

Energy (Renewable Transformation and Jobs) Bill 2023

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Energy (Renewable Transformation and Jobs) Bill 2023

**WESTERN DOWNS REGIONAL COUNCIL
SUBMISSION**

1. Feedback Point One - The Bill

RESPONSE: Western Downs Regional Council stands firmly in support of the transition towards Renewable Energy, recognising its substantial benefits for both the Western Downs Region and the broader Queensland. While we endorse the ambitious targets set forth—aiming to achieve 50% of Queensland's electricity generation from renewable sources by 2030, escalating to 70% by 2032, and ultimately reaching an impressive 80% by 2035—it is imperative to acknowledge that this significant transformation entails an array of intricate challenges and community concerns.

Council holds legitimate concerns that the communities within our region may face adverse repercussions if the requisite supporting infrastructure, including housing, social infrastructure, and critical service infrastructure such as water, is not adequately addressed in tandem with this transition. While our support for the ambitious targets remains unwavering, it is imperative that we simultaneously address these pressing concerns to ensure a smooth and equitable transition for all stakeholders involved.

Council believes the focus of energy transformation should incorporate practical solutions to support the industry in achieving the transformation and ensure the industry is also committed to achieving the energy capacity and efficient improvement goals and timeframes for this transition. This can ensure ongoing energy security in Queensland and minimised market and community disruption.

Council also recommends mitigation measures to reduce impacts on affected traditional energy industries are developed such as transition planning, safeguards, processes, and policies to assist those businesses and individuals affected through the transition to renewable energy.

Rationale: Western Downs Regional Council welcomes renewable energy into our region and believes the transition to renewable energy is beneficial to the Western Downs region and Queensland. The *Energy (Renewable Transformation and Jobs) Bill 2023* offers an opportunity to not only protect the environment, but also have a positive impact on households, small and medium enterprises, and particularly manufacturing businesses through forecasted reduced energy costs.

Western Downs Regional Council is well positioned as the Energy Capital of Australia. Council recognises the economic opportunities provided by the renewables sector and actively attracts renewables investment in the region. Over the past 15 years, strong investment in transmission infrastructure in the Western Downs has placed the region favourably for the development of renewables investment. Western Downs Regional Council has approved 24 solar farms since 2016, 10 of which are either operational or under construction. The Coopers Gap Wind Farm and Dulacca Wind Farm are operational, and the Wambo Wind Farm is currently under construction. The region will soon be home to a renewables-based hydrogen demonstration plant and has a number of Battery Energy Storage Systems (BESS) installed.

While Western Downs Regional Council supports the Bill and its proposals, Council wants to acknowledge the ongoing impact on existing regional communities, workers and the environment. Regional communities should therefore be at the forefront of the planning process when actioning the Bill. Due diligence should be undertaken to ensure all potential risks are mitigated in collaboration with impacted Local Governments, and plans are put into place to protect communities and regional economies. Prior to enacting the Bill, Council urges the Queensland Government to ensure there are adequate pathways to support industry changes, for both people and assets, while minimising environmental impacts. Council supports the proposal to utilise existing State-owned coal-fired power stations in the Queensland Super Grid and welcomes the Kogan Creek Power Station transforming in the first energy hub in Queensland which will significantly support the Super Grid.

Council requests clarification be given to the actual pathways in place for current workers within the mining industry. The enactment of this Bill will be of significance for regional communities, particularly

those in Renewable Energy Zones (REZ) and will directly impact workers in that industry. It is noted that the Bill focuses on workers in publicly owned coal-fired power stations exclusively, however workers in both public and private mining operations will face significant impacts and should therefore be considered to secure their livelihoods and security.

According to a Workforce Gap Analysis for the Western Downs Region, undertaken by Deloitte in August 2021; there are currently 234 persons directly employed in coal mining, 229 in exploration and other mining support services, and 627 in electricity supply (of which the latter includes gas-fired power stations and renewables). This workforce makes a strong contribution to the Western Downs economy and these employees and employers need to be assured that there are options in place for them to transition into new careers close to their place of residence. This should assist in mitigating the mental stress these changes could place on workers and regional communities.

The first target of 50% of the electricity generated in Queensland to come from renewable sources will require more than doubling the renewable electricity supply in Queensland over the next six years. Council strongly advocates for ongoing coordination between the State Government, Local Government Authority, and community stakeholders to ensure this transition does not create unnecessary disruption to regional communities, that Queensland continues to have a reliable energy supply and that the necessary infrastructure is in place to support the transition as it occurs. Council is aware there is much work to be done in the development of the Queensland Super Grid, as well as legislative supports to affected workers and urges flexibility in the proposed targets in the Bill to accommodate unforeseen challenges during the transition to renewable energy.

