Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025

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QREC
Queensland Renewable Energy Council

Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025

Submission to the State Development, Infrastructure and Works Committee

20 May 2025

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1. Executive Summary

The Queensland Renewable Energy Council (QREC) recognises and supports the intent behind the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025* (the Bill), particularly:

- The aim to provide consistent and meaningful opportunities for local government to participate in Queensland's renewable energy transition; and
- The objective of ensuring community involvement through the application of an impact assessable designation.

Engaging with the community and local governments is essential to the success and sustainability of renewable energy projects. Renewable energy projects often have a direct impact on local communities, whether it's through changes to the landscape, economic opportunities, or shifts in energy infrastructure to name a few. By involving the community early in the planning process, project developers can build trust, address concerns, and incorporate valuable local knowledge.

QREC supports the establishment of a standardised process for Community Benefit Agreements (CBA) in renewable energy projects. This approach aligns with QREC's industry-leading Queensland Renewable Energy Developer & Investor Toolkit, released in May 2025. The concept of CBAs is already being implemented in parts of Queensland, with the most notable example being the Central Western Queensland Remote Area Planning and Development Board (RAPAD) Community Benefit Royalty Agreement. Covering seven local government areas, the RAPAD agreement provides a clear framework for community payments, offering both communities and investors greater certainty.

QREC suggests that this would provide a clear alternative to having to have in place CBAs prior to the lodging of a DA, one of QREC's most significant concerns with the Bill. It specifies annual payment amounts based on a project's megawatt (MW) capacity, setting a precedent for future renewable energy developments.

QREC's members have provided significant feedback that the legislation in its current form creates a high level of uncertainty for industry, with the real potential to lead to reduced private sector investment in Queensland's energy future. This could be significantly offset by removing the requirement to have a Social Impact Assessment (SIA) and CBA in place prior to submitting a Development Approval (DA) application (i.e. instead it becomes a condition of approval), statutory timeframes for making an agreement and supporting structures in place to ensure CBA's are developed on a regional basis where possible.

This is more in-line with the resources sector approach which considers all of the project's potential impacts across the economic, environmental and cultural heritage. As drafted, there is a real risk that the Bill misses a leading-practice opportunity to manage and provide benefits on a cumulative basis for the region, enhancing the impact of the CBA including a positive long-term legacy.

Further, the capability and capacity of local governments to adequately assess and approve CBAs is a significant concern. Many local governments are already operating under considerable strain, and the requirement to potentially manage hundreds of CBAs in some regions (for example, due to the low 'large scale' solar farm threshold) could add a substantial burden. This increased workload risks causing delays and inconsistent outcomes in the CBA process. To address these challenges, QREC recommends the State Government allocate dedicated funding from the State Budget to assist local governments in managing these new responsibilities effectively, rather than depending on unknown charges to developers.

While QREC is fully supportive of the positive goals underpinning the Bill, we believe there are several key areas that would benefit from further refinement. QREC has identified a number of provisions that, in their current form, raise significant concerns. As such, we are unable to support the Bill's passage at this time.

We strongly encourage further consultation and substantial amendments to ensure the legislation effectively achieves its intended outcomes. It is regrettable that the Bill has progressed without the benefit of a comprehensive consultation process or an accompanying Impact Analysis Statement, as outlined in the government's own Better Regulation Policy. A more inclusive and transparent approach would have helped ensure the Bill is well-informed, balanced, and aligned with leading practice, as well as provided the opportunity to consider other options for achieving the same intent.

Having said this, QREC is pleased key components of the reforms have been released together (i.e. the legislation, regulation and draft State Code 26 Solar farm development), for all stakeholders to understand the extent of the reforms. We look forward to seeing the remaining guidance, particularly the Guideline for the State Code, as flagged by the Department of State Development, Infrastructure and Planning (DSDIP) at their 14 and 15 May industry briefings prior to the Bill commencing (should it pass State Parliament.

The retrospective nature of the proposed amendments is a key part of the uncertainty for developers, investors and operators in Queensland renewables projects, potentially delaying the decarbonisation of the generation fleet in the State with up to 110 renewable projects representing 66,000MW potentially captured under the transitional provisions or the proposed new requirements.

For the Bill to successfully achieve its intent, and ensure support from the renewables industry, QREC asks the State Development, Infrastructure and Works Committee to **not** support the Bill at this time, but rather recommend that the Bill is split to take out the renewable energy related amendments so as to undertake a fulsome stakeholder consultation process in accordance with the Office of Best Practice Regulation (OPBR) Queensland Government Better Regulation Policy, April 2025.

Notwithstanding this overall position, QREC respectively suggests that the Committee consider the below recommendations for process improvements and amendments to the Bill.

1.1. Recommendations

Recommendation 1 The Committee should not support the Bill at this time, but rather recommend that DSDIP take the draft Bill out for genuine consultation in accordance with the Office of Best Practice Regulation (OPBR) Queensland Government Better Regulation Policy, April 2025.	*See page 10*
Recommendation 2 The Committee seek a formal Impact Analysis Statement (IAS) in accordance with the Queensland Government Better Regulation Policy.	*See page 12*
Recommendation 3 The State Government to allocate dedicated funding from the State Budget to assist local governments in managing these new responsibilities effectively and efficiently, with priority to regions of high renewable energy activity.	*See page 29*
Recommendation 4 Industry seeks a commitment to genuine and transparent consultation, including a minimum 12 weeks of meaningful consultation on matters materially affecting the sector.	*See page 13*
Recommendation 5 The Committee and broader Government to ensure all new legislation for energy projects is assessed against its potential impacts to energy reliability and affordability.	*See pages 12 and 14*
Recommendation 6 Adopt a coherent and integrated approach to energy policy development that aligns legislative planning with the state's Energy Roadmap.	*See page 14*
Recommendation 7 Clear [Regulatory] Guidelines are established for Community Benefit Agreements (CBAs) prior to any passing of the Bill.	*See page 16*
Recommendation 8 New Legislative Requirements are aligned with existing Frameworks.	*See page 17*
Recommendation 9 Ensure equitable treatment of landholders and First Nations Rightsholders.	*See page 18*

Recommendation 10 Amend the transitional provisions by: - Removing the retrospective application of amendments to in-train development applications - Providing clear and equitable grandfathering provisions - Upholding fundamental legislative principles in transitional provisions.	*See page 20*
Recommendation 11 Promote predictable and efficient process through: – Establishing firm parameters and limits on cost-recovery fees, including a cap on total cost-recovery fees and a clearly defined list of eligible activities for which fees can be charged (e.g. administrative assessment, community consultation facilitation) – Introducing transparent accounting requirements for cost-recovery revenue.	*See page 21*
Recommendation 12 Include timeframes for mediation in the Bill.	*See page 21*
Recommendation 13 Make clear in the explanatory notes and Bill whether the definition of solar farms and wind farms only applies to those particular uses, and the interaction with offsite accommodation camps, transmission, and behind the metre battery energy storage systems (BESS).	*See page 22*
Recommendation 14 Utilise existing pathways for Major Projects, such as proven pathways under the *State Development and Public Works Organisation Act* 1971 (SDPWO Act) for all major projects.	*See page 23*
Recommendation 15 Shift the requirement for a CBA to be in place to the end of the assessment process – i.e. a condition of grant, aligning the process with resource projects through the *Strong and Sustainable Resource Communities Act 2017* Social Impact Assessment (SIA) Guideline.	*See page 23*
Recommendation 16 Amend Clause 11 (new section 52A) to clearly state that any SIA or CBA requirement in a change application applies only to the aspects of the project being changed, not the entire project.	*See page 23*
Recommendation 17 Redraft new section 65AA so its intent and use is clear, especially subsections (2) and (3).	*See page 24*
Recommendation 18 Make further amendments to the definition of 'social impact' under section 106R to make it consistent with the definitions under the existing SIA Guideline.	*See page 24*

