

Better Practice Social Licence Guideline Review

AN INDEPENDENT REVIEW

June 2024

PRESENTED BY
PHILLIP GUTHRIE
NINE CREEKS CONSULTING

TABLE OF CONTENTS

| EXECUTIVE SUMMARY | 3 |
|--|----|
| BACKGROUND | 5 |
| METHODOLOGY | 7 |
| QUALITATIVE RESEARCH | 8 |
| COG interviews | 8 |
| Participating TNSP interviews | 10 |
| INDUSTRY COLLABORATOR 12-MONTH PROGRESS REPORTS | 12 |
| Chapter 1: Landholder relationships and services | 12 |
| 1.1 Community involvement in route planning | 12 |
| 1.2 Engagement and communication | 15 |
| 1.3 Tower placement and screening | 17 |
| 1.4 Access | 18 |
| 1.5 Compensation | 20 |
| 1.6 Safety education | 22 |
| Chapter 2: Management of on-farm activities and infrastructure | 24 |
| 2.1 Biosecurity | 24 |
| 2.2 Use of materials and management practices | 25 |
| 2.3 Farm infrastructure | 26 |
| Chapter 3: Community relationships and services | 28 |
| 3.1 Mental health services | 28 |
| 3.2 Community benefit sharing | 28 |
| 3.3 Community infrastructure | 30 |
| 3.4 Community economic development | 31 |
| DISCUSSION SUMMARY | 34 |
| The review process | 34 |
| Findings | 34 |
| Recommendations | 36 |
| APPENDIX ONE: PROGRESS AGAINST PRIORITY ACTIONS AND BETTER | 38 |

EXECUTIVE SUMMARY

The Energy Charter Better Practice Social Licence Guideline (the Social Licence Guideline) was developed by the Energy Charter in collaboration with six Transmission Network Service Providers (TNSPs) and a Community Outcomes Group (COG) comprising membership from state and national agricultural representative groups. The Social Licence Guideline was created to build a shared understanding of the impacts and benefits of hosting energy transmission infrastructure for agricultural landholders and provide practical guidance to mitigate negative impacts while prioritising shared value through the energy transition. Research from KPMG Australia informed the development of the Social Licence Guideline, which included 144 surveys and 18 in-depth interviews with landholders. This research identified 33 impact areas across farm operations, well-being, finances, and the environment. Twenty different Priority Actions and 17 Better Practice Opportunities were developed to address or mitigate these impacts.

As part of developing the Social Licence Guideline, TNSPs committed to participating in an annual Independent Review. The purpose of this Review is to assess participating TNSPs' progress towards implementing the Priority Actions and Better Practice Opportunities contained in the Social Licence Guideline and provide constructive feedback to support continuous improvement. Participating TNSPs submitted 12 Month Progress Reports to inform the review. Overall, the standard of reporting was high, although there was some variation in the completeness of reports and the level of supporting information provided.

Key findings

Participating TNSPs appear to have made notable progress in addressing the Priority Actions and Better Practice Opportunities outlined in the Social Licence Guideline. Most have actively incorporated better practices into their operations and, in some cases, into their organisational culture. Most noted strong internal support from senior leaders who they reported had actively advocated for and supported landholder and community engagement internally and externally. Many participating TNSPs believed that their involvement in developing the Social Licence Guideline, along with subsequent implementation efforts, had led to improvements in their engagement with landholders and communities. However, evidence of tangible impacts on the ground appears to be limited, which is not surprising given the short time since the publication of the Social Licence Guideline.

A close analysis of the 12-Month Progress Reports submitted by each participating TNSP indicates that while much has been achieved over the last year, much remains to be done. While the results vary among individual TNSPs, on average, more than half of the Priority Actions (12/21) and more than a third of the Better Practice Opportunities (8/22) have seen committed action or outcomes over the last year. Notably, progress was observed in several critical areas, land agent training, compensation for professional services, and other proactive efforts to address power imbalances between TNSPs and landholders.

While no single participating TNSP has completely fulfilled all Priority Actions or Better Practice Opportunities, together they have the essential systems, processes, and resources to come close. However, rather than collaborate, participating TNSPs appear to be operating in silos, potentially leading to missed opportunities and increased costs.

The review of the Better Practice Social Licence Guideline identified several key opportunities for improvement:

- **Mixed Perceptions of Progress:** While participating TNSPs have made efforts to implement the Social Licence Guideline, there is scepticism among stakeholders due to a lack of visible changes and tangible evidence of practice change.
- Inconsistencies in Policies and Processes: Variability in policies, procedures, and processes relating to participation fees, compensation, and biosecurity management could be contributing to issues of transparency and fairness. The absence of evidence regarding critical policies and procedures could increase risks related to occupational health and safety.
- Inconsistent Reporting, Metrics, and Milestones: The absence of metrics and milestones may complicate reporting and restrict the ability to communicate progress to stakeholders.
- Safety, Regulatory, and Compliance Barriers: Some Priority Actions and Better Practice Opportunities could not be implemented due to safety concerns, legislative or regulatory barriers, or differing requirements between states. These should be referred to the COG for review, adaptation or removal.

Recommendations

The Review identified numerous opportunities for improvement related to individual Priority Actions or Better Practice Opportunities. Most of these can be grouped into five key themes:

- Increase Collaboration and Information Sharing: Collaborate with other industry participants via the Energy Charter to leverage collective expertise, share best practices, and improve social licence.
- Targeted Communication with Stakeholders: Enhance communication to build trust, manage expectations, and ensure stakeholders are well-informed. Focus on providing clear evidence of changes and regularly review communication strategies.
- Standardise Policies and Procedures: Develop consistent policies and frameworks across TNSPs to improve consistency, fairness, and transparency. Standardised systems could also result in cost efficiencies.
- Improve Monitoring, Metrics, and Reporting: Establish clear metrics and reporting structures to demonstrate progress and increase transparency.
- Undertake Continuous Improvement: Implement continuous improvement activities, including regular training for staff, ongoing reviews of policies, and leveraging monitoring systems.
 Modify the 12-month progress reports to include a section for continuous improvement and areas for enhancement.

BACKGROUND

The Energy Charter Better Practice Social Licence Guideline was developed by the Energy Charter in collaboration with six Transmission Network Service Providers (participating TNSPs), including AusNet, Powerlink (Queensland), Transgrid, Marinus Link, TasNetworks, ElectraNet. The Better Practice Guideline set out to:

- Build a shared understanding of the impacts and potential benefits associated with hosting energy transmission infrastructure for agricultural landholders
- Provide practical social licence to operate ('social licence') guidance to mitigate negative impacts and prioritise shared value through the energy transition.

Its development was supported by the formation of a Community Outcomes Group (COG), including representation from the Ag Energy Taskforce, Australian Energy Infrastructure Commissioner, Bundaberg Regional Irrigators Group, National Farmers' Federation, National Irrigators Council, RE-Alliance, Tasmanian Farmers and Graziers Association, Queensland Farmers' Federation and Victorian Farmers Federation. The COG provided insights into their members' concerns, helping to ensure that the development of the Better Practice Guideline reflected the concerns and interests of directly affected and neighbouring landholders and communities.

Development of the Social Licence Guideline was informed by a research program conducted by KPMG Australia, which included a survey of 144 landowners across Queensland, New South Wales, Tasmania, Victoria, and South Australia, supported by in-depth interviews with 18 landholders to gather first-hand insights. The research identified 33 Impact Areas across several domains, including farm operations, landholder and community well-being, farm finances, and the environment.

A series of workshops with participating TNSPs and the COG identified 20 Priority Actions and 17 Better Practice Opportunities that could be implemented to help participating TNSPs mitigate these impact areas. These are outlined across three Chapters in the Social Licence Guideline (Figure 1). These Priority Actions and Better Practice recommendations also provide a baseline for agricultural representatives, landholders, and host communities to assess the performance of participating TNSPs and a mechanism to raise and discuss impacts.



