



Landholder Engagement Step Change – Supporting Document

AusNet Transmission Revenue Reset 2027-32

October 2025

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1. Purpose and scope

AusNet's proposal to uplift landholder engagement service levels affects our proposed expenditure in three ways:

1. **The landholder engagement operating expenditure step change** – this refers to **non-ICT opex** needed to uplift capability
2. **The digital operating expenditure step change** – part of this step change consists of **ICT opex** needed to support digital tools to be used by the landholder engagement team
3. **The capital expenditure proposal – ICT capex** is proposed for the digital tools to be used by the landholder engagement team.

This document provides further information on the decision-making process that informed all three of these expenditure components. However, the technical detail and cost-benefit analyses relating to the **ICT opex** and **ICT capex** for digital tools used by the landholder engagement team (points 2 and 3 above) are provided separately, in the supporting ICT Business Case for Customer Engagement.

2. Context

2.1. Background

AusNet's transmission network has easements across 10,398 private property holdings with an estimated 6,000 to 7,000 unique private land holders. The easements cover properties that are zoned for farming (50%), green wedge or public zones (22%), industrial or commercial use (7%), residential use (7%) and other purposes (14%). This means that there is a large and diverse range of landholders that AusNet needs to engage with and manage. Ownership complexity, especially in regional areas with frequent title changes, further increases the risk of engaging the wrong person, delaying work and eroding trust.

Strategic risks are escalating as landholders become more informed and assertive, and expectations are raised by engagement on other electricity infrastructure. Poor engagement can lead not only to access refusals but also to broader limitations on land use. Operationally, delays in access can reduce asset performance and drive up long-term costs of the transmission network, impacting all Victorians' electricity bills. These risks highlight the need for a more integrated and proactive engagement strategy that aligns with evolving landholder needs and expectations.

Our ageing network and the energy transition require major transmission replacement and augmentation programs, and increase the number of landowners impacted by the transmission network and the frequency and duration of disruptions. Fit-for-purpose landholder engagement is becoming increasingly critical for securing access to complete these works, and for building trust, ensuring continuity, and maintaining social license and to avoid delays, refusals, and reputational risks.

Operational challenges have been compounded by limitations in current systems. The primary CRM has been recently augmented to improve the data and processes, but it lacks integration with other AusNet systems and is reliant on manual processes and inputs. It also does not have functionality to track asset-specific data, such as tower numbers, or historical compensation, leaving teams without a complete view of landholder interactions. Additionally, data fragmentation across delivery partners, the vegetation team, and other AusNet business units (lines of business) results in inconsistent records and missed opportunities for coordinated engagement, impacting landholder experience and missed efficiencies.

Communication and complaint handling processes are also fragmented. There is no centralised system for tracking complaints, which can originate from contact centres, project teams, delivery partners, or the property team. This lack of unified oversight prevents effective service-level monitoring. Moreover, delivery partner disconnects – particularly between AusNet and delivery partners – often result in critical information not reaching operations and maintenance teams, undermining field coordination.

Looking ahead, improving engagement practices promises significant efficiency gains. Streamlined communication and better data integration are expected to reduce field effort, accelerate construction timelines, and strengthen long-term relationships with landholders. A strategic shift toward coordinated, transparent and respectful engagement will be key to sustaining operational success and community trust.

2.2. Increasing network investment

Victoria's electricity transmission network is facing urgent and emerging challenges driven by a lack of capacity for new renewable developments, peak demand profile requiring augmentation and system strength works, reliability

from intense weather events and reliability risk of aging coal generation increasing reliance on interconnectors and load shedding schemes. This creates a need for significant investment.

As investment increases, there is a growing need to communicate with landholders to maintain social licence as well and ensuring long term access to assets location on private land. Errors or miscommunications can cause poor landholder relationships and result in significant delays and cost impacts to projects.

Table 1 below summarises the type of work undertaken and the impact on our landholders in terms of AusNet field crews requiring access to land. The increasing replacement and augmentation network drivers will result in increasing land access requirements and therefore the need to undertake effective landholder communications will increase. Asset maintenance has the highest impact on landholders as it affects a large number of landholders each year, making it more difficult to coordinate and helicopter inspections negatively affect cattle. Improving management of maintenance activities will greatly improve the experience of the landowners.

