



2026-31 HCC RNI Project

## Attachment 5.7

### Social Licence proposal

16 May 2025



## Abbreviations and definitions

Term	Definition
AER	Australian Energy Regulator
capex	Capital expenditure
CBA Guidelines	AER Cost Benefit Analysis Guidelines
CEL	Community Engagement Lead
CEC	Community Engagement Coordinator
CESS	Capital Expenditure Sharing Scheme
CRML	Community Relations Management Lead
CSEP	Community and Stakeholder Engagement Plan
CWO REZ	Central West Orana Renewable Energy Zone
EIS	Environmental impact statement
EnergyCo	The Energy Corporation of NSW (responsible for delivering NSW REZs)
FAQs	Frequently asked questions
FNPM	First Nations Participation Manager
GW	Gigawatt
HCC	Hunter-Central Coast
HCC LEC	HCC Local Engagement Committee
HTP	Hunter Transmission Project
IAP2	International Association of Public Participation
ISCA	Infrastructure Sustainability Council of Australia
LALC	Local Aboriginal Land Council
LPAM	Land and Property Access Manager
NECF	National Energy Customer Framework
NEM	National Energy Market
PMP	Property Management Plan
REZ	Renewable Energy Zone
RFP	Request for proposals
RIT Guidelines	Cost Benefit Analysis and RIT Application Guidelines
RNI	REZ network infrastructure
SBP Scheme	NSW Government's Strategic Benefit Payments Scheme
SEPP	State Environmental Planning Policy
SEM	Stakeholder Engagement Manager
SLL	Social Licence Lead
SLP	Social Licence Plan

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# 1 Introduction

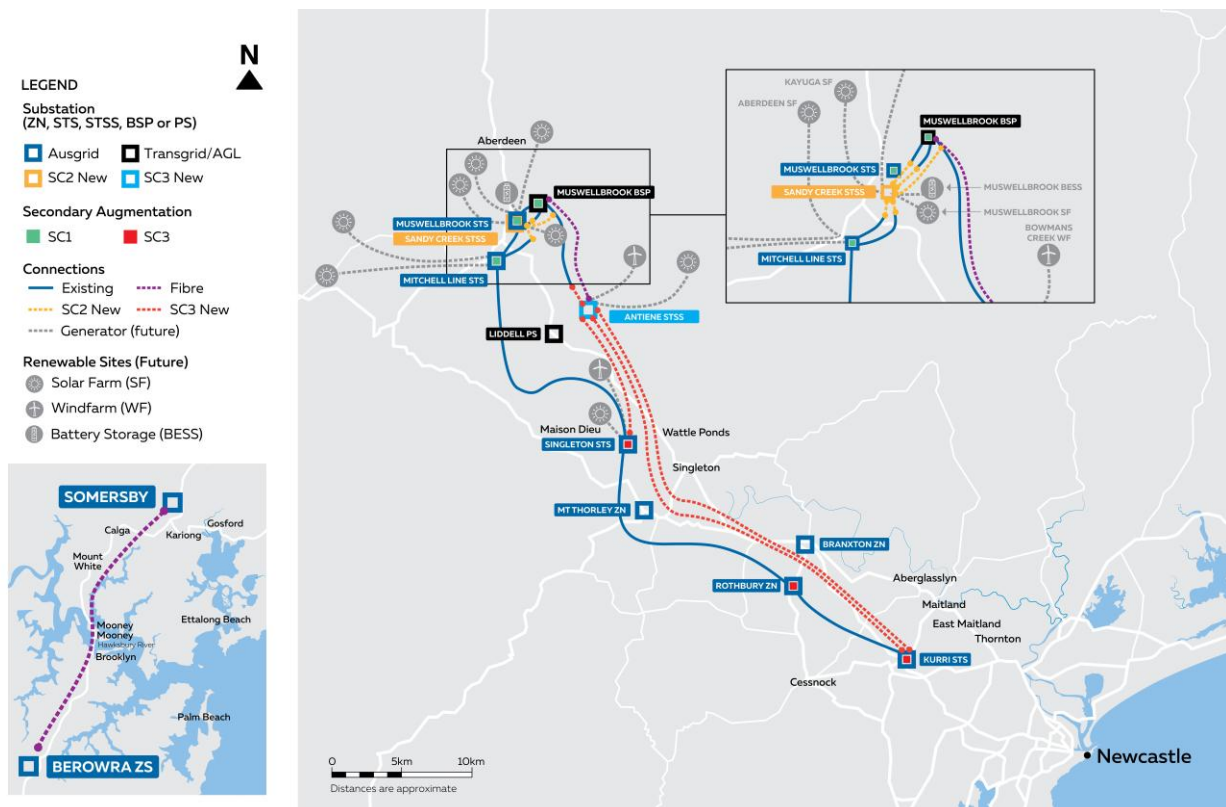
This Social Licence Proposal outlines Ausgrid's approach to securing the social licence needed to construct and operate the Hunter-Central Coast (HCC) Renewable Energy Zone Infrastructure (HCC RNI) Project (the Project). It sets out the protocols and governance that will guide how we will work with the Energy Corporation of NSW (EnergyCo) and the community to make social licence investment decisions capped at \$5.3 million (real FY26).

