

Mineral and Energy Resources and Other Legislation Amendment Bill 2024

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Mineral and Energy Resources and Other Legislation Amendment Bill 2024

WESTERN DOWNS REGIONAL
COUNCIL SUBMISSION

1 May 2024

Committee Secretary
Clean Economy Jobs, Resources and Transport Committee
Parliament House
George Street
Brisbane Qld 4000

Sent via email: cejrtc@parliament.qld.gov.au

Dear Committee Members,

**RE: MINERAL AND ENERGY RESOURCES AND OTHER LEGISLATION AMENDMENT
BILL 2024**

The Western Downs Region is located in regional Queensland with an area of 37,937 square kilometres and a population of close to 35,000 persons.

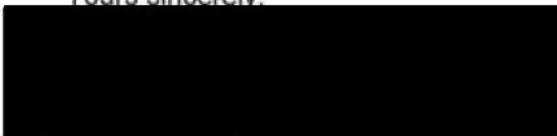
We are known as the 'Energy Capital of Queensland' and fast becoming the 'Energy Capital of Australia'. We have:

- approvals for 24 solar farms - 10 are operating or under construction;
- two operational wind farms, one under construction and many more proposed for the region;
- a renewable-based hydrogen plant currently under construction;
- the largest battery plant in Queensland with several more proposed;
- coal mines;
- gas and coal powered power plants; and
- a strong and growing gas resources sector.

Attached is Council's submission on the Mineral and Energy Resources and Other Legislation Amendment Bill 2024, which is of strong interest to our Council and our residents.

Should you wish to discuss the content of our Council's submission further, please do not hesitate to contact either myself via mobile on [REDACTED] or Council's Economic Development Manager, Lidewij Koene-Sloss via email [REDACTED] or phone (07) [REDACTED]

Yours sincerely,



Daniel Fletcher
GENERAL MANAGER (COMMUNITY & LIVEABILITY)

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About the Western Downs Regional Council

The Western Downs is located on the Darling Downs, approximately 207 kilometres north-west of Brisbane and 83 kilometres north-west of Toowoomba. The region encompasses the centres of Dalby, Chinchilla, Jandowae, Miles, Tara, and Wandoan, covering nearly 38,000 square kilometres. Combining country lifestyle with modern living, excellent retail offerings and conveniences, the area is home to a population of around 35,000 people and has a large working age population of 60.9% aged 15-64 years.

Built on agriculture and thriving in the intensive agriculture, energy and manufacturing industries, Western Downs Regional Council is focused on making our region a great place to live, work, visit and invest and to ensure our future generation have the opportunity to do what they love whilst enjoying a regional lifestyle and continue the strong economic growth of the region.

Council manages Australia's second largest road network of over 10,000 km with highways leading into the region including the Bunya, Leichhardt, Warrego & Moonie highways, an extensive water, gas, and sewage network, and one of Australia's largest cattle saleyards. Located in the heart of the resource rich Surat Basin, the Western Downs has a diversified energy portfolio with five pillars of energy generation: Coal, Gas, Hydrogen, Wind and Solar cementing our reputation as the Energy Capital of Queensland. This contributes to the region's strong economic growth, investment, and consistently high employment with a GRP of \$3.68 Billion with 15% growth over the past 5 years.

Council's five-year [Economic Development Strategy](#) (2023 to 2028) addresses critical issues and clearly articulates a strategic pathway for the Western Downs to diversify and grow its economy, building on the region's competitive advantage and further attracting business and investment in value-adding opportunities and emerging markets. The Economic Development Strategy focuses on five key pillars:

- **Jobs & Skills** - The Western Downs workforce is growing, optimised and fit for the future.
- **Liveability & Infrastructure** - The Western Downs is equipped with modern infrastructure and quality essential services across the region to enable liveability and wellbeing, whilst sustaining population growth.
- **Population** - The Western Downs demonstrates population growth to meet workforce demands.
- **Productivity & Innovation** - The Western Downs is a recognised leader in agribusiness, energy and manufacturing, and local productivity continues to increase.
- **Sustainability & Resilience** - The Western Downs is future-proofed for a changing climate and transitioning economies, and circular economy principles are stimulated.