Recommendation 19 Amend new section 106U to meet the government's intent to not apply the new requirements retrospectively to existing projects under application, including: • Exclude projects that have already progressed beyond key milestones such as public notification or submission of an equivalent SIA and/or CBA. • Recognise existing commercial and government funding agreements, particularly those with milestone or sunset dates, including agreements with government-owned corporations. • Acknowledge and accept equivalent SIAs and CBAs already undertaken, even if these agreements extend beyond local government to broader community stakeholders. • Provide for the refund of application fees where applications are withdrawn as a direct result of these retrospective legislative impacts.	*See page 25*
Recommendation 20 For clarity, amend the definition of the social impact assessment report to something like the following wording: *A social impact assessment report is a document that evaluates the potential social effects of a proposed development that is subject to a social impact assessment under a development application or change application.*	*See page 26*
Recommendation 21 Amend section 106W to cross-link section 106W through to the Guideline in the Regulation to make it clear that it references the SSRC Guideline.	*See page 26*
Recommendation 22 QREC proposes the Bill incorporate provisions into the legislation that facilitate and encourage regional or multi-party CBAs involving several proponents and local governments. This could be achieved through developing a regulatory framework or guidelines explicitly enabling and promoting pooled financial schemes and shared benefit models at a scalable level. This should include clear processes for collective negotiation, implementation, and oversight. The legislation should also introduce flexible procedural mechanisms allowing the progressive updating of CBAs, allowing future developers to 'join' and contribute to an existing CBA. This would reflect evolving community needs and ensure long-term relevance and effectiveness of community benefits whilst also incentivising pooled/cumulative benefit schemes.	*See page 30*
Recommendation 23 Clarify the thresholds or triggers that would justify amending a CBA prior to project application approval section 106ZA.	*See page 30*

Recommendation 24 Strengthen Mediation Provisions - amend mediation clauses to: – Make participation mandatory if either party requests it. – Establish clear timeframes, cost-sharing rules, and withdrawal criteria. – Provide a statutory pathway for project progression if unreasonable delays occur. Section 106ZB (2) should be amended as: *The chief executive must, on request by the local government or the other entity, refer the local government or the entity to mediation to seek to achieve an agreement between them.*	*See pages 34 and 31*
Recommendation 25 Ensure clear CBA hierarchy and conflict resolution by including clear rules for resolving conflicts between CBAs and other instruments (e.g. Infrastructure Agreements or DAs), ensuring CBAs do not inadvertently override critical infrastructure obligations and/or using CBAs solely for broader community benefit elements.	*See page 34*
Recommendation 26 QREC supports the ability of the proponent to apply to the Chief Executive to give a notice that an SIA or CBA is not required (new Section 106ZE of the Planning Act), although recommends that the Bill set out exactly what those circumstances are.	*See page 34*

2. About the Queensland Renewable Energy Council

The Queensland Renewable Energy Council (QREC) is the peak body representing Queensland's renewable energy sector. QREC advocates for responsible and sustainable development of renewable energy projects across the state, with a strong focus on collaboration and regional engagement.

QREC fosters strong relationships across key sectors—including agriculture, local government, communities, resources, and biodiversity conservation—and brings together a diverse network of Australian and international companies invested in Queensland's renewable energy future. With deep expertise in industry advocacy, policy development, and stakeholder engagement, QREC is committed to shaping a thriving and responsive energy sector.

Our members span the full spectrum of renewable energy technologies, including solar, wind, pumped hydro, battery storage, electricity transmission, and renewable fuels. QREC's leadership promotes leading practices that strengthen community partnerships and ensure meaningful regional involvement in the energy transition.

By championing innovation, transparency, and inclusive growth, QREC plays a vital role in supporting regional economies, driving investment, and securing Queensland's clean energy future—delivering sustainable, reliable, and affordable energy for all.

3. Introduction

QREC thanks the State Development, Infrastructure and Works Committee (SDIWC) for the opportunity to provide a submission on the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025* (the Bill).

As the only Queensland peak body for the renewables industry, QREC works proactively with its members, governments and relevant stakeholders to ensure the industry's development framework is fit for purpose, and balances investment certainty with the expectations of the community.

QREC has consistently advocated for early and detailed Local Government, First Nations and community engagement, as well as community benefit arrangements that achieve sustainable outcomes, based in an understanding of the strategic needs of the community, the ability for renewables developers to meet these identified needs, and the best way to consider cumulative impacts. The renewable energy industry recognises the need to mitigate its impacts and provide benefit to the local communities in which projects are being developed and operate.

To this end, the aspirations of the Bill and its key concepts of Social Impact Assessments (SIA) and Community Benefit Agreements (CBA) are supported. However, the approach taken to implement these aspirations are not reflective of leading practice regulation and in key parts, do not have regard to the fundamental legislative principles outlined in the *Legislative Standards Act 1992*. The legislation in its current form creates a high level of uncertainty for industry, with the real potential to lead to reduced private sector investment in Queensland's energy future.

It is unfortunate that the context of the Bill, including in the First Reading Speech by the Deputy Premier, Minister for State Development, Infrastructure and Planning, and Minister for Industrial Relations, Hon Jarrod Bleijie MP, on 1 May 2025, has largely focused on challenges rather than recognising the many positive contributions of renewable energy. The renewable energy industry delivers a wide range of benefits beyond just energy generation and transmission. For example:

- Benefits to traditional owners through individualised benefit sharing, cultural heritage and native title arrangements
- Benefits to landowners, dealt with through individual landowner agreements , which can diversify income streams and coexist alongside foundational agricultural industries
- Supporting job creation, infrastructure development, and economic activity in local and regional areas through employment, supply chains, and contracting work.
- The contribution of these facilities towards decarbonisation and transitioning the Queensland economy

- Beneficiaries of this infrastructure are largely the public, where the offtakes, generation, transmission and distribution infrastructure remain in public ownership

One of the stated key government drivers for the amendments is to ensure renewable projects are *'go through the same rigorous assessment processes as mining and other large-scale land uses*.'[1] Rather, these planning reforms propose to place an entirely new gateway in front of renewable projects before they can lodge an application. This new pre-application requirement is completely different to the resources industry process in Queensland. Several other key aspects of the proposal go significantly beyond what would typically be considered equivalent to resources, clearly exceeding their requirements. For example, the proposed threshold system differs from that used in mining, where projects can be assessed as standard applications without requiring a full impact assessment.

Mining proponents can apply for a mining tenure and Environmental Authority without first completing certain studies or commercial agreements—these are instead addressed during the assessment and decision-making process within a standardised system that includes defined timeframes. Social impacts are considered holistically to invite public comment on the project's potential impacts across interconnected areas like economic, environmental, and cultural heritage. QREC supports a system for renewables reflective of these defining features of the mining legislative framework.

QREC recommends DSDIP engage directly with the resources sector to gain insight into the industry's perspective on the existing approvals process, which the Department has been tasked with replicating for renewable generation projects.

While the Bill contains amendments to a significant number of pieces of legislation, QREC's submission only applies to those components of the Bill, particularly the *Planning Act 2016* which relate to the regulation of renewables, i.e. Chapters 1 to 3. The structure of the main body of this submission is intentionally aligned with the sequence of the legislative amendments contained in the Bill.

In addition, while recognising that the amendments to the *Planning Regulation 2017* (the Planning Regulation) are not being directly considered by the SDIWC at this time, given the intrinsic link between the amendments to the Act and the Regulation (for example the definition of 'large scale' solar farms, we have also provided contextual views on these proposed amendments). As the SDIWC also has the capacity to consider subordinate legislation we would welcome consideration of the changes to the Planning Regulation in parallel. QREC will also be making a submission on the proposed Regulation amendments directly to DSDIP, along with the rest of the suite of new and amended statutory materials that accompany the Bill such as the revised Development Assessment Rules and the new 'State code 26: Solar farm development'.

[1] Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations, Hon Jarrod Bleijie MP's First Reading Speech (1 May 2025)

Given the only external government consultation that occurred on the Bill in its development was with local government[2], as well as the extremely truncated submission process for a very complex Bill our strong recommendation is that the Committee **should not** support the Bill at this time and recommend that DSDIP take the Bill out for genuine consultation in accordance with the Office of Best Practice Regulation (OPBR) Queensland Government Better Regulation Policy, April 2025 (see further information below).

4. Lack of an Impact Analysis Statement

There is no mention in the explanatory notes of an evaluation of the Bill against the government's own Queensland Government Better Regulation Policy[3] under the Queensland Productivity Commission's office of Best Practice Regulation. The policy sets a clear Framework aiming to ensure that the development, review and administration of regulation is 'necessary, effective and efficient', thereby achieving policy objectives while minimising costs on business and the community.

