RMCG

VNI West Community Reference Group

Meeting Minutes – Tuesday 10 December 2024 5:30 – 8:30pm
Charlton Park Complex, Charlton

ATTENDEES 5:30-6:25 CRG ONLY

CRG members

Brad McDonald, Bryan Pedersen, Carly Noble, Claire Grant, Colin Fenton, Glenda Watts, Jon Whykes, Cr. Justine Hide, Paul Haw, Max Fehring, Rachel Lloyd, Stephen English, and Claire Flanagan-Smith (Chairperson) and Marg Sangalli (Secretariat).

ATTENDEES 6:30-7:30 CRG, TCV & OBSERVERS

CRG members

Barry Batters, Brad McDonald, Brett Hosking, Bryan Pedersen, Carly Noble, Claire Grant, Colin Coates, Colin Fenton, Glenda Watts, Jon Whykes, Cr. Justine Hide, Paul Haw, Max Fehring, Rachel Lloyd, Stephen English, and Claire Flanagan-Smith (Chairperson) and Marg Sangalli (Secretariat).

TCV

Claire Cass (General Manager Victorian Network Services and Delivery), Tom Everitt (Landholder Liaison), and Samantha Smith (Manager - Project Community & Stakeholder Engagement).

Guests

Angus Shaw (CBRE), Eamon Sloane (Insurance Council of Australia).

Observers

Lisa Gervasoni (VFF), Geoff Caine (VicGrid), Shondelle Mathews (TCV), Chris Sounness (Wimmera Southern Mallee Development), Cr. Alan Getley (Buloke Shire Council), Brent McAlister (Northern Grampians Shire Council), Cr. Dan Bolitho (Gannawarra Shire Council), Cr. Miki Wilson (Loddon Shire Council)

APOLOGIES

CRG Member apologies

Andrew Borg, and Vaughan Toose.

Observer apologies

Geoff Rollinson (Gannawarra Shire Council), Lincoln Fitzgerald (Loddon Shire Council), Wayne O'Toole (Buloke Shire Council).

1 CRG only session

This session was only attended by CRG members, the Chairperson and Secretariat.

1.1 WELCOME AND OPEN MEETING

- The Chair opened the meeting, welcoming attendees and acknowledged that this is a busy time of year with harvest and other commitments.

1.2 DISCUSSION

While the particulars of this meeting are confidential, the discussion was focused on the EES and how to provide input into the EES scoping requirements. Issues raised by the CRG include:

- There is nothing in the EES scoping requirements about the effect on community dislocation, isolation, disruption and the fracturing of the community that will they believe will occur as a result of the project.
- The perception is that the communities affected will not get value out of the project, despite the social cost.
- Concern that the project will not provide electricity security to the communities affected.
- Topics to cover in future CRG meetings include:
  - Electrical engineering and safety
  - Fire management
  - Easement
    - Heads of agreement
    - Limitations on machinery and usage
  - Biosecurity
  - Running livestock with changes of legislation
  - Rights of landholders during operations phase

2 Whole group session

TCV and observers joined the meeting at this point and the meeting continued with all listed attendees.

2.1 AGENDA ITEM 1: PROJECT UPDATE

TCV presentation

Sam Smith (TCV) provided a presentation on recent project activities. Key points presented included:

- Essential Services Commission have sought comments on TCV's transmission licence application.
- Discussions with landholders on the preferred easement started in October.
- Department of Transport and Planning has released EES scoping requirements for public consultation until 18th December.
- The independent experts undertaking the agricultural and social impact assessments are currently engaging with landholders, community and key stakeholders to seek feedback to inform their studies.
- TCV are actively seeking feedback from landholders on proposed tower locations. This is an important opportunity for people to advise TCV about potential impacts and any opportunities to minimise these.

Discussion

- **CRG question:** Can we write a letter to extend the timeline to provide comment on the EES scoping requirements by 6 weeks from 18th December?
  Answer*:* Yes.

ACTION: CRG Chair to write a letter to DTP on behalf of CRG.