Figure 1. Chapters and sections with the Energy Charter Better Practice Social Licence Guideline

As part of developing the Social Licence Guideline, TNSPs committed to participating in annual Independent Reviews. The purpose of these Independent Reviews, of which this is the first, is to assess participating TNSPs' progress towards implementing the Priority Actions and Better Practice Opportunities contained in the Social Licence Guideline and provide constructive feedback to support continuous improvement. This Independent Review will highlight opportunities for improvement and, where appropriate, offer recommendations for consideration by the COG and participating TNSPs.

This Review was funded by Energy Consumers Australia with the support of RE-Alliance.

METHODOLOGY

This Review used a mixed method approach, including qualitative research with participating TNSPs, COG members, and representatives from participating TNSPs and an in-depth analysis of 12-Month Progress Reports provided by each participating TNSP.

Participating TNSPs and COG members were approached to participate in semi-structured videoconference interviews. Thirteen hour-long interviews were conducted, including seven with participating TNSPs¹ and six with COG members.² The data collected from the interviews were analysed using thematic analysis. This approach involves identifying and categorising recurring patterns or themes in qualitative data to reveal potential meanings and concepts. Several consistent themes emerged from this analysis and contributed to the key findings of this report.

The Review also included an analysis of the 12-Month Progress Reports provided by each participating TNSP. These self-assessed reports used a traffic light system to evaluate the level of delivery towards each Priority Action or Better Practice Opportunity. The criteria used to assess progress are outlined in Figure 2 below.

| Committed Action and Outcomes | Where we have either already implemented, or can show evidence of previous action taken, or activity within the last 12 months. |
|-------------------------------|---|
| Progressing | Where we are progressing Action internally but may not have commenced action in the field. |
| Needs Priority Attention | Where we have not yet started work on the Priority Action. |

Figure 2.Traffic light system used in 12-Month Progress Reports

The reviewer assigned a value to each colour (Green 3, Orange 2 and Red 1) and applied an average³ of the reported scores to each Priority Action or Better Practice Opportunity. The reviewer then provided an assessed score based on how closely the TNSP's response met the criteria outlined in the Social Licence Guideline and any supporting information provided.⁴ These scores can be found in Appendix 1.

It is important to recognise that different projects are at various stages of development. Therefore, the absence of evidence does not imply that organisations have not delivered or considered delivery against specific Priority Actions or Better Practice Opportunities.

¹ Two interviews were conducted with different teams within the same participating TNSP.

² The Australian Energy Infrastructure Commissioner declined to participate due to staffing changes.

³ Reported and assessed scores may vary from the number of TNSPs mentioned in each reporting category, as one did not provide detailed responses in the 12-Month Progress Report and was not included in the average to ensure fairness to the others.

⁴ Criteria were determined from the wording of Priority Actions or Better Practice Opportunities.

QUALITATIVE RESEARCH

COG INTERVIEWS

COG members acknowledged the positive intent of the Social Licence Guideline and participating TNSPs' participation in their development and their efforts to implement the Priority Actions and Better Practice Opportunities identified within them. They believed that the development of the Social Licence Guideline had initiated important conversations about better practice and continuous improvement. COG members commented on the observed shift in organisational awareness and dialogue around the subject. They noted that many participating TNSPs were openly discussing social licence and the steps they were taking to implement better practices.⁵

"I'm seeing a shift within organisations about what social licence is and what it means, and many are beginning to talk about it more."

"The existence of the [Social Licence] Guideline has triggered a conversation about how [social licence] could be progressed in [state]."

"It is actually good that the companies are taking action, no matter what the motivation is. We do need to acknowledge that they are willing to fund these discussions and look at how things could be done better."

"It looks like there are good intentions, but I'd be interested in seeing what [evidence] the Signatories can point to."

The COG members acknowledged the participating TNSPs' openness to change and commitment to implementing the Priority Actions and Better Practice Opportunities outlined in the Social Licence Guideline. However, they also emphasised the need for participating TNSPs to provide tangible evidence to illustrate how these commitments translated into improvements in practices or outcomes, either within the business or on the ground.

"The [participating TNSPs] are talking the talk, but they're not at the stage yet where they've had to walk the walk."

"There's no evidence that things have changed due to the [Social Licence]
Guidelines themselves, but I do believe [senior executives'] involvement in
developing the [Social Licence] Guideline has helped increase their understanding
and willingness to engage."

"I'm hearing the right noises, but it doesn't seem to be making it down to the people doing the engagement."

"I can't point to any specific examples where signatories have taken steps to implement the [Social Licence] Guideline, but I have examples that suggest they either haven't or aren't doing it well."

Some also expressed cynicism about the genuine nature of the change or the participating TNSPs' stated intent to align practices with the Social Licence Guideline. Several also noted that despite the observed shift in attitude, many landholders still felt that their concerns were being overlooked or that they were being treated as barriers to overcome rather than partners in the process.

"They have a social licence issue and want to be seen as good people, but they're delivery focused and seem to be approaching it more from a reputational and risk management perspective than a real commitment to coexistence and providing public good at public cost, not public good at [landholder] cost".

"What's changed over the last two years is that an accelerator has been pushed down, and there's a timeframe to avoid a crisis, so the focus is more on getting it done rather than getting it right."

"It still feels like landholders are seen as a barrier to be overcome rather than an important stakeholder. They don't feel like government or anybody [else] is taking their concerns seriously."

"It's always the towns that have asked the tricky questions that haven't received answers three years later and don't get engaged."

Many felt that evidence of improvement was lacking, suggesting a greater need for communication, proof of action, and follow-through from participating TNSPs. COG members reflected on the importance of external and internal accountability and stressed the need to thoroughly document and transparently report progress using relevant metrics and performance indicators. Several commented that this could also help them report back to their organisations or respond to queries or complaints received from landholders.

"There will still be some people who say the consultation was rubbish because they didn't get the outcome they wanted, [so there] there need to be metrics to demonstrate that this isn't the case. [They] need to follow the process and have the records to show what [they] did to follow the process."

"If you don't have metrics and other measures, then how are you holding yourselves to account, how do you know if what you're doing is working?"

Several COG members also commented on what they felt was a notable difference in attitude between private and government-owned participating TNSPs. They noted that privately owned businesses seemed to emphasise social licence and genuine engagement more.

"[Government] organisations will hide behind legislation around costeffectiveness as a reason not to measure social cost."

Finally, many COG members expressed their surprise and disappointment at the low number of government agencies that participated in developing the Social Licence Guideline or were signatories to it.

"There are still very significant players who aren't signatory to the [Social Licence]
Guideline. I'm surprised that [government agency] isn't a signatory. That leaves a
real gap."

"I have a low opinion of the alphabet soup of government agencies, who are arrogant and don't have any life experience. They're the ones that have the most to gain from being aware of the [Social Licence] Guideline and don't seem to be improving their practices in this space."

PARTICIPATING TNSP INTERVIEWS

There was widespread recognition of the challenges participating TNSPs faced and the need to improve engagement practices to regain social licence.

"We've recognised the errors of the past and are altering our processes to learn from these and avoid them occurring again in the future. The business learned the importance of investing in place-based resources, having dedicated people living and working in the regions and building connections and relationships within communities."

"[Senior leadership] recognises that the ability to work well with communities is one of the biggest challenges that [we have]."

Interviewees from participating TNSPs were conscious of the need to demonstrate progress against landholder and community expectations. They acknowledged that developing internal metrics and milestones could support internal and external reporting and demonstrate progress against issues of importance to landholders, communities and government stakeholders. Several commented that this could also help to build awareness of their team's function and increase awareness of social licence internally. They also noted that this could be useful to support external reporting and to respond to queries from landholders and other stakeholders regarding progress against activities or initiatives of potential importance. They also recognised that publishing measures and KPIs could help set engagement standards and provide a mechanism to report back to landholders and communities.

"More detail regarding milestones or KPIs could be beneficial where it adds value.

It could potentially add value when reporting to external stakeholders about

engagement, process and initiatives."

"It's very easy for the community to say that you're not engaging correctly.

Engagement needs to be more than a formal process, so not just an internal document. It's something that should be used externally to hold organisations to account."

Participating TNSP staff believed that participating in the development of the Better Practice Guideline helped increase awareness of social licence within their businesses. Many noted that senior leaders were actively promoting the concept of social licence and that there had been a concerted effort to embed the principles of social licence into their business' operations and organisational culture. However, several also acknowledged that additional efforts were needed to raise the profile of social licence and stakeholder engagement across their businesses.