This strategy aligns closely with the Council's [Corporate Plan](#) and supports one of Queensland's most progressive [Planning Schemes](#) which is committed to attracting and enabling development and ensure the Western Downs is a diverse region at the forefront of the changing world.

Executive Summary

On 18 April 2024, Minister Scott Stewart MP, Minister for Resources and Critical Minerals, introduced the Mineral and Energy Resources and Other Legislation Amendment Bill 2024 (Bill) into the Queensland Parliament. The Bill was referred to the Clean Economy Jobs, Resources and Transport Committee for detailed consideration.

The primary objectives of the Mineral and Energy Resources and Other Legislation Amendment Bill 2024 (the Bill) are to:

- Enhance the State's coexistence framework;
- Provide a framework for managing the impacts of coal seam gas induced subsidence;
- Improved regulatory efficiency, and;
- Modernise the Financial Provisioning Scheme.

Given that the Western Downs Regional Council is well positioned as the Energy Capital of Australia, we are pleased to take the opportunity to respond with the following submission.

Council recognises the economic opportunities provided by the renewables sector and actively attracts renewables investment in the region. Over the past 15 years, strong investment in transmission infrastructure in the Western Downs has placed the region favourably for the development of renewables investment.

Western Downs Regional Council has approved 24 solar farms since 2016, 10 of which are either operational or under construction. The Coopers Gap Wind Farm and Dulacca Wind Farm are operational, and the Wambo Wind Farm is currently under construction. The region will soon be home to a renewables-based hydrogen demonstration plant and has a number of Battery Energy Storage Systems (BESS) installed.

On the 8th of December 2023, Council made detailed submissions in relation to:

- Improved Regulatory Efficiency
- Legislative Enhancements to Mining Claims
- Proposed Amendments to the Regional Planning Interests Act 2014
- Coexistence Institutions & CSG-Induced Subsidence Management Framework

It is deeply important for Council that regional communities be at the forefront of the planning process when actioning this Bill. Due diligence should be undertaken to ensure all potential risks are mitigated in collaboration with impacted Local Governments, and plans are put into place to protect communities and regional economies.

Recommendations

Western Downs Regional Council supports the transition towards Renewable Energy, recognising its substantial benefits for both the Western Downs Region, the broader State and the nation. While Council supports the ambitious net-zero targets set forth by the Queensland Government, it is imperative to acknowledge that this significant transformation entails an array of intricate challenges and community concerns.

The Western Downs Regional Council recommends to the Committee:

- **Recommendation 1:** Ensuring that the rebranding of the Queensland Gasfields Commission to Coexistence Queensland expands the remit to cover renewables, whilst remaining current regulatory and oversight functions
- **Recommendation 2:** Ensuring strong community and industry representation of regional areas in the proposed Community Leaders Councils
- **Recommendation 3:** Ensuring that the expanded remit of the Land Access Ombudsman (LAO) to include alternative dispute resolution is equally met with expanded education, mentoring and support for landholders on their rights and responsibilities to ensure parity between negotiating parties.
- **Recommendation 4:** Ensuring that the Office of Groundwater Impact Assessment (OGIA) considers the implementation of better support to the resource industry and landholders, including baseline data, impact management strategy, farm field assessments & inter-farm drainage assessment, subsidence management action plan, consultation and engagement.
- **Recommendation 5:** Enabling further consultation with key stakeholders on mandated rates and charges;
- **Recommendation 6:** Ensuring strong stakeholder engagement and communities partnering to support coexistence in regional communities.

Submission

Rebranding of Queensland GasFields Commission to Co-Existence Queensland

Western Downs Regional Council supports the expansion of the GasFields Commission Queensland to encompass the entire resource and renewable energy sectors and also of the new functions of education, stakeholder engagement, information provision, identification of systematic coexistence issues and provision of advice to government.