Table 1 Drivers of network investment and how it impacts landholder engagement requirements

Type of investment	Landholder impact
Asset maintenance: The forecast workload and private land access requirements are expected to be similar to current requirements for maintenance.	~14,000 maintenance jobs per year (excl. terminal stations): ~9,500 easement & line patrol inspections (incl. aerial) and ~1,500 tower climbs - Preventative maintenance (inspections) can be most impactful as is high frequency, often done by helicopter which affects cattle, or if by foot then often little option for choice of when it occurs. - Corrective maintenance (defect correction) involves replacement of parts, so less frequent but requires vehicle access so has moderate impact on farming activities and biological controls.
Asset replacement: - AusNet is set for a step change in network investment, driven by: - More AusNet-initiated work to replace existing assets, to support the ageing network and rising demand - More customer-initiated work to connect generators and data centres, as Victoria pushes towards energy transition goals - Conductor and tower replacement programs will require significantly more time and equipment than inspection programs, further impacting landholders and customers.	- The forecast workload and private land access requirements are expected to increase for asset replacements. - The total investment in asset replacement is forecast to approximately double during the 2027-32 regulatory period compared to the current period. More replacement means a higher level of access to assets and landholder properties is required. - Replacement generally affects a small cohort of landholders so while there is a higher impact to those customers, the smaller number makes management easier.
Augmentation (VicGrid): - From July 2025, VicGrid became the new Victorian transmission planner – taking over from AEMO - VicGrid has released the first Victorian Transmission Plan, which details a new 15-year plan for the Victorian transmission network - The 2025 VTP identifies the locations of Renewable Energy Zones (REZs) and plans for network augmentation – including new transmission lines – to connect the REZ to the existing network.	- These investments will result in new assets on existing and new private properties. - This will increase the number of landowners impacted by transmission assets and increase the communications and management requirements for AusNet. - It will increase the need to build social licence in order to gain acceptance from land holders to allow AusNet to build on their land. - Augmentation/new assets generally affects a small cohort of landholders so while there is a higher impact to those customers, the smaller number makes management easier.

2.3. Obligations and industry guidelines

Many reports and documents have captured and drawn attention to areas for improvement in how networks engage with landholders. We consider the five regulatory obligations and industry guidelines described below in Table 2 to be the most relevant for informing our approach to landholder experience on the existing transmission network. Our existing landholder management systems do not have the functionality to enable us to meet these requirements efficiently.

Table 2 - Regulatory obligations underpinning landholder engagement uplift

Regulatory Obligation	Description of obligations
Essential Services Commission's Land Access Code of Practice (LACoP)	The Land Access Code of Practice regulates the rules and processes that licensed electricity transmission companies (electricity transmission companies) must follow when accessing, or seeking to access, private land. It also regulates the information that electricity transmission companies must provide to affected parties and other parties interested in land prior to entering into access agreements or accessing private land using statutory powers under the Electricity Industry Act 2000. Key requirements for AusNet are: • Inform on proposed access at least 20 business days before a 'notice of access with defined information requirements. • Send 'notice of access' at least 10 business days before access. • Changes to notified access/reminders: at least 48 hours before access.
Energy Charter Better Practice Social Licence Guideline	The Better Practice Social Licence Guideline is to support transmission businesses in building and maintaining trust with agricultural landholders and their communities as Australia transitions to a renewable energy future. It aims to minimise the impacts of transmission infrastructure and promote shared value outcomes by providing a structured framework of actions and opportunities that reflect landholder expectations and lived experiences. It sets out three general requirements for TNSPs: • Mitigation: Transmission businesses must actively reduce the significant impacts of infrastructure on landholders' agricultural operations, wellbeing, finances, and environment. • Benefits: They should ensure landholders and communities receive meaningful benefits, such as infrastructure upgrades, economic opportunities, and improved services. • Engagement: Effective engagement requires respectful, transparent, and consistent communication that meets landholders' expectations throughout the project lifecycle.
Victorian Farmers Federation (VFF) / TasFarmers Farm Access Code of Conduct	The VFF / TasFarmers Farm Access Code of Conduct sets out the expectations of landowners for respectful, informed, and negotiated access. It has seven key requirements: • Notify in Writing Early: Give the landholder at least six weeks' written notice before your first meeting • Respect Landholder Rights: Explain their rights, provide relevant legislation, and support them to get legal advice • Understand the Farm: Learn about the farming activities on-site and factor this into planning • Offer Fair Compensation: Where impacts can't be avoided, offer negotiated compensation • Assess and Share Risks: Do a thorough risk assessment and share it in writing with the landholder • Agree on Access Terms: Finalise a written agreement covering biosecurity, timing, notification protocols, infrastructure use, and any site-specific needs • Do Not Enter Without Agreement: If the landholder cannot be contacted or agreement isn't reached, access must not occur.
Energy Safe Victoria (ESV) Directive (Aug 2024)	Requires AusNet to notify landholders about low transmission spans and manage permit requests with strict documentation and response timelines