"There's been a lot of internal communication from the board and executive around the importance of [the principles and actions] contained within the [Social Licence] Guideline."

"We're seeing a high level of support and ownership from senior leadership...
They've included [social licence] in the list of key strategic risks for the board, and we're seeing internal communication about the importance of social licence. You quite often see our CEO and other executives attend landholder [and community] meetings."

"Senior leadership has bought into the principles of the [Social Licence] Guideline, and there's a culture of openness, honesty, and transparency with landholders.

An engagement strategy is being developed across the business, and we've established forums for regular discussions."

"The executive and board are aware of social licence, but we still need to shift the focus to make sure it's front of mind... [The 12-Month Progress Report] identified a need to raise the profile of social licence across the business. It can't be something that's only owned by our team."

INDUSTRY COLLABORATOR 12-MONTH PROGRESS REPORTS

This section follows the structure and conventions of the Social Licence Guideline. To save space and reduce duplication, a summary of each Priority Action or Better Practice Opportunity is included in the opening sentence of each chapter. Please refer to the Better Practice Guideline for a detailed overview of each Priority Action and Better Practice Opportunity.

CHAPTER 1: LANDHOLDER RELATIONSHIPS AND SERVICES

1.1 Community involvement in route planning

PRIORITY ACTIONS

Participation Fees

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.2 |

Five out of six participating TNSPs reported offering 'participation fees to landholders to engage in consultations and provide feedback on hosting new transmission on their land, particularly where engagement potentially disrupts income-producing activities'. While most TNSPs reported paying participation fees to landholders, the value of payments was inconsistent, ranging from \$5,000 to \$10,000. Some participating TNSPs also provided a range of smaller payments, presumably depending on the stage of engagement. Likewise, the timing of these payments also varied, although several participating TNSPs reported making efforts to make payments during the design and approvals phase. It was not clear why some participating TNSPs did not offer participation fees.

Recommendation:

• Stakeholders (including state governments) collaborate to establish a standardised framework or guideline for participation fees and payment timing to address inconsistencies in the value of and the circumstances under which these are offered (or not, as the case may be).

Consideration and communication around undergrounding

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 2.4 |

While most participating TNSPs reported 'thoroughly considering undergrounding as a viable option during community and landholder consultations', only two out of seven provided detailed investigation reports and supporting analysis as outlined in the Better Practice Guideline. One provided a meta-analysis of the costs and challenges associated with undergrounding, while the remainder provided fact sheets or statements of intent to consider undergrounding.

Several COG members believed that TNSPs had already decided undergrounding was not financially viable and, consequently, consultation was merely a formality to justify this conclusion. Several participating TNSPs acknowledged the need to increase transparency regarding the circumstances in which undergrounding could be considered.

Recommendation:

• Participating TNSPs clarify their stance on undergrounding, clearly outlining the circumstances under which undergrounding could be considered and providing detailed information about the assessment process.

Upgrades and maintenance activities in construction and operations

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.2 |

There was some evidence that participating TNSPs were facilitating upgrades and maintenance activities to address the physical impacts of construction and enhance value for landholders. However, this mostly comprised statements of intent or references to including upgrade and maintenance activities in landholder or property management plans without providing further specifics. This approach risks creating or contributing to perceptions that participating TNSPs are attempting to manage costs by not being transparent about upgrades and maintenance entitlements.

Recommendation:

• Establish policies to set clear expectations for landholders regarding upgrades and maintenance activities to mitigate these risks and increase perceptions of transparency and equity.

Addressing power imbalances between transmission businesses and landholders

| As reported | As assessed |
|-------------|-------------|
| 3.0 | 2.6 |

There was evidence that participating TNSPs had taken steps to recognise and address the power imbalances that may inhibit building trust and rapport with landholders. Three out of seven participating TNSPs provided evidence of documented policies, procedures or alignment with codes of conduct, while the remainder referred to an intent to engage, or spoke of engagement with landholders. Three participating TNSPs provided funding for landholders to seek professional advice, although the quoted value of this support varied between jurisdictions (\$10,000 to \$25,000). Two referred landholders to the Ombudsman or regulator for advice. One did not provide enough detail to assess their progress.

Participating TNSPs acknowledged the importance of local and industry-specific knowledge in community and landholder engagement and reported increased efforts to recruit local staff or staff with rural or agricultural backgrounds. Several acknowledged the need for continued improvement in this area, although they highlighted the difficulties associated with recruiting locals for controversial or unpopular projects. Five participating TNSPs reported having delivered or encouraged staff to attend landholder engagement training, including Energy Charter Landholder Engagement Training. Several participating TNSPs also provided staff with specialised stakeholder engagement (IAP2) and conflict management training. Powerlink Queensland also reported providing funding for the Queensland Farmers Federation to employ an Energy Engagement and Education Advisor for three years, commencing in July 2024.

Recommendations:

- Collaborate to develop a Land Agent Code of Conduct that could complement the Social Licence Guideline by establishing clear standards for landholder interactions, promoting transparency, fairness, and consistency in negotiations and agreements.
- Provide regular training and continuing professional development could help to build and maintain land agents' skills and capabilities.
- Consider implementing a consistent approach to reimbursing landholders for professional advice to improve perceptions of equity and fairness.

BETTER PRACTICE OPPORTUNITIES

Consideration of public amenity of easements

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.2 |

There was some evidence to suggest that participating TNSPs had engaged with community members to understand needs and priorities and investigate opportunities to create valued public amenities within easements on public land. One participating TNSP had commissioned a firm of consulting engineers to develop a framework to help guide this process, while another had produced a detailed land use guideline that provided guidance on public amenity. The remainder either referred to an intent to engage or gave examples that did not align with the intent of the Guidelines (e.g. referring to landholder engagement rather than 'engaging with community members to understand needs and priorities...'.

There was little evidence that participating TNSPs had considered opportunities to improve public amenities on decommissioning, however, this was unsurprising given the early stage of most projects.

Recommendation:

• Develop detailed public amenity easement plans for each project, covering operation and decommissioning, using independent consultants to ensure transparency. These plans should include community engagement to understand their needs and explore opportunities during construction and decommissioning.

1.2 Engagement and communication

PRIORITY ACTIONS

A designated person, 24/7 contact number and facilitated engagement

| As reported | As assessed |
|-------------|-------------|
| 3.0 | 2.8 |

All six participating TNSPs reported taking committed action towards providing 'a designated person, such as a land liaison officer or land agent, for each landowner potentially impacted by hosting transmission infrastructure that dedicates a portion of their engagement onsite'. It appeared that efforts had also been made to improve land agent retention and provide landholders with a dedicated, consistent single point of contact.

Four out of six participating TNSPs reported providing a 24/7 contact number throughout the project planning and construction phase, including post-construction, to ensure there was a central contact point as landholders adjust to working around new infrastructure. This often took the form of a call centre or a contracted after-hours call centre provider. Several participating TNSPs reported implementing new or upgrading existing Customer Relationship Management (CRM) systems to improve the management of landholder contact and property information. Several also reported providing mechanisms for landholders to update their contact and property information, while others relied on regular prompts and reminders.

Recommendation:

 Collaborate to establish standardised customer relationship management practices and complaint management protocols with the support of the state Ombudsman. This could include developing shared Social Licence Guidelines for CRM system implementation, providing consistent training for personnel, and establishing uniform procedures for handling complaints and enquiries.

Regional engagement teams

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.2 |

Four out of six participating TNSPs reported taking committed action towards implementing 'regional engagement teams or regional coordination officers to ensure a local presence familiar with transmission projects, the region, and its community'. This included having engagement team members based in regional areas or having facilities available in local communities to support engagement activities.

One of the six participating TNSPs also reported having staff 'to ensure that neighbours and community [members] who do not have direct access to a land agent are adequately consulted and supported through the development process'. It was unclear from the information provided how other TNSPs had met or planned to meet this requirement.

Recommendation:

• Consult with the COG to clarify the intent of the Priority Action, whether the approach taken by the participating TNSPs aligns with it, and if not, what steps they should take to do so.

