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### **Key points**

- Regional communities are hosting a variety of renewable energy projects as Queensland undergoes its largest energy transformation.
- In addition to planning, projects and infrastructure, policies must focus on the human and social dimensions of change.
- Drawing on research from Kingaroy and lessons from other jurisdictions, this brief highlights the the importance of ensuring that communities are included in decision making and benefit sharing of the energy transition.
- We provide five recommendations on how to safeguard and strengthen Queensland's regional communities.



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#### Partners















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Queensland is actively forging a path towards clean energy independence which will see a shift from fossil-based electricity to renewable sources of power of 50% by 2030 and 80% by 2035.

The Queensland Energy and Jobs Plan is the blueprint to achieve these targets, setting a path to transform and upgrade the state's energy system. This means winding down energy production from its eight mostly publicly owned coal-fired power stations that supply ~80% of the state's electricity alongside much needed investment into renewables, with three Renewable Energy Zones (REZ) planned in southern, central and northern Queensland. These designated zones will see the concentrated development of 22 GW of new renewable energy projects, delivering clean, reliable, and affordable electricity to homes, businesses, and industries.

At the time of writing there are 52 large-scale renewable energy projects across the state that are operational, under construction or financially committed. Combined, these projects total more than \$11 billion in investment, provide approximately 8,500 construction jobs, and will deliver 6GW of clean energy, avoiding 14 million tonnes of emissions each year.

Regional communities are at the heart of this energy transformation. The multitude of large-scale renewables projects and transmission infrastructure planned and underway across the state requires a careful, coordinated, transparent and collaborative approach to ensure that the benefits of the net-zero transition are shared among affected workers and communities. Without their buy in and participation, community opposition can lead to project delays and in some cases project cancellation.

Effective engagement, genuine partnerships and benefit sharing across the communities is key to a successful energy transition. Beyond community acceptance, governments and energy operators can go further to strengthen and diversify regional economies.

"Current debates about the transition to net zero focus on industry and technological solutions. There is a lack of discussion, evidence, and policy that addresses real, human questions about the action needed from different households and communities, different sectors and places, and the disruption that transition will bring."

- Institute for Community Studies.



### What is being done to support communities?

The energy transition must consider the needs of the present and future workforce, diverse community members, industries, and the broader economy (Figure 1).

A number of instruments to support affected workers, community and industry are being rolled out as part of implementation of the Queensland Energy and Jobs Plan.

For energy workers within publicly-owned coal-fired power stations, the Queensland Workers Charter and its \$150 million Job Security Guarantee does this by guaranteeing employment opportunities within the energy sector, retraining and support for relocation among other activities. The Energy (Renewable Transformation and Jobs) Bill 2023, if passed by parliament, will also see the establishment of the Queensland Energy Jobs Advocate whose role will be to report to the Energy Minister on local job opportunities for affected energy workers.

For industry, the Energy Bill also seeks to establish a new Energy Industry Council consisting of representatives from energy unions, Queensland's publicly owned energy businesses and government. The role of the EIC will be to advise the Minister in relation to the impact on energy workers, employment opportunities and monitor implementation of the Job Security Guarantee and support workers in coal-fired power stations.

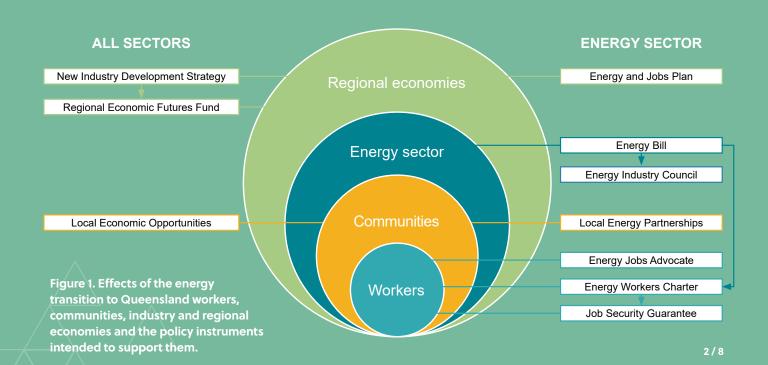
Beyond the energy sector, the Queensland New Industry Development Strategy, supported by a \$200 million Regional Economic Futures Fund, aims to boost new industries and develop and diversify regional economies.