Council urges the Queensland Government to not only look at mitigating impacts of climate change with the Bill, but also working with relevant other Government agencies and stakeholders to ensure sustainable development to protect the environment, the social impact towards regional communities and strengthen regional communities for future generations. Council strongly recommends that the introduction of the Bill is coupled with ongoing, regional stakeholder engagement to ensure that the proposed milestones are achievable in the timeframes proposed, with opportunity to adjust targets if the cost of rapid implementation begins to outweigh the benefit. Council believes the State Government should focus on practical solutions to support the industry in achieving the transformation and ensure the industry is also committed to achieving the energy capacity and efficient improvement goals.

2. Feedback Point Two - Jobs Security Guarantee Fund

RESPONSE: Western Downs Regional Council advocates for a strong Jobs Security Guarantee Fund with the provisions and guarantees to support both regional and rural individuals and communities that currently rely on coal-fired power stations and in principle, strongly supports the Jobs Security Guarantee Fund. It is vital that affected energy workers and communities are supported through the energy transformation.

Council further suggests that more explanation is included in the Bill regarding the areas the \$150 million will be utilised and the issues and obstacles it aims to mitigate which will occur from the impacts of the proposed Energy overhaul.

Rationale: Clause 86 (3) subsection (1) refers to an individual as a prescribed energy worker who performs work at a prescribed facility other than as an employee mentioned in subsection (2) however there is no portion of the bill that suggests there are provisions considered for both workers and/or businesses who do not fall into that category but will be directly impacted by the reform of the Energy Industry that this Bill will inflict. Consideration should be given to other workers and businesses directly impacted in the supply chain and how the Jobs Security Guarantee Fund could be expanded to serve all that are likely to be impacted. It is noted that this position is shared by other regions, including Central Highlands Regional Council.

Western Downs Regional Council notes that the Bill does not specifically state how the \$150 million funding will be utilised. Clarity should be provided as to how these funds will be expended to ensure that significant mining regions, such as the Western Downs can obtain confidence in economic continuity and mitigated impacts.

Part 7 Clause 85 (1) (b) used broad terminology stating the intention of Parliament is to provide other benefits or opportunities in relation to the change however does not go on to explain what those 'other benefits or opportunities' may be. Western Downs Regional Council supports a flexible approach to support individual needs and place-based opportunities. An individual and place-based approach offers flexibility when supporting the regions and assists in ensuring the needs and future opportunities of workers are flexible enough to suit varying needs of different regions and locations. The requirement for a place-based approach is shared by the Local Government Association of Queensland (LGAQ). It is important that local needs and opportunities for workforce should be taken into consideration to transition their workforce within their place of residence into new industries. This will strengthen continuity of regional economies and will ensure that significant skills remain in the local area, further contributing to the local economy.

According to a Workforce Gap Analysis for the Western Downs Region, undertaken by Deloitte in August 2021; there are currently 234 persons directly employed in coal mining, 229 in exploration and other mining support services, and 627 in electricity supply (of which the latter includes gas-fired power stations and renewables). This workforce makes a strong contribution to the Western Downs economy, and it is therefore of great importance that they are covered under the Job Security Guarantee and receive the opportunity to transition into new energy roles within the local area.

Training and upskilling opportunities should be provided locally to ensure that our workforce has the opportunity to further upskill and transition into new careers in place, supported by strong local industry connections. This will further strengthen the skills that exist within the region to support the energy transition.

The Job Security Guarantee supports the impacted workforce and will ensure that significant skills remain in the local area, further contributing to the Western Downs economy.

3. Feedback Point Three - Frameworks to build the Queensland SuperGrid

RESPONSE: Western Downs Regional Council supports the infrastructure pathway to transform and decarbonise Queensland's electricity system along with the current Blueprint indication and plans for Western Downs Region Kogan Creek Power Station to become Queensland's First Energy Hub. Council would also like to see the State Government ensures Powerlink recovers the costs and conducts the construction of the SuperGrid in a way that reduces the financial impact on consumers.