It is strongly recommended that regulatory oversight remains a key theme of the rebranded Co-Existence Queensland is strengthened rather than removed as indicated in the current proposal. It is also strongly recommended that individualised mentoring and support is offered to landholders through Co-Existence Queensland to provide education on their rights and responsibilities. This will ensure landholders are able to maximise the opportunities presented by resources accessed and renewables developments on their properties, while managing risks and impacts of development on their land and agricultural activities.

Western Downs Regional Council strongly recommends the proposed expanded education and stakeholder engagement function includes individualised support to landholders to address unique needs. The Land Access and Coexistence Discussion Paper cites concerns raised by landholders in relation to the lack of outreach or educational forums to assist landholders in their dealings with tenure holders or to know where to find available information to landholders. Council has received feedback from the community that meaningful education and stakeholder engagement facilitated will require individualised mentoring, support and training for landholders affected by resource development. Landholders are individual and have individual circumstances and would prefer individual consultation to address their concerns, rather than training offered in large groups.

To ensure the ongoing and unique needs of individual landholders are met, funding should be provided to support one-to-one facilitation with mentors and educators. Achieving this higher level of support to landholders will improve outcomes for landholders and reduce the likelihood of formal dispute resolution processes being initiated. In addition to this, parity in negotiation between landholders and tenure holders will be strengthened by providing landholders, who often have limited surplus resources, with support for legal costs, agronomic costs and other consultation expenses they may incur as part of the negotiation process and will assist in facilitating equitable outcomes for all negotiating parties.

Regional Representation Proposed Community Leaders Council

Western Downs Regional Council *in-principle* supports the establishment of a new Community Leaders Council, acknowledging input and advice of those who can advocate for the best outcome for all, while bringing knowledge and expertise to various issues. Considering that regional communities, like the Western Downs, are at the heart of the energy transition, Council would like to ensure strong representation of community and industry representatives directly impacted by the energy transition, to ensure a specific and tailored representation.

Lack of representation of the Western Downs region (or a similar region) can lead to a generalised approach which is at risk of misunderstanding the regional conditions. Considering the vast size and differentiation of areas in Queensland, the establishment of more than one Community Leaders Council can support place-based identification of issues affecting co-existence of landholders, regional communities and the resources and renewable energy industries.

Expanded Remit Land Access Ombudsman

Western Downs Regional Council supports the proposed expansion of the Land Access Ombudsman functions to include: negotiation of a conduct and compensation agreement or a make good agreement; negotiation of, or making of, the proposed Subsidence Agreements; material change in circumstances to an existing agreement; the negotiation of a compensation agreement for a mining claim or a mining lease made under the Mineral Resources Act 1989; dispute about whether a resource activity is preliminary or advanced; disputes about land access matters or compensation agreements. Western Downs Regional Council supports providing tenure holders and landholders with an alternative dispute resolution process to reduce escalation of matters to the Land Court Queensland.

To ensure there is parity between negotiating parties in the alternate dispute resolution process, and therefore equitable outcomes, landholders will need to be educated on their rights and responsibilities regarding the opportunities presented by resources accessed on their properties, while managing risks and impacts of development on their land and agricultural activities. This will require individualised mentoring, support and training for landholders affected by resource development.

In addition to this, parity in negotiation between landholders and tenure holders will be strengthened by providing landholders, who often have limited surplus resources, with support for legal costs, agronomic costs, and other consultation expenses they may incur as part of the negotiation process. Landholders are individuals and have individual circumstances and would prefer individual consultation to address their concerns, rather than training offered in large groups. To ensure the ongoing and unique needs of individual landholders are met, funding should be provided to support one-to-one facilitation with mentors and educators. Achieving this higher level of support to landholders may reduce the need for alternate dispute resolution as parties are able to make sound negotiations without entering formal dispute resolution processes.

Expanded Remit Office of the Groundwater Impact Assessment

Western Downs Regional Council acknowledges that agriculture is the largest industry and employer in the region and that the resource sector is the second largest employer in the region. Both industries are significant in the Western Downs region, making substantial contributions to gross regional product. Balancing the interests of resource authority holders, landholders and community stakeholders is key to both the agricultural and resource sectors' strength and the continued growth of the Western Downs economy.

