

ENHANCING COMMUNITY ENGAGEMENT IN TRANSMISSION BUILDING

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The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, building materials and food processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

The EUAA is supportive of the AEMC rule change to improve engagement in relation to large transmission infrastructure. There are a number of elements that in our view should be used to assess success in this area and should be part of the implementation plan to achieve a better outcome in communities.

Context

Delivering the energy transition is an enormous and complex project. It requires many moving parts in the energy system to adapt and in many cases, infrastructure to be completely rebuilt. These changes will impact many hundreds of thousands of people via visual impacts, physical changes to their community and the need to change the way their use energy and live their lives. This is especially so for those who will be hosting the energy infrastructure of the future. These impacts create stress. Effective community engagement builds respect between parties aiming to create empowerment in communities and to all them to influence or have some decision-making abilities.

It is clearly evident where community engagement has not gone well as projects come to a standstill due to community opposition. We have said many times that while the regulatory process may slow you down, social license can stop you dead in your tracks. If we are to reach Net Zero in the most efficient and cost-effective manner, working with communities effectively will be critical. However, effective engagement requires some key ingredients, one of the biggest being time. Trying to rush community engagement, or create perceived short cuts, creates distrust and other unintended consequences including deep divides in communities that often end up costing more in the long run.

An unfortunate reality is that we are in a race to reach government renewable energy targets by 2030 - just seven years away. There is a lot to be done in a short amount of time. Conversely, you need time to build relationships in order to conduct quality community engagement. Both outcomes seem to be at odds with one another. The EUAA's view is that if we fail to bring the community along as we transition to Net Zero, the transition risks being lost completely.

What makes engagement effective?

Building respectful relationships with communities to ensure effective community engagement is critical.

Fortunately, there is much research along with various guides providing advice for community engagement in large energy infrastructure like wind energy, which can provide a good starting point for developing positive outcomes in transmission infrastructure projects.

In 2018, Clean Energy Council ¹ members funded a research project reviewing documents around this subject to better understand what would be required to achieve a 20% Renewable Energy Target. Broad recommendations are summarised at the beginning of the report including key points relating to community engagement that included:

- Invest in staff
- provide community engagement training to staff
- clarify and seek approval for aspects available for community input and negotiation

These and other recommendations equally apply to other large transmission infrastructure projects and may be useful to review as part of transmission infrastructure community engagement planning.

Other points for consideration in community engagement programs for transmission projects are:

- Effective engagement requires skilled professions to be involved but is most effective when the approach it is embedded into organisations from the top down. They should be in house. And, as with safety, when positive community engagement is considered a critical business fundamental and imbedded throughout an organisation with KPIs for senior executives, you get more focused and better outcomes for both the business and community.
- Front facing staff engaging with communities should be empowered with a toolkit so that they can respond to concerns and make decisions. Without this approach, communities quickly feel that they are wasting their time talking to front facing staff which undermines the organisation's efforts.
- IAP2 guide is considered a best practise guide ² with engagement moving from low value 'inform' to high value 'collaborate' or more. Effective community engagement programs should look for ways to move along the matrix to create higher value engagement opportunities.

¹ <https://www.cleanenergycouncil.org.au/advocacy-initiatives/community-engagement/enhancing-positive-social-outcomes>

² <https://iap2.org.au/resources/spectrum/>

The Energy Charter has also recently published a guide, The Better Practise Social Licence Guide³, to aid in more meaningful engagement and better outcomes in communities hosting large transmission infrastructure backed up by research findings.

We would also highlight that there are positive signs with some good examples of transmission planning.

The EUAA has been involved in Queensland with the process underway there. We have been impressed with the approach taken and supportive of some key initiatives as outlined in our recent submission⁴ that included the following:

- There needs to be a significant expansion in the level of engagement with local communities as early as possible in the planning process; in particular local communities need to have trust that both the Government and Powerlink will listen and respond to their concerns before any discussion of particular routes
- Regional benefits sharing is crucial; we would highlight the need for co-ordination between Powerlink and Energy Queensland – local support is compromised where landowners who are asked to host large transmission towers on their land have their local supply through an unreliable SWER line
- It is not just a matter of local businesses and workforces having opportunities to be involved in the energy transformation, it is also a matter of those local communities having the skills available to meet local needs; it might be great that local electricians are working on building new network or generation infrastructure but the local community still needs electricians for local work
- That is why skills development is crucial; it takes time to develop these so it is good to see the various Government initiatives aimed at improving skills availability; we need to be aware of the risk that demand for local skills drives up their cost which locals then have to pay during the infrastructure build and perhaps after it has been completed
- There is a delicate balance between renewable development and the preservation of Queensland's environment and we are pleased to see the Government's recent announcement of a review the Wind Farm Code and its focus on environmental impacts
- Employment and business opportunities for First Nations peoples have to be front and centre, as well as sensitivity to their concerns about infrastructure location.

Every community across Australia will have to make some sacrifices in the transition to net zero. We have already had a rise in energy prices and seen the impact on inflation. Regional communities will need to be willing to host new, large, and sometimes intrusive infrastructure to enable the transition to Net Zero, often without seeing any immediate benefits.

If we ignore the need to bring the community along by engaging appropriately and effectively, enabling them to feel proud of the part they are playing and valued in the energy transition by enabling them to make some decisions and therefore have some control, we risk the entire transition. This is in no one's best interests.

³ https://www.theenergycharter.com.au/wp-content/uploads/2023/05/The-Energy-Charter_Better-Practice-Social-Licence_2023_GUIDELINE.pdf

⁴ <https://euaa.com.au/euaa-submission-qejp-regional-energy-transformation-partnership-framework-and-the-renewable-energy-zone-rez-roadmap/>

We would also add that we have observed a lack of coordination between energy market participants on social license. A greater degree of coordination between developers and transmission businesses where knowledge and key learnings are shared, and good practice normalised along the entire value chain would be of significant benefit. This will become increasingly important as the cumulative impacts of a highly dispersed energy system will create new issues and challenges that must be overcome.

Much is made of a regulatory process slowing down projects. This isn't the problem. It's ineffective community engagement that is stopping projects in its tracks and needs to be addressed.

The AEMC rule change should be supported and we need community engagement to be a priority in large infrastructure.

Do not hesitate to be in contact should you have any questions.



Andrew Richards
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