## 1.1 Project overview

In December 2024, Ausgrid signed an agreement with EnergyCo to deliver the HCC RNI Project.

The Project is central to the NSW Government's Electricity Infrastructure Roadmap, ensuring the renewables potential of the Hunter-Central Coast can be harnessed to deliver a reliable and sustainable energy supply for the region. The proposed upgrades to Ausgrid's network will enable the faster and more cost-effective integration of renewables into the grid, minimising impact on communities while significantly boosting network transfer capacity by 1 gigawatt (GW).

**Figure 1: Proposed route for HCC RNI Project**



At a glance, the HCC RNI works will provide:

- 1 GW intended network transfer capacity
- 85 km upgrade of existing sub-transmission lines
- Two new energy hubs (substations)
- Two existing energy hub (substation) upgrades
- 18 km new underground fibre optic communications cable.

Scheduled to commence construction from early 2026, the HCC RNI works are expected to be commissioned around mid 2028.

## 2 Summary of our approach

A social licence budget must be tailored to each project and to the community hosting the infrastructure. The sections below provide a high-level overview of our approach for the HCC RNI Project. Subsequent sections provide further detail on key aspects of our proposed approach.

### 2.1 AER guidelines

We have considered the views of the Australian Energy Regulator (**AER**) as expressed in the following documents:

- Review of the *Cost Benefit Analysis and RIT Application Guidelines (RIT Guidelines)*, which define social licence as ‘continued support and acceptance from a community that will be affected by an organisation, its activities or project’<sup>1</sup>
- *AER Cost Benefit Analysis Guidelines (CBA Guidelines)*, which state that ‘social licence is linked to general awareness and acceptance of a project within its community and directly linked to a project’s credibility’<sup>2</sup>.

While these guidelines do not specifically apply to NSW Energy Roadmap projects like HCC RNI, they provide useful guidance about the AER’s expectations of electricity network operators when developing a social licence budget.

### 2.2 Our budget

We propose a social licence capital expenditure (**capex**) budget capped at \$5.3 million (real FY26).

The AER’s RIT Guidelines state that a network business ‘should determine an expected level of spending on community benefit sharing as a percentage of a project’s capital costs’.<sup>3</sup> For the HCC RNI Project, our proposal (\$5.3 million) represents less than 1% of the total capital cost (\$590.8 million).

We consider our proposed social licence budget to be prudent, efficient and reasonable. Although benchmarking data is limited, studies suggest that major infrastructure projects should allocate between 1.0-1.3% of their total budget to social licence activities.<sup>4</sup>

It is worth noting that the NSW Government’s Strategic Benefit Payments Scheme (**SBP Scheme**), which provides private landowners with \$200,000 per kilometre of transmission infrastructure on their land, does not apply to the HCC RNI. To qualify for SBP Scheme support, the network infrastructure must operate at 330 kV or higher.<sup>5</sup> HCC RNI operates at 132kV. While this exemption could potentially affect community sentiment, we are not proposing to compensate for this through a higher social licence budget. We believe this further demonstrates the prudence, efficiency, and reasonableness of our proposed \$5.3 million allowance.

### 2.3 How we will gain continued support and acceptance

It takes time to engage with local communities on the activities needed to build and maintain social licence. Though Ausgrid has engaged extensively with the local Hunter-Central Coast community, we recognise that this work is ongoing. Social licence requirements are also dynamic and likely to evolve over the coming years as construction works take place.

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<sup>1</sup> AER, [RIT Guidelines](#), November 2024, p.20

<sup>2</sup> AER, [CBA Guidelines](#), November 2024, p.62.

<sup>3</sup> AER, [RIT Guidelines](#), November 2024, p.28

<sup>4</sup> Transgrid, [Community Investment and Benefits Strategy](#), December 2023, p.8.

