been critical to the renewable energy industry's growth.

He has been an active political and public advocate, spokesperson, and trusted advisor to governments and the energy industry.

His previous roles include senior manager and advisor for Hydro Tasmania, Australia's largest generator of renewable

energy, and executive officer at Renewable Energy Generators Australia.

Kane has broad international management experience, including technology roles while living and working in Asia. He has held a range of advisory and board roles with government and non-government organisations in the climate change and energy sector and was a non-executive director and deputy chair of Sustainability Victoria.

Kane is a graduate of the Australian Institute of Company Directors and holds a Masters in Social Science and a Bachelor of Information Technology.



Wayne Weaire

Wayne is an experienced director and former chief executive with 40 years' experience in governance and leadership, with a focus on improving health outcomes across regional Victoria.

He is a farmer, clinical family therapist and a director at the Corangamite Catchment Management Authority. Wayne is a graduate of the Australian Institute of Company Directors and has held chair and director roles across the community health, philanthropy and education sectors throughout regional Victoria.

Wayne has a Bachelor of Theology from Trinity College (University of Melbourne), where he also studied Pastoral Counselling and Clinical Pastoral Care at the Austin Hospital. He is an ongoing Clinical Member of the Australian Association of Family Therapy and a member of Pacifica Congress – a professional organisation for legal and counselling professionals in the Family Law System.

Board committees

The VicGrid Board is complemented by three subcommittees, each with a distinct role.

- **Audit and Risk Committee:** advises the Board on financial reporting, internal and external audit, risk management systems and practices, and the overall environment for compliance, control, and digital and cyber security.
- **People and Remuneration Committee:** supports the Board by overseeing workforce strategy, employee engagement and recognition, organisational culture, equity and inclusion, remuneration, performance management, succession planning, and health, safety and wellbeing.
- **Major Projects Oversight Committee:** assists the Board in approving major decisions related to strategic projects and initiatives. The Committee oversees the performance, risk management and delivery of VicGrid's major projects.

The following committees also support effective decision making, governance and consultation with key government departments:

- **Investment Committee:** provides investment oversight support and recommendations to the Board on VicGrid's program and project investment processes throughout the project lifecycle, including project identification, delivery case, pre-construction, procurement, and execution. Membership comprises VicGrid, the Department of Treasury and Finance (DTF), DEECA, and two independent advisors.
- **TUoS and Investment Inter-governmental Consultation Group:** promotes transparency of VicGrid's processes within the Victorian government and provides DEECA and the central agencies visibility of, and opportunities to provide feedback on, VicGrid's key products and processes. This includes inputs to the annual build-up of TUoS charges, project and program status updates, and other information required to brief ministers.

Information to be provided to the Treasurer and the Minister during the financial year

VicGrid reports its financial performance to DTF on a monthly basis to inform financial reporting to the Victorian Government, supporting the preparation of whole-of-state consolidated financial statements.

Our Organisation



Our CEO

Alistair Parker - Chief Executive Officer (CEO)

The CEO is responsible for the delivery of VicGrid's powers, functions and duties in accordance with relevant legislation.

The CEO is accountable to the VicGrid Board for the effective, efficient and economical management of VicGrid, and works closely with leaders across government, landholders, industry and First Peoples to build credibility and trust so that VicGrid is well placed to deliver on its priorities and a reliable, affordable and secure energy future for Victoria.

The division plays a key role in embedding First Peoples' self-determination in the energy transition, working to ensure Traditional Owners are recognised as rights holders and that their priorities are reflected in planning and decision-making.

Access and Connections

The Access and Connections Division supports developers to gain access and connect to the Declared Shared Network (DSN), both within and outside REZs.

This work is carried out in line with Transmission Network Service Provider (TNSP) obligations under the National Energy Law (NEL) and National Electricity Rules (NER).

Delivery and Commercial

The Delivery and Commercial Division leads the delivery of Victoria's priority transmission projects and network upgrades to enable the grid Victoria needs for a reliable, renewable energy future. This includes major projects such as the Western Renewables Link (WRL), Victoria to New South Wales Interconnector West (VNI West), and Gippsland offshore wind transmission, as well as system strength upgrades, early projects under the REZ Development Stage 1 Plan and any other projects identified through the VTP.

The division also supports the State Government investment in the delivery of Marinus Link in Victoria.

