



# Australian Government

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## Australian Energy Infrastructure Commissioner

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24 June 2025

Alistair Parker  
Chief Executive Officer  
VicGrid  
Draft 2025 Victorian Transmission Plan

Dear Mr Parker,

**Re: Draft 2025 Victorian Transmission Plan**

Thank you for the opportunity to provide feedback on the Draft 2025 Victorian Transmission Plan. The Australian Energy Infrastructure Commissioner (AEIC) is an independent non-statutory role appointed by the Australian Government and supported by the Office of the AEIC.

We work collaboratively with all levels of government, industry, landholders, and community members to address local and systemic concerns, improve ongoing community engagement, and promote transparency and best practices across the life cycle of renewables infrastructure and related projects. In simplest terms, the fundamental purpose of the AEIC is to help make the energy shift smoother and fairer.

Our responsibilities include:

- Resolving enquiries and complaints from community members regarding proposed and operational renewable energy projects (wind, solar and energy storage facilities), and new large-scale transmission projects.
- Promoting transparency and best practice engagement and information sharing about renewables, including for First Nations engagement.
- Leading and collaborating in implementing the recommendations of the Community Engagement Review (2023).

Through our work we are well placed to provide insights into broader community concerns and sentiments on the Draft 2025 Victorian Transmission Plan (draft VTP), as well as broader trends and observations related to the opportunities and challenges associated with Victoria's shift to renewable energy. Promoting best practice engagement and addressing community concerns are central to ensuring social licence and long-term project and sector success.

We are independent from government and industry, and we seek to maintain and build a capacity for trusted and useful information on initiatives that can ensure the energy transition is as efficient, equitable and transparent as possible. We offer the following general comments below for your consideration.

The AEIC recognises that the draft VTP is not a final position. There has been a lot of discussion about the need for a plan and what it should contain. It is pleasing to see this draft released for comment so

that more specific conversations can be had, also recognising that further opportunities will be presented for consultation during the REZ declaration process. It is our view that VicGrid are genuinely seeking input to the plan and we recognise the challenge in getting input from a wide range of stakeholders on a complex issue. We have encouraged community members who have views, concerns or comments, both positive and negative feedback, to provide it.

### **General comments and importance of transparent information**

The Draft VTP represents a significant body of work being undertaken by VicGrid to ensure Victoria's electricity system receives adequate planning as existing coal-fired generators are retired and the share of renewable energy rapidly increases. It is encouraging to see that VicGrid has been responsive to existing community concerns around land use and impacts associated with renewable energy development in setting out their draft proposed renewable energy zones (REZs). We recognise that the draft VTP provides useful information for communities and other stakeholders about these changes such as indicative generation capacity, timeframes, and land use requirements which will assist these groups better understand the processes being undertaken.

That being said, there is a significant amount of information in the draft VTP for communities to digest and understand. In response to renewable energy projects more broadly, our Office has received a significant number of complaints and enquiries from community members voicing their concerns and frustrations about limited timeframes to respond during stakeholder feedback processes. This is particularly so when compared to the timeframes and resources received by governments and developers. The 2023 Community Engagement Review also identified that community members in host communities are experiencing consultation fatigue in what are lengthy processes, often exacerbated by project delays due to planning frameworks. It is important to recognise that these processes can lead to significant anxiety and stress for landholders and community members while also balancing the need to provide stakeholders with timely and transparent information. It is our view that the imbalance in relation to understanding and capacity should be considered and appropriate measures put in place to assist community members to provide detailed input to help achieve improved engagement and outcomes.

### **The importance of recognising cumulative impacts**

The issue of cumulative impacts has become an increasingly prevalent concern raised by community members and landholders with our Office, particularly in relation to the high concentration of projects inside REZs. These impacts – during the feasibility, planning, construction and operation phases of both new generation and transmission projects – need to be adequately and effectively anticipated, assessed, and managed to ensure the renewables industry has a social licence to operate in these communities.