It is clear that the Bill requires an Impact Analysis Statement (IAS), and for many of the reasons set out in our submission, we suggest the Bill and its subordinate instruments fail the tests for the Bill's development, including an explanation beyond a Ministerial Charter letter, of the need for the Bill. For example, explanation of how the amendments will complement, rather than potentially duplicate, the *Energy (Renewable Transformation and Jobs) Act 2024,* where social impact and community benefit is managed on a regional basis through Renewable Energy Zones.

The statement by the State Planner at the SDIWC Public briefing on 12 May 2025 regarding the potential for the new requirements to impact on the number of wind and solar projects proceeding, '*We do not intend to see a large drop-off in the number of serious contenders in this industry.*' However, in the absence of an IAS or any consultation with industry, the true impact of the amendments are unknown. QREC's own assessment has identified there is the potential for up to 66,000 MW or 110 renewable projects caught by either the transitional provisions or the potential future changes.

While the Government's Better Regulation Policy is dated April 2025, it appears that no clear or systematic evidence has been provided to demonstrate how the key questions outlined in the Policy were addressed prior to the Bill's preparation. If such analysis has been undertaken, it has not been made publicly available. For example:

[2] Page 12 Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025 Explanatory Notes

[3] Queensland Government Better Regulation Policy (April 2025)

1. What is the problem or issue the government is trying to address? (problem identification)
2. Is government action needed and, if so, why? (case for government action)
3. If government intervention is necessary, what feasible policy options (regulatory and non-regulatory) could address the problem? (identify policy options)
4. What are the potential net impacts (costs and benefits) of each option? (impact analysis)
5. Which option most effectively addresses the problem and has the greatest net benefit?
6. How should the preferred option be implemented and its effectiveness evaluated? (implementation and evaluation)
7. Who was consulted and what was their feedback? (consultation)

Further none of the thresholds for **not** undertaking an IAS have been reached, including the evaluation that the Bill will '**not** increase costs or regulatory burden on business or the community', nor has the consideration of the significance of the impact been shown as considered, in particular the following factors:

- the breadth of the impact — does it affect a large number of industries or individuals or a large proportion of businesses within an industry?
- the proportionality of the impact — does it have a disproportionate impact on a particular stakeholder group (such as small business)?
- the frequency of the impact — does it occur frequently rather than one-off?
- the extent to which the impact is reversible or can be mitigated — can it be reversed or mitigated?

The policy has clear examples of the business and competition impacts, which should have been overtly considered, and supported by economic or market modelling during the development of the Bill:

- *Increases business costs or decreases business profitability* – the Bill sets the real potential for a significant increase in costs through the unfettered requirement for a CBA.
- *Creates barriers to businesses entering or exiting a market through the allocation of licences, rights, entitlements, quotas* – because of a lack of a clear direction towards regional approaches the results of the Bill could mean that it is always the highest bidder that gets the approval, rather than encouraging a collegiate business approach which includes a range of operator sizes. Even the Bill's Explanatory Notes on Page 8 state, '*While aspects may create new administrative costs and **potentially reduce competition** to some degree…*[emphasis added].
- *Introduces controls that reduce the number of participants in a market* – as per the above.

- *Creates a disincentive to private investment* – the Government has publicly announced they have will employ a consultative and 'open for business' approach to renewable energy investment, however the deviation from this position and the government's own consultation policies has created unnecessary investor uncertainty.
- *Limits the ability of businesses to innovate, adopt new technology or respond to the changing demands of consumers* – locking in a CBA does not encourage adaptation to changing local government and community circumstances, and given that a new CBA needs to be completed for any 'other' change, this is likely to dissuade companies from continuous operational improvements.
- *Increases the price of a good or service* – any cost increases are typically passed through to the end consumer, either as a result of companies having to charge higher prices for the supply of their electricity, or government having to do so as a result of fewer developers entering the market. This includes the impacts of the proposed changes on the deliverability (including timing, feasibility and market attractiveness) of renewable energy projects in Queensland.
- *Displaces the community or parts of the community* – "community" is not uniformly defined in Queensland, rather its interpretation is context-dependent, often encompassing groups of individuals connected by geographic location, shared interests, or common goals. Identifying local government as the proxy for the community in all circumstances is not consistent with other Queensland legislation supporting communities.

Other factors the IAS should have considered are:

- The impacts of the proposed changes on the capacity and transformation of the grid.
- Comparing the attractiveness of delivering these projects in Queensland with other National Energy Market jurisdictions.
- No development applications for wind farms have been lodged in Queensland since the change to laws from 3 February 2025.

QREC **recommends** the SDIWC seek a formal IAS in accordance with the *Queensland Government Better Regulation Policy*. This should evaluate:

- Whether new legislation is required or whether existing frameworks can be strengthened
- The likely economic, social, and administrative impacts of the proposed amendments
- An analysis of potential impacts on energy reliability and affordability.

5. Key concerns with the Bill

5.1. Inadequate stakeholder consultation

Stakeholder consultation on significant legislation, especially the industry directly impacted, is an important step in developing leading practice regulation. This step in the process is critical to ensure its practicality as well as understand the impact on the industry and projects (what might the transitional arrangements need to appropriately cover).

The renewable energy industry has not been consulted on any aspects of this Bill, as outlined in the Explanatory Notes. While concerning for QREC members, it should be equally concerning for all capital-intensive industries in Queensland where policy certainty is paramount in future investment decisions.

QREC **recommends** that the Queensland Government implement a structured and transparent stakeholder consultation process for all significant legislative reforms, for example as suggested in the Queensland Resources Council Election Priorities. This process should occur early in the policy development cycle to ensure regulations are practical, fully consider transitional arrangements, and provide the policy certainty needed to support continued investment in Queensland.

5.2. A need to meet leading practice

While the intent of the amendments relating to SIA and CBA are leading practice, the approach taken to implement the governments intent falls Queensland behind other States and brings the industry out of step with the resources sector. Apart from anything else, this may mean, rather perversely, that Queensland misses out on the investment opportunity that renewable energy projects bring to regional areas.

Leading practice approaches for social impact and benefit sharing have been well studied and implemented across Australia for large scale projects, including Queensland's resources sector. There are thresholds for assessment, mitigation and legacy project benefits, all are part of the assessment process. The approach taken in the Bill, is these processes are used as a Gateway for a project to get through the initial front door. While the key concepts of undertaking a SIA and having in place a CBA are supported, the amendments impose these requirements on all projects regardless of size, and too early in the project development lifecycle to be effective and reflective of the final project approval and conditions.

Further the reduction to a project by project basis rather than a cumulative regional approach makes it almost impossible to focus on long-term legacy benefits, and instead encourages quick fixes. Local government is manifestly under resourced to take this approach, and QREC suggests in the submission that government needs to allocate dedicated state funding to build local government capacity to assess and manage CBAs, particularly in high-development regions.

5.3. Consideration of impact on energy reliability and affordability

All Queenslanders deserve access to reliable and affordable energy. While not relating just to the amendments in this Bill, QREC implores this Committee and broader Government to ensure all new legislation for energy projects is assessed against its potential impacts to energy reliability and affordability.

Queensland urgently needs a coherent and integrated approach to its long-term energy needs. This must include a clear alignment between the planning regime and the development of Queensland's Energy Roadmap. Unfortunately, the current Bill fails to acknowledge this critical nexus, nor does it consider the forthcoming review by Queensland's new Productivity Commission on energy policy and productivity. This fragmented policy direction is deeply concerning for industry. The Energy Roadmap and a fit-for-purpose assessment process should have been developed in parallel to ensure a unified and strategic approach to energy planning. The failure to do so raises serious questions and creates uncertainty. Most importantly, the Bill—if progressed in isolation—risks undermining investor confidence. This uncertainty threatens the private investment essential to achieving Queensland's emissions targets, as well as the long-term sustainability, reliability, and affordability of the state's energy future. A truly holistic approach is needed—one that does not single out renewables, but instead integrates all elements of the energy system.

To this end, it was disappointing to hear the response by the State Planner at the SDIWC's Public briefing on 12 May 2025 that aligning with the Energy Roadmap was not connected/relevant to the amendments, '*It is not my department's responsibility to look at our energy plan. That is being looked at by the departments of Treasury and Energy…*'.

QREC **recommends** that the Queensland Government adopt a coherent and integrated approach to energy policy development that aligns legislative planning with the state's Energy Roadmap. All future energy-related legislation should be assessed for its potential impact on energy reliability and affordability. This includes ensuring alignment with broader policy reviews, such as the Queensland Productivity Commission's forthcoming energy policy review.