While these policies outline important pathways for jobs and industries, the policy mechanisms to safeguard regional communities are less clear.

The draft Regional Energy Transformation Partnerships Framework released in 2022 and draft Queensland Renewable Energy Zone Roadmap in 2023 both proposed initial actions and initiatives to support communities. Based on public feedback to these, the Queensland Local Energy Partnerships was subsequently released, outlining seven principles to guide the energy transformation:

- 1. Drive genuine and ongoing engagement
- 2. Share benefits with communities
- 3. Buy local, build local
- 4. Increase local jobs and secure work
- 5. Preserve Queensland's environment
- 6. Employ First Nations
- 7. Build local capacity.

These principles are fundamental to ensuring affected communities reap the benefits of the transformation. What is unclear is how they will be actioned.





### What are the issues?

Evidence both within Australia and overseas points to a number of factors that can lead to a community's approval or opposition to large renewable energy projects such as solar and wind farms and transmission infrastructure.

Opposition often occurs due to the visual aspects of large wind and solar farms, particularly in parts perceived as having a high degree of natural beauty. Lack of genuine consultation or participation in decision making over issues such as land use, future jobs and mitigation plans also raises opposition. Our recent research conducted in Kingaroy in south-west Queensland highlights a number of these issues (see Box 1). The findings from Kingaroy are certainly not new however.

The Kingaroy case highlights the issues that comes up repeatedly in case studies from across Australia and other parts of the world. This is that a social licence to operate is vital to a successful energy transition but is lost when citizens in regional communities:

- · feel unseen and unheard
- are unaware of projects until they're long underway
- perceive community consultation by operators as being tokenistic and ingenuine
- have little or no say in decisions that impact their community, environment and future, and
- perceive that the risks of new projects will outweigh the benefits or that regional communities carry most of the risk while the cities receive most of the benefits.

### **Box 1: Voices from Kingaroy**

As part of an ARC Linkage Study, *A just climate transition*, led by University of New South Wales and The University of Queensland, 26 Kingaroy local community members were interviewed about their perceptions of the energy transformation in 2023. The focus of the interviews was on what effects energy transitions had on their day to day lives and their community. Interviewees included an Indigenous person who identifies as Wakka Wakka, neighbours of the solar farm, representatives from local industries and peak bodies, government, as well as locals.

The town of Kingaroy is situated on Wakka Wakka country in the South Burnett Region. It has a population of 10,545, of which around 6% identify as Aboriginal and/or Torres strait Islander. Historically, the town's economy is based on agriculture, though the contemporary economy is quite diverse compared to many regional towns in Queensland. Kingaroy's main industries are healthcare, agriculture, retail, and manufacturing.

Kingaroy is close to Tarong's two government-owned coal-fired power stations and the nearby Meandu Mine that supplies them. There are multiple renewable energy projects nearby, including the Coopers Gap Windfarm situated 50km southwest of Kingaroy commissioned in 2020, and the nearby private/government co-owned Wambo Windfarm that began construction in 2023. Consultation is underway for the privately owned Tarong West Windfarm.

The privately owned 118 ha Kingaroy Solar Farm located five kilometres from the centre of town began

construction in 2022 and commenced commissioning in October 2023.

Most of the locals interviewed brought up the renewable energy projects that had recently been developed or were underway in the area. A contentious issue that stood out was the Kingaroy Solar Farm, which several of the project's neighbours sought to try and stop its development.

Sitting on Julia's\* back veranda, the visual impact of the neighbouring solar farm was undeniable. Beneath the red dust coating her property, a view of the solar panels spread across the landscape.