Regulatory Obligation	Description of obligations
	(e.g., 10 business days for permit decisions, 5 business days for document retrieval). Penalty of \$228,000 per non-compliance
Essential Services Commission (ESC) Requirement (Mar 2024)	Monthly reporting on land access complaints.

2.4. Current systems

During the current regulatory period, there have been two key areas of investment in relation to landholder management.

Foundational customer management system

During the current regulatory period, AusNet has invested in key initiatives to start improving landholder and customer experience. The key investment was in a solution to manage land holder data, communications, permits and complaints.

The system aimed to:

- Comply with Energy Safe Victoria's directives requiring detailed communications and record-keeping for transmission lines with low ground clearance.
- Support the Essential Services Commission's (ESC) monthly reporting requirements on land access complaints.
- Establish foundational capabilities for future transmission customer engagement and data management.

This project ensured AusNet complied with an Energy Safe directive and ESC requirements to avoid significant penalties.

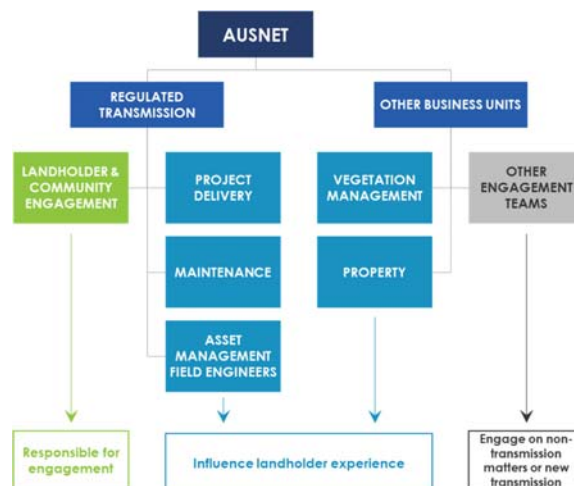
Dedicated customer and landholder engagement team

In September 2024 AusNet set up a new Community and Landholder Engagement team, focused only on Regulated Transmission. The team is Melbourne based and is focused on projects, with limited capacity for day-to-day operations.

The team's scope is to uplift and deliver landholder and community engagement including:

- Landholder and community engagement for projects on the regulated transmission network
- Properly notify landholders of upcoming projects and work to reduce landholder impacts
- Develop strategies and procedures for landholder engagement to deliver consistent outcomes
- Support operational teams to resolve landholder complaints
- Manage and maintain landholder records and landholder requirements across the transmission network

Figure 1 Extract of organisational chart showing the new Landholder and Community Engagement team



3. Identified need

The purpose of this section is to identify the overarching drivers for investment in Landholder Engagement for the FY2028-32 regulatory period. This investment is focused on ensuring the new obligations and industry guidelines can continue to be met efficiently and to minimise risk to AusNet's reputation and project delivery.

3.1. Landholders' expectations

Landholders' expectations are well-understood and we have received considerable feedback directly and indirectly on the areas they want transmission businesses to improve.

Our systems need to be upgraded to enable these expectations to be met consistently and efficiently within the current context that we operate in:

1. Timely and detailed notifications

Landholders expect advance notice before AusNet enters their property. They want clear information about the timing, nature, and duration of works, including who will be on-site and what equipment will be used.

Landholders also expect proactive engagement and to be treated respectfully.

2. Opportunity to negotiate access

Landholders want the ability to negotiate when and how AusNet accesses their land. This includes flexibility around scheduling and methods of entry, especially for works that may disrupt farming operations.

