

Mr Richard Owens Review Lead Independent Transmission Planning Review Farrier Swier Consulting

By email: transmissionplanningreview@dcceew.nsw.gov.au

Dear Mr Owens

Transmission Planning Review

Thank you for the opportunity to comment on this consultation paper.

The Energy & Water Ombudsman NSW (EWON) is an industry-based external dispute resolution scheme. We investigate and resolve complaints from customers of electricity and gas providers in NSW, and some water providers. In December 2024, EWON's jurisdiction was expanded to include new transmission infrastructure and Renewable Energy Zone (REZ) development, and we have recently begun working with the NSW Government to expand jurisdiction further to include renewable energy generation and storage infrastructure.

We have provided an overview of our expanded jurisdiction, including our complaints process and responded to the draft assessment criteria that align with the issues landholders and community members have raised with EWON.

If you would like to discuss this matter further, please contact Stephanie Saill, Head of Energy Transition, by email to <u>stephanies@ewon.com.au</u> or phone (02) 8218 5257.

Yours sincerely

Janine Young Ombudsman Energy & Water Ombudsman NSW



Policy Submission

Background of EWON

EWON was founded in 1998 as an industry-based Ombudsman scheme to independently resolve complaints about our members. We have strong relationships in the energy sector and work with government and regulators to inform them about industry trends and issues identified through our complaint handling and community outreach program.

Since our establishment in 1998, EWON has evolved in accordance with industry and regulatory changes that have shaped the current energy landscape, taking in residential parks, embedded network operators and last year renewable energy infrastructure. Our history and in-depth knowledge, combined with our customer complaints data and insights provides us with a unique perspective on the energy industry.

We are an independent not-for-profit organisation. Electricity retailers and network operators including transmission developers and operators, both traditional (Transgrid) and new (ACEREZ), are required to become members of EWON under the Electricity Supply Act 1995 or via their licence. Our funding is derived from membership fees that comprise a fixed fee and a variable fee based on how many complaints we receive about that member. With respect to EWON's renewable energy infrastructure jurisdiction, the NSW Government granted EWON \$1.3 million for FY25 and FY26 to establish that jurisdiction. At the end of this period, funding for this jurisdiction will be provided by entities developing and operating renewable energy infrastructure as members of EWON.

EWON complies with the Commonwealth Government <u>Benchmarks for Industry-based Customer</u> <u>Dispute Resolution | Treasury.gov.au</u> which are:

- Accessibility
- Independence
- Fairness
- Accountability
- Efficiency
- Effectiveness.

EWON's expanded jurisdiction-Renewable Energy Infrastructure

In July 2024 EWON received a \$1.3million grant from the NSW Government to establish an EWON renewable energy infrastructure function across FY25 and FY26. This was following the Australian Energy Infrastructure Commissioner's recommendation for establishment of a Renewable Energy Infrastructure Ombudsman, and the March 2024 meeting of the Energy and Climate Change Ministerial Council where it was agreed this would be taken forward by each state¹.

The new function is being rolled out in two phases; from December 2024 we began taking complaints about transmission infrastructure, and in February 2025 with NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) we began co-designing how to bring in renewable energy generation and storage infrastructure.

¹ For reference- Joint Energy and Water Ombudsman submission to the <u>Australian Energy Infrastructure</u> <u>Commissioner - Community Engagement Review</u>

Specifically, this jurisdiction covers:

- 1. New transmission infrastructure related to the Renewable Energy Zones (REZ).²
- 2. Community engagement practices of members in relation to the REZ or transmission planning, development and operation.
- 3. The Strategic Benefits Payment scheme.

Through expanding our jurisdiction into renewable energy infrastructure, we are providing independent advice and assistance to community members including:

- Providing a free, fair and independent "one-stop shop" for people who have concerns about new projects and simply want to understand where to go and what they can do about having those concerns addressed / responded to.
- Heading off complaints before they become entrenched disputes.
- Improving community knowledge about the frameworks regulating renewable energy infrastructure and dispute-resolution avenues.
- Improving transparency and building public trust in the renewable energy infrastructure industry.

