

Senate Budget Estimates – 23 May 2023

Opening Statement – Australian Energy Infrastructure Commissioner

Thank you for the opportunity to appear before Senate Estimates. For those members new to the committee, my terms of reference, role, annual reports and other helpful resources are available on the Commissioner's website:

www.aeic.gov.au

By way of background, I commenced the Commissioner role, initially as the National Wind Farm Commissioner, in November 2015. The Commissioner's role is independent and has no formal powers.

Today, the role encompasses large scale wind and solar projects, new large scale storage projects and, last but not least, greenfield high voltage, long distance transmission lines.

Our office accommodation, support staff and business systems are provided by the Department (DCCEEW). Our Office is located in the Melbourne CBD and currently close to many of our key stakeholders. I am supported by four staff members employed by the Department.

In the May 2021 budget, the government announced funding for the continuation of the role for an additional four years from November 2021. Funding was increased in last year's October 2022 budget to allow for two additional staff and that recruitment was completed in April of this year.

Detailed questions regarding the budget and how we are funded should be directed to the Department.

There has been much discussion in recent times about social license and the very important role it plays and can play in the development of new, long distance transmission lines.

To that end, I recently participated in the launch of The Energy Charter's best practice guidelines on this very topic. I thought it would be helpful for

today's hearing that I reiterate some key points from my address at that launch.

During my presentation to the Energy Ministers Meeting last October, I made the observation that it is time to stop studying social license – now it is time to prioritise the social license issues and implement the solutions.

In reality, much of what we might describe as social license is simply about doing things properly.

For example, a new transmission line project proponent should be providing:

- A detailed, integrated, complete, project plan that clearly sets out all the required project tasks, time-lines and interdependencies – together with transparent progress reporting to key stakeholders.
- An approved, robust project business case and budget along with a clear mandate that the infrastructure is required and why.
- A clear, documented understanding of where the proposed transmission line will start and end, including the rating of the line or lines.
- A well progressed view of the preferred corridor and route so that landholder and community engagement discussions can be focused.
- Properly trained and skilled landholder relations personnel who can successfully approach landholders, build effective relationships, have productive and informed discussions with landholders and their neighbors – and be able to resolve the inevitable issues that will arise.
- Visible, ongoing support for front-line staff by the proponent – and project executives should regularly accompany them on landholder visits. Support staff and experts who attend landholder meetings need to be constructive in their contributions.
- A well researched stakeholder list and program to reach out and inform stakeholders so they can be equipped to be supportive. These stakeholders include Councils, Sporting Clubs, Schools, Traditional Owners, Environmental Groups, Local and Federal MPs, Emergency Services, along with all levels of government.

- Have properly prepared collateral, correspondence and agreements in place to support the landholder and community engagement process.
- Documents include land access agreements, option for easement agreements, information fact sheets on farming practices, bushfires, the planning and permitting process, land access protocols, the process for landholders will be compensated, construction activities and impacts, through to obtaining professional advice.
- Agreements must be fair and reasonable to landholders – and landholders must have the ability to seek and obtain expert advice.
- An effective, well managed complaint handling process to enable community members and landholders raise concerns or issues about the project – including provision of a toll-free telephone number that actually gets through to project personnel.
- Executive sponsorship of the project from the key stakeholders – e.g. proponent/developer, AEMO, relevant State Government
- Executive level governance of the overall project
- Clear and transparent process for making decisions that affect the project, landholders and community and,
- Decisions in a timely manner to provide certainty for all stakeholders,

While this is not an exhaustive list, if the transmission companies engaged in large-scale, long-distance projects were able to confidently say they were meeting or exceeding the requirements I have just listed – it would go a very long way for them to gain respect and support.

Some transmission companies are doing this well and making steady progress. Others still have a way to go.

Our Office is working hard to support all proponents where there are gaps to close and opportunities to do better.

Transmission project proponents where we have been actively engaged in 2023 include:

AEMO, AusNet, Energy Co, Marinus Link, Powerlink, TasNetworks, Transgrid.

Some other recent activities include:

- Published an updated guideline document to assist landholders and other stakeholders in negotiating complex license and host agreements.
- Completed our 2022 Annual Report to the Federal Parliament, which we expect to be tabled soon.
- Worked with Energy Safe Victoria and the Victorian Country Fire Authority to help facilitate ESV publish a definitive information brochure on the topic of bushfires and transmission.
- Assisted TasNetworks in the development of an intensive training program for Landholder Relationship Managers – the inaugural program will be held in Launceston in June 2023, with a number of participants expected to attend from mainland transmission companies.
- Provided extensive feedback to various transmission proponent's draft collateral, agreements and related correspondence for enabling land access and securing options for easements – in particular, bringing balance and fairness to those documents to properly consider the landholder's perspective.
- Assisted AEMO with various aspects related to proposed changes to the VNI West route in Victoria.
- Also assisting AEMO and its subcontractor prepare for VNI West early works in relation to training and training materials for staff working with landholders and the broader community.
- Held regular reviews with transmission companies to progress and resolve open complaint cases.
- Provided suggestions to transmission company executives regarding transmission development project management, including establishing key metrics and targets for land access and easement acquisition, as well as improved project leadership and community engagement.

- Continued to provide support and suggestions to the Victorian Essential Services Commission to progress develop the inaugural land access Code of Practice, as required by the Electricity Act 2000 (Vic) as well as advice to the Minister (Vic) regarding easement acquisition powers.
- Helped formalise the Rewiring the Nation Office Partnership and commenced regular meetings of the Advisory Committee.
- Continued our engagement of monthly reviews of WRL and VNI West Projects.
- Completed field trips for detailed inspections of the Marinus Link route in Victoria as well as an alternative route option for WRL.
- Provided submissions to a variety of consultations, including VicGrid's proposed strategy for offshore wind grid connection.
- Handled new and existing complaint cases that have been lodged with our Office, some of which necessitated site visits, meetings with complainants as well as briefings from respondents.
- We also have spent a material amount of time in relation to moving our Office from DISR to DCCEEW – which required us to leave the Victorian Commonwealth Offices and move into temporary office accommodation pending another move later this year. Our essential business support systems are also in the process of being migrated from DISR to DAFF, who will in turn provide IT services to DCCEEW.

Going forward, there is much to do on many fronts. Whilst my comments above have been centred on transmission, there are significant wind, solar and storage projects in the pipeline that will also keep us very engaged.

I look forward to your questions and will now hand back to the Chair.