BETTER PRACTICE OPPORTUNITIES

Community engagement training for land agents and complaints officers

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.6 |

All participating TNSPs reported committed action and outcomes to 'expand stakeholder and community engagement training opportunities for land agents/land liaison officers and other primary contacts for landholders'. All six reported having sent engagement staff to National Landholder Engagement Training conducted by the Energy Charter, and many had also provided staff with IAP2⁷ stakeholder and community engagement training.

Recommendations:

- Continue to incorporate specialised training and support ongoing professional development based on the Landholder & Community Better Practice Engagement Guide to equip land agents/land liaison officers and other primary contacts with the skills to engage effectively with landholders and community members.
- Share information regarding best practice engagement activities to build more specialised industry-specific skills.

Better understanding social factors

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.6 |

All participating TNSPs reported taking committed action and outcomes 'to undertake research to understand the social, economic, and environmental factors shaping regional priorities and community expectations to better inform their engagement and communication approaches'.

For example:

- AusNet reported conducting preliminary research into each project's region, context, and stakeholders at the commencement of each project. This was supported by the development of a Social Value Framework for the WRL project, based on extensive regional research and local government plans, addressing local challenges and leveraging regional strengths.
- TasNetworks reported that its NWTD project sought to understand social factors through several activities, including a socio-economic study, co-designing a regional economic development action plan led by an economic consulting firm, and creating a community benefit-sharing program.
- Powerlink reported working with the Queensland Government to progress plans to undertake REZ Readiness Assessments, which will 'examine a range of cumulative factors regarding a region's capability to integrate'.
- Other participating TNSPs reported undertaking regular sentiment analysis to deliver against this Better Practice Opportunity. However, it was unclear from their reports how this contributed to understanding the economic and environmental factors referred to in the Better Practice Opportunity.

Insights gathered from these and other initiatives could prove valuable within the sector and for various regional stakeholders such as renewable energy developers, regional economic development associations, and state and government departments and agencies.

Recommendations:

- Complement sentiment analysis with more detailed social, economic and environmental research and needs assessments.
- Collaborate with sector and regional stakeholders to share information and insights from social, economic, and environmental research.

1.3 Tower placement and screening

PRIORITY ACTIONS

Placement of towers to minimise impacts

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 2.5 |

Four participating TNSPs reported committed action and outcomes to 'proactively discuss how the position or placement of towers could be adjusted to minimise impacts on operations and prioritise landholder preferences throughout the design process'. Three provided evidence of specific processes for landholders to request adjustments, while one referred to accomplishing this via route selection. One reported progressing, although they expressed an intent to consult. One was excluded as they reported their project was exclusively underground.

⁸ It should be noted that not all projects were advanced enough to require documented systems or processes outlining how this would occur.

Recommendation:

• Consider sharing better practice approaches to tower placement and screening to help others develop and document their processes. Creating a community of practice with participating TNSPs and others in the space could help improve industry practices and ensure consistency in engagement processes.

BETTER PRACTICE OPPORTUNITIES

Landscaping and screening options to reduce impact

| As reported | As assessed |
|-------------|-------------|
| 2.0 | 2.0 |

All participating TNSPs expressed an intent to consult with communities regarding design, screening, and landscaping options where substations or switching stations are in the view of roadways or impact the visual amenity of an area. However, only one provided evidence of processes or materials for community consultation.

Recommendation:

• Participating TNSPs create materials, collaboratively or independently, that outline the consultation process for landscaping and screening options.

1.4 Access

PRIORITY ACTIONS

Provide clear schedules, detailing requirements for access

| As reported | As assessed |
|-------------|-------------|
| 3.0 | 2.8 |

Five participating TNSPs reported committed actions and outcomes towards 'implementing processes and protocols for new transmission builds and upgrades aimed at providing landholders with clear schedules of activity and access requirements in advance'. Landholders were also provided opportunities to specify how each activity may impact operations or livestock, particularly during certain times. This was achieved in several ways, including individual agreements or alignment with external codes of conduct, including the Electricity Supply Act or the Victorian Essential Services Commission (ESC) Code of Conduct.

Recommendations:

- Participating TNSPs applying external codes of conduct consider developing processes customised to their specific operational contexts and stakeholder requirements (or adapting those produced by other participating TNSPs).
- Participating TNSPs with their own codes of conduct, consider consulting with the COG and other stakeholders to review and continuously improve these to ensure they meet landholder requirements and expectations.

Easy and timely access to records of access on request

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 1.4 |

All participating TNSPs reported committed actions and outcomes towards 'granting landholders easy and timely access to records of access on request (in line with applicable privacy and records management legislation).' However, only one outlined the steps to comply with applicable privacy and records management legislation. Five others reported implementing, upgrading and integrating CRM systems. However, they did not provide evidence of policies, procedures or processes for landholders to gain access to personal information. Failure to comply with applicable privacy and records management legislation may constitute a risk to participating TNSPs.

Recommendations:

- Participating TNSPs confirm their obligations to provide access under applicable privacy and records management legislation and communicate they comply with these.
- Collaborate to share experiences and learnings regarding developing and managing CRM systems.
- Regularly review CRM systems and access to records policies and processes to ensure they align with legal requirements and landholder expectations.

Clear steps for contacts and complaints

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 2.8 |

Four participating TNSPs reported committed actions and outcomes towards 'publishing clear steps to follow and relevant persons to contact to escalate complaints for people who have concerns or are not satisfied with responses or actions taken by the transmission business with respect to land access and use'. Three provided evidence of published policies, procedures and resources. Several participating TNSPs reported reviewing and updating complaint management processes and procedures to bring them closer to alignment with the Social Licence Guideline.

Recommendation:

• Regularly review contact and complaint management procedures in collaboration with state Ombudsmen to ensure ongoing alignment with landholder requirements and expectations. Where feasible, this should include satisfaction surveys or similar.

BETTER PRACTICE OPPORTUNITIES

Management plan reviews

| As reported | As assessed |
|-------------|-------------|
| 2.0 | 2.0 |

All participating TNSPs reported that they were progressing towards 'ensuring agreed access, land and easement management plans include a provision for review'. One provided documentary evidence that access, land and easement management plans included provision for reviews or that this included the opportunity for landholders to provide feedback on the conduct and compliance of the transmission business and its contractors and make amendments to address any issues or concerns.

Recommendation:

• Consult with the COG to assess whether this should be retained as a Better Practice Opportunity, and if so, what further action should be undertaken to refine or implement it.

Financial support for landholder mitigation activities

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.5 |

All participating TNSPs reported 'providing various forms of financial support (ahead of easement compensation payments) in lieu of time and fees associated with landholder mitigation activities, for example, moving stock or paying agistment fees'. However, only three provided evidence of how this was determined. There also appeared to be significant variation between jurisdictions in the value of these fees and how they were explained.

Recommendations:

- Stakeholders (state governments) consider standardising the financial support provided to landholders.
- Collaborate to develop consistent, plain English descriptions of the forms of financial support available for landholder mitigation activities across different jurisdictions.

1.5 Compensation

PRIORITY ACTIONS

Transparent, plain English information regarding compensation

| As reported | As assessed |
|-------------|-------------|
| 3.0 | 3.0 |

Five participating TNSPs reported making substantial efforts 'to ensure that comprehensive and easily understandable information on compensation was readily available to the public and provided directly to landholders at the outset of the consultation process'. This commitment was demonstrated through the establishment of new policies, processes, and frameworks related to compensation. Additionally, many participating TNSPs developed various resources, such as brochures, factsheets, and FAQs, which they reported were readily accessible online. One participating TNSP responded 'Current practice' without providing further information and, to ensure fairness was excluded from further assessment.

Recommendation:

Regularly review compensation collateral to ensure it remains up-to-date and continues to
meet the evolving requirements of landholders. This includes periodically assessing
brochures, factsheets, FAQs, and other resources to ensure accuracy, relevance, and
accessibility.

