

23 August 2024

VicGrid  
Level 37, 2 Lonsdale Street  
Melbourne VIC 3000

Via e-submission: <https://engage.vic.gov.au/victransmissionplan>

To whom it may concern,

## **Re. Draft Victorian Transmission Plan Guidelines**

The Victorian Greenhouse Alliances are formal partnerships of local government and statutory authorities working collaboratively to drive climate action for emissions reduction and community resilience across 70 of Victoria's 79 municipalities.

We know that for communities and ecosystems to be protected and to thrive, we must address climate change. A fast and fair transition to renewable energy is central to our climate response, and to support access to cleaner, affordable, and reliable energy for all Victorians. Accelerated development of new and upgraded transmission infrastructure is urgently needed to get more renewables into the grid if Victoria is to meet its renewable energy and emissions reduction targets.

On behalf of our members, we are pleased to provide this submission in response to the [Draft Victorian Transmission Plan Guidelines](#). Our submission focuses on how VicGrid can deepen its engagement with communities and First Peoples in the development and delivery of the 2025 Victorian Transmission Plan (VTP) and Renewable Energy Zones (REZs), including opportunities to strengthen partnerships with local government.

### **Recommendation 1: Ensure that protecting our natural environment and minimising land use conflicts are key principles underpinning all plans for energy transmission and generation in Victoria**

We echo the key themes emerging from VicGrid's Strategic Land Use Assessment, and prior consultation processes, that protecting Victoria's natural environment and ecosystems and minimising land use conflicts are critical factors to consider when choosing areas for renewable energy development. Adhering to these principles requires specific attention to high quality community engagement and the cumulative impacts of renewable energy projects, which we discuss in further detail throughout this submission.

### **Recommendation 2. Invest in locally led, place-based engagement initiatives to build social licence and the necessary foundations for a participatory and inclusive energy transition**

While we are pleased to see acknowledgement in the draft guidelines of the critical importance of community, First Nations, and industry engagement to the successful delivery of the VTP and associated REZ areas and legislation, it is not enough to simply invite feedback or make opportunities for participation available to communities over the next 12 months. We support the iterative process outlined in the draft guidelines to refine, propose, and declare REZs, with opportunities for engagement at each stage of this process. But the restrictive legislative timeframes for delivery of the first VTP by July 2025 are likely to impact the breadth and quality of engagement that can be achieved, and there remains a significant risk that rural and regional communities will be 'taken by surprise' when REZs are proposed and declared. The resource constraints and consultation burden on councils and communities must also be acknowledged and addressed to avoid further engagement fatigue and enable meaningful participation in the refinement of study areas.

Investment in sustained, locally led, place-based engagement initiatives is urgently required to build broad community awareness and social licence, and to establish a foundation for ongoing participation in the transition.



High quality community engagement will reduce the influence of groups opposing renewable projects on community sentiment by ensuring community members have access to locally relevant and reliable information on a sustained basis. This investment should occur prior to the announcement of proposed REZs.

There is concern that the timing of the release and consultation on study areas may result in candidates running for local council elections to oppose REZ developments. There is also concern about the consultation timeline with councils entering caretaker mode from mid-September.

The refinement process for study areas is already creating confusion and concern in some communities. For example, there is confusion as to why the study areas proposed by VicGrid do not align with the areas previously referred to as 'REZs' in reports released by AEMO. Although we understand that this is addressed within the Draft VTP Guidelines, because of previous reliance on AEMO 'maps' to explain the concept of a REZ to communities, confusion has emerged with the release of the VTP study areas. With such broad study areas proposed by VicGrid, community opposition is also emerging in areas that may not actually be impacted by development.

We recommended that the Victorian Government work with councils and community groups in priority study areas to establish local engagement mechanisms and initiatives that can help to coordinate community engagement and build local capacity and capability to participate in REZ planning and decisions on an ongoing basis. This could include:

- **Resourcing councils in priority study areas to support information sharing, coordinate engagement, and facilitate community participation in REZ planning processes.** In NSW, for example, EnergyCo has provided \$250,000 per annum for each council in the proposed New England REZ to help coordinate activities associated with the roll out of REZ and to proactively work with communities to plan for their future as part of the transition.
- **Establishing Local Energy Hubs in priority study areas.** These hubs could build on lessons from the Community Power Hub model previously in place in Victoria, and would support and complement the activities of VicGrid and renewable developers by bringing communities access to reliable information, support, and trusted local advice about the energy transition – from large scale projects through to household and business energy solutions – while also providing a forum for dialogue about opportunities for regions, including education, training, and benefit sharing. Critically, Local Energy Hubs, while based in REZs, could support energy equity outcomes across a region, ensuring that no rural and regional communities are left behind.

### **Recommendation 3. Strengthen cross-sector and inter-departmental coordination in the VTP development and delivery process to proactively address cumulative impact risks**

Cumulative impacts from renewable energy development and other growth industries in rural and regional Victoria, such as critical minerals, pose a significant risk to social licence for the energy transition. This includes potential impacts on housing, roads, water, biodiversity, local service, industry and workforces within potential REZs. Recent housing targets set by the Victorian Government and impacts on land use planning must also be taken into consideration.

