Energy (Renewable Transformation and Jobs) Bill 2023

Submission No:	35
Submitted by:	Energetic Communities
Publication:	
Attachments: Submitter Comments:	No attachment



ENERGETIC COMMUNITIES Sowing a Common Thread

ABN: 75 927 084 690 14 Rosebery St Highgate Hill, QLD 4101

8 December 2023

Committee Secretary Transport and Resources Committee Parliament House George Street Brisbane Qld 4000 Email: trc@parliament.qld.gov.au

Dear Committee Secretary,

ENERGY (RENEWABLE TRANSFORMATION AND JOBS) BILL 2023

KEY RECOMMENDATIONS

Recommendation 1: Include energy performance and other non-network solutions in the bill.

Recommendation 2: Targets must be aligned with science-based temperature goals limiting warming to 1.5°C.

Recommendation 3: Regulate for accountability to the Regional Energy Transformation Partnerships Framework: Empowering local voices & local choices in achieving our renewable energy targets, including reference to genuine and best practice engagement, local participation and benefit sharing, local content provisions, and protecting or enhancing nature.

Recommendation 4: In addition to supporting affected coal workers and communities, the Job Security Guarantee Fund be expanded (or a separate fund established) to include workforce development for an army of home, commercial and industrial assessors and upgrade professionals, environmental assessment, regional advocacy, community development and the community sector.

Recommendation 5: The energy consumer advocate on the Energy System Advisory Board be Queensland based, have skills and knowledge in systemic and individual energy consumer advocacy, and be able to support genuine and best practice community engagement to achieve social licence.

INTRODUCTION

Energetic Communities Association thanks you for the opportunity to make a submission to the final Energy (Renewable Transformation and Jobs) Bill 2023 (henceforth, the Bill). We are a state-wide association that aims to represent the interests of households, communities, and not for profit organisations working in the social, environment and community sectors, and to promote and develop community renewable energy. We undertake research, engagement and advocacy

in sustainable energy, energy equity, energy efficiency, sustainability and climate change adaptation and mitigation for vulnerable communities and households. We aim to build social change and economic wellbeing for all household and not-for-profit energy consumers. Energetic Communities Association supports a fast, fair, and inclusive transition, a 100% Renewable Energy Target by 2030, and a net-zero emissions economy by 2040 at the latest.

Energetic Communities **applauds the Queensland Government for pushing to enshrine key commitments in the Queensland Energy and Jobs Plan into legislation** to provide transparency and certainty to industry, businesses, households, workers, and Queensland communities about how the State will manage the decarbonisation of the electricity system. We congratulate you for including the Annual Progress Statement in the Bill, which will go a long way demonstrating good will and transparency.

Below we elaborate further on how the main purposes of the Act will be achieved, which are outlined in the Bill as the following (further detail on key aspects are provided under subheadings below):

- (a) setting renewable energy targets for Queensland; and
- (b) providing for the identification and construction of priority transmission investments; and

(c) providing for the declaration of renewable energy zones, the development and operation of transmission networks in renewable energy zones and coordinated and streamlined connection and access to transmission networks in renewable energy zones; and
(d) establishing the Job Security Guarantee Fund, including for the purpose of implementing the job security guarantee; and

- (e) establishing the following entities:
 - (i) the Queensland Energy System Advisory Board;
 - (ii) the Energy Industry Council;
 - (iii) the Queensland Renewable Energy Jobs Advocate.

EFFICIENT ENERGY SYSTEM AND ECONOMIC EFFICIENCY

Recommendation 1: Include energy performance and other non-network solutions in the bill.

We agree in principle with the main purposes outlined in the Act, which are:

(a) to increase the amount of electricity generated in Queensland from renewable energy sources; and

(b) to facilitate and support the efficient and coordinated augmentation of the national transmission grid in Queensland to accommodate the increased generation of electricity from renewable energy sources in a safe, secure, reliable, and cost-effective way; and(c) to provide for support and advocacy for workers in the energy industry and communities affected by the increased generation of electricity from renewable energy sources.