Annualised compensation

| As reported | As assessed |
|-------------|-------------|
| 2.5 | 2.0 |

Two participating TNSPs reported providing the option for compensation to be annualised. One organisation provided evidence of a compensation process disbursed over multiple years but did not outline progress or plans toward providing annualised compensation. Two others reported working towards providing options for annualised compensation. No business reported being prevented from offering annualised compensation by state-based legislation. One participating TNSP responded 'Current practice' without giving further information and, to ensure fairness was excluded from further assessment.

Recommendations:

- Those participating TNSPs working towards annualised compensation frameworks should consider documenting their progress and sharing information with other participating TNSPs and stakeholders to increase transparency.
- Discrepancies between jurisdictions regarding compensation or annualised compensation should be explained to increase transparency.

Easy and timely access to compensation for professional costs

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 2.6 |

Three participating TNSPs reported 'providing landholders easy and timely access to compensation for professional costs incurred'. One reported doing so but did not provide evidence to support this claim. One noted that plans to do so had yet to be implemented. One participating TNSP responded 'Current practice' without giving further information and, to ensure fairness was excluded from further assessment.

While several specified the value of compensation available (ranging from \$10,000 to \$20,000) others simply referred to meeting 'reasonable costs'. The process for claiming compensation was unclear from the information provided – presumably; landholders receive more detailed information from the participating TNSPs as part of the land access and negotiation process.

Recommendations:

- Recognising that the cost of services may differ between states, participating TNSPs should develop a standardised description of the services eligible for compensation and how the value for compensation was arrived at in each jurisdiction.
- Where it does not already exist, provide detailed documentation outlining the process for claiming and receiving compensation and ensure this information is easily accessible and communicated to landholders early in the negotiation process.

1.6 Safety education

PRIORITY ACTIONS

Proactive, tailored education programs on safety

| As reported | As assessed |
|-------------|-------------|
| 2.4 | 2.0 |

Four participating TNSPs reported transitioning from 'largely passive, digital communication approaches to more proactive, tailored education programs that specifically consider the risks and activities commonly undertaken in agricultural and farming settings'. While many had developed comprehensive resources, only one provided evidence of implementing more active forms of engagement. Several participating TNSPs reported increased collaboration with representative groups and others working to improve farm health and safety. For example, Powerlink Queensland and TransGrid highlighted the creation of a Community Safety Action Group and Landowner Hubs at local depots and Powerlink Queensland planned to appoint a Community Safety Officer to its Health Safety and Environment Team.

Recommendations:

- Collaborate with other stakeholders to develop a sector-specific health and safety program. The design and delivery of this program should recognise farmers' established preferences for experiential and peer-to-peer learning.
- Investigate the feasibility of incorporating farm and landholder-specific safety programs into property management plans.

BETTER PRACTICE OPPORTUNITIES

Collaborate with emergency services agencies

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 2.6 |

Four participating TNSPs reported collaborating 'with state, rural and country fire and emergency services to better inform communities around bushfire risks, mitigations and responses associated with transmission infrastructure. This included participation in state and local committees or working groups, engagement with local fire services, and the development of information and resources pertaining to fire safety. For example, Powerlink reported it had formed an internal Bushfire Mitigation Working Group and a Community Safety Action Group, as well as representation at similar state, regional and area level groups. ElectraNet also reported employing three on-call Emergency Liaison Coordinators to work with emergency services during emergency events.

Recommendation:

 Consider developing local or regional safety education plans in collaboration with Local Government Authorities and emergency services. These plans should encompass comprehensive risk assessments, targeted training modules, and proactive measures to address specific safety concerns within each community. Consideration should be given to tailored communication strategies or programs, focusing on experiential and peer-to-peer learning activities.

CHAPTER 2: MANAGEMENT OF ON-FARM ACTIVITIES AND INFRASTRUCTURE

2.1 Biosecurity

PRIORITY ACTIONS

Strong, tailored biosecurity plans

| As reported | As assessed |
|-------------|-------------|
| 2.4 | 1.8 |

Four participating TNSPs reported committed action and outcomes towards taking 'all reasonable actions to ensure that in accessing land, weeds, pests or pathogens are not spread and the land standards maintained by landholders were not compromised.' However, only one could provide evidence that a biosecurity management plan had been developed as outlined in the Priority Action. Participating TNSPs reported on a wide range of activities to enhance biosecurity measures in the agricultural sector, including biosecurity training for landholder engagement staff, undertaking risk identification and assessment processes, monitoring for incidents or outbreaks, and maintaining detailed records to track property-specific biosecurity requirements. Additionally, several participating TNSPs reported implementing processes to check for biosecurity incidents before accessing properties.

Recommendations:

- Prepare biosecurity management plans, as outlined in the Social Licence Guideline, to document the reasonable actions to ensure that in accessing land, weeds, pests or pathogens are not spread and the land standards maintained by landholders are not compromised.
- Share information relating to the development of biosecurity plans and processes.

BETTER PRACTICE OPPORTUNITIES

Proactive biosecurity audits

| As reported | As assessed |
|-------------|-------------|
| 2.4 | 2.4 |

Two participating TNSPs reported committed action and outcomes towards conducting 'regional biosecurity audits pre-construction to identify if or where new facilities may be needed to protect biosecurity during the construction phase of a project'. Three others reported that they were progressing and provided evidence of undertaking farm-level biosecurity assessments, such as providing washdown kits and record-keeping regarding washdowns and other biosecurity measures.

⁹ One participating TNSP had yet to begin construction and was still finalising its biosecurity policies, procedures, and plans.

However, it was unclear if these participating TNSPs had investigated whether new facilities may be needed to protect biosecurity during the construction phase of a project, as outlined in the Better Practice Opportunity. One referred to 'established procedures' without providing further detail.

Recommendation:

• Further discussion among participating TNSPs and with the COG could help to clarify the anticipated outputs and outcomes related to this Better Practice Opportunity.

2.2 Use of materials and management practices

PRIORITY ACTIONS

Engage with landholders on soil requirements

| As reported | As assessed |
|-------------|-------------|
| 2.2 | 2.2 |

Three participating TNSPs reported committed action and outcomes towards 'engaging with landholders on their specific soil requirements and standards prior to the start of any phase of construction and maintenance work and to understand potential impacts and management options'. Two provided evidence of this of actions or outcomes, while one simply referred to 'Current practice' without giving further information. Two reported that they were progressing towards this Priority Action and had aligned or planned to align with various better practice frameworks regarding soil compaction, damage or erosion control. However, it was unclear how much information was being provided to landholders regarding their rights or what they should expect regarding soil management. One reported the need for priority action and outlined plans to do so once the project commenced.

Recommendation:

• To increase transparency, participating TNSPs should consider developing their own specific policies and systems to capture landholder soil requirements and communicate these to landholders and landholder representative groups.

Protect soil from compaction, erosion or other damage

| As reported | As assessed |
|-------------|-------------|
| 2.4 | 2.0 |

Four participating TNSPs reported committed action and outcomes towards 'taking reasonable measures to protect soil from compaction, erosion, or other damage'. Two provided evidence of actions, outcomes, or rehabilitation plans for properties following construction or alignment with international soil management standards.

One provided referred to taking 'reasonable measures' to protect soils, while another simply referred to 'Current practice' without giving further information. One reported progressing towards this objective, while another reported the need for priority action and noted plans to do so once the project commenced.

Recommendation:

• Collaborate to develop standardised policies and processes to protect soil from compaction, erosion, or other damage. This could include an agreed standard for landholder plans outlining efforts to prevent soil compaction, erosion, and damage before and during construction and strategies for rehabilitating affected soil.

2.3 Farm infrastructure

BETTER PRACTICE OPPORTUNITIES

Engage with landholders regarding use of scrap materials and equipment

| As reported | As assessed |
|-------------|-------------|
| 1.8 | 1.6 |

One participating TNSP reported committed action and outcomes to 'engage with impacted landholders prior to and during construction to determine if any scrap materials or equipment would be of value'. However, this TNSP simply referred to 'Current practice' without providing further information on the steps to achieve this. Four reported progressing towards this objective. Several referenced occasions where this had occurred, although they also highlighted that these arrangements were uncommon due to associated health, safety and environmental risks. One reported the need for priority action and outlined plans to do so once the project commenced. Given the early-stage nature of most projects, there were limited opportunities for participating TNSPs to explore whether materials left following the decommissioning of infrastructure, for example, scrap steel, could be of use.

