

APA submission

Enhancing community engagement rule change

28 September 2023



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Anna Collyer Chair Australian Energy Market Commission

Lodged online

28 September 2023

RE: APA Submission to the enhancing community engagement in transmission building rule change

Dear Ms Collyer,

Thank you for the opportunity to comment on the Enhancing community engagement in transmission building rule change draft determination (Draft Determination).

APA is an ASX listed owner, operator, and developer of energy infrastructure assets across Australia. As well as an extensive network of natural gas pipelines, we own or have interests in gas storage and generation facilities, electricity transmission networks, and 681 MW of renewable generation infrastructure.

We support the transition to a lower carbon future and actively support the energy transition taking place across Australia. In August 2022 we published our inaugural Climate Transition Plan which outlines APA's pathway to net zero operations emissions by 2050.

To secure our energy future and meet the growing demand for electrification, the Australian Energy Market Operator's 2022 Integrated System Plan (ISP) makes clear that we need to efficiently install more than 10,000 km of new transmission.

This is a monumental task that will require careful planning and execution. To ensure that we minimise further delays in planning and building new transmission, we fully support regulatory arrangements that support clear and consistent community engagement during the assessment, planning and construction of ISP projects. This will facilitate positive relationships between all stakeholders, including local communities.

For over 20 years, APA has been operating in competitive markets, developing large scale infrastructure projects across Australia. We have a strong track record of delivering large linear infrastructure projects. Our experienced, in-house team is spread across more than 50 locations around Australia and has first-hand experience in managing the significant issues that arise when planning, building and operating linear infrastructure. This team has the following capabilities:

- Land access and easement corridor acquisition and maintenance
- Environmental approvals
- Environmental and social impact assessment and management
- Community and stakeholder engagement

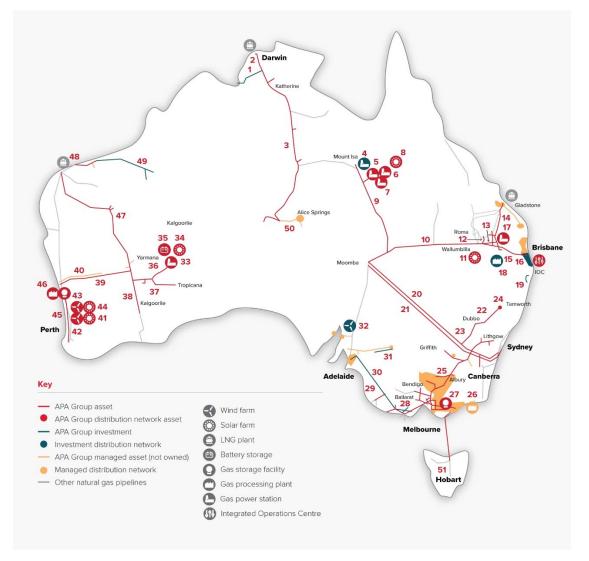


- Heritage, cultural heritage, and native title
- Local, state and federal government liaison.

Importantly, we not only engage with landowners and the community in the development phase of projects but continue to do so for the life of the asset.

Recent projects that have required us to leverage this expertise include the Northern Goldfields Interconnect gas pipeline in Western Australia, (commissioned in July 2023) and the Western Outer Ring Main (WORM) in Victoria.

Figure 1 below outlines the infrastructure assets we own and/or manage across Australia. We have ongoing relationships with the community in every state and territory.



Our experience has shown that strengthening the role of social environment and community relationships is key to the success of a transmission project. The social dynamics surrounding a project are often complex and changing, and stakeholders are increasingly voicing their expectations about proposed infrastructure projects.

APA offers the below observations for collaborating with communities to achieve mutually beneficial outcomes for transmission projects.



Prior to the selection of priority regions for energy infrastructure projects, State and Local governments should incorporate energy needs into State and Local government economic development plans. In doing so, community feedback should be considered in the establishment of energy development regions. In many cases, a project proponent starts their relationship with local communities and landholders on the back foot, as the priority region is already locked in. Infrastructure proponents have a responsibility to collaborate with landholders and communities to consider their views but often have no scope for genuine consultation with regards to the designated zone/area. Earlier government consultation with landholders and communities in the selection and development of priority regions would help build greater support for energy developments and facilitate improved engagement between project proponents and communities.

Current approval and planning processes can inadvertently hinder a project's ability to develop strong relationships with local communities. A focus on demonstrating targeted consultation and support at a particular point in time, for example an approval point, can result in a polarising 'for or against' framing of a project, rather than a process which works through concerns, and achieving positive outcomes in impacted communities.

When multiple and/or concurrent projects occur within a priority region, community messaging varies individually amongst specific projects. Coordinated regional messaging across the entire priority region would benefit the communities and the project proponents. Similarly, cumulative impacts are assessed separately for each project and tend to overlook the cumulative impacts across the priority region (e.g., adequacy of existing public services such as schools or emergency services to support the influx of people). A coordinated region-wide cumulative impact assessment of all projects would be beneficial.

Projects would more effectively contribute to long term and sustainable outcomes if communities and regions were better supported to develop clear priorities and long-term plans for development prior to commencement of a project within priority regions. This would support a movement away from 'quick wins', for example investment in community infrastructure, towards more sustainable contributions which support regional growth and economic development.

In summary, we offer the following recommendation:

1. Broaden the Transport Network Service Provider (TNSP) responsibilities within the draft Rule Change to also include project proponents.

Broadening responsibilities would capture developments where the proponent is not the TNSP. Examples include NSW Renewable Energy Zone (REZ) projects where the proponent is a statutory authority (EnergyCo), or VIC where Australian Energy Market Operator may be the proponent. For these developments, the proponent should be responsible for proactive and meaningful early community consultation and preliminary assessment of social and cumulative impacts associated with that development. Leaving engagement to the TNSP will be too late, leading to more contentious or defensive communications. APA Group Limited ACN 091 344 704 Level 25, 580 George Street, Sydney NSW 2000 PO Box R41, Royal Exchange NSW 1225 P: +61 2 9693 0000 | F: +61 2 9693 0093 APA Group | apa.com.au



If you have any questions about our submission, please contact Dennis Reid, on 03 8416 2444 or dennis.reid@apa.com.au.

Regards

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