Our divisions

Strategy and Planning

The Strategy and Planning Division sets the strategic direction for Victoria's electricity transmission system and declared shared network.

We lead transmission planning, including development of the Victorian Transmission Plan (VTP), and identify and facilitate the development of renewable energy zones.

We also lead reforms to how generators connect to the grid and support benefit sharing from the energy transition.

Our project teams work alongside specialist functions including land, planning and environment, commercial and engineering to deliver this infrastructure. They also work closely with engagement, communications and legal teams to support coordinated and transparent delivery of transmission infrastructure.

Communications, Engagement and Office of the Chief Executive Officer

The Communications and Engagement Division works to involve local communities, landholders and First Peoples earlier – and more meaningfully – in the planning and delivery of energy infrastructure.

Through place-based engagement and clear communication, we aim to build understanding of Victoria's energy transition and give people a real voice in the planning of renewable energy zones and energy infrastructure. We work in partnership with Traditional Owners and First Peoples as rights holders.

Our team supports VicGrid's business objectives through tailored communication and engagement.

The Office of the Chief Executive Officer provides strategic advice and governance support to the Chief Executive Officer, Chief of Staff, and executive leaders.

Organisational Performance

The Organisational Performance Division enables VicGrid's strategic priorities by strengthening the foundations that support our people, systems and ways of working.

Our work covers enterprise planning and delivery, people and capability, talent, health and safety, wellbeing, technology and data, facilities and accommodation, and payroll.

Our focus is on building a capable and connected workforce, embedding strong safety and wellbeing practices, and ensuring our technology, data and operational systems support our people to work effectively and sustainably.

Finance, Risk and Procurement

The Finance, Risk and Procurement Division manages VicGrid's financial health and supports effective, efficient operations across the organisation.

Through treasury management and financial planning and analysis, we support sustainable funding, informed decision-making and long-term financial oversight.

We manage the financial aspects of TUoS charges and provide a centralised procurement function, as well as supporting staff with expense management, corporate credit cards and other financial processes.

We also support risk management across VicGrid by strengthening frameworks, improving oversight and supporting clear accountability in decision-making.

Legal and Regulatory

The Legal and Regulatory Division provides advice on VicGrid's operations across all divisions. This includes the application of our regulatory frameworks, including the *National Electricity (Victoria) Law*, National Electricity Rules, the *National Electricity (Victoria) Act 2025* and other associated regulations.

Our operating environment

Challenges and opportunities in a complex and dynamic environment

VicGrid is operating in an increasingly complex and volatile environment shaped by global economic uncertainty, rapid technological change, and heightened community and cost-of-living pressures.

Energy system transition

Australia's electricity system is rapidly shifting away from coal-fired generation toward renewable generation backed up by storage. In Victoria, the upcoming closure of the remaining coal plants is a major transition point, as these assets currently provide much of the system's dispatchable generation. Growing rooftop solar systems and batteries are creating more frequent minimum system load conditions, while record peak demand highlights increasing extremes in electricity demand. These trends highlight the importance of transmission, system strength and coordinated planning.

Globally, energy use continues to grow, with the greatest increases in electricity.

Source: IEA, Global Energy Review 2025 - Global trends, 2025.

Global and economic context

Global geopolitical tensions, trade disruptions and economic volatility are affecting supply chains for clean energy technologies and critical materials. At the same time as Australia continues to pursue the energy transition, many countries around the world are doing the same. The demand on supply chains and key commodities – coupled with the challenging global environment – is creating complex delivery risks. These include competing for human resources (with engineering, commercial and regulatory capabilities) and transmission materials and, specialist manufacturing capacity.

Emerging demand and technology

New electricity demand is emerging from rapid growth in artificial intelligence (AI) and the data centres required to support it, which can require electricity at a scale similar to heavy industry. This creates additional pressure on supply and planning but also offers opportunities to use AI to improve forecasting, system planning and operations.

AI-focused data centres can draw as much electricity as power-intensive factories such as aluminium smelters.

Source: International Energy Agency, Energy and AI, 2025.

Climate change and extreme weather events

Climate impacts such as extreme heat, bushfires and severe weather events can impact electricity demand while placing greater strain on the system. The rising frequency and severity of these events can disrupt both generation and transmission infrastructure. Building resilience into electricity infrastructure is therefore essential to maintain reliability and ensure the network can meet growing demand under more challenging conditions.