3. Consistent and local points of contact

Landholders value having a known, local AusNet representative they can contact directly. This builds trust and ensures continuity in communication, especially when multiple teams are involved. Landholders also had a preference for access to a webform/portal to ensure contact details are up to date, set communications preferences and manage access requests with AusNet.

4. Biosecurity procedures consistently applied

Landholders expect AusNet to take care to manage biosecurity risks, for example by avoiding cross-contamination when travelling to multiple sites. This also applies to AusNet's delivery partners.

5. New access agreements

Landholders want new agreements with AusNet that provide long term accountability and certainty, with a mechanism to re-negotiate

6. Respect for farming and operations

Landholders expect AusNet to understand and respect their agricultural activities. This includes planning around seasonal operations, avoiding high-productivity areas, and acknowledging the impact of transmission assets on land usability.

7. Shared risk documentation

Landholders expect shared risk documentation for projects on their land, ensuring transparency and accountability.

8. Fair compensation

Landholders want fair compensation for damage, productivity loss, and disruptions.

9. Safety awareness and support

Landholders seek clear guidance on how to operate safely around transmission assets. They appreciate tailored safety information, support for compliance, and tools that integrate with their existing farm systems.

10. Promoting consistency

Landholders want to see consistent application of agreed practices when they interact with AusNet staff, contractors or delivery partners

11. Dispute resolution

Landholders expect continuous improvement of dispute resolution processes, including strengthening internal processes and enhancing awareness of external escalation pathways

12. Transparency on options

Landholders want more transparency on how overhead vs. underground options are considered. We note that this is likely to be more relevant to VicGrid and AEMO as the planners of new transmission infrastructure in Victoria, and not to AusNet

3.2. Gaps in current capabilities

Table 3 outlines the gaps in AusNet's customer and landholder engagement capability that impact our ability to effectively and efficiently engage our landholders

Table 3 Summary of system gaps

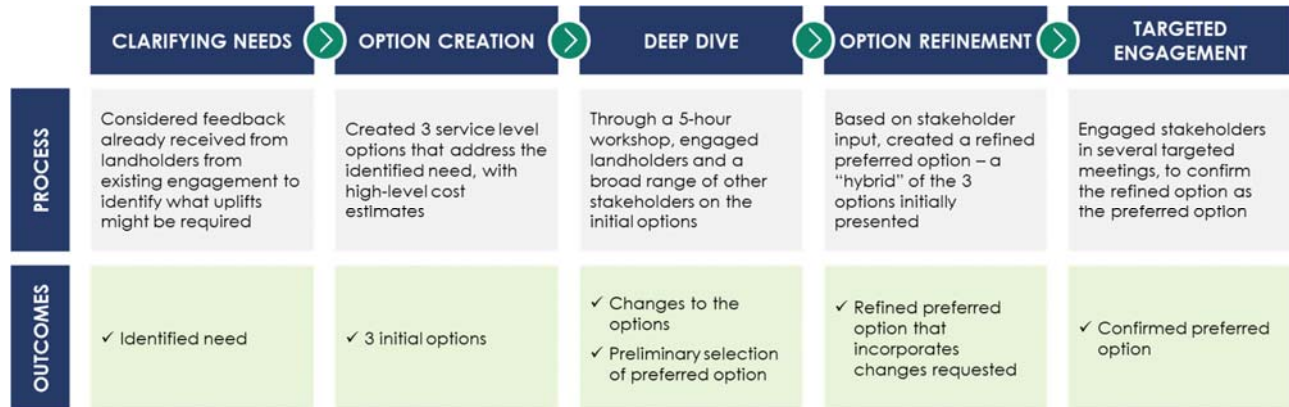
Gap	Description
Fragmented and Inadequate Data Systems	- AusNet lacks automatic access to landholder records; data must be manually gathered through title searches. - Teams rely on spreadsheets and manual workarounds, leading to inconsistent tracking of interactions and complaints. - Historical complaints and commitments are not visible across the organisation, limiting the ability to manage relationships proactively. - Changes to landholder titles not reflected in the system live. Need to source multiple descriptions.
Limited Complaint and Issue Resolution	- Complaints are handled manually with no centralised system, resulting in inconsistent follow-up and reporting. - There is no unified service-level monitoring across contact centres, project teams, and delivery partners. - Case studies show how unresolved issues – like access track maintenance – can escalate into refusals and project delays
Disconnected Engagement Across Work Types	- Engagement varies significantly across projects, inspections, and emergency works: - Projects receive structured engagement. - Inspections and maintenance rely on opt-in notifications with no minimum notice period. - Emergency works often begin before engagement occurs. - The unpredictable nature of inspections and maintenance makes it difficult to accommodate landholder preferences
Lack of Localised and Consistent Contact	- Engagement is often ad hoc, with central office staff travelling as needed. - Landholders may interact with multiple AusNet personnel without continuity or shared context. - This leads to confusion, frustration, and erosion of trust, especially when complaints are repeated without resolution
Rising Expectations and Regulatory Pressure	- New obligations from regulators (e.g. LACoP, VicGrid, Energy Charter) require more structured, transparent, and respectful engagement. - Landholders expect timely notifications, negotiation opportunities, and consistent points of contact. - AusNet's current systems and staffing are not equipped to meet these evolving standards

