

Guidelines for payment of professional fees in connection with land or easement acquisitions

We will pay your reasonable professional costs relating to our acquisition of your land or creation of an easement on your property.

Transgrid will reimburse professional costs reasonably incurred by a landowner in connection with a land or easement acquisition proposed by Transgrid, between the date of an initial offer letter and the completion or discontinuance of the acquisition.

Reasonable costs are those directly connected with the acquisition and registration of the easement and/or freehold land (including option deeds), and accurately reflect the time spent and the complexity of the matter. Typically these costs include valuation fees, legal costs and in some cases, accountant costs. There may be other reasonable costs that Transgrid will reimburse, however prior to engagement, the landowner should check with Transgrid that the proposed service and fee is acceptable.

Determining reasonable costs

Transgrid is only required to pay reasonably incurred costs under the *Land Acquisition (Just Terms Compensation) Act 1991*. Once you have informed us of the fee estimate for the services you wish to engage, we will confirm whether the fee estimate is acceptable to Transgrid. It is best to do this in advance and/or at the time you engage the service provider. Where we believe a fee estimate is unreasonable, we will advise you of the “capped amount” we are willing to pay up to. Any fees incurred above this amount will be the responsibility of the landowner.

How to engage a service provider for which Transgrid will provide reimbursement

The engagement of the selected service provider is an agreement between the landowner and the service provider and not with Transgrid. This ensures the landowner independently selects the relevant professional service-provider and receives independent advice.

However Transgrid is willing to pay the service provider directly on the landholder’s behalf or reimburse the landowner if the landowner has paid the service provider directly (subject to the criteria contained in these guidelines).

Landowners should obtain a fee estimate from the service provider for the full provision of their services in relation to the proposed land or easement acquisition up to completion. Transgrid does not pay success fees, retainers or partial payments for professional costs. Transgrid’s preference is to make a single payment in full when the acquisition is completed or otherwise discontinued.

Steps for the processing of payments are as follows:

1. Landowner receives an initial offer letter from Transgrid.
2. Landowner obtains a fee estimate for services related to proposed acquisition.
3. Landowner provides the fee estimate to Transgrid.
4. Transgrid will review reasonableness of the fee estimate and confirm whether it is acceptable or not and whether the reimbursement will be in full or up to a cap. Where fee estimates are not acceptable, consultation between Transgrid, the landowner and the service provider may be required.
5. Landowner (and/or service provider) completes a taxation status form (provided within initial offer letter) and returns it to Transgrid.
6. Transgrid will create an account for the landowner or service provider in Transgrid finance system to process the reimbursement.
7. At the conclusion of the acquisition, the service provider invoices the landowner or Transgrid. Any invoice issued must reference the name of the landowner, the property description as well as the project name (e.g. “Humelink”).
8. Transgrid reviews the invoice and if within an acceptable amount, pays the service provider or reimburses the landowner. Where the invoice exceeds the acceptable amount, Transgrid will advise the landowner of the issues requiring resolution. Where resolution cannot be reached, the landowner will be responsible for the payment of fees outside of the acceptable amount.

Legal costs

Reasonable legal costs are those that are directly connected with the acquisition and registration of the easement and/or freehold land (including option deeds), and accurately reflect the time expended and the complexity of the matter. Prior to engagement, the landowner should check with Transgrid that the proposed fee estimate from your solicitor is acceptable. Transgrid will not reimburse costs incurred in advocacy. The landowner will be responsible for such costs (if applicable).

In the event of a dispute regarding payment of reasonable legal costs, Transgrid reserves the right to make application for a costs assessment under s350 of the *Legal Profession Act 2004*.

Valuation fees

If a landowner is unsure whether an offer of compensation is acceptable, Transgrid encourages the landowner to seek independent advice from a qualified valuer before deciding whether an offer of compensation is acceptable. Prior to engagement, the landowner should check with Transgrid that the proposed fee from the valuer is acceptable. The valuation fee should accurately reflect the complexity of the valuation and the time spent by the valuer. Transgrid requires all valuers to comply with the Professional Practice regulations of the Australian Property Institute.

A copy of the valuation report is to be provided to Transgrid. The valuer must also be prepared to support their valuation in a peer review and engage in discussions with Transgrid and its representatives, to assist the negotiation process.

Other professional fees

Prior to the engagement of other professional service providers, Transgrid requests notification in writing of the intention to engage other professional services and a proposed fee estimate.

The notification should include details of the reason(s) justifying the engagement and an estimate of the fees required to be paid. Transgrid will then confirm whether it will cover the cost of the professional service provider.

Taxation status form

Prior to reimbursing professional costs or payment of any compensation, Transgrid will request that the landowner completes a taxation status form. This enables Transgrid to raise an invoice where required and make the required payment.