- **CRG question:** Can the power lines run along roadways?
  Answer: We don't believe so, this has been covered in a previous meeting, but we will follow up and provide more information on the technical reasons why the alignment doesn't utilise road reserves.

ACTION: TCV to provide a response on why the transmission line cannot go in existing road reserves.

2.2 AGENDA ITEM 2: COMPENSATION

Presentation

The CRG members were provided with a booklet outlining TCV's proposed approach to compensation. Claire Cass (TCV) and Tom Everitt (TCV) presented the key points from this document including the valuation and compensation timeline and a summary of the compensation being proposed. The total compensation package currently includes:

- Landholder professional fees
- Additional payments
- Property specific compensation including:
  - Market value
  - Severance
  - Depreciation
  - Disturbance
  - Solatium
  - Special value
- Victorian Government payment

Discussion

- **Statement by a CRG member:** would like to see a guaranteed income, including costs associated with decommissioning. This should be an income stream that cannot be on-sold to another company and must remain for the life of the project. The income stream should not have implications on land tax for the landholder.
- **Statement by a CRG member:** It is not all about the money, landholders should not have to take on any liabilities.
- **CRG question**: Will the agreements around liability be exactly the same for all landholders?

  Answer: Yes they will be. TCV is an entity that is intended to be sold to an owner operator. That owner operator will continue as TCV and all existing commitments will stay with TCV as a party.
- **CRG question:** What is the guarantee that, once TCV is sold, the proponent will pay? Or if TCV defaults?

  Answer: TCV's new owner will be required to take on all TCV commitments.
- **Statement by a CRG member:** If TCV sells to foreign ownership, the agreements could go out the window and it will come down to who has the best lawyer.

ACTION: TCV to provide a response on how TCV/AEMO will deal with foreign ownership and how they will guarantee payments to landholders should the new owners default.

- **Statement from TCV:** Landholder liaison officers will walk the easement alignment with landholders prior to construction to make sure all individual property issues and concerns are addressed. The easement will have temporary fencing during construction. Post construction the easement will only be fenced if that is what the landholder requests.
- **CRG question:** Has fencing been included in the budget?

  Answer: Yes
- **CRG question:** Has the use of drones been considered to reduce the amount of walking required?

  Answer: This is something that can be considered.
- **CRG question:** These are verbal promises. Where do we go as farmers if we don't get what has been promised?

  Answer: This will be included in a Property Management Plan, which will form part of the contract. The contract will articulate what your rights are.
- **CRG question:** Why no we not have an ombudsman? NSW has allocated an Ombudsman for renewables.
- **Statement from TCV:** There is the Australian Energy Infrastructure Commissioner, if you would like to make a complaint. Your rights will be written into the contract.

ACTION: TCV to provide a response outlining the complaints process and implications for breach of contract.

- **CRG question:** Has biosecurity been considered?

  Answer: Yes, biosecurity procedures and requirements will be included in the Land Access Agreement.
- **CRG question:** In relation to the structures, who is responsible and what are you allowed to do around them?

  Answer: This will be detailed in the Memorandum of Common Provisions. This will also be expanded on further in the next discussion on insurance.
- **CRG question:** How are you going to time construction with regard to the operations of farmers?

  Answer: Timing of farm operations will be detailed in the Property Management Plan. Where disruptions are unavoidable this will be addressed as 'Disturbance' and will be compensated for**.**
- **CRG question:** What about areas used during construction that are outside the easement, for example, the access track?

  Answer: Any land used during construction will be compensated for.

- **Statement by a CRG member:** It should not be called compensation. It is fair value for what is being taken away. There is a difference between purchasing a property knowing what is there and having this imposed on you.
- **Statement by a CRG member:** Compensation should address the stress caused by the project.
- **CRG question:** How long will construction take?