5.4. Social impact and community benefit amendments

The renewables sector acknowledges the importance of early, meaningful engagement with landholders and local communities. However, it seems reasonable to assume that a new open-ended negotiation process with Local Government at the front end of existing assessment will add delay, uncertainty and extra cost to renewable developments critical project path. This is even more true for those projects captured by the transitional provisions who will not have factored the new statutory requirements into their project planning, particularly those projects that are significantly advanced.

The fundamental change to the requirement for the SIA and CBA to be undertaken prior to the lodgement of the DA application is not supported and ironically, while it is intended to build early confidence in the project's social license, key aspects of a project—such as its design, economic profile, and potential impacts—are often not fully defined until later in the development assessment process. As a result, the SIA and CBA may need to be revised multiple times before the application is ready for approval.

A suitable alternative approach already exists and is set out in the *Energy (Renewable Transformation and Jobs) Act 2024* (the Energy Act) which aims at *"maximising community benefits, local input, and coordinated development within Queensland's REZs".* The legislation allows for the Minister to declare a renewable energy zone and stipulate a range of eligibility criteria, including best-practice community engagement, that projects will need to meet to be allowed connection.

The amendments to introduce required CBAs, does not recognise the need for such a broader regional approach to benefit sharing aligned with the whole of community, rather than solely focused on local governments. Ironically, this broad range of stakeholders is recognised in the SIA guideline.

The project-by-project approach may also, perhaps unintentionally, create an environment where local governments can leverage competition between proponents to secure services and infrastructure that would traditionally fall within the remit of government. If the renewables sector is increasingly viewed as the primary provider of such services, it could reduce the incentive for governments to adequately support certain communities. Ultimately, this may result in higher electricity costs for consumers—a result that appears inconsistent with the Government's stated commitment to delivering affordable and reliable energy.

Further there is no recognition of how these agreements interact with those that already have been/will be made with landholders, given that there is no such requirement for a developer to also have reached a commercial agreement prior to the Development Application being lodged.

There is also the real potential to disenfranchise First Nations Rightsholders and we suggest there should be dedicated guidance on First Nations engagement within the CBA framework.

Well-defined guardrails within the legislative and regulatory frameworks governing cost-recovery fees and CBAs are a key missing component of the Bill. QREC recommends establishing regulatory guidelines and clearly defined criteria for setting, amending, and applying CBAs and associated fees. Additionally, procedural certainty must be enhanced through clear thresholds and transparent processes, including defined timeframes.

As the Clean Energy Investor Group's (CEIG) submission notes, despite the inclusion of a voluntary mediation mechanism, the lack of mandated timeframes for CBA negotiations opens the door to indefinite delays—particularly in cases where agreement cannot be readily reached. This risk is amplified by inconsistent capacity and approaches across local governments, leading to uncertainty about the process, scope, and expectations involved in CBAs.

Establishing a regulatory guideline for CBAs, potentially with standardised model agreements and flexible mechanisms to accommodate changing community needs, could enhance predictability and fairness. These structured measures will support effective management of cumulative regional impacts, facilitate proactive collaboration among multiple stakeholders, and ensure balanced outcomes that benefit communities while maintaining investor confidence.

Requiring the completion of a commercial arrangement prior to lodgement is in no way consistent with the requirements for resources. In this regard, it is unclear why both the SIA and CBA have been shoehorned into the Planning Act, when for projects of certain impacts (which need to be defined credibly), there is an existing pathway through the *State Development and Public Works Organisation Act 1971* (SDPWO Act). This lack of consideration is a symptom of the lack of due process in utilising the evaluation of the need for new legislation through the Government's own Queensland Government Better Regulation Policy.

Significantly, while unrecognised, stakeholder fatigue is a likely risk with the proposed system, given the multiple and often overlapping engagement requirements associated with project assessment. The SIA report must be informed by detailed consultation, typically involving broad 'town hall' sessions and targeted discussions with those most likely to be affected. Following this process—and once the CBA is agreed—those same stakeholders, along with any other interested parties, will have further opportunities to make submissions on the development application and potentially appeal any decision to approve it. Additional consultation may also be required at later stages, such as obtaining a Generation Authority under the *Electricity Act 1994 (Qld)*. Without careful coordination, the cumulative burden of these engagement steps may overwhelm communities, leading to disengagement and increased approval risk.

QREC **recommends** that:

- **Clear [Regulatory] Guidelines are established for Community Benefit Agreements (CBAs) prior to any passing of the Bill**

  The Queensland Government should develop comprehensive guidelines governing the negotiation and application of CBAs. These could include:

  - Clearly defined criteria for setting, amending, and applying CBAs and associated cost-recovery fees
  - Standardised model agreements to enhance consistency and reduce complexity
  - Defined timeframes to avoid indefinite delays and ensure procedural certainty
  - Flexible mechanisms to accommodate changing community needs over time

- **New Legislative Requirements are aligned with existing Frameworks**

  The Government should avoid duplicative or inconsistent processes by leveraging existing legislation —such as the Energy Act and the SDPWO Act—to manage community engagement and benefit-sharing. These frameworks already provide mechanisms for:

  - Coordinated regional planning;
  - Maximising local input and community benefit; and
  - Streamlining assessments for strategically important projects.

- **Guardrails are introduced to ensure robust and transparent development and application of CBAs by Local Governments**

  Legislative amendments should clearly define the scope of CBAs to ensure they complement, rather than substitute for, traditional government service provision. These guardrails should:

  - Ensure a transparent and well-understood definition of what can be included in CBA provisions;
  - Prevent CBA commitments that could disproportionately impact project viability; and
  - Protect consumers from cost pass-throughs that may result in higher electricity prices.

- **Ensure equitable treatment of landholders and First Nations Rightsholders**

  CBAs and Social Impact Assessments (SIAs) must operate in coordination with existing agreements and obligations to landholders and First Nations Rightsholders.

5.5. Transitional Provisions

While QREC supports efforts to strengthen community outcomes, we note that the blanket retrospective application of the proposed *Planning Act 2016* amendments to make as 'not properly made' all in-train applications[4] will undoubtedly create uncertainty for current projects, for both the renewables sector and any other industry in Queensland that requires approvals to operate.

This means an estimated 65,699 MW of Queensland wind and solar projects, which are either preparing applications or under assessment, will be impacted by the amendments.

Retrospective application of legislation is almost never acceptable, and the circumstances surrounding the introduction of this Bill certainly do not warrant this approach.

QREC further supports the CEIG's submission which confirms that there is a strong potential for transition risk to existing projects already under assessment and is concerned at the lack of appropriate grandfathering arrangements.

Applying new regulatory requirements to projects already underway creates significant uncertainty in Queensland's planning system. Investors rely on stable, predictable processes, and the prospect of revisiting or reworking pre-existing applications undermines confidence. This can in turn disrupt project timelines, risk not meeting the terms of existing contracts, delay investment decisions and financial close, and interfere with grid connection planning, and will threaten Queensland's reputation as a predictable State to do business with. Additionally, the new regulatory requirements threaten to undo the hard work that have already been put in by local governments and other assessment managers in assessing in-train applications.

A potentially acceptable alternative transitional provision could allow for the inclusion of SIA and/or CBA conditions on development permits for those pre-existing applications rather than making them restart the assessment process. Such an amendment would give confidence to industry that it can continue to invest while acknowledging the government's policy position of the need for greater emphasis on community benefits and social licence. This approach would be consistent with how the State has assessed the wind farm projects which were paused as a result of the pending changes in January/February 2025, that is, that conditions are imposed to require

[4] Refer to sections 51I and 51J of the Planning Regulation amendments and section 106U of the Planning Act (Clause 21), which provides the head of power for dealing with pre-existing applications.

workforce accommodation and infrastructure reporting to be undertaken in consultation with Council, and that decommissioning security be addressed, before commencement of construction.

It is concerning that the government does not feel that the overriding of the Act by Regulation or the 'transitional provisions' (see Section 5.5 of this submission) breaches fundamental legislative principles (page 9 in the Bill's Explanatory Notes):

> *The possible FLP inconsistency arises as the amendments are enabling* (sic) *the* ***Planning Regulation to override the Planning Act*** [emphasis added]*, as it provides for the Planning Regulation to facilitate that a development application made, but not decided before the Regulation is amended to prescribe development requiring social impact assessment commences, is not a properly made application. It also enables a regulation to state changes to the process for administering the development application, or enables the chief executive to do so. These provisions are* ***not*** [emphasis added] *considered retrospective, but do affect the administration and process of pre-existing applications.*

QREC is unsure in the circumstances why they are not considered retrospective or why it is legally tenable for the Regulation to override the Act.

