

26 September 2023

TO: AEMC GPO Box 2603, Sydney NSW 2001 c/https://www.aemc.gov.au/contact-us/lodge-submission

RE: Draft National Electricity Amendment (Enhancing community engagement in transmission building) Rule 2023

Dear AEMC representatives,

On behalf of Community Power Agency, we thank you for the opportunity to make a submission to the *Draft National Electricity Amendment (Enhancing community engagement in transmission building) Rule 2023.* We also attended the public forum held by AEMC, and met with Viashin Govender and Alisa Toomey (along with representatives from Sustainable Living Armidale's Renewable Energy Working Group) and appreciate these opportunities to have been able to engage in conversation, seek clarification and give feedback. Thank you.

Community Power Agency has been working over the past decade to improve practice of the renewables industry in a number of ways including authoring a number of State and industry guidelines and training, including:

- Clean Energy Council's *Guide to Benefit Sharing in Large-scale Renewable Energy Projects*
- Victorian Community Engagement and Benefit Sharing in Renewable Energy Development A Guide for Renewable Energy Developers
- Chairing the Social Evaluation Panel for ACT Government's Renewable Energy Auction
- Drafting the Tasmanian Guidelines for Community Engagement, Benefit Sharing and Local Procurement for large scale renewable energy development
- Designing and delivering the first professional development course on community engagement and benefit sharing. The *Socially Responsible Renewable Energy Development* short course was delivered with the Centre for Systems Innovation (Griffith University) and tailored to the renewable energy sector.

Community Power Agency is currently working to support local communities through the shift to clean energy, particularly in state-determined Renewable Energy Zones. We have practical, contemporary experience of engagement on the planning and management of transmission lines and associated infrastructure, as well as the research we have undertaken.

Our submission to the Draft Rule Change is in support. However, we have several key suggestions for amendments to improve the clarity and inclusiveness of the proposed new rule, and to shift the needle beyond the limited, historically one-sided engagement practices of transmission companies.

Before addressing the rule specifically, it is essential to consider the first principles of engagement, and the foundational shift that this rule change requires to achieve its goal of 'enhancing community engagement in transmission building'.

Embedding a shift from the minimalistic 'inform' approach to engagement

The context for the Draft Rule change must be understood from the point of view of the Spectrum of Public Participation. In attempting to address shortcomings of the previous legislation, it is important that the rule goes above and beyond the 'inform and consult' end of the spectrum which has traditionally been the approach used by governments and proponents on infrastructure projects.

The rule change needs to come from an expectation that communities will be '**involved**' **at minimum** in the planning of transmission line infrastructure; that is: "to work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered" (IAP2 - see table below).

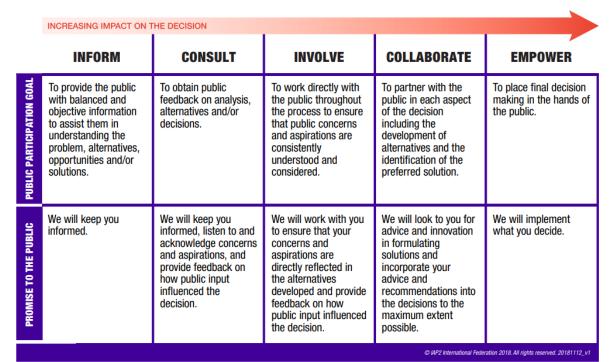
IAP2 Spectrum of Public Participation

IAP2's Spectrum of Public Participation was designed to assist with the selection of the level of participation that defines the public's role in any public participation process. The Spectrum is used internationally, and it is found in public participation plans around the world.

Source: International	Association of Pub	lic Particination	https://jap2.org.au/

To **involve** means to move beyond providing basic project information in a timely manner. The rule will need to reflect this, if it is to meet community expectations and achieve desired outcomes for streamlining and improving planning processes.

Community involvement must be written into the engagement process. Proponents must clearly communicate the range of opportunities in which local stakeholders can participate in a way that influences decision-making processes. Participation and input from the wider community must be encouraged and facilitated early in the planning process, and continue throughout construction and into operation. Only then, is it anything more than a box ticking exercise.







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Included in *Enhancing Positive Social Outcomes from Wind Farm Development: Evaluating community engagement and benefit-sharing in Australia (Climate Energy Council, Hicks and Lane 2018),* is a reference to a risk analysis by one wind company which had calculated the cost of poor community engagement, "which was estimated at around \$3.5m and carried the potential to delay the project by at least 36 months."

Engagement opportunities must be designed to be inclusive, and accommodate the different access needs of different stakeholders (eg location, format, day/time). There ought to be mechanisms by which community members can provide feedback throughout the planning, construction and management process which include genuine listening and response. Parts of the process, such as designing a community benefit program, are best to move beyond involvement and to the 'collaborate' and 'empower' ends of the spectrum.

Proponents ought to seek the knowledge of people who live and work in the area, because they have information and understanding that can optimise a project's design and rollout, as well as the motivation to reduce delays and additional costs.

In the New England Renewable Energy Zone, for example, local stakeholders have formed working groups on topics such as biodiversity and housing, for example, as a means in which they can contribute their knowledge to the planning process. But, in absence of an engagement framework which welcomes and values community input, the groups are needing to play an advocacy role and work to define opportunities in which their recommendations and understanding of local ecological systems and housing environment can be successfully integrated.

Communities require a coordinated approach to training, workforce capability building, procurement and accommodation strategies that is supportive of people of low socio-economic background and facilitates economic opportunity across the region. It is imperative that community engagement processes are designed to view local stakeholders as valuable contributors, and recognise the work that locally-based organisations are already undertaking.