However, we note that **energy efficiency and more broadly energy performance, including demand response,** have not been included in the Bill and that Queensland has fallen behind other states in terms of ambition and supportive policy for energy efficiency and performance.

Non-network solutions such as these can contribute to reducing the size of the build, including decreasing the size and cost of transmission and distribution build out, (and present an opportunity for benefit sharing (e.g. project proponents improving energy performance of housing in affected communities)). Alongside the targets included in the Act for electricity generated from renewable energy sources, we strongly believe that the Bill should include support for energy efficiency. Strategic planning would assist in achieving *Part 1, 3 Main purposes of Act (b)*, through reducing the need and costs of augmenting the grid.

A holistic approach would make use of energy efficiency and performance to reduce the installed generation capacity required, and to do this sooner, to minimise the demand for new energy and impacts of increased generation of electricity from renewable energy sources on the environment and communities. Decisions to build or not build must be the result of a long-term cost benefit analysis aimed at the greater social and environmental good for generations to come. Affordability, rapid emission reduction and increased system resilience demands we prioritise energy performance in the near term.

We also note with respect to *Part 1, 3 Main purposes of Act (a),* that the 'amount' of electricity generated by renewables is already increasing and will continue to do so. This should stipulate the 'proportion' of electricity generated is increased. It is, for example, possible to increase the amount while the percentage reduces or not increase sufficiently. This may seem inconsequential, but it does speak to the need of system and economic efficiency, which can be improved through energy performance measures needed to achieve our renewable energy targets sooner and at least cost.

SETTING RENEWABLE ENERGY TARGETS FOR QUEENSLAND

Recommendation 2: Targets must be aligned with science-based temperature goals limiting warming to 1.5°C.

We agree wholeheartedly with the intent of the Bill to enshrine climate targets in legislation and that achieving these targets will require significant build out of renewable energy, storage capacity and transmission in Queensland.

The renewable energy targets outlined in the Bill for Queensland are:

- (a) that by 2030 50% of the electricity generated in Queensland is generated from renewable energy sources; and
- (b) that by 2032 70% of the electricity generated in Queensland is generated from renewable energy sources; and
- (c) that by 2035 80% of the electricity generated in Queensland is generated from renewable energy sources.

These targets, however, will fail to achieve the science-based temperature goal of limiting warming to 1.5°C, which Australia has committed to under the Paris Agreement. While Queensland's new renewable energy targets for 2032 and 2035 are welcome, they do not commit Queensland to

adequate climate action, which requires renewable energy penetration that will result in emission reductions of at least 67% on 2005 levels by 2030 and net zero by 2038.¹

PROVIDING FOR THE DECLARATION OF RENEWABLE ENERGY ZONES (REZ)

SOCIAL LICENCE

Community backlash to renewables projects is growing around Australia, and affecting support for renewables more broadly. While Energetic Communities understands some of this is through mis- and dis-information, bad development practice has given communities legitimate concerns. Jurisdictions in Australia and internationally have experienced significant delays due to community-driven campaigns when project proponents and the industry more broadly do not have social licence, often through poor community engagement practice, or when the community more broadly does not support the need for the project or the increase in renewables or transmission. Energetic Communities is concerned that without legislative or regulatory support for genuine and best practice community backing, the lack of community understanding, acceptance and social licence for the need for significantly greater installed renewable energy, storage capacity and transmission will continue to present a barrier to community support to developments, both systemically and at the project level. Mandating genuine and best practice engagement and benefit sharing at the REZ delivery body will streamline and improve social licence across the sector.

The Queensland Government should include provisions and related frameworks that mandate developers follow genuine and best practice community engagement to facilitate social licence in building renewable developments, taking into consideration the social impacts on communities, cultural heritage, and the environment, and optimising community development opportunities that affected communities themselves need and want. This includes benefit sharing options for the wider communities, not just directly impacted and adjacent landowners. Genuine and best practice community engagement will minimise adverse impacts and identify shared value outcomes, such as fit for purpose social infrastructure in the building of physical infrastructure and renewable assets.