Julia spoke of her frustration with the perceived lack of consultation that the private developer of the solar farm had undertaken with neighbours and the community. Holding a copy of *Neighbour Matters* – a guideline for energy project developers on how to consult with neighbouring properties to renewable projects – Julia pointed out the disparity between the ideal of what community consultation was supposed to look like and that which she experienced.

Julia said that she reached out to the developer but felt the company's community engagement representative disregarded her concerns. Recounting her last conversation with the representative, she said,

"Just a hint. When you get another job like this, don't write [on LinkedIn] that you've done it to pacify the neighbours. ... We want respect and understanding."



### What can renewable energy developers do?

There is a wealth of experience not only from energy but from large resource projects of the past about the merits of working with communities and sharing the burdens and benefits of the transition. For the renewable energy industry, building community trust is key. An Australian study on the social acceptance of windfarms by Hall and co-authors in 2017, for example, points to six criteria for effective community consultation needed for operators to build community trust.

### 1. Engage the many, early and often.

Local citizens and community groups want to have a say in what's happening within their community from the beginning. The plan-approve-consult approach is a sure-fire way to get a community's back up. Accessible modes of consultation with neighbouring landholders, and the community should be undertaken very early in the process and throughout the life of the project.

### 2. Understand the local context.

A granular place-based perspective of the local culture, economy and environment is essential. What may work in one town may not work in the next. Even relatively 'small' energy projects can have big impacts to the workforce and services of small communities. For example, during our research in Kingaroy, one local remarked how construction workers of a new energy project filled up the limited accommodation nearby, which was used to provide temporary housing for those leaving domestic violence situations.

### ... Box 1 (continued)

Regardless of whether people lived next to the solar farm or on the other side of town, the lack of community consultation, engagement and use of local suppliers and workers were sticking points mentioned by most of those we interviewed. When consultation with neighbours did occur, some said that the solar farm's representatives showed up to their homes uninvited and unannounced. Others remarked that only one community event was held but that it was so poorly advertised that few people knew about it, which they felt was to ensure that only a narrow range of perspectives were canvassed. As one local remarked,

"At no point do [corporations] actually step back and say, 'We're coming in on the end of a massive transition here. Wonder what the community really thinks about this?"

According to most of those interviewed, the lack of consultation about the solar farm failed to empower the community or meaningfully engage them in the process. As one Kingaroy local told us, the solar farm developer,

"... just had no community engagement." And to add insult to injury, "When they did have a meeting there, they had security — and it got us offside, straight up."

A Wakka Wakka local also criticised the solar farm developer's lack of cultural understanding. Rather than engaging with the Aboriginal Prescribed Body Corporate (PBC) who manage native title rights interests on behalf of native title holders, they said that the developer spoke to only one First Nations family. More frustratingly they felt, was the lack of communication about the project in the planning stage,

"they start up and we find out about it later.
... They should talk to the traditional owners first.
Get their opinion first and just see what they say
first. Because I think from the beginning you need to
have an input."

For the locals residing closest to the solar farm, this lack of engagement left them feeling unheard and disrespected, so they allied together to get the information they felt they were not getting — and to try to stop the project going ahead:

"We got nothing out of that meeting and, as a result of that, that's when we decided we'd — as a community — get together. If they were going to be like that and treat us with disdain and disrespect and whatever, then we were going to do what we could to get information out of them as a group rather than as individuals. We felt if we stood together, we might have more of a voice."

These views of being unheard and disrespected connected to a broader sentiment shared by local residents that regional communities were 'forgotten' by the rest of the state. Feeling left out of decisions about large projects that would shape their community's future, some residents expressed a sense of injustice for carrying what they perceived to be some of the burdens of the transition, but gaining little of the benefits:

"The regional areas really much seem to be a place where you can plonk your renewables out of sight, out of mind of all the hardworking city folk, out here where noone has a voice, and then you can just use the energy that you produce out here and then move it back into the city or anywhere else."