4. Approach

To design a solution that meets the needs of landholders while balancing cost efficiency, we undertook an iterative engagement process.

This involved the consideration of existing landholder feedback, the creation of an initial set of options, adjustment of the options and preliminary selection through a Deep Dive session, and confirmation of the preferred option through targeted engagement. This final preferred option is reflected in our operating expenditure forecasts.

Figure 2: Process to develop landholder engagement proposal



The outcomes of this process are detailed in the following sections.

5. Options developed

To begin the development of service level options, we sorted the customer expectations (listed in Section 3.1) into two "improvement areas". This was done to simplify the presentation of the options, helping landholders and other stakeholders better understand the service level options proposed and therefore enable them to engage more effectively.

AusNet also agreed to either absorb the cost of meeting several customer expectations, or address those needs through our capital program. More information on these items is provided in Section 7.3.

Table 4: Mapping customer expectations to improvement areas

Customer expectation	Improvement area
Timely and detailed notifications	Improved land access management & notifications
New access agreements	
Consistent and local points of contact	More personalised services
Safety awareness and support	
Opportunity to negotiate access	Relevant across both improvement areas
Respect for farming and operations	
Biosecurity procedures consistently applied	Cost of delivering improvements to be absorbed, or addressed through AusNet's capital program
Shared risk documentation	
Fair compensation	
Promoting consistency	
Dispute resolution	
Transparency on options	

We then developed three service level options along these two dimensions. Option A represented a lower cost option that delivered some improvements in landholder experience, while Option C represented a higher cost

option with greater improvements in landholder experience. Option B represented a middle option, between Option A and C in terms of both cost and service level improvement.

The costs of each option were also estimated at a high level, to enable easy consideration of cost-to-service level trade-offs. Figure 3 below shows the initial service level options developed.

Figure 3: Initial service level options developed

Improvement Area	OPTION A 	OPTION B  	OPTION C   
Improved land access management & notifications	- Landholder opt-in for notifications - Timing window notifications (not held to) - Landholder requests considered - Proactive establishment of access agreements for 2% of landholders (focus projects & sensitive landholders) - Increase proactive safety information	- Opt-out model for notifications - Adopt key elements of LACoP for access e.g. prior notification, 48hr reminder (not held to) - Landholder requests considered & response given - Land access agreements for ~8% of landholders (focus on agriculture) - Big increase to proactive safety information	Same as option 2 except: - Opt-out system immediately implemented - To full LACoP requirements for all land access - Land access agreements for ~50% of landholders - Landholders gain self service accounts/portal to manage their properties with AusNet
More personalised services	- Dedicated contact line for landholders - Localised land engagement resources servicing large regions - Enhanced safety support on request basis only	Includes all of option 1 plus - Localised land engagement resources with reduced region size - Safety advice and support provided on a proactive basis, based on identified land use	Includes all of option 2 plus - Engagement resources cover smaller regions - New landholders contacted ASAP on purchase - Annualised program of safety check-ins and personalised support
Resources required to deliver these improvements			
People required	2 additional engagement/safety resources - FTE to landholder ratio 1 FTE : 2333 landholders - Active case load of 90 – 120 - One safety campaign over five years Est cost: \$2M - \$4M	4 additional engagement/safety resources - FTE to landholder ratio 1 FTE : 1750 landholders - Active case load of 120 – 160 - Annual safety campaign for five years Est cost: \$7M - \$9M	7 additional engagement/safety resources - FTE to landholder ratio 1 FTE : 1000 landholders - Active case load of 210 – 280 - Annual safety campaign same as option 2 Est cost: \$10M - \$12M
Digital systems required	- Modest upgrade to existing ICT - Basic integration across multiple platforms - Enhanced GIS tools Est cost: \$6M - \$8M	- Major upgrade to existing ICT - Deep integration of multiple systems to create land access management system - Deployed into field Est cost: \$11M - \$13M	Includes all of option 2 plus - Creation of landholder self service accounts and portal - Maximum elimination of manual processes Est cost: \$14M - \$16M
TOTAL EST. COST	\$8 - \$12M \$0.50 to \$0.75 per end user per annum	\$18M - \$22M \$1.13 to \$1.39 per end user per annum	\$24M - \$28M \$1.51 to \$1.76 per end user per annum