  Answer: Construction will take 2 years.
- **Statement by a CRG member:** Compensation must cover all the impact, not just the impact during the construction period, the impact lasts a lot longer. For example, from previous water pipeline construction there is still a visible difference in the crop, 20 years later.
- **Response from Angus (CBRE):** Landholders need to make sure all these things are covered when they are speaking to valuers who will frame up the compensation offers. Prior to valuers coming landholders should think about how they project may potentially impact you, your operations, your business, known and potential issues and highlight these with the valuers.
- **Chair:** These things should all be included in the guidance that needs to be provided to the landholders. This is also advice that the CRG members can provide to affected landholders.
- **Question from TCV**: Special value has been ad hoc and case by case in other projects, is it something that should be considered for this project? And should it be equitable and the same for all?

  Response from CRG member: The question is not fair because we don't know what you are offering?

  Response from CRG member: Special value cannot be defined because no one wants the project.

  Response from CRG member: No one along the alignment is a net beneficiary. Compensation should come from the people benefiting, via power bills to the people affected by the project. It should be a permanent benefit not just compensation.
- **Statement from Lisa (VFF):** It is important that the energy industry gets better at compensation. The compensation agreement needs to be a live document that can adjust to changes in the business and operational changes. There needs to be a cradle to grave approach to this project.

2.3 AGENDA ITEM 3: INSURANCE

Presentation

Eamon Sloane from the Insurance Council of Australia (ICA) joined the meeting online to assist Claire Cass with the presentation on insurance. Eamon meets regularly with farm insurers in Australia and the consistent message is that insurers do not have any concerns with farmers hosting transmission lines, they are not seeing an impact on premium prices or claims denial. TCV suggest that landholders contact their insurers or insurance broker and ask these dame questions.

A number of questions and issues with regard to insurance, previously raised by the CRG were addressed, these included:

- Availability of insurance coverage for properties that host transmission infrastructure
- Insurance premium increases due to the presence of VNI West infrastructure
- Public liability insurance
- Liability for damage to VNI West infrastructure on private land
- Liability for damage to private property by VNI West infrastructure
- Impacts to insurance for neighbouring properties

Discussion

- **CRG question:** If there is no identifiable risk and no concerns from ICA, why doesn't TCV cover the insurance risk? Why are landholders expected to cover risk of infrastructure imposed upon them?

Answer: Insurance is a risk mitigator, the risk is covered.

- **CRG question:** Will hosting transmission infrastructure lead to increased insurance premiums?

  Answer: It may, however, the ICA has advised that as with all insurance policies a number of factors are considered by the insurer when offering coverage relating to the individual circumstances of the policy holder. The ICA is not seeing this as a big driver of insurance premiums, however if premiums do increase as a result of the project, the increase will be covered by the compensation.
- **Statement by TCV:** TCV does have and will continue to have public liability insurance. This covers all activities undertaken on private land. TCV's public liability is capped at 20 million per event.
- **Statement by TCV:** Liability for damage to VNI West infrastructure, i.e if a landholder were to cause damage to infrastructure such as a tower. The 'Offer for Easement' will include details on indemnity. TCV will indemnify landholders. Any accidental damage will be covered by TCV's insurers. Wilful damage will not be covered. In terms of negligence, TCV are still teasing out what this means.
- **Statement by a CRG member:** There should be no responsibility for negligence.

  Response from TCV: We agree, we are working on it.
- **Statement by TCV:** If the project damages the property of the landholder, it will be covered by TCV's insurance.
- **CRG question:** Will loss of income be covered in the event of an incident whereby the infrastructure causes damage to landholders' property?

  Response from ICA: This might be dependent on landholder's insurance contract.

ACTION: TCV to follow up and provide further information on an event like this.

- **CRG question:** In an event whereby damage is done to private property as a result of the infrastructure will an impact assessment be done?

ACTION: TCV to provide further information on what the process for insurance claims will look like in practice and what the mechanism will be.

- **Statement by a CRG member:** Many people are not sure if TCV will be covered because it will be sold. Given no one knows who will own it, they would like to see government backing. Farmers should not have to carry any risk.

  Response from TCV: The 'Offer for Easement' will talk to risk. TCV will provide contractual terms that talk to insurance that the new owner/operator will take on.
- **CRG question:** What happens in the event of an aircraft accident?