In 2024, temperature effects contributed around 20% to the increase in electricity and natural gas demand and drove the entire increase in coal demand.

Source: IEA, Global Energy Review 2025 - Global trends, 2025.

Victorian government targets

Government targets for renewable energy, storage and offshore wind provide investment certainty and support coordinated, long-term transmission planning. Transmission infrastructure is necessary to ensure that system security and reliability is maintained as the energy system transitions away from coal.

Targets	How VicGrid supports delivery
Climate action – net zero by 2045	Planning and sequencing the transmission network needed to decarbonise electricity, the largest driver of economy-wide emissions reduction.
Emissions reduction targets: 45–50% by 2030; 75–80% by 2035	Connecting renewable energy, storage and offshore wind required to meet interim targets.
Renewable electricity targets: 65% by 2030; 95% by 2035 – Near total renewable electricity	Identifying, sequencing and delivering transmission upgrades and new lines required in line with Victoria's renewable energy targets.
Energy storage targets: 2.6 GW by 2030; 6.3 GW by 2035	Planning network capacity to support large scale batteries and hybrid projects within REZs.
Offshore wind targets: 2 GW by 2032; 4 GW by 2035; 9 GW by 2040	Coordinating and planning for the Gippsland Shoreline REZ and transmission interfaces needed for offshore wind.

Victorian economy

Victoria is well positioned to lead Australia's energy transition. Certainty for investors is strengthened through the VTP and REZs, unlocking large scale private investment in clean energy and storage; supporting regional jobs and supply chains; and improving access and connection pathways through coordinated planning and access regimes. This reduces congestion risk and enables the timely connection of new generation and storage. Before a decision to invest in a transmission project is made, transmission projects are assessed. Transmission projects are developed only if there is a benefit to electricity consumers (business and residential consumers).

Cost-of-living pressures and electricity prices

Electricity affordability remains a major concern for households, with prices expected to continue to rise. While electrification is projected to reduce total household energy costs over time, public understanding of energy pricing remains low, increasing sensitivity to short-term impacts. However, delaying investment in transmission infrastructure increases costs to consumers. The 2025 Australian Energy Market Commission

Residential Electricity Price Trends Report showed that delaying key transmission projects across the national energy market by 12 months would result in an increase in average annual residential electricity bills of over 9 per cent over the next 10 years.

73% of people with a connection to farming support clean energy projects on local farmland.

Source: Farmers for Climate Action, The Quiet Majority: Australians in Renewable Energy Zones support the Energy Shift, 2024.

Community acceptance

Community support for renewable energy is generally strong, but new transmission infrastructure remains contentious for some individuals and communities. Earning and maintaining community acceptance of this infrastructure through early engagement and partnerships remains critical.



Our partners and stakeholders

VicGrid is improving the way energy infrastructure is planned and delivered to ensure communities get a real say, benefits are shared more fairly, costs are reduced and to improve certainty for industry to invest.

Early and meaningful place-based engagement is at the heart of our new approach. VicGrid has regional teams that are committed to working openly, transparently and respectfully with regional and rural communities, landholders, stakeholders and First Peoples.

VicGrid works with a broad range of stakeholders to ensure energy infrastructure is planned fairly and transparently through meaningful consultation and in a way that minimises impacts, attracts investment and delivers benefits for host communities.

VicGrid works collaboratively across the Victorian Government and with the Australian Commonwealth Government to deliver the transmission infrastructure required to support Victoria's energy transition, economic growth and community outcomes.

We partner with DEECA and work closely with the Department of Premier and Cabinet and DTF to align our work with whole-of-government priorities, policy settings and investment decisions. We also

coordinate with the Department of Jobs, Skills, Industry and Regions to support jobs, regional development and broader economic outcomes. We engage constructively with regulators and other government agencies in the delivery of projects.

Through constructive engagement across portfolios, VicGrid supports informed decision-making and coordinated delivery within established governance frameworks. Our work supports the priorities of the Minister for Energy and Resources, the Treasurer and the Premier by enabling timely infrastructure investment, strengthening energy security and reliability, and contributing to Victoria's long-term economic prosperity. We work closely with landholders, rural and regional communities, local governments, the agriculture and energy industries, advocacy groups, consumer and energy market bodies, peak industry associations and other state and Commonwealth agencies.