A practical example in NSW would be the funds raised from REZ access fees that EnergyCo will be managing under the themes of workforce, accommodation and community benefit. The management of these funds must include robust engagement and a co-designed governance process that ensures these funds are best allocated where needed, and provide long term community benefit.

Response to proposed rule change

Feedback on [5] 5.15.1 Interested Parties

(b) For the purpose of the regulatory investment test for transmission for an actionable ISP project, an interested party includes stakeholders who are reasonably expected to be affected by or have a contribution to make to the development of the actionable ISP project (including local landowners, local council, local community members and traditional owners).

This definition ought to be broadened to capture members of the community who may have significant local knowledge of an area but who may not be identified as being 'reasonably affected'. These are people whose knowledge can improve the outcomes of an ISP project and who, by being involved in consultation, is able to input into a process in such a manner as to avoid impacts for themselves and others. An example of alternative wording would be (see coloured insertion below).



(b) For the purpose of the regulatory investment test for transmission for an actionable ISP project, an interested party includes stakeholders who are reasonably expected to be affected by or have a contribution to make to the development of the actionable ISP project (including local landowners, local council, local community members and traditional owners).

By doing so, it would recognise the two-way nature of communications and information sharing and the project improvements that can arise from stakeholder involvement beyond social relationships and licence, which are already recognised as essential to any ISP project.

Feedback on 5.10.2

The draft wording is as follows:

community engagement expectations in relation to actionable ISP projects, future ISP projects, or projects within a REZ stage (as applicable), means using reasonable endeavours to ensure that:

(a) stakeholders receive information that is clear, accurate, relevant, timely and explains the rationale for the relevant project;

(b) engagement materials and methods of communication are tailored to meet the needs of different stakeholders;

(c) the stakeholders' role in the engagement process is clearly explained, including how their input will be taken into account;

(d) stakeholders have sufficient opportunity to consider and respond to the information they receive;

(e) stakeholder feedback, including potential ways to deliver community benefits, are considered;

(f) stakeholders are informed about how stakeholder feedback has been taken into account in decision-making; and

(g) stakeholders are provided the opportunity to be regularly involved throughout the actionable ISP projects, future ISP projects and REZ stages (as applicable).

In its current form, points (a) - (g) would not adequately meet engagement expectations, nor be sufficient to provide opportunity to identify potential issues or solutions early.

Some suggestions for a rewrite are as follows:

community engagement expectations in relation to actionable ISP projects, future ISP projects, or projects within a REZ stage (as applicable), means using reasonable endeavours to ensure that:

(a) stakeholders are provided with a range of opportunities to be involved in the engagement process

(a) stakeholders receive information that is clear, accurate, relevant, timely and explains the rationale for the relevant project;

(b) engagement materials, methods of communication and participatory processes are tailored to meet the needs of different stakeholders;

(c) the stakeholders' role in the engagement process is clearly explained, including how their input will contribute to decision-making processes;

(d) stakeholders have sufficient opportunity to consider and respond to the information they receive;

(e) community benefits are designed in collaboration with stakeholders

(f) stakeholders are informed about how stakeholder feedback has been taken into account in decision-making; and (comment: too passive, omit)

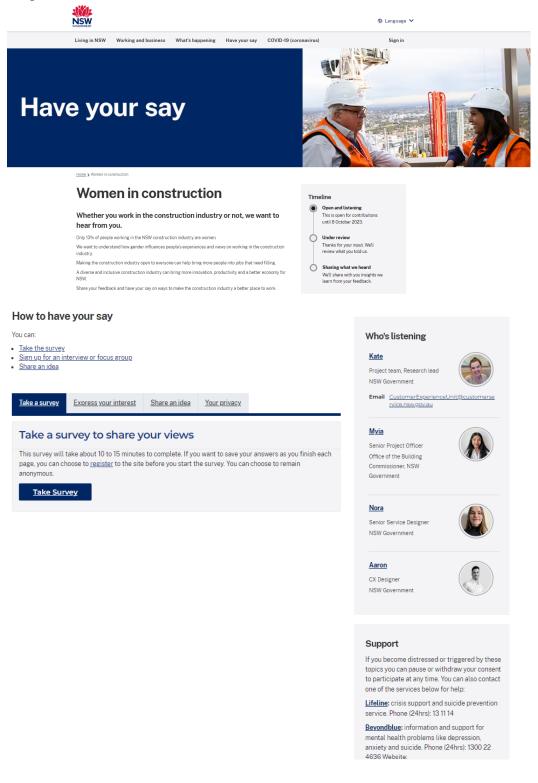


(g) stakeholders are provided the opportunity to be regularly involved throughout the actionable ISP projects, future ISP projects and REZ stages (as applicable) comment: content in parentheses is too open to misinterpretation - omit

Example of engagement process that emphasises the value of stakeholder contributions

Reference: https://www.haveyoursay.nsw.gov.au/women-in-construction

In conclusion, it might be useful to include an example of an engagement process that is clearly designed to 'involve' stakeholders.





In this example, there are several options provided for participation:

- Take the survey
- sign up for an interview or focus group
- share an idea

The project team is introduced, there's an indicative time frame for the process, and there is up-front acknowledgement of the importance of the stakeholder's contribution. Support numbers are provided in recognition of the fact that giving feedback into a process can bring up challenging feelings.

It's not hard to imagine a transmission company setting up a process that is stakeholder-centred such as this, but it's often not the case here in Australia, up to this point.

In Europe, the Renewable Grids Initiative (RGI) has a focus on people and nature being involved in the planning, construction and management of transmission line infrastructure. RGI offers many examples of collaborative engagement processes: <u>https://renewables-grid.eu/</u>

We look forward to seeing the shift to genuine engagement from transmission infrastructure proponents that truly values and understands the importance of community participation.

Sincerely, Heidi McElnea on behalf of Community Power Agency