Part 6 of the Bill outlines the definitions, purposes, management plans and assessments of renewable energy zones (REZ). However it contains very little on how entities will undertake community engagement and therefore how social licence will be achieved under the legislation. For example, *Division 4: Meaning of REZ assessment* defines a REZ assessment as:

1 or more of the following matters for a part of Queensland—

(a) the suitability of the part to accommodate the development and operation of a transmission network in the part;

(b) the impact that the development and operation of a transmission network in the part has, or is likely to have, on particular matters, including, for example—

(i) infrastructure and land use; and

- (ii) Aboriginal peoples, Torres Strait Islander peoples and other communities;
- (c) another matter prescribed by regulation.

¹ https://www.climate-resource.com/reports/wwf/20230612_WWF-Aus-Targets.pdf

This does not provide clarity around the process or how a REZ delivery body will complete genuine and best practice engagement (acknowledging this will be particularly important at future renewable energy and transmission project stages). We recommend that the wording in the Bill under the REZ assessment change to explicitly include the impact and opportunities that the development the REZ has or is likely to have on affected communities (in addition to Aboriginal peoples and Torres Strait Islander communities), and specifically mention socio-economic impacts.

Recommendation 3: Regulate for accountability to the Regional Energy Transformation Partnerships Framework: Empowering local voices & local choices in achieving our renewable energy targets, including reference to genuine and best practice engagement, local participation and benefit sharing, local content provisions, and protecting or enhancing nature.

We would also like to see accountability to the *Regional Energy Transformation Partnerships Framework: Empowering local voices & local choices* being incorporated into the Bill, as the legislation and *Partnerships Framework* are not congruent. We note that the AEIC has shared several published best practice guides for community engagement and benefit sharing,² and we acknowledge the AER has recently consulted on how they should ensure genuine and best practice engagement by Transmission companies. This community expectation should be legislated or regulated for REZ delivery bodies and project proponents. We note the framework is supported through the Queensland Energy and Jobs Plan, but Energetic Communities is unaware of any current legislative or regulatory imperative for renewable energy and transmission companies to follow the *Regional Energy Transformation Partnerships Framework*.

We would like to see reference in the Bill and regulations to ensure:

- 1. **Mechanisms to drive genuine and ongoing community engagement** as outlined in the *Partnerships Framework*. These mechanisms should be enshrined in law, and require the Government and project proponents to consider not only the benefits of the REZ and renewable energy projects for the communities, but also potential negative impacts and mitigation measures.
- 2. **Benefit sharing mechanisms** for communities in REZ, enshrined in law. As outlined in the *Partnerships Framework*, currently, the type of benefits shared, and who they are shared with, can vary significantly between project proponents and between project types. While we recognise that the structure of benefit sharing arrangements will vary between projects and the different communities affected, clearer guidelines on how appropriate and community driven benefit sharing is enshrined in law will support the adoption of best practice and enhanced community outcomes more broadly.
- 3. **Community Empowerment:** All communities negotiating REZs, transmission lines and renewable energy development will face different impacts and opportunities, with different benefit sharing needs. As such, communities must be genuinely consulted and asked what opportunities there are. This could be achieved through broad and representative community reference groups that are empowered to provide advice on development of projects and strategically allocate funds to deliver long term benefits.

² https://www.aeic.gov.au/publications/best-practice

- 4. Local content provisions/targets: There are concerns that local businesses face participation barriers in the renewable energy supply chain. We support targets for local content and suppliers to be included in the legislation, alongside initiatives to support information sharing and capacity development for local service providers.
- 5. Biodiversity and Natural systems: The biggest cause of biodiversity loss in inappropriate development. Renewable energy and transmission developments offer an opportunity to be nature positive, especially through engagement with local knowledge holders and conservation groups. Land-use, biodiversity and cultural heritage mapping is needed, should be ground-truthed, used to guide the Renewable Energy Zone development, and demonstrate to renewable energy developers where to site and build projects.