QREC **recommends** the following:

- **Remove Retrospective Application of Amendments to In-Train Development Applications**

  The Queensland Government should ensure that proposed amendments to the Planning Act do **not apply retrospectively** to development applications. Applications submitted prior to commencement should be assessed under the legislative framework in place at the time of lodgement.

- **Provide Clear and Equitable Grandfathering Provisions**

  The legislation must include strong grandfathering provisions to protect projects already in progress. These provisions should:

  – Ensure proponents are not penalised for progressing in good faith under the existing rules

  – Avoid forcing the reworking or resubmission of applications

  – Preserve investment timelines and grid connection coordination

  – Safeguard investor confidence in Queensland's regulatory stability

- Uphold Fundamental Legislative Principles in Transitional Provisions

  QREC recommends that the Government revise the proposed transitional arrangements to ensure they comply with fundamental legislative principles (FLPs). Specifically, the legislation should not permit the Planning Regulation to override provisions of the Planning Act in a way that materially affects the processing or status of pre-existing development applications.

5.6. Cost-recovery fees

Renewable energy developers already contribute significantly to local economies through council rates and negotiated (and now to be legislated) Community Benefit Agreements (CBAs), which deliver targeted, community-specific benefits. Introducing unfettered cost-recovery fees risks potentially excessive and unpredictable financial burdens.

To prevent this, QREC recommends the introduction of clear parameters around cost-recovery fees, including:

- A cap on total fees;
- Defined activities for which fees can be charged; and
- Clear timeframes for CBA negotiations and related circuit breakers (i.e. mediation).

QREC supports the establishment of a public register of cost-recovery fees related to CBAs, which would improve transparency and help ensure consistency across local governments. Such a register could also inform the development of financial and time-based caps, promoting fairness and a level playing field for all developers and investors.

Since 2011, the resources sector Land Access Framework has been a focus for some lawyers and landholders agents to frustrate negotiations between a landholder and a resource proponent, leading to perverse outcomes for all parties. There are many examples where the legal representative fee far exceeded the negotiated payment to the landholder and without adequate measures preventing this behaviour again, there is a risk of this behaviour extending to CBA negotiations.

Further, QREC proposes that an independent financial mapping exercise—funded by the Queensland Government—be undertaken to analyse local government costs associated with CBAs over the past 3–5 years. This evidence-based approach could guide the setting of reasonable fee caps and negotiation timeframes.

Finally, transparent accounting mechanisms must be established to demonstrate that cost-recovery fees directly reflect legitimate expenses incurred by councils, with no overlap or duplication of funds from other sources such as rates, levies, or other CBAs.

QREC makes the following **recommendations** in regard to this part of our submission:

- **Establish Firm Parameters and Limits on Cost-Recovery Fees**

  To avoid duplication, cost escalation, and investment deterrence, the Queensland Government should legislate clear boundaries around the application of cost-recovery fees associated with CBAs. These parameters should include:

  – A cap on total cost-recovery fees to prevent excessive financial burdens on developers

  – A clearly defined list of eligible activities for which fees can be charged (e.g. administrative assessment, community consultation facilitation)

- **Introduce Transparent Accounting Requirements for Cost-Recovery Revenue**

  Legislation should require councils to maintain transparent accounting mechanisms to demonstrate that cost-recovery fees:

  – Accurately reflect legitimate expenses incurred in managing CBAs

  – Do not overlap with revenue derived from other sources such as rates, levies, or separate benefit agreements

  – Are used solely for purposes related to the project and community impact under assessment.

5.7. Mediation timeframes

While the concept of a mediation process in the development of Community Benefit Agreements is supported, without timeframes, the benefit is potentially limited.

QREC therefore **recommends** that relative timeframes are stipulated in the Bill.

6. Amendments to the Planning Act 2016

As a first point, QREC **recommends** that the Government make clear in the explanatory notes and Bill whether the definition of solar farms and wind farms only applies to those particular uses, and the interaction with offsite accommodation camps, transmission, and behind the metre BESS. Although a DSDIP briefing on 14 May 2025 attempted to address this issue, it remains unclear.

6.1.1. Making development applications (Clause 10, amending section 51)

Instead of making confusing changes to the Planning Act, for only one type of development, an existing pathway for major renewable projects (and indeed all major projects) is available through the SDPWO Act.

It is very unusual for an SIA and CBA to be required pre-application, nor is it clear why the government has created a whole new set of legislative requirements for an SIA, given that the completion of an SIA must be completed as per the amended version of the *Strong and Sustainable Resource Communities Act 2017* SIA Guideline in any case. Appropriate community benefit conditions would then be placed on the development approval. These powers already exist, a pathway that would likely been identified as an appropriate pathway through the IAS.

For projects that would not meet a certain threshold (refer to Section 7 about solar threshold), there could still be a requirement for community benefit conditions, which clearly relate to the proposed revised Development Assessment Rules.

During the pre-submission phase, renewable energy projects are typically in a preliminary planning stage, characterised by significant uncertainties regarding precise infrastructure layouts, technological choices, and scale. Accurate quantification of community benefits is challenging when detailed project elements are still evolving. Additionally, robust and effective CBAs require meaningful community engagement to understand local expectations and concerns comprehensively. In addition to exacerbating community consultation fatigue, conducting comprehensive community consultation and securing genuine engagement prior to project submission for the purpose of a signed CBA, when project specifics remain uncertain, can significantly delay the process or result in superficial engagement, compromising the quality and legitimacy of these assessments.

It is also worth noting that regulatory frameworks, environmental standards, and guidelines are frequently updated. Undertaking detailed assessments too early risks producing outdated or irrelevant analysis by the time project approvals are considered. Adjustments to account for evolving regulations can result in repeated work and additional costs, impacting project viability and timelines.

QREC **recommends** the Committee ask for the Bill to be amended to:

- **Utilise Existing Pathways for Major Projects**

  Instead of introducing new legislative mechanisms under the *Planning Act 2016* specifically for renewable energy projects, the government should leverage the existing and proven pathway under the *State Development and Public Works Organisation Act 1971* (SDPWO Act) for all major projects.

- **Avoid Pre-Application Requirements for SIA and CBA**

  Remove the requirement for Social Impact Assessments (SIAs) and Community Benefit Agreements (CBAs) to be completed prior to development application submission. These assessments are typically conducted later in the process when there is more project certainty and should align with the Strong and Sustainable Resource Communities Act SIA Guideline, as intended.

6.1.2. Changes relating to development requiring social impact assessment (Clause 11, new section 52A)

From the current drafting, it is unclear whether an other change application that triggers the requirement for an SIA/CBA would apply to the entire project or be proportionate to the change.

It is common legislative practice that it would only be for the changed aspect of the project, particularly as this is another part of the Bill which has significant retrospective application. Wording along these lines exists in other Queensland legislation, such as the *Environmental Protection Act 1994* s232(4) which states:

To remove any doubt, it is declared that a submission made under section 160, as applied under subsection (1)—

(a)may be made about an existing provision of the environmental authority or PRCP schedule only to the extent the provision is proposed to be amended under the amendment application; and

(b)can not be made about activities carried out under the environmental authority or PRCP schedule before the deciding of the amendment application.

QREC **recommends** the Committee ask for the Bill to be amended to:

- **Amend Clause 11 (new section 52A)** to clearly state that any SIA or CBA requirement in a change application applies only to the aspects of the project being changed, not the entire project.

6.1.3. Other permitted development conditions—development requiring social impact assessment (Clause 15, new section 65AA)

This section could benefit from greater clarity, as it currently combines several components that may be challenging for parties to interpret. Guided by the Explanatory Notes, the following questions emerge in relation to this section:

- Why do the relevant and reasonable requirements not apply to this section, and why is there a new 'unreasonable imposition'?
- While industry supports the approach that CBAs relate to the management, mitigation or counterbalancing of a social impact of the development (s65AA(2)(b)), it is unclear why it has been called out specifically in this new section, as only applying when a CBA is not required. Isn't this the whole point of a CBA? Because of the way the Section is structured, it appears that the purposes are somehow different.
- The inclusion of particular reference to contributions for infrastructure make this section convoluted.