Western Downs Regional Council acknowledges that CSG-induced subsidence is a contentious issue and supports the expanded function of the Office of Groundwater Impact

Assessment (OGIA) to increase oversight and management of the risk of CSG-induced subsidence.

Western Downs Regional Council provides the following feedback on the proposed CSG-induced subsidence management framework and strongly recommends the following changes are considered and, where appropriate, implemented to better support the resource industry and landholders.

- **Baseline Data:** Ensure site-specific data, confirmed by onsite assessments, are developed over time. Data is collected by tenure holders, in consultation with landholders in the first instance and provided to OGIA. OGIA then develops Farm Field Assessments and Inter-Farm Drainage Assessments to ensure uniformity of assessments between operations of different companies on different properties.
- **Impact Management Strategy:** Periodic and supplementary reports prepared by OGIA are provided to landholders as a part of meaningful and ongoing consultation process.
- **Farm Field Assessments & Inter-Farm Drainage Assessment:** The requirement of a 12-month lead time between the completion of Assessment work and the start of production appears to be an unnecessary delay in the commencement of production which could adversely impact businesses and the wider economy of the Western Downs Region.
- **Subsidence Management Action Plan:** The requirement for an Action Plan is replaced with a process like the water bore make-good arrangement. Subsidence impacts are managed and mitigated shortly before they are forecast to occur or as they are identified. The nature of subsidence makes proactive remediation and mitigation impractical.
- **Subsidence Agreement:** The requirement for a pre-agreed Agreement is replaced with a process like the water bore make-good arrangement. Subsidence impacts are mitigated, remediated and compensation is made based on actual impacts, rather than predicted impacts. The nature of subsidence and range of factors affecting it makes mitigation, remediation, and compensation agreements in advance impractical.
- **Consultation and Engagement:** Substantial revisions are made to the proposed Framework (outlined below) to ensure land holders are appropriately engaged as critical stakeholders in CSG operations and that the risk of consultation fatigue for both landholders and tenure holders is limited

Council views meaningful, early, and continuing stakeholder engagement as critical to the success of resource and renewable projects in the Western Downs region. Council urges that stakeholder engagement, particularly concerning landholders, takes a more prominent role in the proposed expansion of the Office of Groundwater Impact Assessment's functions. Western Downs Regional Council considers building strong local relationships to be significant in gaining trust, acceptance and mitigating adverse impacts of resource developments in the region.

Feedback provided to Council is that some resource projects have been more successful in stakeholder engagement and relationship building than others in the region. By including meaningful landholder engagement in the CSG-Induced Subsidence Management Framework, OGIA and the Framework itself can play an active role in facilitating strong relationships between tenure holders and landholders.

Mandated Rates and Charges

Western Downs Regional Council acknowledges that a new administrative and regulatory fee will be introduced for mining claim applications. Council strongly supports the Queensland Government undertaking further consultation with stakeholders prior to making changes to fees and charges.

Stakeholder Engagement and Communities Partnering

Western Downs Regional Council views meaningful, early, and continuing stakeholder engagement as critical to the success of mining and renewable projects in the Western Downs region. Council urges that stakeholder engagement, particularly concerning landholders, takes a more prominent role in both the coexistence of institutions and the CSG-induced subsidence management Framework.

Western Downs Regional Council positions the region as the Energy Capital of Queensland and actively attracts renewables investment in the region as this will bring significant economic opportunities. The Western Downs is at the forefront of the state's energy transition, spearheaded by the Queensland Energy and Jobs Plan. Council's proactive stance includes commissioning a Carbon Emissions Study to map out the current emissions baseline and explore viable reduction strategies.

With a Gross Regional Product (GRP) of \$3.68 Billion, the economic output per capita in the Western Downs nearly matches Brisbane's and significantly surpasses our city neighbour Toowoomba¹. The region thrives on a diverse economic base, including agriculture, energy, and manufacturing, with significant contributions from sectors known for higher carbon footprints. These sectors, responsible for employing a significant portion of the local workforce, necessitate a balanced approach to environmental, economic, and social sustainability.