Key deliverables of this work include:

- Dispute resolution through establishment of customised complaints management processes.
- Developing membership categories and fixed and variable fee structures for new members.
- Working with new members to build and improve their internal complaint handling capability and capacity.
- Community engagement to educate / inform landholders and community members.
- Developing internal and external resources and training.
- Establishing a Renewable Energy Infrastructure Advisory Group, made up of new members, government, industry and other stakeholders.
- Systemic issues identification, advice and reporting to members, government and regulators.

Complaints process

EWON provides a free, fair and independent dispute resolution service to landholders and community members impacted by new renewable energy infrastructure projects. We are not a consumer or industry advocate. We achieve fair and reasonable outcomes for complaints, having regard to laws, codes and regulations, good industry practice and the individual circumstance of each complaint. Individual complaint outcomes do not set precedents, but they do inform good industry practice evolvement.

EWON cannot stop or delay transmission or renewable energy projects. Our role is to ensure the correct processes have been followed with respect to engagement with landholders and community members, information provision and to become a trusted voice for independent advice and

² Transgrid has been an EWON member since 1998, therefore EWON has jurisdiction to undertake dispute resolution and community engagement with respect to its current infrastructure and new infrastructure including HumeLink, VNI (in NSW) and Project Energy Connect.

information. Our work with Transgrid, EnergyCo, ACEREZ, government, regulators and future new members and stakeholders is focused on influencing improvements across the sector to build landholder and community trust and confidence in energy transition related projects. We will provide information about renewable energy infrastructure, including connecting landholder and community members with organisations responsible for addressing complaints outside of EWON's jurisdiction.

How we resolve complaints

Initially landholders and community members must contact the company they are complaining about to resolve their issue. We ask complainants for details of their complaint, what contact they have had with the company, its response to their complaint, and what the complainant is seeking to resolve their complaint.

Where the complainant has not already contacted the energy company, we discuss the complaint, ensuring we understand the issues and background to date. This enables us to provide information, including detailing the applicable guidelines, rules and regulations, industry practice and other information relevant to the complaint as well as information about the complainants' rights and responsibilities. This empowers the complainant to resolve the complaint directly with the company. We also inform them that if they are unable to resolve their complaint with the energy company, to re-contact EWON for complaint resolution.

Where complainants contact EWON following prior unsuccessful engagement with the energy company, including following prior EWON contact, we initiate a complaint investigation. This process involves:

- Requesting information from the company (e.g. consultation processes or project files).
- Requesting further information from the complainant (e.g. letters or receipts).
- Seeking independent expert advice (e.g. from an engineer or loss assessor) where appropriate.
- Analysis of requested advice and information to form a view of what is a fair and reasonable outcome and seeking conciliation or negotiation from both parties i.e. the complainant and the energy company to resolve the complaint.

All complaints are different, and the outcome will be based on our independent investigation of the information from the complainant and the company. We consider whether the company's resolution to the complaint was fair and reasonable or may find other resolution options are appropriate. We complete our investigations as quickly as possible and will contact the complainant at least once every two weeks to update them.

Where a conciliated or negotiated outcome cannot be agreed, the Ombudsman has the power to decide the outcome i.e. to determine a fair and reasonable outcome (financial limit is \$100,000) but could also include actions such as information provision, an apology, or a change in policy or process. Alternatively, the Ombudsman may find that the energy company has made a fair and reasonable offer to resolve the complaint. The decision is binding on the energy company if the complainant accepts the Ombudsman's decision.

Complaints about EnergyCo, ACEREZ and Transgrid include the actions of any contractors working on behalf of these companies. Complainants must be directly affected by the issue as a landholder or community member.