Note that an overall do-nothing option was not considered as credible, as stakeholder feedback clearly demonstrated the need for investment. For the ICT component of investment only, a do-nothing option is discussed in ICT Business Case for Customer Engagement.

6. Stakeholder feedback

6.1. Initial deep dive session

These initial options were presented in a five-hour deep dive session. Attendees for this deep dive workshop included landholders who host existing transmission infrastructure, landholder advocates, social service organisations, and regulators such as Energy Safe Victoria (ESV) and the TSAP. The participants:

- Agreed there is a strong need for AusNet to improve the experience of and level of service provided to landholders who host existing transmission infrastructure.
- Supported that the nine improvement opportunities identified by AusNet were priorities and made some changes to the wording and three further additions.
- Suggested an opt-in opt-out approach, where landholders can easily interact and engage with AusNet when needed.
- Expressed landholders need and expect improvements, but don't need or expect a "gold plated" engagement service. This was reflected in the bundle of program inclusions selected on the day, which most attendees agreed struck the best balance with respect to landholders' need for fit-for-purpose customer service and keeping costs down for other customers.
- Confirmed AusNet needs to demonstrate through its Transmission Revenue Reset 2027–2032 proposal how increased investment in landholder engagement capabilities will benefit all Victorian energy users, particularly with respect to deliverability of projects.

The bundle chosen by the stakeholders present at the meeting is shown below in Figure 4 – highlighted in dark green. It consists of the hybrid mix of Options A, B and C that were originally presented.

Figure 4: Preliminary selection of service level option

The bundle of landholder experience improvements we propose will be a combination of A, B & C

***Inclusions selected at Landholder Experience Workshop on 1 May 2025**

Improvement Area	OPTION A	OPTION B	OPTION C
Improved land access management & notifications	- Landholder opt-in for notifications - Timing window notifications (not held to) - Landholder requests considered - Proactive establishment of access agreement for 2% of landholders (focus projects & sensitive landholders)* - Proactive safety campaigns occasionally	- Opt-out model for notifications (phased in)* - Adopt key elements of LACoP for access e.g. prior notification (react to landholder specific needs)* - Landholder requests considered & response given* - Land access agreements for ~8% of landholders (focus on agriculture) - Proactive safety annual campaigns*	Same as option B except: - Opt-out system immediately implemented - To full LACoP requirements for all land access - Land access agreements for ~50% of landholders - Landholders gain self service accounts/portal to manage their properties with AusNet
More personalised services	- Dedicated contact line for landholders - Localised land engagement resources servicing large regions - Enhanced safety support on request basis only*	Includes all of option A plus - Localised land engagement resources with reduced region size - Proactive safety visits offering advice	Includes all of option B plus - Engagement resources cover smaller regions - New landholders contacted ASAP on purchase* - Annualised program of safety check-ins and personalised support
Resources required to deliver these improvements			
People required	2 additional engagement/safety resources - FTE to landholder ratio 1 FTE : 2333 landholders - Active case load potential of 90 – 120 - One safety campaign over five years Est cost: \$2M - \$4M	4 additional engagement/safety resources - FTE to landholder ratio 1 FTE : 1750 landholders - Active case load potential of 120 – 160 - Annual safety campaign for five years Est cost: \$7M - \$9M	7 additional engagement/safety resources - FTE to landholder ratio 1 FTE : 1000 landholders - Active case load potential of 210 – 280 - Annual safety campaign same as option 2 Est cost: \$10M - \$12M
Digital systems required	- Modest upgrade to existing ICT - Basic integration across multiple platforms - Enhanced GIS tools Est cost: \$6M - \$8M	- Major upgrade to existing ICT - Deep integration of multiple systems to create land access management system - Deployed into field Est cost: \$11M - \$13M	Includes all of option B plus - Creation of landholder self service accounts and portal - Maximum elimination of manual processes Est cost: \$14M - \$16M
TOTAL EST. COST	\$8 - \$12M \$0.50 to \$0.75 per end user per annum	\$18M - \$22M \$1.13 to \$1.39 per end user per annum	\$24M - \$28M \$1.51 to \$1.76 per end user per annum
INDICATIVE COST OF SELECTED "BUNDLE" Resourcing and costs will be reviewed in more detail prior to publishing our Draft Proposal			