Recommendation:

• Collaborate to develop standardised policies and processes to guide engagement with impacted landholders before and during construction to determine if any scrap materials or equipment would be of value or if materials left following the decommissioning of infrastructure, such as scrap steel, could be of use.

Provide labour and equipment in-kind

| As reported | As assessed |
|-------------|-------------|
| 1.6 | 1.6 |

One participating TNSP reported committed action and outcomes towards taking 'steps to support landholders with farm infrastructure upgrades and maintenance by providing labour and equipment in-kind as part of an employee volunteering program'. However, this TNSP simply referred to 'Current practice', without providing further information on the steps to achieve this. Four reported progressing towards this objective, and several noted situations where they had provided in-kind support to construct farm infrastructure in the past (roads, dams, fence lines, etc.), most referred to an intent to liaise directly with landholders once construction began. Two reported the need for priority action and outlined plans to do so.

Recommendations:

- Participating TNSPs consult with landholders early in the process to identify farm infrastructure improvements (e.g. roading, dams, fence lines, etc.) that could be undertaken during construction or supported through the provision of labour and equipment in-kind.
- Collaborate to develop a more consistent and streamlined approach, including specific policies, procedures and resources to identify opportunities to provide landholders with labour and equipment in-kind.

CHAPTER 3: COMMUNITY RELATIONSHIPS AND SERVICES

3.1 Mental health services

BETTER PRACTICE OPPORTUNITIES

Reduce barriers to accessing counselling and mental health support

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 3.0 |

Four participating TNSPs reported committed action and outcomes towards 'reducing barriers to accessing counselling and mental health support services to assist landholders impacted by new transmission developments and experiencing cumulative impacts of multiple stressors'. All could provide evidence of policies, processes, or initiatives, including mental health training for staff, creating landholder well-being and support programs, or extending Employee Assistance Programs (EAPS) to impacted landholders to ensure free, confidential counselling was accessible. Two reported 'progressing' towards this objective; however, one was 'upgraded' based on the evidence provided.

Several participating TNSPs also reported partnering with regional mental health support services to increase their capacity to support the local community, including AusNet's GREZ and TasNetworks NWTD project. Powerlink Queensland reported funding a professional counselling service to provide a dedicated landholder well-being and support program and offer support to landholders and community members.

Recommendation:

• Establish a working group, community of practice or similar to share information and leverage collective expertise and experience to reduce barriers to accessing counselling and mental health support services.

3.2 Community benefit sharing

PRIORITY ACTIONS

Develop community benefit sharing programs

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.6 |

Five participating TNSPS reported committed action or outcomes towards 'developing Community Benefit Sharing (CBS) programs to maximise the positive local impacts for host communities' and outlined projects, plans or initiatives that had been implemented. One reported that it was progressing towards this Priority Action.

There was recognition of the importance of contributing to positive community outcomes through community benefit sharing and evidence of progress. However, participating TNSPs were delivering on this priority action in various ways, which could result in inconsistencies and confusion between different businesses or jurisdictions, or lost opportunities, particularly at a regional level.

Recommendation:

• Share information to inform the ongoing development and continuous improvement of CBS programs, particularly at a regional level.

BETTER PRACTICE OPPORTUNITIES

Prioritise access to affordable, reliable energy for hosts

| As reported | As assessed |
|-------------|-------------|
| 2.0 | 1.8 |

Two participating TNSPs reported committed action or outcomes to investigate 'options to prioritise access to reliable and affordable energy for landholders and their communities'; however, they did not provide evidence for how this was occurring. Two reported progressing towards this objective and noted plans to do so, while two reported needing priority action although one was subsequently upgraded to progressing based on the evidence provided. Several participating TNSPs reported challenges in this area due to its complexity and the number of players; others reported collaborating with local government to investigate the provision of community batteries.

Recommendation:

• Broaden the scope of efforts to partner with industry and government stakeholders to identify appropriate mechanisms to reduce future electricity costs for landholders and host communities.

Prioritise impact-aware community benefit sharing

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.2 |

Three participating TNSPS reported committed action or outcomes towards designing CBS programs 'to include direct and tangible benefits for close neighbours and prioritised the sharing of benefits with specific regard to proximity, level of change and disturbance experienced by near neighbours'. One provided evidence of actions or outcomes supporting this, while two provided statements of intent without supporting evidence. Three reported progress towards this objective and outlined their plans or intentions to act on this in the future.

Recommendation:

• Share policies, procedures and processes to encourage better practice and ensure CBS programs include direct and tangible benefits for close neighbours and prioritise the sharing of benefits with specific regard to proximity, level of change and disturbance experienced by near neighbours.

3.3 Community infrastructure

BETTER PRACTICE OPPORTUNITIES

Consultation on community infrastructure needs

| As reported | As assessed |
|-------------|-------------|
| 2.4 | 2.0 |

Three participating TNSPs reported committed action or outcomes towards 'engaging with affected communities during development and delivery processes for proposed new transmission lines to understand community infrastructure needs'. However, only one provided evidence of alignment with the objective; the remainder either provided statements of intent or discussed programs occurring in regional centres rather than affected rural communities. Three reported progressing towards this goal. Participating TNSPs outlined varying approaches to consultation, from formal and strategic to more informal and ad-hoc. Several organisations had sought to address this by developing engagement frameworks or specific initiatives.

Recommendation:

• Share information to help align the various programs and frameworks in place or being developed.

Assistance in negotiating purchasing agreements

| As reported | As assessed |
|-------------|-------------|
| 1.6 | 1.2 |

Four organisations reported they were progressing towards 'supporting communities to negotiate power purchasing agreements to lower the cost of energy used in business operations by landholders'. However, only two of these provided evidence related to the criteria outlined in the objective and were consequently downgraded to requiring priority action. Two noted that priority action was needed. Most participating TNSPs stressed the challenge of delivering against this opportunity, highlighting the restricted role transmission businesses could play in negotiating purchasing agreements and the need to align with National Electricity Rules and other regulations.

Recommendation:

• Consult with the COG to assess the feasibility of negotiating power purchasing agreements. Alternatively, businesses could consider commissioning a study to better understand potential pathways to implementation.

Increase regional coordination and collaboration

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.6 |

Three participating TNSPs reported committed action or outcomes towards increasing collaboration with other energy companies across the supply chain (including renewable energy developers), Local and State Governments and others to ensure the development of social infrastructure is coordinated, sustainable and aligned to the roles, responsibilities and resources of each party'. All three provided examples of collaboration with other stakeholders, including renewables developers, regional development associations, and state government entities. Three participating TNSPs reported progressing towards this objective, two of which outlined comprehensive plans to do so.

Recommendation:

• Continue to engage and collaborate with other stakeholders (e.g., renewable developers, chambers of commerce, regional economic development associations, etc.) to increase regional coordination and collaboration and effectively use available pooled funding.

3.4 Community economic development

PRIORITY ACTIONS

Preference procurement from local suppliers

| As reported | As assessed |
|-------------|-------------|
| 2.6 | 2.6 |

Five participating TNSPs reported action or outcomes towards preferencing 'procurement from local suppliers to support construction and maintenance activities to assist local participating TNSPs and supply chains'. Three provided evidence that they had embedded procurement from local suppliers into their procurement frameworks and BAU processes or were in the process of doing so. For example:

- TasNetworks reported implementing a requirement for tender proponents to provide a detailed Tasmanian Industry Participation Plan (TIPP), which outlined targets for engaging Tasmanian participating TNSPs and employment targets for specific work scopes.
- Powerlink applies the Queensland Procurement Policy, which seeks to ensure that capable and competitive local suppliers and small businesses are given a full, fair and reasonable opportunity to supply goods and services. Powerlink estimates that, due to this, in 2022/23, approximately 77% of requirements were sourced through Queensland suppliers.

Several provided evidence of procurement in regional centres, but there was little to suggest that this extended to rural communities impacted by development. One reported that they were progressing against this objective and had yet to measure outcomes to determine progress.