  Response from TCV: Question taken on notice.

ACTION: TCV to follow up and provide a response.

- **CRG question:** Why doesn't the government consider an ombudsman to represent both parties? Similar to the role created in NSW?

  Response from TCV: TCV will talk to the Government about this and ask if they are considering it or if they could consider it.

ACTION: TCV to follow up and provide a response accordingly.

- **Statement by a CRG member:** Interaction of insurance, right to farm and the easement. There must be absolute clarity about what farmers can do under the easement in their normal business practices. With the exception of wilful damage, all other operations should be covered.
- **CRG question:** Will normal operations be covered by insurance?

  Response from TCV: This is yet to be confirmed, there may be height restrictions that come into play.

ACTION: TCV to follow up with TNSPs and provide a response.

- **TCV question:** Is there anything else the CRG would like TCV to ask the TNSPs before they are appointed?

ACTION: CRG members to consider a response. CRG Chair to email members requesting questions.

- **Statement by a CRG member:** TCV should ask the Insurance Council of Australia to inform all insurers of what was discussed today. Their insurer said there was too much grey area, and it would have to be sorted out in court

  Response from ICA: Insurance brokers are not members of the ICA, but today's discussion will be passed onto ICA members.
- **Statement from Lisa (VFF):** The Australian standard for transmission lines has a five metre clearance. Most machinery is over that. In some cases, clearance is only three metres.

  Response from TCV: This is exactly why we need to test this with TNSPs, and why it needs to be addressed now.

2.4 AGENDA ITEM 4: FIRE MANAGEMENT

Claire Cass provided an update on fire management, including the CFA's position on fighting fires around transmission infrastructure. She emphasised the need for clear guidelines and communication with CFA brigades to ensure safe and effective fire management.

The CFA have advised, that in the event of a fire, if considered safe following an assessment by the Incident Controller, their responding crews can operate near transmission lines. CFA acknowledge that there are CFA brigades within the VNI West area that have clearly stated their opposition to fighting fires around infrastructure and this does not align with the CFA as an organisation. TCV will continue to work with the CFA to gather a clear understanding including those brigades that have stated opposition and what that means for landholders.

What is the TNSP obligation regarding fighting fires? Regarding fire damage to property of any type, if an assessment determines it is VNI West that caused that fire TCV will be liable for costs and any class actions associated with that.

Who bears what risk in the case of fires caused by infrastructure and fires that cause damage to infrastructure? If VNI West is responsible for a fire TCV will be liable for costs and any class actions associated with that.

Landholders pay a fire service levy, how is this levy related to CFA and fighting fires relating to infrastructure? Property owners across Victoria pay this levy via local council. TNSPs and TCV will pay a fire service levy when VNI West is established, and these payments will be assessed on the area of land covered by the easement and will be payable to the four councils in which the infrastructure is present.

Discussion

- **Statement by a CRG member:** Most of our fire service levy goes to Melbourne.
- **Statement by a CRG member:** Most of the CFA brigades in the region have said they will not turn up to a fire at a facility. The official stance by the CFA is not the same as that of the local volunteers.

ACTION: TCV to discuss with TNSP tenderers: what are their ideas on their obligation for fighting fires and provide a response to the CRG.

2.5 PREVIOUS MINUTES

August Minutes:

- **Statement by a CRG member:** Merryn agreed at August meeting that she would speak to the Government, and it did not go in the minutes. Would like to know what Merryn did and it must go in the minutes.
- **Statement by the Chair:** Actually, this was captured in the August minutes.
- **Statement by a CRG member:** Minutes should be a record of the meeting and not have clarifications added post meeting. Chair agreed to take clarifications out of minutes.

ACTION: Amend meeting minutes to remove clarifications added post meeting.

2.6 OBSERVER COMMENTS

VicGrid clarified the difference between the NSW Government payment and the Victoria Government payment. The NSW payment is only over 20 years, the Vic payment is for 25 years, so the total amounts are comparable.