#### 3. Appreciate and respect community identity.

Beside concerns on the impacts of projects to local services, understanding community identity is important. Many rural and regional economies are often dependent on a single industry - particularly coal production or coal-fired power generation in many parts of western Queensland. Here, resource and energy companies are typically embedded within local communities — employing workers and providing community grants to local sports clubs and schools and sponsoring events. There is often a long history with resource and energy companies who have built a degree of relationships and trust. Worker and community identity is also tied to dominant industries in regional areas. As Della Boca & Gillespie (2018) showed, understanding generational coal families and communities is integral to developing sensitive policies that ensure people feel supported rather than isolated.

## 4. Consult genuinely and enable participation in aspects of project decision making.

Two examples of genuine consultation and participation in practice are highlighted in the Star of the South offshore wind project in Gippsland, Victoria (Box 2) and the Clean Growth Choices / Communities in Transition program that worked with six Queensland communities to develop their future visions (Box 3). For First Nations communities, companies and governments should follow the 10 principles established by the First Nations Clean Energy Network (FNCEN). Principles include engaging respectfully, prioritising clear, accessible and accurate information, and being a good neighbour.

The FNCEN also emphasise to ensure that cultural heritage is preserved and protected, that Country is protected, and land stewardship is embedded. Cultural competency should be ensured, economic and social benefits shared and that projects should be evaluated, and the results reported back. Some of these principles overlap with others, but the emphasis on First Nations knowledge and voices makes them an integral component when developing renewables projects or considering the impact of retracting fossil-based economies.

# 5. Understand the import role of company employees who engage with communities.

The importance of public-facing employees of energy companies in building community trust cannot be overstated. As Hall and co-workers note,

"... engagement is no longer seen as a "nice to have" dimension but, instead, an extension of the company's values. Having appropriate people in community-facing roles (ideally with specific community engagement skills and qualifications) was noted as a recurrent theme crucial for building lasting relationships and trust, which were found to be effective to build support, negotiate acceptable solutions, and discuss concerns. This was demonstrated by actions that embedded community engagement staff in a range of teams within the company, as well as by having staff based locally."

### Box 2. Good practice community engagement

### Star of the South, Gippsland, Victoria

The 2.2GW Star of the South is set to become Australia's first and largest offshore wind project in Australia. Situated in Gippsland in the Bass Strait off the south coast of Victoria, the wind farm will power around 1.2 million homes and produce 20% of Victoria's electricity needs. Star of the Sea have been an exemplar of early and active community consultation, including regular communications and engagement events. To date, the project has received positive news coverage, and has been welcomed by local governments across the Gippsland region which are undergoing a transition after the closure of the native logging industry. Some notable initiatives the project developer has undertaken include:

- An interactive <u>online map</u>. To address concerns about the visual asthetics of the offshore wind farm to the scenic Gippsland coastline and the tourists that it attracts, the company released an interactive online map so that people can visualise how the landscape will look once the wind farm is built.
- Efforts to minimise harm and potentially improve the local environment. In efforts to understand who the community were and what they were concerned about, early consultation revealed that half of respondents identified as recreational fishers. As such the company is proactively conducting local fish surveys and research on other offshore wind farms as well seeking input from local industry, fishers and boaters around the most effective ways to share the waters and potentially make fishing even better.
- A <u>Community Advisory Group</u> is made up of 22 well-known local members from across Gippsland to ensure that local voices are included in the project's decision making. The group holds meeting every 6-8 weeks. Its terms of reference and meeting minutes are made available online and residents are encouraged to contact their local representatives.



# 6. Equitable benefit sharing to hosts, wind farm neighbours, and the broader community.

Mechanisms for benefit sharing both during and post-construction include grant programs, host and neighbour payments, co-investment/ownership in projects or non-financial benefits such as subsidised power, or free energy audits and insulation as well as local procurement and contracts. Developers can work alongside groups like the Community power initative to <a href="Community">Community</a>
<a href="Power Agency">Power Agency</a> to apply innovative and inclusive business models. A case in point of equitable benefit sharing is the Sapphire Wind Farm's co-investment scheme and community fund (Box 4).