QREC **recommends** this section is redrafted so its intent and use is clear.

6.1.4. Prohibited development conditions (Clause 16, amending section 66)

QREC wishes to understand the government's perspective on the wider implications of section 65AA(3) for development practices beyond its immediate scope. Specifically, we are interested in how the government intends to mitigate any potential risks associated with the application of monetary payments as non-prohibited conditions under section 66 across different development types.

6.2. Development requiring social impact assessment

In addition to the points in Section 5.4 of this submission, QREC raises the following in regard to the specific amendments below.

6.2.1. Definition (Clause 21 Division 1, new section 106R)

'social impact' is, in part, defined under Clause 21 amending S106R of the *Planning Act 2016*, in relation to development as the potential impact of the development on:

(a) the physical or mental wellbeing of members of the community;

Whilst it is extremely important to look after each and every member of the community, broader and more collective wording appears in other legislation and guidance. For example, the Social Impact Assessment Guideline, in section 2.2.4 Assessment of Impact uses, '*...impacts on communities' physical and mental health and well-being*'. While it may appear to be a minor change, it is significant, who gets to decide whose mental health will be regarded?

QREC **recommends** that the wording from the SIA Guideline is used instead, with a similar structure also applied to replace 'the livelihood of members of the community;'

6.2.2. References to impact (Clause 21 Division 1, new section 106S)

QREC supports the Bill's recognition that an impact can be positive, however asks how a cumulative impact of the development and other uses (s106S(c) is to be considered in the social impact assessment, e.g. how is "other development" identified? Is it development that has been approved?

6.2.3. Making regulation about development requiring social impact assessment (Clause 21 Division 2, new section 106U) – links with Sections 51I and 51J of the Planning Regulation amendments

This part of the Bill is, in theory, the non retrospective transitional provisions. In fact they are clearly retrospective as they do not consider:

- How advanced the application is (e.g. has already proceeded through public notification)
- Whether they have completed an equivalent SIA and/or a community benefit agreement/s which may cover parties beyond just those of local government.
- There are existing commercial agreements with milestone or sunset dates that are impacted by these changes (noting that many of these may be with government owned corporations)
- There are government funding agreements that are impacted

While we appreciate that there are some slightly different provisions for those projects in the Planning Regulation who were issued with a ministerial 'paused' or provided with notices to be called in prior to 1 May 2025, this only applies to a very small number of applications.

As an aside, the government should make it clear that in this circumstance, application fees already paid will be refunded.

As set out earlier in our submission, the transitional arrangements in Clause 21 (new section 106U) should be revised to ensure they are genuinely non-retrospective and provide appropriate consideration for projects that are already well advanced in the development application process.

QREC **recommends** that the Bill is amended to:

- Exclude projects that have already progressed beyond key milestones such as public notification or submission of an equivalent Social Impact Assessment (SIA) and/or Community Benefit Agreement (CBA).
- Recognise existing commercial and government funding agreements, particularly those with milestone or sunset dates, including agreements with government-owned corporations.
- Acknowledge and accept equivalent SIAs and CBAs already undertaken, even if these agreements extend beyond local government to broader community stakeholders.

- Provide for the refund of application fees where applications are withdrawn as a direct result of these retrospective legislative impacts.

6.3. Social impact assessment reports

QREC supports the undertaking of an SIA, relative to the scale and impact of the project. We do not support an SIA being undertaken as a strict pre-requirement for application, rather than as part of the application process where all of the other studies and application requirements are provided.

It also seems peculiar to amend a Guideline which has been created under another piece of legislation, rather than using that piece of legislation (i.e. the Strong and Sustainable Resource Communities Act (SSRC)) and the accompanying SDPWO Act. This would at least convey some alignment with the requirements of the resources sector.

6.3.1. Meaning of social impact assessment report (new Division 3, Section 106V)

The definition as drafted is unclear and circular. QREC **recommends** changing to something like the following wording:

*A **social impact assessment report** is a document that evaluates the potential social effects of a proposed development that is subject to a social impact assessment under a development application or change application.*

6.3.2. Requirements for social impact assessment reports (new Division 3, Section 106W)

Although there is extensive reference in the supporting fact sheets about the amendments to the SSRC Guideline, there is in fact no reference to the recognition of, and use of that specific Guideline in either the Bill or Regulation.

QREC **recommends** that it is cross-linked through to the Guideline in the Regulation.

6.4. Community benefit agreements

The renewable energy industry supports transparent and equitable processes that enable positive social outcomes for communities hosting renewable energy developments, and the principles underpinning community and local-government co-designed CBAs.

This commitment is clearly demonstrated through the Queensland Renewable Energy Developer & Investor Toolkit (the Toolkit), which was developed proactively by the Queensland renewable energy sector in the absence of a mandatory Developer Code of Conduct. Complementing the proposed reforms, the Toolkit outlines key engagement requirements for developers, emphasising early communication, transparency, and timely information sharing. It also provides comprehensive guidance on the contents of

Landholder Agreements, ensuring landholders are fully informed and supported throughout their decision-making processes. Additionally, the Toolkit offers guidance on rights-based engagement with Traditional Owners and First Nations peoples, enabling developers to meet their cultural heritage responsibilities and tailor their engagement strategies to local contexts.

However, while QREC and industry endorse the preparation of meaningful CBAs aligned with local community priorities and regional development plans, the new legislative framework presents several risks and challenges to investor and policy certainty for renewable energy developers, in particular the legislative gateway requirement mandating the completion and entry into a CBA with local governments prior to submitting a development application is restrictive and impractical. There are also potential compliance risks with international anti-bribery/anti-corruption obligations – such as the OECD Convention on Combating Bribery which has been signed by Australia and adopted into domestic law -when financial terms must be agreed with a public body prior to a decision on whether a project is admitted into the assessment process. While councils would not be the decision-makers for development approvals, their role in the assessment pathway could give rise to perceptions of undue influence or preferential access. Managing both the reality and the appearance of procedural integrity is therefore critical to maintaining public and investor confidence.

QREC proposes instead that entering a CBA should be a condition of development approval, not a pre-lodgement obligation. This is in-line with the resources sector and given some projects never progress to the phase of submitting a DA, this ensures local governments only spend their time on the projects that have progressed to the DA stage.

To ensure procedural fairness and consistency across projects, QREC recommends that the government delay the consideration of the Bill rather than proceeding solely with the pre-lodgement option, which appears to have been driven by restricted timeframes. Taking additional time would allow for the proper identification and evaluation of alternative approaches to a standardised CBA framework. This process could draw on existing models from other jurisdictions, such as New South Wales or the Queensland based RAPAD Power Grid Community Benefit Royalty Agreement (see more detail below), while also ensuring that any quantitative contributions are proportionate to the specific impacts identified within the SIA.

The RAPAD Power Grid Community Benefit Royalty Agreement was developed on a regional basis (not project by project) by seven local Governments of Central Western Queensland. The structured agreement provides certainty to community and industry in delivering significant long-term payments to support social and economic infrastructure investment determined by the community. The agreement outlines specific amounts payable by project based on the size of the project, detailing an amount of $750 per MW for wind projects and $500 per MW for solar projects over a 25-year period.

This approach empowers local governments to co-design and identify local benefits in a way that ensures direct accountability to their communities. It also addresses landholder concerns by ensuring the CBA is not tied to the land, thereby removing any perceived long-term obligations. Importantly, allowing developers to make contributions through instalments helps avoid large upfront payments that could otherwise affect project viability and deter financial investment.

QREC also supports the proposed requirement for local governments to transparently report the receipt and expenditure of funds obtained via CBAs within annual financial statements, ensuring a clear nexus between the funds spent and their intended purpose. However, consideration must also be given to managing confidentiality of certain project details, particularly commercially sensitive information contained within CBAs.

6.4.1. Meaning of community benefit agreement (new Division 4, Section 106Y)

Specific examples in the Bill suggest the community benefit agreement does not necessarily relate to the outcomes of the social impact assessment. It is unclear how a sports facility, library (however noble) or general community fund relates to an impact identified in a social impact assessment. In order to provide some guidance as to the proportionality of a community benefit agreement, for the purposes of the negotiation with the local government, the community benefit agreement should be defined as an agreement that responds to the social impact assessment (positive and negative impacts). That will include taking into account local jobs, legacy infrastructure, indirect benefits to local economies and training opportunities.