<sup>5</sup> EnergyCo, [Strategic Benefit Payments Scheme policy paper](#), October 2022, p. 12

To win the ‘continued support and acceptance’<sup>6</sup> described in the AER’s RIT Guidelines, we plan to establish a new customer panel called the HCC Local Engagement Committee (**HCC LEC**).

Our ambition in setting up the HCC LEC is to ensure that the local community feels valued, heard and included. This is a key principle in the *National Guidelines on Community Engagement and Benefits for Electricity Transmission Projects*<sup>7</sup> (**National Community Engagement Guidelines**) that is referenced in the AER’s RIT Guidelines.<sup>8</sup> The AER’s RIT Guidelines outline a non-exhaustive list of the types of cost that can be included in a social licence budget. These include ‘community benefit sharing programs, minor route or design adjustments, legislated additional landholder payments or the cost of community engagement’.<sup>9</sup> The cost of establishing the HCC LEC falls within these broad categories.

The National Community Engagement Guidelines also refer to harnessing local knowledge.<sup>10</sup> This helps support the prudence and efficiency of the social licence investments that are made, since they will be based on an understanding of local priorities that provide the most effective solutions to addressing potential challenges and opportunities for mutual benefit. The HCC LEC will support this outcome through a recruitment process that leverages nominations, general promotion and random selection.

High-level governance features for the HCC LEC are outlined below.

### 2.3.1 HCC LEC members

Suggested members include:

- Chair
- 3 Council representatives
- 3 regional representatives from business, Aboriginal and environment sectors
- 3 community members/group representatives.

Up to **five workshops** will be held throughout the planning and construction phases of the Project.

### 2.3.2 Remuneration

The following remuneration model mirrors the approach used for Ausgrid’s Customer Consultative Committee.

Payments have been included for all 10 committee members (see Table 1); however, it is expected that those attending in a professional capacity (e.g. a Council member) will not require payment, unlike those participating in a voluntary capacity (e.g. landowners). The final payments and eligibility criteria will be confirmed prior to panel commencement.

**Table 1: Proposed payments for HCC Local Engagement Committee members**

Item	Suggested payment	Estimate total (max)
Full day workshop (6 hours) x 2	\$250 per person, per hour = \$1,500	\$30,000
Half-day workshop (3 hours) x 3	\$250 per person per person = \$750	\$22,500

<sup>6</sup> AER, [RIT Guidelines](#), November 2024, p.20

<sup>7</sup> Energy and Climate Change Ministerial Council, [National Community Engagement Guidelines](#), July 2024, p. 21

<sup>8</sup> AER, [RIT Guidelines](#), November 2024, p.67

<sup>9</sup> AER, [RIT Guidelines](#), November 2024, p.28

<sup>10</sup> Energy and Climate Change Ministerial Council, [National Community Engagement Guidelines](#), July 2024, p. 21

Item	Suggested payment	Estimate total (max)
Travel costs	Estimated up to \$150 per person, per trip	\$7,500
	Approx. total for 10 panel members	\$60,000

### 2.3.3 Recruitment

Recruitment for the HCC LEC will be undertaken prioritising three methods:

- Nominations sought from community organisations, existing networks and advocacy groups to reach those in under-represented groups
- General promotion of opportunities through social and traditional media to encourage self-nominations
- Random selection using a recruitment agency to reach a broader cross-section of people to ensure a good representation of perspectives within the community (if required).

### 2.4 Building on the engagement that has already occurred

Ausgrid has undertaken a comprehensive early engagement process for the HCC RNI Project, ensuring local communities and stakeholders are informed and their feedback is incorporated into project planning.

Key activities have included stakeholder meetings, drop-in sessions and newsletters, all aimed at sharing information about the Project's scope, proposed works, potential impacts and benefits, while addressing community concerns and promoting ways to provide feedback.

Table 2 outlines the key activities undertaken during the engagement period from December 2024 through to March 2025 and the level of consultation across each activity.

**Table 2: Engagement with the community between December 2024 and March 2025**

Event and number of sessions held	Locations and attendees	IAP2 participation
Landowner sessions - December(4)	Branxton – 9 Singleton - 8 Muswellbrook - 7 Online - 2	Inform, consult & involve
Landowner sessions – January (2)	Branxton – 2 Singleton – 3 Muswellbrook – none <i>Online session cancelled due to no registrations/interest being received</i>	Inform, consult & involve
Community drop-in sessions (2)	Singleton – 17 Muswellbrook – 3	Inform & consult
Community pop-up (1)	Singleton square	Inform & consult
Webinars (2)	Registrations – 41 and 18 Attendees – 32 and 11	Inform & consult
Meetings with council (5)	Muswellbrook and Singleton	Inform, consult & involve

Event and number of sessions held	Locations and attendees	IAP2 participation
Stakeholder meetings (7)	Chambers of Commerce (Muswellbrook and Singleton) Hunter Valley Jobs Alliance And others.	Consult & involve

## 2.5 Incentive scheme exclusions

We propose to exclude our forecast social licence budget (\$5.3 million) from our Capital Expenditure Sharing Scheme (**CESS**) targets. This provides balanced incentives, since Ausgrid will not benefit under the CESS from underspending our AER approved allowance for social licence activities.

