

Senate Budget Estimates

25 May 2021 – Andrew Dyer

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 report and other documents that may be helpful are available on the Commissioner's website: www.nwfc.gov.au

I have tabled my Opening Statement to the Committee and hopefully by now you will have received a copy of this Statement.

By way of background, I commenced in the role as the National Wind Farm Commissioner in November 2015, for an initial three-year term. The role is independent and has no formal powers. Our office space, staff and IT infrastructure are provided by the Department of Industry, Science, Energy & Resources. Financial administration for the Office, including budget and expenses, is managed by the Department and is reflected in the Department's budget and annual report.

Following a comprehensive review of the Commissioner's role in 2018 by the Climate Change Authority (CCA), the government accepted the review's recommendations. As a result, the government renewed the Commissioner's role for a further three years, from 1 November 2018 until 31 October 2021. The Commissioner's terms of reference were also expanded to include large-scale solar and energy storage projects, consistent with the CCA's recommendations.

On 26 March 2021, the Minister for Energy and Emissions Reduction announced the further expansion of the Commissioner's role to include new large-scale transmission projects, along with a change of the role's title – to be now known as the *Australian Energy Infrastructure Commissioner*.

In the recent May 2021 budget, the government announced funding for the continuation of the role for an additional four years from 1 November 2021.

The responsibilities of the further expanded role currently include:

- facilitating the handling of complaints from concerned community residents about proposed and operating wind farms, large-scale solar farms, energy storage facilities and new, large-scale transmission projects
- identifying and promoting the adoption of best practices for industry, government, related agencies and other stakeholders – with regard to the planning, operation and governance of such projects, and
- improving information transparency about the industry – including information about proposed and operating projects and other information we may deem relevant to the public interest.

Complaint handling

From the Office's inception, in November 2015, through to 20 May 2021, the Office has received a total of 577 complaints, comprising:

- 83 matters relating to 19 operating wind farms
- 384 matters relating to 64 proposed wind farms
- nine matters relating to two proposed transmission projects
- six matters relating to five proposed solar farms, and
- 95 matters that did not specify a particular project or development.

Of the total of 577 complaints received by the Office, 555 complaints have now been closed and the remaining 22 complaint matters are at various stages of the complaint handling process.

During calendar year 2020, the Office received 163 new complaints, which is the highest total number of complaints per year since the inception of the Office.

Further detail and analysis on complaints received by the Office is contained in our 2019 Annual Report to the Federal Parliament, which is available on our website. The 2020 Annual Report has been submitted to the Department and the Minister and will be tabled in due course.

In addition to providing information about complaints and complaint handling and other achievements, our Annual Reports contain a comprehensive set of observations and recommendations for consideration by government, industry and other stakeholders – which has become a widely used and referred to resource across the country, with many of our recommendations now having been adopted and implemented.

Activities of Note

Our previous Statement to the Committee, in October 2020, provided a comprehensive overview on then current and recent activities related to wind and solar projects. I have enclosed that Statement for reference, particularly for any new Committee members who may wish to review.

For this Statement, I thought it would be helpful to make some comments on our initial plans, activities and observations regarding large-scale transmission projects.

Our initial focus will be to assist and engage with the following major large-scale proposed transmission projects:

- Western Victoria Transmission Network Project
- VNI West Project (VIC/NSW)
- HumeLink Project (NSW)
- EnergyConnect Project (SA/NSW)
- Marinus Project (TAS/VIC).

To date, we have received detailed briefings on the Western Victoria, HumeLink and Marinus projects and will be seeking briefings on the remaining two projects in the coming weeks.

In order to be able to help resolve community concerns effectively, we expect to have a high level of engagement with the project proponents and stakeholders.

It should be noted that it is several decades since transmission projects of this scale and magnitude have been accomplished – therefore industry will likely have a steep learning curve to regain and retain the appropriate skills and expertise, particularly in community and landholder engagement.