2.7 WRAP UP

- **Statement by a CRG member:** The minister should get a report from this CRG.
- **Chair:** The Chair agreed to send minutes to the Energy Minster. The CRG to discuss, at the next meeting, how to provide more visibility to the minister. Note this is not a legislated committee. We can't compel the minister to act.

ACTION: Allow time on next agenda to discuss communication with the Energy Minster.

2.8 NEXT MEETING

- The next meeting will be face-to-face in February
- A review of actions will be undertaken at the next meeting.

ACTIVE ACTION REGISTER – STATUS AS AT 11 NOVEMBER 2024

ACTION #	DATE ACTION RAISED	ACTION ITEM	ACTION OWNER	DUE DATE	STATUS
CRG6	27/11/23	Arrange for an insurer to present to the CRG on what is likely to be covered and other insurance considerations.	RMCG	2024	*In progress.* Planned for late November / December Agenda.
CRG18	7/5/24	Arrange a meeting with the CRG to discuss and provide feedback on the draft scoping requirements, once they are available.	TCV	Awaiting draft scoping document	*In progress* Awaiting draft scoping document
CRG19	7/5/2024	Contact ESV and request access to the scientific research that informs their recommended firefighting distances from the transmission lines.	Chair/ Secretariat	August 2024	*Complete* Response from ESV provided to CRG members by email 21/8/2024 Note, further follow up may be required
CRG22	14/08/2024	Matter of council membership of CRG to be resolved by Chair via phone calls before the next meeting.	Chair	28/08/2024	*Complete* A strong majority of CRG members are open to Council membership provided the member is a Councillor rather than in an administrative role. Given this, Council membership of CRG provided it is voluntary. One position filled by one councillor.
CRG23	14/08/2024	Provide a summary of the Project Assessment Conclusions Report (PACR) to the CRG	TCV	28/08/2024	*Complete* See August minutes
CRG24	14/08/2024	More information on the opportunities for CRG members to engage in the social procurement consultation session and/or in	Chair/ Secretariat	28/08/2024	*Complete*

ACTION #	DATE ACTION RAISED	ACTION ITEM	ACTION OWNER	DUE DATE	STATUS
		the sponsorship and donations discussions program to be circulated to the CRG.			
CRG 25	11/11/2024	Present a position on insurance at the next meeting.	TCV	December 2024	*Complete*
CRG 26	11/11/2024	Progress clarity on compensation arrangements for landholders.	TCV	February 2025	*Complete*
CRG 27	11/11/2024	Add discussion about the role of the Chair and August minutes to the next CRG agenda	Chair/ Secretariat	December 2024	*Complete*
CRG 28	10/12/24	Chair to write a letter to DTP on behalf of CRG.	Chair/ Secretariat	December 2024	*Complete*
CRG 29	10/12/24	TCV to provide a response on how TCV/AEMO will deal with foreign ownership and how they will guarantee payments to landholders should the new owners default	TCV	January 2025	
CRG 29	10/12/24	TCV to provide a response outlining the complaints process and implications for breach of contract.	TCV	January 2025	
CRG 30	10/12/24	TCV to provide further information on what the process for insurance claims will look like in practice and what the mechanism will be.	TCV	January 2025	
CRG 31	10/12/24	TCV to provide further information on what happens in the event of an aircraft accident?	TCV	January 2025	
CRG 32	10/12/24	TCV will talk to the Government about considering an Ombudsman	TCV	February 2025	
CRG 30	10/12/24	Chair to email members requesting questions for TNSP tenderers	Chair/ Secretariat	December 2024	

ACTION #	DATE ACTION RAISED	ACTION ITEM	ACTION OWNER	DUE DATE	STATUS
CRG 30	10/12/24	Prior to next meeting Chair to send a poll to CRG members to determine priorities for topics for discussion.	Chair/ Secretariat	December 2024	
CRG 31	10/12/24	Amend August meeting minutes	Chair/ Secretariat	December 2024	
CRG 32	10/12/24	Send meeting minutes to Energy Minister	Chair/ Secretariat	December 2024	

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