Equally, we confirm that our proposed budget is capped at \$5.3 million. This means that the possibility of incurring a penalty under the CESS is not required to incentivise our actual spend staying within the limits of our AER approved allowance. If we reach the \$5 million cap, no further spending on social licence activities will occur.



### 3 Governance

Ausgrid will be responsible for administering the Social Licence Plan for the HCC RNI Project. The independent HCC LEC will be responsible for reviewing and selecting social licence initiatives for funding. This section describes the key governance measures under which these processes will be implemented and assessed.

#### 3.1 Our framework for delivering social value

Our governance starts with defining how we will deliver social value for the local community. This framework consists of four phases (define, design, deliver, measure) as outlined in Figure 2.

Figure 2: Our approach to building and maintaining social licence



##### 3.1.1 Define

In this phase, Ausgrid will define the parameters for building social value. The first crucial step is to gain a deep understanding of the outcomes that hold the highest significance for the local community. Ausgrid will achieve this by continuing to work alongside EnergyCo and other projects in the area to engage in consultation with community members, local institutions, non-profit organisations, and government entities.

It is important these stakeholders feel heard without experiencing engagement fatigue from being consulted on the myriad projects operating in the area. Through these engagements, Ausgrid will identify and prioritise the outcomes that matter most to the community.

Ausgrid will conduct a local needs assessment, in conjunction with EnergyCo and other projects, to further refine our understanding of the local priorities. This research will encompass existing reports, studies and community feedback. The culmination of these efforts will result in a clear and well-defined set of community-driven objectives.

We will also carry out a thorough assessment of the risks and opportunities associated with the Project. This step is crucial to ensure that the chosen social value initiatives align with the community's needs while mitigating potential challenges.

##### 3.1.2 Design

The focus of the 'design' phase is on creating a robust framework for delivering social benefits. This will involve establishing a group representing diverse stakeholder interests via the HCC LEC panel. Members will include representatives of local government, Traditional Owners, environment groups, business and the broader community.

The HCC LEC panel will co-design, through a deliberative engagement process, the social value priorities based on the outcomes identified in the 'define' phase. Ausgrid recognises the importance of community input and will integrate it into the core of its initiatives.

Additionally, Ausgrid will work on developing Project-specific social value metrics. These metrics will serve as quantifiable indicators to measure the success and impact of each initiative. An action plan will be crafted to guide the implementation of these initiatives.

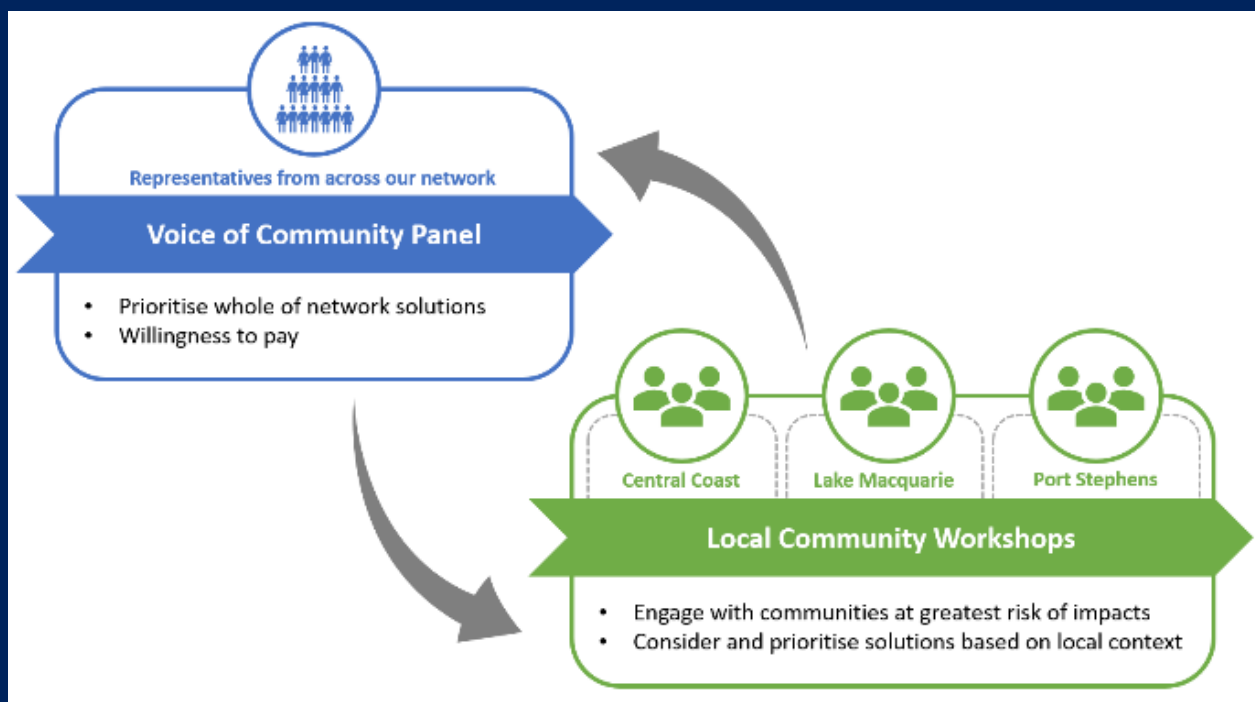
The 'design' phase will clarify both the timing and location of initiatives, which will be socialised with EnergyCo to ensure alignment with other social licence investments and EnergyCo's broader social licence plans.