It is also important to recognise that a CBA cannot feasibly address all impacts identified in an SIA. Industry experience shows that an effective SIA already addresses many key impacts comprehensively, exceeding what would be realistically achievable within a CBA alone. Therefore, clarity around the specific roles and limitations of CBAs relative to SIAs should be articulated clearly within legislative guidelines.

6.4.2. Entering into community benefit agreements (new Division 4, Section 106Z)

As noted earlier in this submission, the requirement to secure a fully executed CBA before lodging a development assessment significantly undermines proactive and leading-practice community engagement initiatives already undertaken by renewable energy developers in Queensland. A more suitable alternative, aligned with the State's intent for early indicative support as outlined in the explanatory notes of the Bill, would involve securing preliminary support letters from local governments post-SIA and making the finalisation of CBAs a condition of development approval rather than a precondition for application submission. This approach provides practical flexibility, mitigates risk, and sustains the integrity and effectiveness of community engagement processes already established within the sector.

The capability and capacity of local governments to adequately assess and approve CBAs is a significant concern. Many local governments are already operating under considerable strain, and the requirement to potentially manage hundreds of CBAs in some regions (due to the low 1MW inclusion threshold) could add a substantial burden. This increased workload risks causing delays and inconsistent outcomes in the CBA process. To address these challenges, QREC recommends the State Government allocate dedicated funding from the State Budget to assist local governments in managing these new responsibilities effectively, rather than depending on unknown charges to developers.

Additionally, the fixed nature of CBAs presents practical challenges due to evolving community needs over the lifespan of renewable projects, typically around 25-30 years. While monetary contributions may be quantifiable, rigidly defined benefit plans at the front-end of a project assessment risk becoming outdated or misaligned with community priorities over time. Flexibility within agreements to accommodate changing needs should be explicitly allowed.

QREC is also concerned there is an inherent contradiction within the current scope of proposed CBAs. Although termed 'Community Benefit Agreements', they effectively operate more as agreements between developers and local governments. This approach risks diminishing direct community engagement and the active participation of communities in shaping benefits, thereby potentially limiting genuine local empowerment. More detailed guidance could suggest alternative models such as the CBA placing council in an observer or audit type role. All of the current messaging from the government seems to assume that councils would hold and distribute the funding commitments made in a CBA. That may not always be the best model. QREC asks that the State government acknowledge there may be a range of models, with the role of local government ranging from administering funds, to membership on an independent funding panel, to audit or observation of developer-led funding panels or independent community panels. The CBA could still agree on principles to guide decision-making on projects to be funded and on quantum, just not lock in council as the ultimate decision-maker.

One of QREC's most significant concerns with the Bill is that it reverts to a project-by-project perspective. To reflect a leading practice approach, there must be an encouraged pathway to address the cumulative impacts and benefits of a development.

The Social Impact Assessment Guideline states, '*Consideration must also be given to potential cumulative impacts that could result from the combined effect of similar actions by multiple projects. In many instances, mitigation of these cumulative impacts may not be within the proponent's direct control…*'.

Accurately capturing cumulative social impacts - especially in regions hosting multiple projects – is inherently difficult at early project stages, given uncertainties about future developments or simultaneous assessments underway. Comprehensive cumulative assessments require understanding interactions with other developments, something difficult to achieve prematurely. This emphasises the fundamental issue with developing CBAs on a project-by-project basis, as it does not incentivise nor provide a regulatory framework that fosters collaboration between project developers to develop regional benefit or pooled financial schemes.

Nor can a project-by-project basis deal with the issues of:

- Concerns that the community benefit will go to a section of the LGA not near the wind farm footprint if managed by Council
- Projects spanning multiple LGAs
- Impacts spanning multiple LGAs

Although DSDIP's Fact Sheet 1 – Community Benefit Agreement suggests that one or more developments or proponents can enter into a CBA, and that this is enabled by the legislative changes, this does not seem to have flowed through to the drafting itself. Unless the Bill is suitably amended, it is difficult to see how the changes can encourage strategic and collegiate activity.

QREC proposes the Bill clearly incorporate provisions into the legislation that facilitate and encourage regional or multi-party CBAs involving several proponents and local governments. This could be achieved through developing a regulatory framework or guidelines explicitly enabling and promoting pooled financial schemes and shared benefit models at a scalable level. This should include clear processes for collective negotiation, implementation, and oversight. The legislation should also introduce flexible procedural mechanisms allowing the progressive updating of CBAs, allowing future developers to 'join' and contribute to an existing CBA. This would reflect evolving community needs and ensure long-term relevance and effectiveness of community benefits whilst also incentivising pooled/cumulative benefit schemes.

6.4.3. Amending community benefit agreements (new Division 4, Section 106ZA)

QREC feels clarity is needed regarding the thresholds or triggers that would justify amending a CBA prior to project application approval. Developers require certainty that local governments will not arbitrarily amend an agreed CBA while the project awaits assessment approval. Similarly, local governments need assurance that developers will not enter into CBAs merely to fulfill the application gateway requirement and subsequently seek unjustified amendments. Therefore, clear and specific criteria should be defined in the legislation, outlining legitimate circumstances under which amendments may be made, thus providing procedural fairness and predictability to both parties.

6.4.4. Referral to mediation (new Division 4, Section 106ZB)

QREC broadly supports the inclusion of mediation processes, particularly in circumstances where a proponent has genuinely pursued good-faith negotiations with a local government but has been unable to reach agreement on a CBA. The availability of a structured mediation process, overseen by an independent mediator with judicial-equivalent protections, is seen as a valuable mechanism to resolve disputes effectively and efficiently, thereby potentially reducing delays and uncertainty in project timelines.

Despite the establishment of a mediation process, industry remains concerned about the ambiguities within the proposed mediation framework. Specifically, it is unclear from the current drafting how mediation would be initiated if the local government is unwilling to participate voluntarily.

Section 106ZB (2) should be amended as:

> *The chief executive **must**, on request by the local government **or** the other entity, refer the local government **or** the entity to mediation to seek to achieve an agreement between them.*

6.4.5. Mediation process (new Division 4, Section 106ZC)

Given that Section 106ZC currently relies on mutual agreement from both parties to voluntarily enter mediation, proponents may face procedural challenges if local governments decline mediation, effectively stalling the negotiation process and potentially disadvantaging developers who are eager to reach resolution.

There is a potential risk of delays in project timelines if mediation processes are protracted. Developers require certainty regarding timelines and outcomes to manage project financing, contractual obligations, and overall feasibility. QREC is also concerned about the lack of clarity regarding cost responsibility for mediation, which could create unforeseen financial burdens on proponents and the lack of guardrails under cost-recovery fees by local governments (Clause 4, amending section 99) and (Clause 7, amending Section 97) could leave the financial burden solely on the developer.

To address these issues, QREC recommends clear guidelines and timeframes for mediation proceedings be established within the legislative or regulatory framework to mitigate potential delays. For example, if agreement isn't reached in 'X months', either the local government or the proponent can seek mediation. Additionally, transparency regarding the allocation of mediation costs and responsibilities should be clarified upfront to avoid creating additional economic uncertainties for project proponents. This would ensure consistency with the Land Access Framework for the resources sector.

Clear thresholds such as statutory time limits or maximum mediation costs could also be included in the legislation for a proponent to pursue the option to apply to the Chief Executive to give a notice that an SIA or CBA is not required (new Section 106ZE) if the negotiation of a CBA has taken an unreasonable amount of time, or a resolution is not reached under mediation.

Section 106ZC Mediation process could be amended as follows:

...

*(2) Participation in the mediation is **mandatory if a local government or other entity refers the matter to the chief executive**.*

*(3) The local government or the other entity may **only** withdraw from the mediation **if:***

(a) all reasonable endeavours have been made by both parties, in good faith, to reach a mutually agreeable resolution; and

(b) despite these endeavours, a signed CBA cannot be reached.

(4) A party intending to withdraw from mediation under subsection (3) must provide written notice to the mediator and the other party, clearly stating the reasons why a resolution could not be reached despite best endeavours.

(5) The mediation ends on the earliest of the following days—

(a) if the local government or the other entity withdraws from the mediation—the day the local government or entity withdraws;

(b) if the local government and the other entity agree the mediation has ended—the day the local government and the entity agree the mediation has ended;

(c) if the local government and the other entity sign an agreement agreeing to a resolution—the day the agreement is signed.