Some of these components should be included **in review of the planning framework** for renewable energy development to ensure it is fit-for-purpose for the energy transformation, as promised in the Queensland Energy and Jobs Plan (Action 3.6 of the QEJP). The updated planning framework needs to ensure that once announced, the subsequent development of a REZ does not leave project proponents to under-prioritise social licence in REZ communities.

ESTABLISHING THE JOB SECURITY GUARANTEE FUND

Recommendation 4: In addition to supporting affected coal workers and communities, the Job Security Guarantee Fund be expanded (or a separate fund established) to include workforce development for an army of home, commercial and industrial assessors and upgrade professionals, environmental assessment, regional advocacy, community development and the community sector.

Energetic Communities strongly supports the notion of supporting affected coal workers and their communities as we transform our economy to one based on clean and cheaper renewable energy. Nonetheless, while impacts on coal-affected employees and immediate communities are of great concern, there are knock-on impacts and significant opportunities for the broader community.

The Queensland Government must consider workforce development and recruiting skills broader than energy generation and transmission, such as developing an army of home, commercial and industrial assessors and upgrade professionals, environmental assessment, regional advocacy, community development and the community sector, who will be closely supporting coal and energy transformation affected communities. We will fail to reach our renewable energy targets in time if we do not include energy performance in our planning for the energy transformation.

THE QUEENSLAND ENERGY SYSTEM ADVISORY BOARD

Recommendation 5: The energy consumer advocate on the Energy System Advisory Board be Queensland based, have skills and knowledge in systemic and individual energy consumer advocacy, and be able to support genuine and best practice community engagement to achieve social licence.

Energetic Communities welcomes the inclusion of an energy consumer advocate on the Queensland Energy System Advisory Board. In this regard we note the relationship between Sections 95 and 92:

95 Performance of functions

(2) the board must consider the following matters-

- a. the Integrated System Plan;
- b. the optimal infrastructure pathway objectives;
- c. the purposes of this Act;
- d. the State's policies in relation to energy and electricity.

99 Appointed board members

(3) (b)at least 1 appointed board member must have knowledge, qualifications or skills in relation to advocacy or support for consumers of energy;

An energy consumer advocate can mean different things. Some provide personal and tailored advocacy at the utility account and home finances level for individual consumers, others at the systemic level for targeted cohorts or all consumers, with a smaller number specialising in both. Staff at Energetic Communities have helped train financial counsellors and other community workers in understanding energy, including the broad energy system, energy regulation and regulatory roles and processes, understanding bills, working with retailers, renewable energy, energy performance, concessions and rebates and consumer protections. We suggest that home energy consumer advocacy and systemic energy consumer advocacy are separate but mutually beneficial skill sets. The energy consumer advocate should have both skill sets.

As such, the consumer advocate board member should hold knowledge and expertise of the broad energy system, including state and federal energy regulation, who the regulators are and their roles, the regulatory reset process, the role of transmission and distribution, issues around access to Customer Energy Resources (CER), energy performance opportunities for renters and low income households, concessions, rebates and consumer protections, and the full spectrum of needs for low income and households at risk in the energy transformation. They should also understand how these relate to matters listed in Section 95 (2). Ideally, they should also have experience and/or an appreciation of the role of genuine and best practice community engagement. Furthermore, Queensland has its own derogations from national legislation and regulations, and different generation, transmission and distribution ownership, structure and opportunities to other Australian jurisdictions. Ideally, the energy consumer advocate should be based in Queensland or working with and on behalf of Queensland households.

Energetic Communities recommends approaching the Essential Services Consultative Group (ESCG) hosted by QCOSS as a starting point. (For Transparency, Energetic communities is a member of the ESCG).

We once again thank you for the opportunity to make a submission and look forward to working with the Queensland government in achieving the fast, fair, and inclusive energy transformation.

Sincerely,

Luke Reade (Association President)

Consumer Advocate (Energy and Climate Change) ENERGETIC COMMUNITIES ASSOCIAITION