### Case Study 1 Using deliberative engagement to garner community support

Ausgrid used a deliberative engagement approach throughout 2022 and 2023 to co-design climate resilience investments with our customers. The engagement established a transparent feedback loop with local representative groups in three priority Local Government Areas (**LGAs**) and a broader Voice of Community (**VoC**) panel from across our network.

Through a series of face-to-face and online workshops, we **gained** a deep understanding of the unique needs and priorities of communities facing the localised impacts of climate change and then tested these against broader customer expectations of affordability, efficiency and appropriateness.

Coupled with robust feedback loops, this bottom-up approach allowed us to establish social licence and demonstrate support from across our customer base for an innovative new program of work for the next regulatory period.



### 3.1.3 Deliver

During the 'deliver' phase, Ausgrid will actively partner and collaborate with relevant organisations, institutions, and community stakeholders to implement the planned social value initiatives. The partnerships formed will reflect the commitment to shared goals and values.

Continuous monitoring will be a central element of this phase, to ensure each initiative remains on track to achieve its intended outcomes. Adjustments and improvements will be made based on real-time data and feedback. This iterative process is vital to ensure that the initiatives remain relevant and impactful.

Ausgrid will also embed the defined social value priorities into its contracts and supply chain processes, to ensure that social value considerations are ingrained throughout our operations and decision-making processes.

### 3.1.4 Measure

The 'measure' phase focuses on demonstrating the positive impact of Ausgrid's social value initiatives. Ausgrid will employ rigorous measurement methodologies to collect data and evidence that showcase the tangible benefits these initiatives have brought to the community, and will make this information available on our website.

We will use both direct and indirect sources of information:

- **Direct sources:** Formal approaches specifically created to collect data on community attitudes about the Project. Examples include surveys, interviews and focus groups.
- **Indirect sources:** Information not primarily designed for measurement but which may contain valuable data that complements the formal metrics. Examples include:
  - o Complaint hotlines
  - o Webforms
  - o Formal complaint registers
  - o Ad hoc feedback from outreach events, engagement activities or field agents
  - o Local and national media
  - o Social media.

The National Community Engagement Guidelines note that indirect sources 'may be less structured but are just as important to help better understand community perceptions'.<sup>11</sup>

By presenting clear and quantifiable information about the performance of our social value initiatives, Ausgrid not only builds trust within the community but also sets a precedent for accountability and continuous improvement. The data collected during this phase will inform future initiatives, ensuring that Ausgrid's social value efforts remain responsive to the evolving needs and priorities of the community.

## 3.2 Priorities, key stakeholders and principles

The priorities, key stakeholders and principles underpinning our Social Licence Plan are outlined below.

### 3.2.1 Priorities

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<sup>11</sup> Energy and Climate Change Ministerial Council, [National Community Engagement Guidelines](#), July 2024, p. 42

To determine the social priorities for the HCC RNI Project's social value activities, Ausgrid has commenced consolidating insights from community and stakeholder engagement in this early phase of the Project, including from key stakeholder meetings, community information sessions, the First Nations Community Energy Strategy and Community Consultative Group meetings. Further insights have also been obtained from local government, impacted landowners, organisations, stakeholders, local business and local councils.