Despite the strong economic opportunities, and Council's pro-active attitude towards investment, coordination needs to be strengthened to mitigate adverse cumulative impacts of projects, including pressure on already tight housing market, and upwards pressure on wages on local small/medium businesses given the significant skills gap in the region.

Expected development in the REZ will bring a significant workforce to the region, providing further pressure on social services such as housing, health services and childcare. These services are already significantly under pressure. The department of Energy and Public Works, together with other key state departments and local government authorities, should ensure that the cumulative impacts on the communities and infrastructure is measured, planned for and mitigated.

Landholders are already compensated, and in some instances, neighbouring properties receive a compensation as well as they are also impacted due to increased traffic, road impacts, and the changing nature of the physical environment.

In addition to direct landholders and neighbouring properties, regional communities are at the forefront of the nation's energy transformation and should be compensated for the lifelong projects they host. Whilst royalties are legislated for companies who extract resources, this is currently not the case for renewables companies. This makes it particularly difficult for communities to consider whether social investment is at a 'fair and equitable' rate based on the size and impact of operations.

In October 2019, the Clean Energy Council reported in the guide to benefit sharing options for renewable energy projects that the level of benefit sharing with communities ranged historically from \$500 - \$1,500 per MW of installed capacity per year for large-scale commercial wind farms for the 25-year life of the project. The level of contribution varies significantly for large-scale solar projects, ranging from \$130 - \$800 per MW per year over 10 to 25 years, with the higher amounts deployed across shorter timelines.

A different range of governance models can be utilised to administer benefit sharing, however, grant programs with clear guidelines, objectives, application timeframes and assessments are considered most transparent and fair. Positive feedback is received from projects where community members are involved in assessment panels, alongside corporate representatives.

Besides social investment, consideration should be given to community wealth building, and the opportunity for local communities to invest in renewable projects and becoming shareholders. This is considered a significant benefit, particularly when comparing to social investment.

Conclusion

Western Downs Regional Council extends its appreciation for the opportunity to respond to the Mineral and Energy Resources and Other Legislation Bill Request for Submissions.

The Western Downs region is at the heart of the energy transition, and Council urges a strong foundation of co-existence is established for the long-term sustainability of industries. Further to this, strong economic growth will need to go hand-in-hand with strong social and environmental outcomes.

Contact Details

Please do not hesitate to contact either Council's Economic Development Manager, Lidewij Koene-Sloss, via email [REDACTED] should you wish to discuss any aspect of this submission.

Appendix

1. Western Downs Council, Economic Development Strategy 2023 – 2028, [economic-development-strategy-document-ver-22.02.23.pdf](https://www.wdrc.qld.gov.au/economic-development-strategy-document-ver-22.02.23.pdf) (wdrc.qld.gov.au)
2. Western Downs Regional Council, Corporate Plan 2021 – 2026, [Plans & Publications Western Downs Regional Council](https://www.wdrc.qld.gov.au/plans-publications) (wdrc.qld.gov.au)
3. Western Downs Communities Partnering Framework, [Communities Partnering Framework Western Downs Regional Council](https://www.wdrc.qld.gov.au/communities-partnering-framework) (wdrc.qld.gov.au)
4. Western Downs Development Status Report, April 2024, https://www.tsbe.com.au/sites/default/files/uploaded-content/website-content/western_downs_development_status_report_2024.pdf
5. Western Downs Regional Council Submission, 8 December 2023, Improved Regulatory Efficiency
6. Western Downs Regional Council Submission, 8 December 2023, Legislative Enhancements to Mining Claims
7. Western Downs Regional Council Submission, 8 December 2023, Proposed Amendments to the Regional Planning Interests Act 2014
8. Western Downs Regional Council Submission, 8 December 2023, Coexistence Institutions & CSG-Induced Subsidence Management Framework