Promoting access to dispute resolution

All EWON members are responsible for promoting dispute resolution, including informing their customers broadly as well as individually at the time of lodging a complaint, of their right to access EWON for free, fair and independent advice and complaint investigation. Promoting Internal Dispute Resolution (IDR) and External Dispute Resolution (EDR) builds consumer confidence and trust in the energy sector. It demonstrates commitment to providing effective dispute resolution and is required to fulfil regulatory obligations, adherence with Standard Australia's Complaint Handling Guidelines and to meet best practice principles. Raising consumer awareness of ombudsman offices empowers individuals and demonstrates member commitment to consumer protections.

We have worked with new members, EnergyCo and ACEREZ, to encourage their promotion of their internal dispute resolution and EWON on their websites (mandatory) and via communication with community members including in newsletters, project updates, forums and community meetings.

While information about dispute resolution on websites and in policies and procedures is vital, it requires community members to go looking for it when they have a problem. The more impactful promotion comes from generating active consumer awareness of ombudsman, including direct referral, in times of need. In the absence of clear regulatory requirements with respect to IDR/EDR promotion for this sector of the energy industry we will continually work with transmission members to ensure active promotion of dispute resolution, including in key community engagement communication pieces and in direct communication with communities.

Transmission Planning Review Draft Assessment Criteria

The following assessment criteria from the consultation paper are relevant to EWON's experience and evidence base:

- 3. Improve outcomes for NSW electricity consumers and local communities. Do the NSW transmission planning arrangements:
 - foster local community support for investment in transmission network projects
 - facilitate effective consultation and engagement with affected stakeholders, including NSW electricity customers, local communities and Aboriginal and Torres Strait Islander people?
- 4. Provide clear and effective allocation and coordination of roles and responsibilities. Do the NSW transmission planning arrangements:
 - provide clarity in the respective roles, responsibilities and objectives of the various bodies undertaking transmission planning and related functions
 - support clear, transparent and robust planning and decision making

Since EWON expanded our jurisdiction, we have received 11 complaints about new transmission infrastructure development. In these complaints, landholders and community members have raised the following complaint issues with us:

- Inadequate consultation practices.
- Dissatisfaction with transmission line placement.
- Lack of information and transparency about proposed works, for example maps and designs.
- Lack of consultation with neighbours.

- Lack of response to concerns raised, including, inadequate responses, failure to respond at times specified to community members and failure of an information phone line.
- Concerns about dust mitigation as a result of road improvements.

Additionally, during our community engagement activities we have heard that landholders and community members are often unsure who their complaint should be about, as EnergyCo and ACEREZ are so intertwined in the Central West Orana REZ development. Community members are also confused about who is who as they have heard from so many proponents of potential developments in their area. Part of our role to date has been to talk to community members about the developments in their area, the development process and the organisations involved at different stages. Interactions with community members during engagement has confirmed that little is known about EWON – and if we were not carrying out community engagement, perhaps that would not change.

From our limited experience to date, landholders and community members are telling us that from their perspective, consultation is focused on landholders whose properties will host infrastructure, and many neighbours who consider themselves affected landholders, are left out of the consultation. While they are not hosting transmission infrastructure on their property, they have told us they will have visual, noise and dust impacts and are already being impacted by traffic movements. These neighbours rightly expect engagement with the whole community, particularly in smaller close-knit communities.

Widening community consultation by EnergyCo, ACEREZ and Transgrid through taking a broader view of who are 'affected landholders' i.e. including both landholders hosting infrastructure and their direct neighbours, is a key issue being raised with us. Without this, trust in the energy sector and energy transition will most likely be undermined. For those community members we've met to date, it is clear that being included is critical.

Clearer public information and consistent benchmarks for consultation at a community level will also help network operators and government entities maintain support for these projects and build consumer trust.

As EWON continues our awareness raising activities and more transmission infrastructure projects are progressed, we will receive more complaints and enquiries. We will share insights from our interactions with the Review Team in future months.

We welcome the opportunity to be involved in the consultation process as it progresses.

Further information or enquiries about this submission should be directed to Stephanie Saill, Head of Energy Transition, on (02) 8218 5257.