The Project has identified several social value priority areas including:

- To create employment, including employment for First Nations people, women, and other under-represented demographics
- To invest in education and training
- To promote local industry, manufacturing and jobs
- Making electricity accessible for all
- Introduce/develop legacy Ausgrid social value initiatives.

**Table 3: Summary of priority areas and planned outcomes**

Priority area	Overview	Impact/outcomes
<b>To create employment, including employment for First Nations people</b>	<ul style="list-style-type: none"> <li>• Prioritise local hiring and create targeted employment opportunities for First Nations communities. Collaborate with local organisations to ensure inclusive workforce development.</li> </ul>	<ul style="list-style-type: none"> <li>• Achieve or exceed targets for Aboriginal participation and procurement</li> <li>• Support for local community and participation in programs</li> <li>• Cultural heritage awareness across region and Ausgrid</li> </ul>
<b>To invest in education and training</b>	<ul style="list-style-type: none"> <li>• Support local education initiatives and vocational training programs to develop skills relevant to the energy sector.</li> <li>• Partner with educational institutions to create pathways into employment within infrastructure projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased job opportunities</li> <li>• Increased local workforce</li> <li>• Support for longer term initiatives that could be supported by multiple Ausgrid projects that impact the same community area</li> <li>• Retention of local workforce</li> </ul>
<b>To promote local industry, manufacturing and jobs</b>	<ul style="list-style-type: none"> <li>• Engage with local businesses to integrate them into the supply chain of infrastructure projects.</li> <li>• Support local manufacturing and service providers to stimulate economic growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Enhanced local business capability to participate in Project tendering processes</li> <li>• Facilitation of contract awards to small businesses (where appropriate)</li> </ul>
<b>Legacy Ausgrid social value initiatives</b>	<ul style="list-style-type: none"> <li>• Implement long-term community benefit programs to ensure sustained positive impacts beyond Project completion. These initiatives aim to democratise energy production and provide ongoing economic and social benefits to communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboration with delivery partners and local government to develop opportunities for longer term community benefits, post construction</li> <li>• Lasting social legacy</li> <li>• Long term community prosperity</li> <li>• Tangible social licence outcomes and enhanced corporate reputation</li> <li>• Social return on investment</li> </ul>



The HCC RNI Project covers the Local Government Areas of Muswellbrook Shire, Singleton and Cessnock. Table 4 lists the key stakeholder groups who will be engaged for this plan.

**Table 4: Summary of key stakeholders**

Stakeholders	IAP2 engagement spectrum
HCC Local Engagement Committee	Collaborate
Community groups	Consult/Involve
State Government agencies	Consult/Involve
Local Government	Consult/Involve
Landowners	Consult
Local community	Consult/Involve
Unions	Consult
Proponents of parallel projects, and other energy projects in the region	Consult/Involve
Market bodies/regulators	Consult
First Nations individuals and groups	Consult/Involve
Peak Industry Bodies	Consult/Involve
Local businesses	Consult/Involve
Environmental groups	Consult/Involve
Interest groups	Consult/Involve
Skills, training and education bodies	Consult/Involve

### 3.2.2 Key principles

Setting clear principles to guide how Ausgrid undertakes social licence activities is an important governance measure. The principles outlined in Table 5 will guide the implementation of the Social Licence Plan.

**Table 5: Key principles underpinning the Social Licence Plan**

Principle	Description
<b>Collaborative</b>	<ul style="list-style-type: none"> <li>We will facilitate strong and active community participation and engagement, seek diversity of input and act transparently.</li> <li>We want the local community to develop a sense of ownership of the initiatives and continue the trusted relationship Ausgrid has with the local community. Ausgrid will retain oversight of the projects it funds, not merely provide funding.</li> <li>We will seek a wide range of input from the local community including youth, local Aboriginal representatives, local government, business and community organisations, seeking input from individuals and groups not traditionally engaged and involved in renewable energy.</li> </ul>

