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

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

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

## Potentia Energy supports social impact assessment and community benefit sharing

Potentia Energy fully supports the policy intent of fostering positive social impact and creating community benefits. Our approach to community engagement is anchored in the "Creating Shared Value" (CSV) philosophy. Central to this philosophy is the notion that the achievement of business objectives should be intrinsically linked to positive local community outcomes.

As a long-term asset owner with projects across diverse regional areas throughout Australia, we understand the significant impact we can make and the legacy we can build. Acknowledging the unique characteristics of each regional area where we operate, we have developed a community engagement and benefit-sharing framework that is carefully tailored to the specific needs and context of each local community.

Potentia Energy are proud signatories to the <u>Clean Energy Council's Best</u> <u>Practice Charter</u>. This commitment affirms our dedication to excellence in community engagement, ensuring that our projects adhere to the highest standards of transparency, inclusivity, and respect. By aligning with the Charter's principles, we reinforce our pledge to work towards creating meaningful and positive impacts in local communities and ensure ongoing consideration of environmental and cultural values. As a signatory we must report annually on how we are adhering to the 10 commitments, our 2024 report can be viewed <u>here</u>.

We support the proposed social impact assessment (SIA) as it is a crucial step to ensure any benefit sharing agreement can result in meaningful impact on local communities. However, we have concerns of several design features of the proposed legislation.

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#### Our key concerns

As a member of the Clean Energy Council, Queensland Renewable Energy Council and Clean Energy Investment Group, we support the submissions made by these industry bodies on behalf of the clean energy industry. Particularly, we would like to highlight the following concerns:

1. Local communities should be the recipient of benefit sharing agreements

We believe local communities impacted by the projects should have the final say on how project proponents can support them. Our experience in other states shows that priorities of local governments and local communities can be misaligned at times. As local governments serve a broader range of communities across an entire local government area, local groups with lesserheard voices and/or those located closest to a renewable energy project, may not benefit from the benefit sharing agreements. These local groups may include First Nation groups

If local governments are the final approver of the CBAs, then it is very likely local governments will become the recipient of most, if not all, of the benefit sharing funding. Project proponents or specific local communities may have limited oversight on how the funding will be spent. This may create misalignment between the SIA and CBA.

We propose the legislation to permit local community groups and First Nation groups to be recipients of the benefit sharing agreements. In addition, the legislation should make explicit requirements for local governments to direct funding towards communities identified under the SIA.

2. Benefit-funds being an acceptable type of CBA

We also believe that it should be made clear in future guidelines that a "community benefit fund" approach is considered a good approach to a CBA, rather than a strict requirement to enter into CBA with council, due to the uncertain long-term socio-economic context in regional communities over multiple decades. What is needed in the current year, and current year+20 in a community is unclear, and the benefit sharing should be flexible-enough to evolve with the community's evolving needs. "Community Funds" can be a suitable tool to allow this flexibility.





The funds can be administered by representatives from project proponents, local community representatives and local government representatives.

3. The Government should provide indicative benefit sharing amount

We recommend the government to include indicative maximum community benefit sharing amount based on project size and technology. The indicative amount will set a benchmark for both renewable energy industry and local communities. CBAs should be automatically approved if the indicative amount has been reached.

#### Other matters

An orderly and expedited transformation to renewable energy is critical to ensure the security, affordability and reliability of energy system in Queensland.

Planning reforms should reduce rather than add red tape to attracting investment in regional Queensland, and achieving a positive social outcome.

We encourage the Queensland Government to consider recommendations made by industry bodies to maintain investor confidence in Queensland.

Please do not hesitate to contact Mr Chester Li, Regulatory Affairs Manager on or at figure in the second s

discuss our submission.

Regards,

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#### **About Potentia Energy**

Potentia Energy (previously Enel Green Power Australia) is a joint venture entity co-owned by Enel Green Power and INPEX. Potentia Energy is currently operating over 800 megawatts (MW) of renewable energy assets across Australia, with construction underway on a further 200 MW of capacity. Potentia Energy has rights secured for a development pipeline of over 8 GW across Australia and is committed to an ambitious growth agenda, targeting a significant increase to its installed capacity across wind, solar, storage and hybrid projects across Australia. Potentia Energy is committed to accelerating Australia's energy transition, driving the potential for a sustainable future.

More information:

- Potentia Energy website
- Potentia Energy LinkedIn

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