We seek to work in partnership with Traditional Owners and First Peoples as rights holders to Land and Sea Country. Guided by self-determination principles, we aim to build long-term relationships through ongoing forums and capacity-building, and partner with formally and non-formally recognised Registered Aboriginal Parties, the First Peoples Assembly of Victoria, the Traditional Owner Corporation Caucus, Traditional Owner Renewable Energy Officers and Aboriginal Heritage Victoria.

Key legislation

National Electricity (Victoria) Act 2005: gives VicGrid its core functions and planning authority, integrates Victoria into the national energy framework (NEL and NER), and empowers the Minister for Energy and Resources to override national rules for state-prioritised electricity transmission programs. Sets out delegation powers, overriding the *State Owned Enterprises Act 1992*.

State Owned Enterprises Act 1992: provides the legal framework under which VicGrid was declared a state business corporation and is governed as a state-owned entity. This includes the establishment of the Board and Ministerial oversight and accountability including corporate planning requirements.

Financial Management Act 1994: applies to VicGrid by requiring it, as a “public body”, to prepare financial statements and annual reports, manage funds responsibly, and comply with the Standing Directions issued by the Minister for Finance. VicGrid is required to attest to compliance with the Standing Directions (under this Act) annually in its Annual Report.

Public Administration Act 2004: provides standards and governance principles that VicGrid adheres to as a “public entity”.

Our culture strategy

VicGrid has developed a culture strategy that equips our workforce to succeed and enables us to deliver on our shared objectives. The strategy focuses on building the mindsets, behaviours and capabilities needed for a high-performing, collaborative and purpose-driven organisation. It strengthens how we work together across functions and project teams, supports leaders to drive clarity and accountability, and embeds our values into everyday practice.

We are building a workplace where people feel respected and included, and where diverse perspectives are valued. Inclusive leadership and equitable ways of working enable everyone to contribute and perform at their best.

We are embedding respect for Country, First Peoples cultural understanding and self-determination into how we work and strengthening our cultural capability so that partnerships are genuine, consistent and reflected in our everyday behaviours and decisions.

Through this culture strategy, we are building a connected, empowered and resilient workforce that can deliver the VTP and the broader energy transition with confidence and impact.



Our values

Our organisational values are at the heart of who we are and how we work. They guide every decision, action and interaction, shaping a culture where people feel connected, inspired and empowered to make a difference.

Our values – **connect genuinely**, **explore meaningfully** and **deliver purposefully** – shape the way we work, collaborate and create impact.



Connect genuinely

We build relationships grounded in truth, empathy and trust, fostering an inclusive environment where everyone feels seen, heard and valued.

At VicGrid we **connect genuinely** by:

- Working collaboratively across our teams and regions
- Sharing feedback openly, honestly and thoughtfully
- Building each other up and celebrating our milestones
- Honouring our diverse perspectives and history
- Standing up and showing up for equity and inclusion
- Sharing our skills and knowledge



Explore meaningfully

We stay curious and courageous, exploring with intention and impact.

At VicGrid we **explore meaningfully** by:

- Asking questions to shape a more thoughtful future
- Seeking out creative thinking
- Making room for reflection
- Seeking to understand our people and the culture, systems and spaces we work within
- creating solutions together
- listening actively and responding constructively



Deliver purposefully

We make decisions today with tomorrow in mind, leaving a legacy which benefits all Victorian communities.

At VicGrid we **deliver purposefully** by:

- Championing safety and wellbeing
- Learning from the past to drive positive change for the future
- Being accountable for our decisions, behaviour and actions
- Striving for improvement and embracing positive change
- Balancing urgency with thoughtful, future-focused decisions
- Putting sustainability at the core of our social, environmental and economic actions

Accounting policies

VicGrid's accounting policies adhere to the requirements established by the *Financial Management Act 1994* and are prepared in accordance with the standards set by the Australian Accounting Standards Board (AASB) and Financial Reporting Directions.

The first annual financial report for VicGrid, reporting on the 2025-26 financial year, will outline

the applicable accounting policies as part of the annual financial statements (AFS). The Victorian

Auditor General's Office will audit the AFS to provide assurance that it is presented fairly in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable AASB standards