As an example, our engagement with the Western Victoria Transmission Network Project (WVTNP), a project that is already facing wide-spread, organised community opposition on many fronts, will include:

- Monthly reviews with the project team executive
- Monthly reviews with the project's executive sponsors
- Membership of the project's Industry and Government Stakeholder Reference Group
- Regular meetings/discussions with leadership of peak community groups/committees, including site visits to properties along the route
- Meetings with other key stakeholders, including AEMO, AER, AEMC, CEFC, State Government, Local Councils and relevant state-based agencies, such as EnergySafe Victoria, the Essential Services Commission and the Energy and Water Ombudsman, Victoria.

Examples of systemic issues that we have identified and commenced assisting with at the WVTNP – many arising from complaints and correspondence we have received, as well as matters arising from stakeholder discussions – include:

- Clarifying the purpose of the project and the problem(s) it is intended to solve

- Design implications and technology selection relative to the purpose
- Leadership and ownership of the project's outcomes and business case
- Overall project governance, including governance of community/landholder engagement programs
- Confusion regarding potential impacts as a result of perceived farming practices not allowed in powerline easements through agricultural property
- Need for clearer planning guidelines and guidance, such as minimum setback distances from houses, boundaries and roads
- Effectiveness, or otherwise, of current community/landholder engagement programs
- Diversity of opposition groups along the length of the proposed transmission line, from suburban home owners to specialist farmers
- Unintended consequences of the multi-corridor approach to selecting a final proposed powerline route
- Compensation arrangements for landholders
- Concerns related to increased bushfire risk and decreased fire-fighting capability
- Impacts to visual amenity
- Loss of property value
- Loss of prime productive agricultural land
- Gaining social licence and community support, particularly as it has been around 40 years since this scale of transmission projects have been proposed to be implemented.

Our approach to engaging with the WVTNP and its stakeholders has been welcomed by many and may well be a model for us to follow as we step-up engagement with the other major transmission projects.

Solar & Wind Matters

While we have focused our recent attentions to establishing new relationships and approaches to address the large-scale transmission sector, we continue to make steady progress with reforms and continuous improvements in the renewable generation sector.

As an example, it is pleasing to note that the Victorian Government has recently adopted changes that are consistent with our recommendations, including:

- removal of inconsistent overlapping legislation regarding wind turbine noise emissions by removing wind turbine noise from the nuisance provisions in the *Public Health & Wellbeing Act (Vic 2008)*
- moving the responsibility for wind farm noise regulation and compliance from local councils to the Environment Protection Agency
- introducing additional wind turbine setback distances to now include distances from public roads and property boundaries.

We have also experienced an increase in complaints to our Office from landholders with concerns about commercial agreements with solar and/or wind farm proponents for access to their land. Some of the agreements we have reviewed, usually prepared by the proponent or their lawyers, have material terms that could be viewed as unfair.

Our Office continues to pursue increasing awareness of this material systemic issue and recommends that landholders obtain sound legal, financial and insurance advice before entering into any type of agreement with a proponent.

Last week, I presented on this topic at the “Renewables in Agriculture” conference on Dubbo to a large audience of landholders, and I was also interviewed on ABC Radio’s NSW Country Hour to help shine the light on the importance of proper review of agreements – before they are signed.

We are also pursuing the concept of having a standard agreement template that reflects best and fair practices.

Closing Remarks

Regarding COVID-19 impacts, I am pleased to advise that our small team has returned to our Melbourne office. We have also re-commenced undertaking interstate travel to conduct necessary site visits and stakeholder meetings.

There is a body of work still to complete related to the change in title to the *Australian Energy Infrastructure Commissioner* (from the *National Wind Farm Commissioner*), including changing our website url and email address. I am advised that these tasks will be completed in the coming weeks. Until then, we will need to utilise existing arrangements.

We continue to receive outstanding support and advice from the Department – our role would not be possible without the Department’s ongoing assistance and depth of skills.

Finally, our dedicated, three-person team continues their tireless efforts to support me and serve the Australian community on a daily basis – from handling new and ongoing complaints, responding to a wide variety of enquiries, through to engaging with the myriad of stakeholders and respondents to ensure we have the relationships in place to be effective.

I thank the Committee for their ongoing interest in our work and will now hand back to the Chair for any questions the Committee may have.