Principle	Description
	<ul style="list-style-type: none"> <li>A co-design deliberative process will be undertaken to develop the Program framework, through the HCC LEC. This process will design program eligibility, funding, governance and administration.</li> </ul>
<b>Place-based</b>	<ul style="list-style-type: none"> <li>The Project will connect the region. While our proposed design will have limited impact on existing easements, it will impact the local communities across all the LGAs.</li> <li>Our approach to community benefit sharing will take a regional focus while remaining mindful of local differences and specific needs.</li> <li>As a community connector, we want to work with local developers of existing and proposed renewable energy projects and priority sub-transmission infrastructure projects to assess the feasibility of a collaborative approach to community benefit sharing that makes the most of the economies of scale. This could involve working on specific opportunities when viable.</li> </ul>
<b>Sustainable</b>	<ul style="list-style-type: none"> <li>Our community benefit initiatives will need to be financially achievable and sustainable over the long term.</li> <li>We will be transparent in relation to what is feasible and achievable, and will work with the local community to maximise the local benefits generated through the program.</li> <li>We will aim for the program to generate ideas and approaches that can be replicated on other projects.</li> <li>We will aim to leverage other funding opportunities and create a spirit of collaboration that has a multiplier effect on results.</li> </ul>
<b>Evidence-based</b>	<ul style="list-style-type: none"> <li>We will adopt a continuous improvement approach focused on outcomes and the impact rather than inputs.</li> <li>We will work with the local community to identify and communicate what matters, what can be measured and how to best report it.</li> <li>We will not shy away from making changes if feedback and evaluations suggest better approaches.</li> <li>We will agree on KPIs that can be assessed and measured and review our performance against the KPIs at the end of each phase.</li> </ul>

Ausgrid is committed to delivering early and authentic engagement through open and respectful dialogue with all Project stakeholders, and to creating positive and enduring social legacies through the Project. We will ensure the Social Licence Plan aligns with our engagement objectives:

- Build trust and confidence
- Reach diverse audiences
- Understand local aspirations and preferences
- Better practice engagement.

### 3.3 Roles and responsibilities

The Social Licence Plan will be delivered by an integrated team, made up of engagement specialists, supported by the broader Project team. Table 6 lists the key roles and responsibilities within this team.

All interactions with community and stakeholders will be logged in the software platform Consultation Manager, which will be used across property, environment and stakeholder teams, to capture the engagement, its outcomes and ensure any follow up actions are undertaken.

**Table 6: Roles and responsibilities**

Role	Responsibility
<b>Stakeholder Engagement Manager (SEM)</b>	<ul style="list-style-type: none"> <li>Develop and oversee implementation of the Stakeholder Communication and Engagement Plan, Social Licence Plan, and Industry and Aboriginal Participation Plan.</li> <li>Ultimate responsibility for social licence strategy and reporting.</li> <li>Report to Project Director and a member of the Project leadership team.</li> </ul>
<b>Social Licence Lead (SLL)</b>	<ul style="list-style-type: none"> <li>Develop strategies for the delivery of positive social and economic outcomes for communities along and surrounding the Project footprint.</li> <li>Work with SEM and Community Engagement Lead (CEL) to ensure derived Project benefits and legacy outcomes are effectively communicated to local communities and working groups.</li> <li>Manage Social Licence Plan.</li> <li>Achieve identified medium and long-term legacy benefits and community investment outcomes.</li> </ul>
<b>First Nations Engagement SME</b>	<ul style="list-style-type: none"> <li>Delivery of First Nations engagement activities.</li> <li>Build meaningful and trusting relationships with local First Nations communities along and surrounding the Project footprint.</li> <li>Deliver an Aboriginal and Torres Strait Islander Participation Plan.</li> <li>Work closely with the First Nations Participation Manager (FNPM) and SLL to develop and achieve identified medium and long-term legacy benefits and community investment outcomes for Aboriginal and Torres Strait Islander communities.</li> </ul>
<b>Community Engagement Coordinator (CEC)</b>	<ul style="list-style-type: none"> <li>Assist with stakeholder and community engagement activities including through the HCC LEC.</li> <li>Build meaningful and trusting relationships with local communities along and surrounding the Project footprint.</li> </ul>

### 3.4 Risks and mitigations

Table 7 lists the key risks and proposed mitigations for building social licence. These risks will be added to the Project's overall Risk Register and monitored through monthly reviews.

