

Ms Stephanie Jolly  
Executive General Manager, Consumer, Policy and Markets Division  
Australian Energy Regulator  
Via Email: [AERringfencing@aer.gov.au](mailto:AERringfencing@aer.gov.au)

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To the Australian Energy Regulator

I am writing on behalf of Tenants' Union of NSW to express our support in principle for Essential Energy seeking a waiver from the Ring-fencing Guidelines (electricity distribution), in order to establish a training academy which will support capacity for renewable energy in NSW.

The Tenants Union of NSW is the peak body representing the interests of tenants in New South Wales. We are a community Legal Centre specialising in residential tenancy law and policy, and the main resourcing body for the statewide network of Tenants Advice and Advocacy Services (TAAS's) in New South Wales.

The Tenants Union of NSW sits on a variety of energy related consumer interest and advocacy groups, advocating for clean energy and better energy rights for renters. We are a member of the Essential Energy Consumer Advocacy Group as an advocate and voice for renters in NSW.

Energy has an important role to play in ensuring homes are habitable and affordable. Energy must be accessible, affordable and reliable and it is preferable that it is generated from clean energy sources.

The rising cost to consumers of energy supply from the grid is a significant concern for the Tenants' Union of NSW, as it pushes people into unfair and unsafe situations of energy hardship. So too is the slow progress to replace non-renewable energy within the current energy system.

Reports from the AEMO show that renewables are already providing a record share of power in Australia, and there is a growing adoption of privately owned rooftop solar. This is creating an inequitable energy market which is leaving renters out. Renewable energy, particularly at low cost, should be available for everyone. Renters are blocked by a combination of current distribution pathways, legislation, state and federal grants and the landlord's decision-making powers.

The Tenants Union is optimistic that large scale renewable energy production and storage planned for NSW will minimise costs that are passed on to consumers and assist in preventing rising energy costs into the future.

Renters want equity in achieving a home that is cheap to cool and heat while being better for the climate, with access to energy efficient features alongside renewable energy options.

Greater network capacity from planned renewable energy projects to the grid and into more NSW homes should be a positive development for NSW renters.

The benefits and scope for success of projects like the Central West Orana REZ and New England REZ network infrastructure project, the Hunter Transmission project, and Waratah Super Battery Project and the capacity for NSW to continue to develop renewable energy projects will be reliant on industry preparedness, inclusive of a diverse and suitably qualified workforce.

The Tenants Union cannot offer insight or comment on the existing training service market, however Essential Energy estimates the project will alleviate an unmet demand of 10% gap in skills needed for delivering on NSW 3GW REZ capacity.

Essential Energy has confirmed with members of its CAG that their intention is to address unmet demand by offering training to a broader range of electricity sector participants including existing workers, trainees and electrical apprentices who may diversify their employment prospects into renewable projects in regional NSW.

Drawing on the increased experiences of disaster and severe weather events in NSW this year alone, support for innovation around climate change and preparedness is proving necessary. Parts of Northern NSW through to Mid North Coast, the New England Regions as well as the Southern Coast of NSW have been impacted by flooding and high wind- storms, causing power outages to tens of thousands of homes at a time. Prolonged exposure to disaster impacts can have enduring consequences on individual health and wellbeing, employment rates, and the sustainability of community enterprises.

We understand that the proposed training hubs will be in Parkes, Grafton, Orange, Wagga Wagga, Tamworth and Goulburn which are areas aligned with the Renewable Energy Zone (REZ) Development areas. We support culturally safe and responsible consultation with regional communities around the development of Essential Energy's regional training academy and hubs.

The opportunity for regional enterprise and leadership stemming from REZ projects and incentives like Essential Energy's proposal for a regional training academy is likely to be a protective factor for economic resilience in regional communities during and after disaster events.

Essential Energy have clarified with the CAG that their training academy:

- Will not create a cost to Essential Energy customers.
- There are no direct or indirect cross-subsidies to the academy or to any of its students.
- It will be run on a full fee-paying basis.
- Essential Energy will comply with Ring-fencing Guidelines and waiver conditions, as well as undergoing annual independent auditing assessed by the AER.
- The Training Academy is being developed to complement the existing contestable market through the development of a set of guardrails.
- As part of their set of proposed guardrails, they will engage in market testing for courses they intend to run to ensure they are only targeting a modest share of the unmet demand for workforce skills and qualifications.
- As part of market testing, where a contestable provider is meeting the unmet demand and offering the same course on a like- for-like-basis, the academy will choose to either limit its places for internal demand or fully withdraw from the offering and refer internal applicants to the contestable provider.

The Tenants Union of NSW supports responsibly increasing momentum toward cleaner energy reliance, acknowledging its potential to improve energy equity for renters and contribute to the resilience of regional communities.

Additional and contestable training hubs in REZ regions to address unmet demand particularly in renewable energy expertise, is an accountable planning approach that is aligned with our principles for NSW renters to have a fairer energy market experience.

Please do not hesitate to contact me if you require further information on [REDACTED]

Yours sincerely

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Amanda Elgazzar  
Acting Residential Land Lease Communities Officer