

Media Release

The Hon Lily D'Ambrosio MP
Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission



Thursday, 19 June 2025

VICTORIA DELIVERS CERTAINTY AND FAIRNESS ON RENEWABLES

The Allan Labor Government is building Victoria's renewable energy future – driving down power bills and making sure the lights stay on while delivering benefits back to local communities.

Minister for Energy and Resources Lily D'Ambrosio today introduced *National Electricity (Victoria) Amendment (Stage 2 VicGrid) Bill* to further strengthen VicGrid as the body responsible for the planning and development of Renewable Energy Zones and transmission infrastructure in Victoria.

We established VicGrid to make sure communities have a real say on the way transmission and renewable energy projects are planned across the state, and to ensure certainty for industry.

We have heard from regional communities that will host new energy infrastructure that the benefits of the energy transition need to be shared fairly – that's why this Bill introduces new Renewable Energy Zone Community Energy Funds and a separate fund for Traditional Owners

The REZ Community Energy Funds will support projects and initiatives that improve energy supply, efficiency, and affordability for the host regions. Local host communities will identify and help design projects that will best benefit them. The final details of the funds will be formalised through further legislation later this year.

The establishment of a Traditional Owners Fund will support self-determination and the broader aspirations of Traditional Owners impacted by new critical energy infrastructure.

This builds on the additional payments for landowners that host new transmission infrastructure that were legislated last year.

Landowners already receive full and fair compensation under the Land Acquisition and Compensation Act with an additional \$8,000 per km per year to ensure that they are financially better off.

VicGrid will also minimise impacts of renewable energy projects through well planned development of new transmission, wind, solar generation and storage projects.

The Bill will transfer responsibility for transmission network planning from the Australian Energy Market Operator to VicGrid. This will enable VicGrid to implement the 2025 Victorian Transmission Plan which will make sure we build the right infrastructure in the right place at the right time as we transition to cheaper renewable energy.

The Bill also introduces new network access arrangements for VicGrid to manage access to the grid which will improve coordination, help minimise constraints on the network and give investors more certainty. Access fees paid by generators will be used for the community benefits funds.

Quotes attributable to Minister for Energy and Resources Lily D'Ambrosio

"We're making sure communities that host renewable energy infrastructure directly benefit from the substantial investments in their regions these projects generate."

"These reforms will make sure industry have the certainty they need to invest and VicGrid can do the important planning works that will keep the lights on and deliver cheap renewable power to Victorian homes and businesses."

Media contact: Siobhan McKenna 0480 147 921 | siobhan.mckenna@minstaff.vic.gov.au