



29 January 2025

Mr Mark Banasiak
Chair
Portfolio Committee No. 4 – Regional NSW
NSW Parliamentary Inquiry – Impact of Renewable Energy Zones (REZ) on rural and regional communities and industries in New South Wales

Dear Mr Banasiak

Impact of Renewable Energy Zones (REZ) on rural and regional communities and industries in New South Wales

Thank you for the opportunity to provide a submission to this inquiry.

The Energy & Water Ombudsman NSW (EWON) is an industry-based external dispute resolution scheme. It investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Recently EWON jurisdiction has been expanded to include new transmission infrastructure and Renewable Energy Zone (REZ) development, and we will begin working soon with the NSW Government with respect to renewable energy generation and storage infrastructure jurisdiction.

Rather than responding to the terms of reference, we have provided an overview of our expanded jurisdiction, including our complaints process and our approach to raise awareness of our new function across regional communities.

If you would like to discuss this matter further, please contact Stephanie Saill, Head of Energy Transition, on (02) 8218 5257.

Yours sincerely

Janine Young
Ombudsman
Energy & Water Ombudsman NSW

Background

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

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

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

EWON complies with the Commonwealth Government [Benchmarks for Industry-based Customer Dispute Resolution | Treasury.gov.au](#) which are:

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

EWON's expanded jurisdiction– Renewable Energy Infrastructure

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

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

¹ Joint Energy and Water Ombudsman submission to the [Australian Energy Infrastructure Commissioner - Community Engagement Review](#)

Specifically, our expanded jurisdiction includes:

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

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

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

Key deliverables of this work include:

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

Complaints process management

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

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

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

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

How we resolve complaints

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

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

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

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

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

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

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

Potential complaint issues

While we have not received many complaints at this early stage of our expanded jurisdiction, we anticipate receiving complaints about:

- Community engagement practices
- Access to property, e.g. timing, wet weather scenarios, gate closure
- Damage to property
- Easement acquisition process
- Asset placement
- Construction issues e.g. noise, dust etc.

EWON has well-established policies and processes that enable it to publicly report complaint trends and systemic issues, both to regulators and relevant stakeholders such as members to improve practices. We will be expanding this reporting to renewable energy infrastructure complaints.

Engagement Approach

Crucial to rolling out this expanded jurisdiction is delivering an effective community and stakeholder engagement program. Our engagement approach is to tailor activities to local community, landholder and stakeholder requirements including our well-established regional, rural and remote community stakeholders and existing networks. We take a very inclusive and 'on the ground' approach, with a curious focused approach on listening and learning rather than just EWON based information sharing.

This approach will inform our development of accessible information and factsheets about landholder and community needs related to our expanded role for distribution via both traditional and online channels. We also have dedicated engagement staff who will be at events in communities impacted by new transmission and REZs at least twice per month. Our community engagement program will include attendance at community hosted events including agricultural shows, field days, community group meetings, fairs and markets as well as hosting information sessions both online and in person for councils, joint organisations, Regional Development Australia offices and other relevant stakeholders. The Ombudsman will be in attendance at least quarterly and would welcome invitations to present to key groups across the REZ developments.

Additionally, we will establish a Renewable Energy Infrastructure Advisory Group consisting of staff from NSW DCCEEW, IPART, Department of Planning, Housing and Infrastructure, renewable energy infrastructure members and community and landholder members. Advisory groups facilitated by EWON ensure that community and landholder attendees are given an equal opportunity for their concerns to be tabled and addressed.

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