Detailed minutes from the session are included in the Deep Dive Landholder Engagement Summary, provided in the Engagement Documents.

6.2. Further consultation

Following the Deep Dive workshop, AusNet circulated a copy of the preliminary selected option to the attendees of the workshop. We also conducted targeted engagement with specific stakeholders that are directly affected by AusNet's landholder engagement, to confirm the selected option is appropriate and seek additional feedback.

This included meetings with:

- **RE-Alliance:** an independent not-for-profit organisation that represents rural and regional communities when engaging on renewable energy, transmission and storage topics
- **Office of the Australian Energy Infrastructure Commissioner (AEIC):** The AEIC is an independent role appointed by the Australian Government, reporting to the Minister for Climate Change and Energy. The office of the AEIC helps with complaints and enquiries from people about major renewables or network projects, and provides insights and advice into best practice approaches for complaints handling and working with communities

The purpose of both meetings was to present an overview of AusNet's draft Transmission Revenue Reset (TRR) 2027–2032 proposal, with a particular focus on the proposed landholder engagement service uplifts selected in the deep dive session. In these meetings, we shared the engagement conducted to develop the selected bundle, and invited feedback on the proposed improvement initiatives.

Through this engagement, we confirmed that the selected bundle was appropriate.

We acknowledge, however, that there will be some stakeholders that have differing views, and may prefer a different cost-to-service level balance. Despite this, we believe that the selected bundle is the best reflection of the collective stakeholder input we have received and is in the long-term interests of Victorians.

7. Finalised option

7.1. Impact on expenditure forecasts

The service level option created in consultation with stakeholders was then translated into expenditure forecasts. This was informed by the cost and nature of AusNet's current operations, and with regard to striking the right balance between ICT and non-ICT investment. More detail on how the finalised option is translated into expenditure forecasts is provided below. Note that only the totals for ICT expenditure are provided below, for completeness. For further detail on the ICT expenditure, see the ICT Business Case for Customer Engagement.

Table 5: Cost estimation methodology

Resource required	Estimation methodology	Resulting cost
Landholder Engagement team resourcing Delivering the uplifted service level requested by stakeholders requires new region-specific FTE on the landholder team, with a 1:1750 ratio between FTE and landholders	- Required ratio of 1 FTE per 1750 landholders 7,000 landholders, therefore requiring 4 FTE [C-I-C] [C-I-C]	[C-I-C]
Safety campaign Delivering the proactive annual safety campaign requested by stakeholders introduces new costs	[C-I-C] [C-I-C]	[C-I-C]
ICT program for Customer Engagement Delivering the uplifted service level requires investment in the digital tools used by the Landholder Engagement team	See ICT Business Case – Customer Engagement	\$3.6M capex and \$3.9M opex over 2027-32 in real Mar '25 dollars
	TOTAL	\$13.3M totex

The total cost of uplifting service levels for landholder engagement over the 2027-32 period is therefore \$13.3M in real Mar '25 dollars.

A breakdown of this expenditure over the 5 years, converted to real Mar '27 dollars, is provided below.