To date, feedback we have received from communities across Australia suggest that the cumulative impact of REZs are not being adequately taken into account by developers or relevant authorities. To address these concerns, there must first be a recognition of the limitations in undertaking a cumulative impact assessment at the project level, noting the difficulties and potential for conflicts of interest to arise when undertaken by individual proponents. Instead, independent appraisal is essential, and impacts must be understood (and proactively coordinated) at a regional level.

It is encouraging to learn that the size and location of the seven draft proposed REZs have been refined by explicitly taking into consideration community concerns about cumulative impacts. Notwithstanding these positive steps, the proposed REZs identified in the draft VTP will likely raise further concerns among host communities about potential social, economic, and environmental cumulative impacts. Therefore, we believe that the issue of cumulative impacts should remain front of mind when VicGrid is developing the final VTP in order to minimise adverse impacts associated with renewable energy development within concentrated geographical areas.

### **Clarity of land requirements and Plan implementation**

We are pleased to see that the draft VTP has clarified the likely land use requirements for the draft proposed REZs. Poor site selection is a central factor leading to community opposition, which can in turn cause lengthy delays in the development of projects. Community engagement will be crucial in identifying inappropriate areas and preferred locations. It is encouraging that the siting and size of the draft proposed REZs have been influenced by feedback from communities and other stakeholders. The draft VTP's prioritisation of upgrading existing transmission infrastructure also appears to be an attempt to minimise overall impacts for communities, recognising that some new transmission easements will still be required.

As the VTP is refined and implemented, VicGrid will need to ensure that host communities receive accessible and transparent information about changes to their local communities. This will also entail clearly communicating to communities the implications for project developments both inside and outside of REZs. For example, will an existing proposal outside a draft proposed REZ be able to progress through the planning process if it does not meet the criteria outlined in the Grid Impact Assessments? Information like this should be clarified as clearly and as soon as possible.

### **Nurture a 'Regional Enrichment Zones' approach**

The AEIC is generally supportive of REZs. But we also acknowledge that they need to be well planned and implemented to deliver both localised and regional benefits. Community awareness and understanding together with input to proposed REZ locations at this early stage is crucial. It is our view there is not enough understanding of what a REZ is and how they will operate and more importantly what they will mean for a community. There is a feeling in the community that the REZ could mean the Zones will become saturated with renewable energy infrastructure and that is the only location renewable energy infrastructure can be developed. The worst case scenario risk with this approach is the Zones and the towns in them become renewable energy ghost zones focussed specifically on renewable energy at the expense of the broader social and economic growth that might well be forthcoming as a result of a REZ. The AEIC will continue to have a role in assisting community with project specific complaints, whether within a REZ or not.

The development of the VTP provides an opportunity to assess how host communities in Victoria can benefit from more coordinated planning, economic development and, when suitable, aggregated community benefit sharing arrangements. If well planned and executed, a REZ-wide Community Benefit Plan can deliver greater benefits to communities fairly, transparently, and at scale. Rather than viewing REZs simply as 'renewable energy zones', we should be focussing equally on how can we align the REZ initiatives to simultaneously become REZ's that result in 'regional enrichment zones'. The regional enrichment zones would mean the regions and towns are places where the social and

environmental amenity is aligned with the renewable energy and economic amenity. It is our view this should not be an unachievable aspiration. We look forward to working with VicGrid to make this happen.

**Further information**

Thank you again for the opportunity to provide some comments regarding the Draft 2025 Victorian Transmission Plan. I consent to any publication of this submission and may make a copy available through our website at [aeic.gov.au](http://aeic.gov.au).

If you have any further questions or wish to discuss this submission, please do not hesitate to contact us via email at [aeic@aeic.gov.au](mailto:aeic@aeic.gov.au) or on 1800 656 395.

Yours sincerely,

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AUSTRALIAN ENERGY INFRASTRUCTURE COMMISSIONER