



Rupert Doney
Project Leader
Transmission Planning and Investment Review
Australian Energy Market Commission

Submitted via AEMC web portal

3 November 2022

Dear Rupert,

Newcrest Mining appreciates the opportunity to lodge a brief submission to the AEMC's Transmission Planning and Investment Review (the Review), project reference code EPR0087.

Newcrest is the largest gold producer listed on the Australian Securities Exchange and is one of the world's largest gold mining companies, so must be part of the solution to reduce carbon emissions.

In 2021, we publicly committed to net zero for Scope 1 & 2 carbon emissions by 2050, in addition to our interim target of a 30% reduction in greenhouse gas (GHG) intensity per tonne of ore treated by 2030.

In the context of the Review, connection to the Australian electricity grid enables our Cadia mine to access renewable power without needing the source of that energy to be close to the site operations. It also enables the electrification of our diesel vehicle fleet, which is crucial to our net zero transition.

While not directly related to Integrated System Plan projects considered in the Review, Newcrest has had recent negative experience with the Regulatory Investment Test – Transmission (RIT-T) process.

It is clear from this experience that the current RIT-T is not fit for purpose, as it does not provide for timely rollout of electricity infrastructure to match both the decarbonisation of and growing demand from energy-intensive industries like mining.

Newcrest's key concern with the RIT-T is that the slow process, long solution implementation times and high burden of proof relating to demonstrating anticipated and committed demand-side projects creates a significant risk of not delivering a timely transition of the transmission network.

Presently, the delays and complexity within the RIT-T process mean that Newcrest's future load at the Cadia mine (the largest underground mine in Australia, one of the nation's biggest gold mines, and the second largest point load in the NSW electricity network) is not adequately recognised and included in planning.

Inadequate network infrastructure risks our access to the increased grid power required to enable Cadia's decarbonisation and growth plans.

Like many large businesses, Newcrest is implementing electrification as the path to displace diesel use. This will see a significant demand increase as we electrify our fleet and ancillary equipment. We are also actively involved in the Electric Mine Consortium and the Charge On Innovation Challenge to accelerate the development of the technology needed to electrify mine sites at scale.

The energy transition is a unique challenge which requires parallel changes in how we plan our energy system.

In the future, energy transition planning should occur holistically based on decarbonisation targets, rather than wait for each company to submit projects via a committed load test.

In turn, this would avoid a piecemeal solution that may be less cost effective in the long term and may delay transition.

Such a change would also de-risk other large industrial customers as they face the same decarbonisation challenges and minimise risk to Newcrest as the rest of the economy decarbonises and also requires more power from the grid.

Our company has a long-term plan to create highly skilled, highly paid local jobs while continuing our large and enduring contributions to the local community with net zero greenhouse gas emissions.

Thank you for the opportunity to provide a submission on this important issue. I am available to expand on our submission, along with relevant personnel from our business.

Yours sincerely



Philip Stephenson
Chief Operating Officer – Australasia