...

6.4.6. When community benefit agreements apply instead of particular instruments (new Division 4, Section 106ZD)

The prioritisation set out in clause 106ZD introduces a risk of uncertainty if multiple CBAs have been entered into by developers with different entities (e.g., local governments and public sector entities). Where inconsistency occurs, a CBA with a prescribed public sector entity (under section 106Z(2)) would supersede a local government CBA (under section 106Z(1)). This could lead to developers inadvertently breaching agreements due to overlapping or conflicting commitments.

If a CBA entered into with a public sector entity overrides the local government agreement, there is a risk of damaging the developer's relationship with local councils. Local governments might perceive the developer as sidelining local interests, potentially affecting project acceptance, social license, and future collaborative efforts.

Importantly, the potential replacement of an Infrastructure Agreement, development approval conditions, or Infrastructure Charges Notices by a CBA creates complexity in compliance management. Developers may face conflicting interests or inadvertent non-compliance if requirements under a replaced instrument are not clearly captured or aligned within the applicable CBA.

To address these risks, detailed guidance or criteria should be included in the legislation (or Regulation) to clearly stipulate when and how CBAs should take precedence over other agreements, particularly how they might align with or impact traditional infrastructure agreements—such as those for road upgrades. Supporting statutory procedures for handling conflicts between multiple CBAs and associated agreements/instruments should be established to ensure developers and local governments have clarity upfront.

As recommended in Section 6.4 (Community benefit agreements), QREC recommends the consideration of the development of a regulatory guideline for CBAs which clearly aligns with, where possible, standard infrastructure agreement terms, DA conditions, and financial obligations such as Infrastructure Charges Notices to mitigate the risk of CBAs taking precedence over other important agreements or contractual obligations.

QREC would further suggest that Infrastructure commitments should remain with Infrastructure Agreements and that CBAs deal with the other elements. This would at least enable consideration of cumulative impacts at the infrastructure level.

QREC **recommends** the following relative to this part of our submission:

- **Shift CBA Timing to Post-DA Submission** – as recommended previously, the execution of CBAs should be a *condition of development approval*, not a pre-lodgement requirement. This aligns with resource sector practice and avoids burdening local governments and developers prematurely. Alternative mechanisms and models should be robustly considered (see Section 6.1.1).
- **Clarify CBA Purpose and Scope** - Define CBAs as responses to the SIA—addressing positive and negative impacts—while recognising that not all impacts can be addressed via CBAs alone.
- **Clearly enable Regional and Multi-Party CBAs** - Include legislative provisions that explicitly support pooled or regional CBAs, allowing multiple proponents to collaborate and respond to cumulative impacts at scale.
- **Consider the development of a CBA Guideline** that:
  - Outlines negotiation and implementation standards.
  - Aligns with standard planning instruments (e.g. Infrastructure Agreements).
  - Maintains transparency while protecting commercial confidentiality.
- **Support Local Government Capacity** - Allocate dedicated state funding to build local government capacity to assess and manage CBAs, particularly in high-development regions.

- **Introduce CBA Flexibility Mechanisms** - enable amendments over time to CBAs to reflect evolving community needs over the 25–30-year lifespan of renewable energy projects.
- **Strengthen Mediation Provisions** - amend mediation clauses to:
  - Make participation mandatory if either party requests it.
  - Establish clear timeframes, cost-sharing rules, and withdrawal criteria.
  - Provide a statutory pathway for project progression if unreasonable delays occur.
- **Ensure Clear CBA Hierarchy and Conflict Resolution** - include clear rules for resolving conflicts between CBAs and other instruments (e.g. Infrastructure Agreements or DAs), ensuring CBAs do not inadvertently override critical infrastructure obligations and/or using CBAs solely for broader community benefit elements.

6.5. Notices and directions by chief executive

6.5.1. Notices given by chief executive (new Division 5, Section 106ZE)

QREC supports the ability of the proponent to apply to the Chief Executive to give a notice that an SIA or CBA is not required (new Section 106ZE of the Planning Act), although **recommends** that the Bill set out exactly what those circumstances are.

At the DSDIP industry briefing on 14 May 2025, it was suggested that this Chief Executive process could be used as the alternative to establishing timeframes for the SIA, CBA and mediation in the legislation. QREC does not feel this is an appropriate substitute and seeks both the inclusion of timeframes for the other aspects as well as the direct circumstances for application for non requirement of a CBA/SIA.

6.5.2. Directions given by chief executive (new Division 5, Section 106ZF)

Will the conditions that the chief executive directs the assessment manager to impose under section 106ZF(2) be subject to objections and appeals if they do not relate to an undertaken SIA or CBA?

6.6. Deciding particular applications and appeal rights

6.6.1. Deciding particular applications relating to development requiring social impact assessment (new Division 6, Section 106ZI)

QREC supports the limitations to the CBA and SIA as not being grounds for refusing the application, notwithstanding that we do not support the introduction of the SIA and CBA as a pre-application requirement

6.6.2. Limitations on appeal rights (new Division 6, Section 106ZJ)

QREC supports appeal rights being restricted to the applicant for this section.

Related links to the Planning Regulation: QREC is generally concerned that the reclassification of solar farms as Impact Assessable enables all properly made submitters (i.e., third parties) to appeal development approvals or conditions to the Planning and Environment Court.

Given that the government's stated intent behind the renewables part of the Bill is more focussed recognition of the local and regional communities in which renewables do, and seek to, operate, the government may like to take the opportunity to consider whether submitters and appeals should be limited to those individuals, communities, or groups who are directly and materially affected by a proposed development. This approach maintains meaningful community involvement while reducing the potential for appeals that could delay or disrupt projects without genuine local impact.

6.7. Miscellaneous

6.7.1. Development applications and change applications accompanied by particular documents (new Division 7, Section 106ZK)

These amendments are supported however seem redundant in the circumstances given the SDPWO Act pathway would be of limited benefit to an applicant.

6.7.2. Use of particular amounts (new Division 7, Section 106ZL)

Given the introduction of the new process, QREC supports these amendments.

6.7.3. Fees for particular matters (new Division 7, Section 106ZM)

See section 5.6 of the submission, Cost Recovery Fees.

7. Inter-relationship with the Planning Regulation

As noted in the introduction, although QREC understands that the Committee is not directly considering the proposed changes to the Planning Regulation, we have noted the difficulties with some of the flow on effects of the Bill in the relevant sections of this submission.

Other key points that we would like the Committee to consider are:

Threshold for 'large scale' solar farms

QREC suggests that the threshold for 'large scale' solar farms is far too small and would result in an unnecessary amount of individual CBAs being negotiated with government.

QREC supports the proposal presented to DSDIP during its two briefing sessions, recommending that the general minimum threshold of 30 MW—used for requiring solar farm generation units to register with AEMO—be adopted. Alternatively, the Department could consider an impact based approach, considered leading-practice, which QREC would be happy to co-design.

The definition for renewable energy as it now relates to solar farms for the purposes of making them impact assessable in the Regulation is confounded by the proposed State Code 26 leaving the definition blank.

Schedule 6 of the Planning Regulation

The regulation should also amend Schedule 6 of the Planning Regulation to remove solar farms.

8. Other matters

QREC is concerned that there is a lack of clarity surrounding the applicability of secondary approvals for a project with an approved SIA and CBA, which subsequently receives a development application (DA) approval. For example, the legislation does not provide detail as to how additional and/or related approvals, such as a Material Change of Use (MCU) for earthworks to undertake associated project construction activities, which will be treated as part of the broader project development assessment process. The legislation should be amended to clarify that Performance Outcomes assigned as a result of project approval will result in 'nested approvals'. Any activities that are identified as required by conditions of a DA approval should not require additional approvals once they are developed.

9. Follow up

If you have any questions about any of the points and recommendations raised in this submission, please contact Frances Hayter on [redacted] or [redacted]. We would welcome the opportunity to speak with the Committee about the issues raised in our submission.

QREC collaborates with industry, communities, and all levels of government to drive the growth of Queensland's renewable energy sector.

As Queensland's only renewable peak industry body, we represent stakeholders across solar, wind, pumped hydro, electricity transmission, battery storage, and renewable fuels.

Our leadership in policy development promotes leading practices and fosters positive community relationships. Through this focus, we aim to power regional growth, support Queensland's economic future, and provide access to clean, reliable and affordable energy for all.

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