### What can policymakers do?

The local partnerships principles are a great way forward for the energy transformation but there is scope to proactively strengthen the Government's commitment to transparency, equity, and community empowerment – especially when it comes to privately owned projects. The principles need to be implemented in ways that build communities trust and demonstrate that while the transition to net zero needs to be fast, it should also be fair.

The current approach, relying on the willingness of energy company consultation, risks stalling the transition for governments, and commercial projects for proponents. Communities impacted by renewable projects often feel uninformed, excluded, and unheard. This breeds distrust, resistance, and ultimately, project delays. The consequences aren't just environmental; neglecting communities can exacerbate existing inequalities and fuel resentment, jeopardising the social and economic benefits of renewable energy.

To realise the immense opportunity in working alongside community we make three recommendations for policymakers that we see as important.

### 1. Define 'community'.

Throughout the policies and legislation of Figure 1 there are multiple references to supporting 'affected workers and their communities' in relation to the energy transformation yet there is no clarity around exactly what constitutes a community, nor which communities are to be supported. For example, the Energy Bill does not clearly define what constitutes an 'affected community' even though it clearly defines an 'affected worker'. Without a clear definition of what constitutes an 'affected community', policies and groups to be established under the Energy Bill will not be able to adequately carry out their objectives. It should also be noted that the scope of affected communities can reach beyond those which are directly hosting REZ infrastructure.



Box 3. Empowering regional communities

# Clean Growth Choices build resilience in Goondiwindi, Qld



The Clean Growth Choices and broader
Communities in Transition program exemplify how genuine and participatory co-design and decision making at the community level can build local resilience. The program supported communities undergoing transition including Cook Shire,
Charters Towers, Rockhampton, Goondiwindi,
Barcaldine and others. Here, the Clean Growth
Choices team of experienced researchers and experts from regional universities and the private sector worked with community leaders to help them build networks, develop future scenarios and apply a range of tools and techniques to develop and implement an economic and social roadmap for their community.

The agricultural border town of Goondiwindi highlights the program's success. As part of the program, five prefeasibility studies were undertaken to identify opportunities to diversify the local economy, become more sustainable and to help farmers increase revenues and build resilience in response to growing financial, environmental and market pressures. Since then, a number of local farms have diversified into new crops, free-range pork, organic dairy, olive oil production. More recently, sustainable cotton producers Goondiwindi Cotton are partnering as part of the Circular Cotton project to return end of life cotton back to farm to improve soil quality and moisture, and lock in carbon.

In Rockhampton, the program facilitated shared leadership between council, industry and community that identified a priority pathway aimed at Making Water Work – a strategy that has delivered greater regional benefit from agricultural water, supply and value chain development for the region.





### Box 4. Good practice community benefit sharing

### Sapphire Energy's \$3.75 M community fund and co-investment scheme, NSW

The <u>Sapphire Wind Farm Community Fund</u> is one of Sapphire Wind Farm's commitments to give back to the community in a tangible and long-term way. The fund is split between the Inverell Shire Council and the Glenn Innes Severn Council based on the number of turbines installed in each area.

Two of the seventy-five turbines are in the Glenn Innes Severn Council area. Sapphire Wind Farm contributes \$5,000 annually to the Glenn Innes Council community fund. The remaining annual contribution of \$182,500 is allocated to the S355 Sapphire Wind Farm Community Benefit Fund set up for the Inverell local government area which is administrated by the Inverell Shire Council. Inverell Shire Council applications are taken in two rounds each year. Local non-profits can request funding for the purchase of small equipment and infrastructure, renovation and rehabilitation projects, and assistance with new programs and events.

Sapphire Energy is pioneering Australia's first, large scale, public, community investment into a utility-scale wind farm. The Sapphire Community Co-investment Scheme allows members of the local community to invest in the Sapphire Wind Farm.

# 2. Mandate social impact assessment and management plans for energy projects.

Stronger regulation is needed over private renewables projects, especially solar farms, to ensure social licence and genuine community partnerships. While there are guidelines from the Australian Energy Infrastructure commission on how best to engage with neighbours, Neighbour Matters, and state-based guidelines such as the Queensland Solar Farm Guidelines, there are no requirements for project developers to follow these guidelines nor be held accountable.

