



INFORMATION

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Enhancing community engagement in transmission building

The Commission has made a more preferable draft rule which would create greater consistency and clarity over transmission network service providers' (TNSPs) community engagement obligations. These obligations outline requirements for TNSPs to engage with local communities, early in the transmission planning process.

We are seeking stakeholder feedback on our draft determination: Written submissions responding to this draft determination and draft rule must be lodged with the Commission by **28 September 2023**.

Our draft determination is in response to the rule change request submitted by The Honourable Chris Bowen, Minister for Climate Change and Energy. The rule change request seeks to implement recommendations made as part of the social licence workstream in our Transmission planning and investment review (TPIR).

The rule change request has been fast tracked reflecting the extensive consultation carried out on the issues raised in the rule change request during TPIR.

Our draft rule supports TNSPs to build social licence for transmission

Local communities, TNSPs and other stakeholders affected by major transmission projects are critical partners in the delivery of major transmission. Building and maintaining trust between these stakeholders is necessary for TNSPs to deliver major transmission projects efficiently, and on time.

TPIR found that increased certainty and consistency in the NER around TNSPs' early engagement with communities, leads to better outcomes through more proactive and constructive relationships with local communities. This improves TNSPs' planning by helping TNSPs identify local issues that may impact the timely delivery of transmission infrastructure.

Our more preferable draft rule addresses current uncertainty and inconsistency, in the national electricity rules (NER), over TNSPs' obligations and expectations to engage with local communities, early in the planning process, for Integrated system plan (ISP) projects and renewable energy zones (REZ) projects.

The more preferable draft rule helps build social licence for transmission and is part of a reform package to improve the timely delivery of major transmission. Our draft rule complements work being undertaken by other entities, such as the Australian Energy Infrastructure Commissioner, TNSPs and the Commonwealth, on social licence.¹

The draft rule would improve clarity and consistency in engagement with local communities

Our more preferable draft rule improves clarity and consistency by:

- clarifying that TNSPs are required, as part of preparatory activities, to engage with stakeholders who are reasonably expected to be affected by the development of the actionable ISP project, future ISP project, or project within a REZ stage, including local landowners, local council, local community members and traditional owners.
- clarifying that these local community stakeholders are considered interested parties in respect of the RIT-T. This means that TNSPs are required to consult with local communities during the RIT-T process and that local community stakeholders may raise disputes in

¹ See [here](#) for more information on other work to improve social licence.

respect of the RIT-T.

- introducing community engagement expectations for TNSPs when engaging with these local community stakeholders.

Our more preferable draft rule contributes to achieving the NEO

The more preferable draft rule would contribute to achieving the NEO by:

- **Improving outcomes for consumers** – by helping lower energy prices, through supporting the timely delivery of transmission infrastructure required to connect cheaper renewable generation and firming to replace ageing thermal generation.
- **Contributing to decarbonisation** - by supporting the timely delivery of the transmission infrastructure required to increase renewable penetration in the energy system and transition the grid to net zero.
- **Promoting principles of good regulatory practice** - by improving predictability, stability and transparency with the regulatory framework and aligning with other reform underway.
- **Providing timely market wide implementation** - by introducing timely reform, that is relatively simple to implement across jurisdictions and can be applied to the next tranche of major transmission projects.

The more preferable draft rule better contributes to the NEO, than the proposed rule, because it further enhances engagement with local communities. This increases the likelihood that projects are delivered on time which results in better outcomes for consumers.

We consider that our more preferable draft rule would not impose any material costs on consumers, TNSPs, or any other market participant.

We are holding a public forum on the draft determination.

We will hold a public forum webinar on **29 August 2023**.

The purpose of the forum is to provide an overview of the draft determination and to give stakeholders an opportunity to ask questions.

Interested stakeholders can register for the forum [here](#) by 25 August 2023.

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