There was little evidence to suggest that participating TNSPs had invested or considered investing in job and training opportunities to ensure local workforces had the required qualifications and capabilities to support project development and delivery.

Recommendations:

- Continue to implement and refine procurement frameworks, etc., to provide increased opportunities for local suppliers to participate and share information regarding the implementation of these frameworks or specific measures that have proven effective or successful.
- Collaborate with local TAFEs, regional economic development associations, and employment
 and training providers to identify job and training opportunities to ensure local workforces
 have the required qualifications and capabilities to support project development and
 delivery.

Social and environmental criteria in procurement decision making

| As reported | As assessed |
|-------------|-------------|
| 2.8 | 2.4 |

Five participating TNSPs reported committed action or outcomes towards leveraging 'procurement expenditure towards socially and environmentally valuable outcomes', and three provided evidence to support this. Two provided statements of intent supporting their assessment but no evidence of action or outcomes. One reported progressing towards this objective, although they referred to the existence of a business plan and internal KPIs. The extent to which procurement policies were targeted towards local businesses rather than those in major regional centres was unclear and should be explored in more detail in future Reviews.

Recommendations:

- Continue implementing and refining procurement frameworks towards socially and environmentally valuable outcomes. There may be some benefit to sharing information regarding the implementation of these frameworks or specific measures that have proven effective or successful.
- Participating TNSPs outline how relevant policies and plans consider procurement from local businesses and those in major regional centres.

BETTER PRACTICE OPPORTUNITIES

Agreements with local Businesses for local goods and services

| As reported | As assessed |
|-------------|-------------|
| 2.0 | 1.8 |

Two participating TNSPs reported committed action our outcomes towards developing 'agreements with local participating TNSPs to use local goods and services (e.g. local hotels, pubs and cafes)'. However, only one supported this with evidence of a procurement policy and transparent procurement policies. Three reported progressing towards this objective and noted that procurement was primarily managed by project teams rather than guided by formal procurement processes, plans or KPIs. One reported priority action was required, although it was noted that the project had yet to begin.

Recommendation:

• Where feasible, update procurement frameworks to use local goods and services (e.g., hotels, pubs and cafes).

DISCUSSION SUMMARY

THE REVIEW PROCESS

Overall, the standard of reporting was high, though there was some variation in the completeness of the reports and the level of supporting information provided. This variation is understandable, given this was the first time participating TNSPs prepared progress reports. In several instances, there was uncertainty about the intent of specific Priority Actions, Better Practice Opportunities, or related measures of success. This resulted in indirect responses or a lack of information and documentation to support the actions or outcomes detailed in the reports. This complicated the assessment process and led to queries from some participating TNSPs about why some responses or information had not been considered in the evaluation. This could be resolved by working with the COG and the Energy Charter to agree on a minimum reporting standard that provides the necessary detail yet avoids overcomplexity. This should consider clarifying the intent of the Priority Actions and Better Practice Outcomes, refining the language to the committed actions expected, and updating the progress report template to clarify requirements for supporting information.

FINDINGS

Significant activity has been undertaken by participating TNSPs over the last 12 months. Participating TNSPs have made notable progress towards implementing the Priority Actions and Better Practice Opportunities outlined in the Social Licence Guideline.

Many participating TNSP staff commented on the increased focus on engagement and social licence within their businesses, including sponsorship by senior leadership and efforts to embed better practice engagement and 'landholder first' approaches into organisational culture. However, little information was provided to indicate this had resulted in impacts on the ground, e.g., a reduction in the number of complaints or significant shifts in sentiment towards transmission projects or participating TNSPs. This is unsurprising given that the guidelines have only been in place for 12 months and that full implementation is unlikely within such a short time frame.

COG members noted increased discussions about social licence, an apparent change in tone, and greater visibility of senior staff from participating TNSPs. However, few tangible improvements on the ground or reduction in complaints were observed, partly because these organisations do not track feedback from members and landholders, nor are they provided with the resources to do so.

Consequently, only progress towards delivering Priority Actions and Better Practice Opportunities could be assessed. The review noted progress towards numerous Priority Actions and Better Practice Opportunities.

- More than half of the Priority Actions and slightly less than half of the Better Practice Opportunities in Chapter 1 showed committed action or outcomes.
- Half of the Priority Actions and Better Practice Opportunities demonstrated committed action or outcomes in Chapter Two showed Committed Action or Outcomes.
- Two-thirds of Priority Actions and only one-fifth of Better Practice Opportunities in Chapter Three demonstrated Committed Action or Outcomes.

| Chapter | Status | Priority Actions | Better Practice Opportunities |
|--|------------------------------|------------------|----------------------------------|
| 1. Landholder relationships and services | Committed Action or Outcomes | 7 | 4 |
| | Progressing | 4 | 6 |
| | Needing Priority Action | 1 | 0 |
| 2. Management of on-farm activities and infrastructure | Committed Action or Outcomes | 3 | 3 |
| | Progressing | 3 | 3 |
| | Needing Priority Action | 0 | 0 |
| 3. Community relationships and services | Committed Action or Outcomes | 2 | 1 |
| | Progressing | 1 | 4 |
| | Needing Priority Action | 0 | 1 |

Table 1. Progress against Priority Outcomes and Better Practice Opportunities by chapter.

Overall, the difference between reported and assessed progress was not significant, indicating that participating TNSPs understood the outputs and outcomes required to deliver against most Priority Actions and Better Practice Outcomes. However, there were several occasions where reported and assessed progress differed, in some cases considerably. The reasons for this included:

- A general lack of internal reporting or documented policies and procedures that demonstrate alignment with many Priority Actions and Better Practice Opportunities contained within the Guidelines. While supporting information may exist, in many cases, it was not provided or referred to within the progress reports. Although it is beyond the scope of this review, it is worth noting that the absence of documented evidence in some areas could expose participating TNSPs to risk in the event of harm to an employee, a landholder experiencing severe distress, or a significant biosecurity event.
- Several Priority Actions or Better Practice Opportunities contained ambiguous wording regarding the required outputs and outcomes or supporting information. The Energy Charter and participating TNSPs should consider reviewing areas highlighted in the review to improve this.

A detailed analysis of the participating TNSPs responses to the Priority Actions and Better Practice Opportunities also identified also several key opportunities for improvement:

- **Mixed Perceptions of Progress:** While participating TNSPs have made efforts to implement the Social Licence Guideline, there is scepticism among stakeholders due to a lack of visible changes and tangible evidence of practice change.
- Inconsistencies in Policies and Processes: Variability in policies, procedures, and processes relating to participation fees, compensation, and biosecurity management could be contributing to issues of transparency and fairness. The absence of evidence regarding critical policies and procedures could increase risks related to occupational health and safety.

- Inconsistent Reporting, Metrics, and Milestones: The absence of metrics and milestones may complicate reporting and restrict the ability to communicate progress to stakeholders.
- Safety, Regulatory, and Compliance Barriers: Some Priority Actions and Better Practice Opportunities could not be implemented due to safety concerns, legislative or regulatory barriers, or differing requirements between states. These should be referred to the COG for review, adaptation or removal.

It is worth noting that given the scope of the Priority Actions and Better Practice Opportunities contained in the Social Licence Guidelines, existing metrics and measures may prove insufficient in the future. Evaluation of social, environmental and economic impacts of Priority Actions and Better Practice Opportunities, particularly those contained in Chapters 2 and 3, may require a broader range of data than can be supplied by complaint and sentiment analysis alone. This may necessitate the adoption of more sophisticated methodologies that consider factors like economic impacts and social disadvantage.

While no participating TNSP reported or was assessed as having delivered Committed Actions or Outputs against all Priority Actions or Better Practice Opportunities, collectively, they appear to have most of the systems, processes, and resources needed to come close. However, despite working on similar projects in the same industry with the intent of addressing the same challenges and issues, rather than sharing information or collaborating on the development of policies, processes or initiatives, participating TNSPs appear mainly to operate in silos. In doing so, they may miss opportunities to leverage collective knowledge and resources, potentially leading to poorer outcomes for landholders, neighbours, and community members and increasing their costs due to duplication of efforts. Platforms like the Energy Charter offer opportunities to share information, achieve efficiencies, adopt successful practices, and co-develop new or larger initiatives.