Table 6: Expenditure on landholder engagement service level uplift (\$M, real \$2027)

	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Landholder Engagement team resourcing	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]
Safety campaign	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]
Total Landholder Engagement opex step change	1.42	1.27	1.18	1.14	1.14	6.16
ICT program for Customer Engagement capex	4.00	-	-	-	-	4.00
ICT program for Customer Engagement opex	4.00	0.02	0.02	0.02	0.02	4.08
Total opex and capex (totex) to deliver uplift	9.42	1.30	1.20	1.16	1.16	14.25

7.2. Benefits associated with expenditure

We foresee significant benefits associated with the proposed uplift in service levels. We consider that these benefits justify the expenditure as prudent and efficient, and in the long-term interests of Victorians.

Note that a quantification of the benefits associated with ICT opex and capex specifically is provided in ICT Business Case for Customer Engagement.

- **Landholder and other stakeholder relationships:** The direct benefit of improvements in our landholder engagement service level is more positive and collaborative relationships with landholders and other related stakeholders (e.g. their communities and industry groups). This improves our social license, which allows for increased efficiency of AusNet's activities as a whole, and supports the other benefits listed below
- **Maintaining reliability:** Better relationships with landholders means fewer instances of access refusal, and less time required to manage queries and complaints. This means we can deliver our maintenance and replacement programs more efficiently, helping realise reliability benefits on the network as soon as possible
- **Supporting resilience:** The resilience works proposed in this revenue reset affect lines assets specifically, which are an asset class that is almost entirely hosted by landholders (vs. assets that are located at terminal stations on land that is not used for any other purpose). This means social license and landholder relationships are especially critical to delivering resilience works. The service level uplift proposed mean we can deliver our resilience programs more efficiently, helping realise resilience benefits on the network as soon as possible
- **Supporting safety:** The safety campaign and targeted safety advice proposed supports landholder safety as they live and work near transmission assets. Better relationships between AusNet, our delivery partners, and landholders also supports the safety of all these groups by promoting more positive interactions on site
- **Minimising environmental impact:** These uplifts enable AusNet to better understand agricultural practices conducted by landholders. This understanding translates into minimised environmental impact, as we and our delivery partners are better equipped to avoid negative impacts on farming
- **Supporting the energy transition:** While AusNet is not directly responsible for augmentation works that deliver the energy transition (which are the responsibility of AEMO and VicGrid), we recognise that improvements or detriments to social license on the existing transmission network also affect augmentation works. Therefore, by improving landholder engagement service levels on the existing transmission network, we also support the works required to deliver the energy transition
- **Avoiding unnecessary costs:** Lengthy conflict resolution, land restoration costs, and other outcomes of poor engagement all result in increased expenditure, and therefore higher costs passed down to customers. By making some investments to improve our landholder engagement service level, we avoid other potentially much larger costs that would be borne at least in part by Victorian electricity consumers

7.3. Items not included in operating expenditure forecasts

Through our engagement on this topic, AusNet has also made commitments to deliver certain service level uplifts without pursuing additional allowances. They will be managed out of our existing allowances or through the capital expenditure program. The decision to absorb some costs reflects our efforts to minimise cost impacts on consumers, and to deliver improvements as soon as practicable.

These include:

- **Shared risk documentation:** We have committed to developing property management plans outlining land risks and mitigation steps. If full mitigation isn't possible, we will restore the land to its original condition after the project
- **Biosecurity measures:** We have committed to setting baseline biosecurity standards aligned with regulations for all sites and follow any posted biosecurity signage. During early engagement, we will also collect landholders' biosecurity requirements and confirm that we and our delivery partners will follow them with proper recordkeeping and regulatory compliance
- **Fair compensation:** AusNet already compensates landholders for productivity losses when impacted by projects. These costs are managed on a project-by-project basis
- **Promoting consistency:** We have committed to working towards greater consistency in the experience that landholders have with us and our contractors/delivery partners

- **Dispute resolution:** We have committed to improving our internal processes where possible to enable more streamlined dispute resolution
- **Transparency on options:** We have committed to being transparent about when overhead and underground options are considered should this choice be made available to AusNet, noting that it is less relevant to us as we only plan replacement expenditure, and more relevant to AEMO and VicGrid who plan new transmission infrastructure in Victoria

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