Rationale: Council draws attention to Division 3, Clause 28 of the Bill whereby Powerlink is instructed to recover all costs associated with the construction of the SuperGrid. Council understands the need for a SuperGrid to be constructed to support the growing energy infrastructure required to achieve the deliverables set out within the Bill, however, Council urges that the State Government should ensure that this is done in a cost-effective and low-risk manner so as to reduce the impact on environment as well as the costing that will eventually be passed on to the consumer. A greener and cleaner approach to energy is a goal that benefits everyone and keeps Queensland aligned nationally, however, it must be done in a way that is sustainable and reduces the flow on costs to the consumer. Council suggests the State Government be mindful of the budget for this project and ensure that any unforeseen risks and costs are mitigated as far as possible. Based on the current rate of energy prices and inflation, would like to see the State Government instruct PowerLink to conduct the construction of the SuperGrid in a way that reduces the financial impact on consumers.

Council suggests the State Government endeavours, where possible, to engage local suppliers available in regions to be impacted by construction, particularly in REZ areas, to source labour and/or goods required for the infrastructure builds. This will ensure businesses are supported and that local smaller economies benefit from the plans within this Bill, while conducting business with the State Government. This should assist in establishing an approach that is inclusive of all, and keeps business local where possible, ensuring local economies are considered when establishing the new Grid, and adopting an approach that is cohesive.

Council understands the New SuperGrid will impact land held privately and suggests the State Government ensure that the given time framed goals referenced within this Bill, incorporate sufficient time required for agreements to be put in place with holders of said private land. Western Downs Regional Council supports the development of renewables within the Western Downs region and trusts that the Bill will further enable confidence and financing for new renewables developments. Western Downs Regional Council, however, urges that strong and respectful consultation should be in place with landholders in relation to both investigation and proposals of new developments.

4. Feedback Point Four - Governance and Advisory Bodies, and Associated Functions

RESPONSE: Western Downs Regional Council in principle supports the establishment of the Three New Governance and Advisory Bodies encapsulated within this Bill. Council understands the input and advice of those who can advocate for the best outcome for all, while bringing knowledge and expertise to various issues is an important deliverable of the Bill. Western Downs Regional Council would like to see wide representation across the advisory bodies and the Energy Industry Council to represent the interests of the workers and support energy transformation.

Rationale:

Queensland Energy System Advisory Board

Western Downs Regional Council understands the need for an Energy System Advisory Board within the Energy Transition Process. However, Council urges the State Government to ensure there is a mix of skills and qualifications within the advisory board. The Bill proposal states that 'The Bill contains a requirement that appointed board members have knowledge, qualifications, or skills in the operation of the Australian energy sector, investment in energy infrastructure, or delivery of energy infrastructure projects' and while this is ideal in ensuring there is a diverse range of expertise to advise, it would be beneficial to ensure this range is actual. Western Downs Regional Council strongly suggests elected Board Members be selected on a merits process, based on their skills and expertise and that final selection ensures that the board represents skills and expertise listed.

A key focus for the Energy System Advisory Board should be on enabling a coordinated, planned approach to ensure that the energy transition delivers for Queenslanders, and particularly for the regional areas that are the 'Powerhouse' for delivery. This will also provide visibility in the pipeline of secure projects, enabling local procurement opportunities. Council further suggests that there is a priority on Stakeholder engagement and involvement, particularly in providing key updates regarding investments which will enable stakeholders and local government to work together when supporting the investments and developments.

Energy Industry Council

Western Downs Regional Council is in principle supportive of the proposed Queensland Energy Industry Council (EIC). Council urges at least one (1) local and qualified member or adviser should be appointed to the Energy Industry Council from each of the three REZ Zone's, enabling local input and place-based workforce solutions per geographical zone. The current make-up of the members does not allow for such an approach which risks instigating a generalised approach that may work for some REZ areas and not others.

Western Downs Regional Council strongly suggests that the Energy Industry Council Members should be bound and abide by the Queensland Energy Workers Charter. Clause 130 indicates that the Governor in Council may appoint Energy Industry Council Members on the recommendation of the Minister. Western Downs Regional Council suggests that the appointment of EIC Members should go through an Expression of Interest process with an independent assessment panel to select EIC Members, rather than an appointment by recommendation process of the Minister as Energy Industry Council Members have higher duties than an advisory board and they have significant influence on the proposed fund mentioned in Clause 89(a) and (b).

Western Downs Regional Council expresses concerns about the members' composition of the Energy Industry Council, in relation to five representatives being from publicly owned energy businesses and a further five representatives being from industrial organisations as this does not give a wide and broad representation of stakeholders in supporting energy transformation and workforce capability. Furthermore, Council raises a concern that, as per the provided information, the Energy Industry Council's responsibility is to support affected energy workers and support the future workforce that would enable the clean energy transition. There is no information, however, mentioning any local representation or involvement of affected areas, particularly areas that may have a significant number of affected workers.

