8.2 ENERGY TRANSITION ENGAGEMENT AND COMMUNITY BENEFIT FRAMEWORK ADVOCACY POSITION

By Daniel Thomson, Manager Economics

WALGA RECOMMENDATION

That State Council endorse a new Energy Transition Engagement and Community Benefit Framework Advocacy Position as follows:

It is essential that the energy transition currently underway delivers economic opportunities, ensures reliable and affordable electricity, and the greatest possible benefits for the community.

WALGA calls on the State Government to develop a comprehensive framework to manage the impact of the energy transition that includes local engagement and the realisation of community benefits from energy transition projects as a priority.

EXECUTIVE SUMMARY

- Western Australia's energy industry is transforming to achieve the goal of net zero emissions by 2050.
- In Western Australia there is no framework that provides a consistent approach to how proponents of major energy projects consult with local communities and how they can share in the benefits.
- WALGA will advocate for the State Government to develop a framework to guide consultation and benefit sharing with local communities during the energy transition.
- A joint meeting of the Environment Policy Team and Infrastructure Policy Team held on 10 July endorsed the position for consideration by State Council.
- This draft advocacy position should be considered in conjunction with the accompanying draft WALGA advocacy positions Renewable Energy Facilities (<u>Item 8.3</u>) and Priority Agriculture (<u>Item 8.4</u>).

ATTACHMENT

- Attachment A: <u>WALGA 2023 Annual General Meeting Agenda (Item 5.2 Land Use</u> <u>Policy)</u>
- Attachment B: <u>National Energy Transformation Partnership</u>
- Attachment C: <u>NSW Draft Energy Policy Framework</u>
- Attachment D: <u>NSW Draft Benefit Sharing Guideline</u>
- Attachment E: <u>QLD Ministerial Announcement Code of Conduct</u>
- Attachment F: <u>Powering WA FAQs</u>

POLICY IMPLICATIONS

Related current Advocacy Position:

4.1 Climate Change

Local Government acknowledges:

- *1. The science is clear: climate change is occurring and greenhouse gas emissions from human activities are the dominant cause.*
- 2. Climate change threatens human societies and the Earth's ecosystems.
- *3.* Urgent action is required to reduce emissions and to adapt to the impacts from climate change that are now unavoidable.
- 4. A failure to adequately address this climate change emergency places an unacceptable burden on future generations.

Local Government is committed to addressing climate change. Local Government is calling for:

- 1. Strong climate change action, leadership and coordination at all levels of government.
- 2. Effective and adequately funded Commonwealth and State Government climate change policies and programs.

BUDGETARY IMPLICATIONS

None

BACKGROUND

The 2023 WALGA Annual General Meeting resolved *that WALGA establish and promote policies to protect and prioritise the preservation of agricultural land against its displacement by non-agricultural activities that lead to a net reduction of the State's productive agricultural land* (Attachment A). Following on from this discussion, further conversations across the WALGA Membership have led to the consideration of how local communities can be involved in, and benefit from, energy transition projects.

The Australian and WA Government have net zero emissions by 2050 targets. To reach this target, both levels of government recognise the need to transform energy generation and transmission.

Under the National Energy Transformation Partnership (Attachment B) Australian, state and territory governments have agreed to work together to transform Australia's energy system, with a view to achieve net zero by 2050. The Partnership has the following vision:

Australian governments will work together to maximise the economic opportunities of the clean energy transformation, ensure reliable and affordable electricity, and deliver the greatest benefits for Australian households, businesses and communities.

To date, the Partnership has not provided a framework on guidelines on the mechanism to consult with local communities to ensure that they received the "greatest benefit" from this transition. As a result, projects have been proposed and progressed in an ad-hoc manner with Local Governments independently seeking to ensure that the benefits of the energy transformation are shared with their communities. Currently there is no State Framework to guide the consultation of the community for local energy transition projects and no guidance on how to ensure that impacted communities share in the benefits of the energy transition to achieve the Federal and State Governments' shared vision of net zero by 2050.

COMMENT

In lieu of a national approach, states have sought to develop their own mechanisms for guiding the assessment of projects and ensuring the benefits are shared with the local community impacted by the project.

In November 2023, the NSW Government released a Draft Energy Policy Framework (Attachment C). Within this, the Benefit Sharing Guideline (Attachment D) identifies that regional communities experience the most pressure and change from the energy transition and provides advice on how industry can share the benefits of development with these communities in a way that provides long term economic and social benefits.