**Table 7: Risks and mitigations**

Risks	Mitigation tools and tactics
<b>Engagement fatigue</b>	<ul style="list-style-type: none"> <li>Collaborate on social licence programs with other projects in the area</li> <li>Ask the community and stakeholders how and when they would like to be engaged, and regularly update engagement plans and activities to meet their needs</li> </ul>
<b>Perceived lack of transparency</b>	<ul style="list-style-type: none"> <li>Provide timely project updates and new information about the social licence framework and outcomes from the process</li> <li>Maintain a clear and accessible website</li> <li>Inform community about the HCC LEC's role, and the role the community can play</li> </ul>

Risks	Mitigation tools and tactics
<b>HCC LEC recommend initiatives that Ausgrid doesn't support</b>	<ul style="list-style-type: none"> <li>• Ensure Ausgrid Board support for the initiative assessment framework</li> <li>• Be clear about the role of the HCC LEC (i.e. not the final decision maker on initiatives)</li> <li>• Schedule regular workshops and other communications to update stakeholders</li> </ul>
<b>Potential stakeholder confusion around parallel projects (e.g. HTP, CWO REZ, offshore wind), policy framework and planning laws</b>	<ul style="list-style-type: none"> <li>• Maintain clear differentiation and positioning of the Project</li> <li>• Prepare a stakeholder map, highlighting relationship owners</li> <li>• Engagement governance structure</li> <li>• Clear messaging about where the HCC RNI Project fits within the overarching NSW energy framework</li> <li>• Establish clear processes for community and stakeholder enquiry, feedback and complaint management</li> <li>• Maintain shared stakeholder interaction records</li> </ul>
<b>Stakeholders receive conflicting information</b>	<ul style="list-style-type: none"> <li>• Maintain shared stakeholder interaction records</li> <li>• Consistent use of key messages, Q&amp;As and FAQs, ensuring these are updated as the Project progresses</li> <li>• Engagement governance structure to establish responsibilities for engagement activities within Project team</li> <li>• Establish clear processes for community and stakeholder enquiry, feedback and complaint management</li> <li>• Coordinate with other projects and EnergyCo to align common messages</li> </ul>
<b>Lack of clarity on EnergyCo and Ausgrid roles and responsibilities for community investment/social licence activities across different projects</b>	<ul style="list-style-type: none"> <li>• Potential for joint newsletter/updates for stakeholders on energy projects in the area</li> <li>• Oversight of each other's communications approach</li> <li>• Working group across service providers once in operation</li> <li>• Regular briefings between Project and agency teams</li> <li>• Provide copies of engagement plans</li> </ul>
<b>Community or stakeholders feel Ausgrid is not meeting its genuine or implied commitments</b>	<ul style="list-style-type: none"> <li>• Provide information to the community about what is required under the legislation, and what is best practice within the guidelines</li> <li>• Set expectations early, including around what the LEC can influence</li> <li>• Regular engagement with key stakeholders to check that expectations are being met, and gaps between expectations and service delivery are being addressed</li> </ul>
<b>Changes in timing, plans and impacts resulting in frustration for stakeholders</b>	<ul style="list-style-type: none"> <li>• Internal information sharing protocols in place to facilitate regular updates</li> <li>• Regular operational and governance structures across project team encouraged from leadership</li> <li>• Scheduled regular workshops and other communications to update stakeholders</li> </ul>

### 3.5 Monitoring, evaluation and reporting initiatives

Social licence to operate is dynamic, changing quickly in response to issues influencing the community and other stakeholders. For this reason, our Social Licence Plan and proposed social



value initiatives will be benchmarked, monitored and regularly assessed to allow us to make clear, insight-led decisions about future investment.

Ausgrid, in collaboration with the HCC LEC, will define the expected outcomes and impacts of specific initiatives, and the timing for their realisation. Once these aspects are defined, Ausgrid will develop a plan to monitor and evaluate the performance of each initiative.

Each plan will include the following:

- Establish the baseline data for tracking changes.
- Match baseline data with specific expected outcomes and impacts.
- Designate locations, assign individuals, and schedule the collection of baseline data.
- Task specific team members with developing baseline data collection methods, executing the collection, and securing the data.
- Define the additional data to be collected in association with the initiative.
- Link the additional initiative data with its intended outcomes and impacts.
- Detail the collection process for initiative data, including locations, personnel, and timelines.
- Allocate responsibilities for crafting initiative data collection tools, gathering the data, and its secure storage.
- Develop a plan for the analysis and reporting of the collected data.

### 3.5.1 Reporting

Performance and reporting requirements for communications and stakeholder engagement are summarised in Table 8. The frequency and content of the reports will be continuously reviewed to ensure the information is relevant.

**Table 8: Summary of reporting and stakeholder communication**

Tool/document	Audience	Frequency	Content
Monthly report	EnergyCo	Monthly	Monthly reports will include a specific section on social licence progress and outcomes.
Social value framework dashboard	EnergyCo	Quarterly	Using the social value framework, a dashboard will be developed to report on all social licence initiatives and targets across the Project.
Annual social value and sustainability report	Stakeholders and public	Annually	Annual report made publicly available to provide insights and progress on the social licence initiatives made across the Project.