A coordinated, cross-sector approach by key government agencies and developers is required in the development and delivery of the VTP to mitigate cumulative impact risks to communities and the environment. This should include further resourcing and support for councils in priority study areas to undertake preparedness studies in consultation with their communities, to proactively identify cumulative impact risks, and facilitate dialogue on solutions to deliver mutually beneficial outcomes for communities and developers.

Resourcing and support will also be needed for local mapping and assessment to compile existing data held by local governments and catchment management authorities, and to fill known gaps in publicly available data on places of significance, biodiversity, species conservation, and heritage value. This is critical to ensure that local knowledge is



captured in the refinement of study areas into candidate areas and proposed REZs. Given narrow timeframes, this could include bringing local ecologists, community environmental groups, and other environmental experts together in priority study areas for a series of workshops. This work could be jointly supported by VicGrid and Resources Victoria to inform both the VTP and the Critical Mineral Resources Roadmap for Victoria.

#### **Recommendation 4. Strengthen partnerships with rural and regional councils**

Local councils have a deep understanding of community interests, concerns and priorities for local development, including opportunities to address cumulative impact risks and to contribute to legacy outcomes. If appropriately resourced, councils can be a valuable partner in REZ planning and delivery.

For example, some Victorian councils have undertaken (or are in the process of) community consultation to develop preparedness studies and position statements on renewable energy. These documents outline local expectations and priorities for the energy transition and highlight opportunities for state government and developers to work with local councils and communities to achieve mutually beneficial outcomes. We recommend that VicGrid refer to these and other approved council policies, plans and strategies – including Economic Development, Climate Change and Sustainability, and Biodiversity Plans – as key inputs to the proposed multicriteria analysis that will be undertaken to narrow down study areas.

All Victorian councils will be working with their communities to develop new Council Plans in 2025, presenting an opportunity to engage communities on their vision for their future as part of a REZ. Resourcing and support for councils to undertake early engagement to feed into the final VTP and draft Council Plans would be timely and strategic.

#### **Recommendation 5. Broaden and fully resource First Nations engagement and on-Country planning**

We are pleased to note VicGrid’s commitment *“To enable First Peoples to be resourced with the capacity and capability to participate in REZ discussions and make decisions.”* On-Country planning with Traditional Owners is critical to cultural values mapping, study area and transmission route refinement, and exploring opportunities for First Nations-led renewable projects and benefit sharing. Government and industry must ensure there is adequate resourcing, time, commitment, and respect for on-Country planning processes. Multi-year funding is required for Traditional Owners in priority study areas to participate in consultations, obtain independent legal and other advice, and undertake planning and engagement within their communities.

In addition to establishing relationships with Registered Aboriginal Parties and the Victorian Aboriginal Heritage Council, we recommend that VicGrid engage and support Aboriginal Community Controlled Organisations (ACCOs) to facilitate information sharing and engagement with diverse First Nations communities across regional Victoria, including the development of culturally relevant resources, education, and training.

The consultation burden on First Peoples must also be recognised, and efforts made to ensure that the VTP builds on previous input by Traditional Owners, with reference to prior consultation and submissions, Recognition and Settlement Agreements, Country Plans, and adopted strategies that set out the vision, aspirations and rights of Traditional Owners and the obligations held by parties wishing to develop projects on Country.

#### **Recommendation 6. Leadership on upgrades to the distribution grid and access to affordable clean energy for rural and regional households and businesses**

Social licence issues in regional and rural Victoria are likely to persist where communities feel excluded from the benefits of affordable and reliable renewable energy, despite hosting major energy infrastructure projects. A perceived lack of leadership from government and network service providers on regional and rural energy issues has contributed to community opposition to large-scale transmission and generation projects in some areas.



A holistic focus on distribution grid reliability and access to affordable renewable energy for households and businesses in proposed REZ regions is needed alongside the VTP. Communities hosting large-scale transmission and generation projects are more likely to support this development when they themselves have access to affordable and reliable renewable energy and can see how projects are contributing to broader community benefits and regional renewal. While the draft REZ Community Benefits Plan does acknowledge the issue of energy reliability in regional areas, this is a fundamental problem that should be addressed urgently and as a state priority, and not through the use of community allocated funds.

**We welcome the opportunity to discuss any aspects of this submission in further detail.**

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| ○ Buloke Shire Council             | ○ Mildura Rural City Council    |
| ○ Central Goldfields Shire Council | ○ Mount Alexander Shire Council |
| ○ Gannawarra Shire Council         | ○ Pyrenees Shire Council        |
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| ○ Campaspe Shire Council          | ○ Wangaratta Rural City Council                  |
| ○ Greater Shepparton City Council | ○ Wodonga City Council                           |
| ○ Indigo Shire Council            | ○ Alpine Resorts Victoria                        |
| ○ Mansfield Shire Council         | ○ Goulburn Broken Catchment Management Authority |
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*This letter has been approved through the Greenhouse Alliances governance structures but may not have been formally considered by individual members. The submission does not necessarily represent the views of all members.*