In Queensland, the approval process for large-scale wind farms differs from large-scale solar farms. Wind farms are assessed by the state government under Queensland's State Code 23 whereas development approval of solar farms typically falls under the *Planning Act 2016* and are generally assessed by local governments where the prescribed level of assessment dependent on local planning schemes. Under the wind farm code, some aspects of social impact are considered, but these are mostly to do with worker accommodation during a project's construction phase and impacts to local transport networks.

In both cases, currently there are no mandates on energy project proponents to consult and consider the broader impacts to the community. The wind farm guidelines (or code) specifies that developers should consult with, 'The local community to help build social licence and community acceptance of the project. The Clean Energy Council's Community Engagement Guidelines for the Australian Wind Industry provides detailed guidance on conducting community engagement activities.

One of the four local benefits principles underpinning Queensland Renewable Energy Zone development is 'genuine and ongoing engagement' and is a useful tool to help guide meaningful consultation with the community. Community stakeholders have become increasingly critical of the fact that most wind farms are code assessable and therefore proponents have no statutory requirement to consult. Proponents are strongly encouraged to proactively engage with local communities prior to lodging a SARA application as well as during the assessment of an application.'

The Queensland Solar Farm Guidelines: Practical guidance for communities, landowners and project proponents provides excellent guidance for project developers about best practice processes and tools to engage with communities at each stage of the project development cycle.

# 3. Identify and include actionable social safeguards in policy design and implementation

Many communities that will be affected by the transition have substantial disadvantages in their general population. How will a diverse range of voices be included from various sub-communities within the geographical community. How will differences of opinions and multiple concerns be addressed, and how will benefits be distributed in a way that is fair but also addresses deep and persistent disadvantage?

The Energy Bill establishes three new bodies for the 'establishment of new governance arrangements in legislation. The stated purpose of these bodies is to ensure the transition is smooth and coordinated,





founded on robust advice and expertise, and provides the appropriate safeguards to support workers and communities (Explanatory notes, p7). It is not clear what these safeguards are, could or should be.

As well as safeguards, there should be proactive engagement with social policy concerns alongside social impact assessment. Policy objectives to support thriving and sustainable communities include actively supporting training and employment for people disadvantaged in the labour market, affordable housing, investment into health and social services. There also needs to be a stronger focus on enabling self-determination, incorporating local knowledges, and asset ownership for First Nations peoples. The government has a responsibility to devise new policy and utilise existing policy and legislation to enable and drive First Nations participation and ensure benefits are distributed to First Nations groups, as articulated by the First Nations Clean Energy Network. The potential for restorative justice should also not be overlooked in the energy transformation.

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### **Box 5. Empowering First Nations communities**

### Victoria's first Indigenous-owned and operated solar farm

Victoria's Gippsland region will soon host the state's first Indigenous-owned and operated solar farm, marking a significant milestone in renewable energy and Indigenous empowerment. In 2021 the Ramahyuck District Aboriginal Corporation, based in Sale, Victoria, was awarded \$1 million by the state government to commence the construction of a 4.9-megawatt solar panel system. The solar farm will be situated on a 16-hectare property at Longford, already owned by the corporation but largely underutilised until now.

The solar farm's integration into Victoria's electricity grid foregrounds the principles of community benefit and environmental responsibility. Projected to reduce greenhouse gas emissions by 12,000 tonnes annually, the initiative underscores the vital role of renewable energy in combating climate change.

Beyond its environmental impact, the project is poised to serve as a cornerstone for social enterprise. Electricity sales generated from the venture will fund the corporation and other social initiatives such as a secondary school and employment of Aboriginal health practitioners to improve access to culturally safe health services and programs.

The Ramahyuck Solar Farm represents a pioneering model of how renewable energy projects can be harnessed to foster economic self-determination, support local jobs, and provide critical community services.