Western Downs Regional Council strongly suggests that given the energy development is occurring at such a fast pace, the Energy Industry Council should meet in a frequency that remains relevant to the pace. This will give clearer updates and better directions and outcomes for stakeholders and communities as it gives a better opportunity for things to be mitigated sooner rather than later. Council also suggests that the minutes of these meetings should be publicly disclosed on the Department of Energy and Climate website, to enable visibility and transparency.

Queensland Renewable Energy Jobs Advocate

Western Downs Regional Council is in principle supportive of the appointment of a Queensland Renewable Energy Jobs Advocate and sees that as a positive. However, Council urges that the person appointed for this is appropriately qualified in addition to having already established strong LGA relationships within the impacted regions in order to provide and negotiate place-based workforce development solutions to businesses and stakeholders. Council strongly advocates for the Bill to stipulate within Clause 158, that the jobs advocate have experience in employment, industry, and training, extensive stakeholder engagement experience in Renewable Energy, Knowledge and expertise within the sector, experience in attracting investment and business resilience coaching, and strong organisational transformation experience.

Council notes Division 2 Appointment, section 158 Appointment mentioning the following:

- (1) The jobs advocate is appointed by the Governor in Council on the recommendation of the Minister.*
- (2) The Minister may recommend a person to be appointed as the jobs advocate only if the person is appropriately qualified to perform the jobs advocate's functions*

Western Downs Regional Council agrees with clause 2, however we express a concern with clause 1.

Clause 1 does not allow for an open and transparent appointment of a Queensland Renewable Energy Advocate, and as mentioned on the above, we also note there is no stipulation that the Jobs Advocate needs to be a resident of a REZ zone. This risks the appointment of someone who is not familiar with regional and remote Queensland issues being appointed in such a position. Therefore, we have made the above recommendation.

Further, Western Downs Regional Council expressed concerns about the wide scope of work for the advocate, including but not limited to Attracting investment, Workforce development support as well as

engaging with Indigenous Communities. Council would like to see an implementation of Key Performance Indicators and measurable targets around these. Further, Council would like to see a method of evaluating the effective use of public investment in relation to the dollar amount the advocate can bring to the region as well as the number of jobs will be created upon the advocate facilitation. Council further advocates for an additional clause to be added within the Bill, that stipulates that the Chief Executive of the department ensure the advocate is provided the administrative support reasonably required to perform its functions effectively and efficiently. Further Council suggests that this administrative support be provided by the Department of Energy and Climate.

Council would also like clarification on how the Job Advocate can work with Local Government and Energy Businesses within electricity infrastructure projects to further deliver positive outcomes for all, a position shared by other regions such as Central Highlands Regional Council and Isaac Regional Council. Western Downs Regional Council would like to see how the Jobs Advocate is able to work with the Department of Employment, Small Business and Training in supporting employment outcomes, particularly the Industry Skills and Workforce Advisors funded by the State Government and employed by Energy Skills Queensland.

Council also has a concern with the appointment of only one Jobs Advocate to cover the whole of Queensland. Council is concerned about the ability and effectiveness of just one Jobs Advocate, particularly in relation to the placement and location of this Advocate, as well as around the ability of the Jobs Advocate to be able to deliver the level of in person engagement needed to facilitate this Energy overhaul. To overcome this, Council proposes that the State Government appoint three Jobs Advocates, rather than one, to ensure each REZ is covered. This is particularly important when aiming to deliver the best outcomes for all, as each REZ will have different needs.

In addition to the comments made above, Council has identified a significant gap for a body that can support landholders with dialogue, negotiations, and disputes when it comes to renewables. Current challenges exist for landholders who are approached by renewable energy companies. There is currently no established body that can assist and support landholder negotiations, compensation, access agreements, and dispute resolution.

During the development of traditional resources, in particular the CSG industry in the Western Downs region, landholders faced similar challenges. The GasFields Commission was developed to assist landholders and manage and improve the sustainable co-existence of landholders, regional communities, and Queensland's onshore gas industry. It makes a lot of sense for the GasFields Commission to be expanded to support in the Renewables space.

The Queensland Farmers Federation (QFF) is preparing a Renewable Energy Landholders Toolkit intended to upskill and assist landholders as they respond to and negotiate with energy industry representatives about accessing land for renewable energy projects.

Whilst Council supports the Toolkit that is being developed, and sharing the position of the LGAQ, Western Downs Regional Council suggests an entity should be created with more authority that can act as a conduit between landholders, government, and industry. We strongly recommend the diversification of the GasFields Commission to become the Energy Co-existence.