RECOMMENDATIONS

The review makes individual recommendations regarding Priority Actions and Better Practice Opportunities in the Better Practice Social Licence Guideline. These recommendations share common themes and can be grouped into five broad categories, as discussed below:

• Increase collaboration and information sharing

Collaboration between participating TNSPs and other industry participants can leverage collective expertise, share best practices, increase transparency, and improve social licence. Despite variations in legislation and project stages, this review identified several opportunities for TNSPs to collaborate via platforms such as the Energy Charter to share information, achieve efficiencies, adopt successful practices, and co-develop new or larger initiatives. A collaborative approach could help to simplify operations, streamline training, and optimise resource allocation. This could reduce duplication of efforts, cut costs, and lead to more comprehensive implementation of best practices, resulting in better outcomes for landholders, neighbours, and community members. By pooling knowledge, expertise, and resources, TNSPs could also seek to develop larger-scale initiatives that individual businesses might not achieve independently.

Improve monitoring, metrics and reporting

Establishing clear metrics, milestones, and reporting against these could help participating TNSPs demonstrate progress internally and externally, increase understanding of the importance of social licence and ensure that commitments to landholders, communities and other stakeholders are met. This could also help to increase transparency, build trust, and manage internal and external expectations. This can help COG members respond to queries and provide accessible information on Priority Actions and Better Practice Opportunities for the 12-month Progress Reports and Independent Review. Improved reporting, monitoring, and metrics could also help reduce occupational health and safety risks related to landholders and employees. Collaborating with the COG and other stakeholders to define a clear reporting structure could be beneficial in priority areas or where interests overlap.

Standardise policies, procedures and processes across participating TNSPs

Standardised policies, processes, and procedures across participating TNSPs may improve consistency, fairness, and transparency in engagement with landholders and projects. Developing consistent policies and frameworks or adapting existing ones where they already exist could reduce surprises, confusion, duplication, and inefficiencies. This approach could lead to streamlined operations, enhanced efficiency, and increased transparency. Implementing standardised CRM and other systems could also result in cost efficiencies. Ensuring that all TNSPs adhere to the same standards could make it easier to manage stakeholder expectations, monitor progress, and report on outcomes. This consistency will help build trust among landholders, neighbours, and community members and demonstrate a commitment to best practices.

• Undertake targeted communication with landholders and stakeholders

Clear, consistent, and transparent communication could help build trust, manage organisational and stakeholder expectations, and ensure that landholders and communities are well-informed about projects and their potential impacts. Improved communication may enhance stakeholder relations, reduce conflicts, and foster a more collaborative environment for project development and implementation. Participating TNSPs could consider the following actions:

- Provide Clear Evidence of Changes: Document and communicate practice changes and their impacts.
- Focus on Priorities: Tailor communication to address the priorities and concerns of landholders and communities.
- Regularly Review and Adjust Strategies: Continuously review and refine communication and engagement strategies based on feedback and changing circumstances.

• Undertake continuous improvement

While independent reviews are valuable, they should not be seen as the sole mechanism for assessment and improvement. To build and maintain social licence, participating TNSPs should implement continuous improvement activities that enhance stakeholder trust and transparency. This includes regular training for land agents and engagement staff, ongoing reviews of information, collateral, policies, and procedures, and leveraging monitoring, metrics, and reporting to track progress, measure effectiveness, and identify opportunities for improvement. The 12-month progress reports could be modified to serve as a framework for continuous improvement, with an added section for participating TNSPs to highlight areas for improvement.

APPENDIX 1

PROGRESS AGAINST PRIORITY ACTIONS AND BETTER PRACTICE OPPORTUNITIES

| Category | As reported | As assessed |
|---|-------------|-------------|
| CHAPTER 1: LANDHOLDER RELATIONSHIPS AND SERVICES | | |
| 1.1 Community involvement in route planning | | |
| PRIORITY ACTIONS | | |
| Participation fees | 2.6 | 2.2 |
| Consideration and Communication Around Undergrounding | 2.8 | 2.4 |
| Upgrades and Maintenance Activities in Construction and Operations | 2.6 | 2.2 |
| Addressing Power Imbalances Between Transmission Businesses and Landholders | 3.0 | 2.6 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Consideration of public amenity of easements | 2.6 | 2.2 |
| 1.2 Engagement and Communication | | |
| PRIORITY ACTIONS | | |
| A designated person, 24/7 contact number and facilitated engagement | 3.0 | 2.8 |
| Regional engagement teams | 2.6 | 2.2 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Community engagement training for land agents and complaints officers | 3.0 | 2.8 |
| Better understanding social factors | 2.6 | 2.6 |
| 1.3 Tower placement and screening | | |
| PRIORITY ACTIONS | | |
| Placement of towers to minimise impacts | 2.8 | 2.5 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Landscaping and screening options to reduce impacts | 2.0 | 2.0 |

| Category | As reported | As assessed |
|---|-------------|-------------|
| 1.4 Access | | |
| PRIORITY ACTIONS | | |
| Provide clear schedules, detailing requirements for access | 3.0 | 2.8 |
| Easy and timely access to records of access on request | 2.6 | 1.4 |
| Clear steps and contacts for complaints | 2.8 | 2.8 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Management plan reviews | 2.0 | 2.0 |
| Financial support for landholder mitigation activities | 2.6 | 2.5 |
| 1.5 Compensation | | |
| PRIORITY ACTIONS | | |
| Transparent, plain English information regarding compensation | 3.0 | 3.0 |
| Annualised compensation | 2.5 | 2.0 |
| Easy and timely access for professional costs | 2.8 | 2.8 |
| 1.6 Safety education | | |
| PRIORITY ACTIONS | | |
| Proactive, tailored education programs on safety | 2.4 | 2.0 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Collaborate with emergency service agencies | 2.8 | 2.6 |
| CHAPTER 2: MANAGEMENT OF ON-FARM ACTIVITIES AND INFRA | STRUCTURE | |
| 2.1 Biosecurity | | |
| PRIORITY ACTIONS | | |
| Strong, tailored biosecurity management plans | 2.4 | 1.8 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Proactive biosecurity audits | 2.4 | 2.4 |

| Category | As reported | As assessed |
|--|-------------|-------------|
| 2.2 Use of materials and management practices | | |
| PRIORITY ACTIONS | | |
| Engage with landholders on soil requirements | 2.2 | 2.2 |
| Protect soil from compaction, erosion, or other damage | 2.4 | 2.0 |
| 2.3 Farm infrastructure | | |
| BETTER PRACTICE OPPORTUNITIES | | |
| Engage with landholders regarding use of scrap materials and equipment | 1.8 | 1.6 |
| Provide labour and equipment in-kind | 1.6 | 1.6 |
| CHAPTER 3: COMMUNITY RELATIONSHIPS AND SERVICES | | |
| 3.1 Mental health services | | |
| BETTER PRACTICE OPPORTUNITIES | | |
| Reduce barriers to accessing counselling and mental health support | 2.8 | 3.0 |
| 3.2 Community benefit sharing | | |
| PRIORITY ACTIONS | | |
| Develop community benefit sharing programs | 2.6 | 2.6 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Prioritise access to affordable, reliable energy for hosts | 2.0 | 1.8 |
| Prioritise impact-aware community benefit sharing | 2.6 | 2.2 |
| 3.3 Community infrastructure | | |
| BETTER PRACTICE OPPORTUNITIES | | |
| Consultation on community infrastructure needs | 2.4 | 2.0 |
| Assistance in negotiating power purchasing agreements | 1.6 | 1.2 |
| Increase regional coordination and collaboration | 2.6 | 2.6 |

| Category | As reported | As assessed |
|--|-------------|-------------|
| 3.4 Community economic development | | |
| PRIORITY ACTIONS | | |
| Preference procurement from local suppliers | 2.6 | 2.6 |
| Social and environmental criteria in procurement decision- making | 2.8 | 2.4 |
| BETTER PRACTICE OPPORTUNITIES | | |
| Agreements with local businesses for local goods and services | 2.0 | 1.8 |