In April 2024, the Queensland Government announced that a code of conduct will be developed to ensure that local communities can share the benefits of the energy transition (Attachment E).

In November 2023, the WA Government announced the establishment of PoweringWA (as part of Energy Policy WA) to help manage the scale, speed and complexity of WA's renewable energy and transmission developments (Attachment F) by:

- streamlining development of individual transmission, renewable generation and storage projects by removing overlaps and filling any gaps in approvals and other government processes;
- proactively identifying, mitigating and managing impacts of the program with the WA community;
- providing clear information to the public on the infrastructure program and making sure that the need for the program is understood;
- providing opportunities for the public to provide input;
- ensuring that no particular community is unduly impacted;
- ensuring that the impact of the program on native forests, endangered habitats and areas of cultural significance is minimised;
- helping impacted communities and Aboriginal people realise value from the energy transformation; and
- identifying and helping resolve issues with the development and implementation of the infrastructure program, including supply chain and workforce development.

WALGA supports PoweringWA's intent to consult with impacted communities to assist with managing local impacts and realisation of community benefits from the energy transition. However, it is concerning that PoweringWA is yet to substantially begin this work.

To ensure that local communities and Local Governments are supported in achieving this vision it is important that a framework is delivered to guide the development of this infrastructure to ensure that communities see long-term, tangible, local and sustained benefits from the energy transition. As the projects are currently being rolled out, it is critical that this framework be developed as a priority.

A joint meeting of the Environment Policy Team and Infrastructure Policy Team held on 10 July endorsed the position for consideration by State Council. This draft advocacy position should be considered in conjunction with the accompanying draft WALGA advocacy positions Renewable Energy Facilities (<u>Item 8.3</u>) and Priority Agriculture (<u>Item 8.4</u>).

8.3 RENEWABLE ENERGY FACILITIES ADVOCACY POSITION

By Kieran McGovern, Policy Officer Planning

WALGA RECOMMENDATION

That State Council endorse a new Renewable Energy Facilities Advocacy Position as follows:

The growth in the number, size, and complexity of renewable energy facilities across Western Australia is expected to continue as energy generation and other traditional industries de-carbonise their facilities and operations. The renewable energy state planning framework requires changes to ensure it is fit for purpose to guide the ongoing development of this sector.

WALGA calls on the State Government to:

- 1. Adopt a new State Planning Policy for renewable energy facilities, to replace the existing Position Statement: Renewable energy facilities, that:
 - a. Facilitates the orderly development of renewable energy facilities across Western Australia;
 - b. Outlines the key planning and environmental considerations, for the location, siting, design and operation of renewable energy facilities and their associated infrastructure;
 - c. Provides a framework that clearly stipulates the minimum required documentation and technical reports that need to be submitted with proposals for renewable energy facilities;
 - d. Supports the development of Local Planning Policies by Local Governments to further guide locally appropriate planning consideration of renewable energy facilities;
 - e. Provides a clear relationship with:
 - *i.* State Planning Policy 2.5 Rural planning and Development Control Policy 3.4 - Subdivision of rural land, to ensure planning decisions adequately balance the need to protect and preserve rural land for rural purposes;
 - *ii.* State Planning Policy 2.4 Planning for Basic Raw Materials to ensure proposals for renewable energy facilities consider their impact on basic raw material supply at the earliest stage of the planning process; and
 - *iii. State Planning Policy 2.9 Planning for Water to ensure water resources impacted by renewable energy facilities are identified and adequately managed.*
 - f. Includes policy measures to address:
 - *i.* concerns relating to the location of these facilities and their associated infrastructure on agricultural land, their proximity to lot boundaries, town sites and sensitive land uses, and potential impact on airport operations and rural activities;
 - *ii.* planning for renewable energy facilities in industrial areas in relation to the coordination of these facilities, their appropriateness in the 'General Industry' zone and impacts and suitable location on heavy industry sites;

- *iii.* the need for local engagement and the realisation of community benefits from the development of renewable energy facilities.
- 2. Review the definition of 'renewable energy facility' considering the increasing size and scope of facilities and consider creating definitions based on the scale of the facility (Utility-scale and other), and the form of facility (solar energy and wind energy).
- 3. Provide guidance to Local Governments on the consideration of green hydrogen production facilities on rural land where it is an incidental use to a renewable energy facility.

EXECUTIVE SUMMARY

- A 2023 WALGA Annual General Meeting resolution and subsequent resolution by the Great Eastern Country Zone requested *WALGA establish and promote policies to protect and prioritise the preservation of agricultural land against its displacement by non-agricultural activities that lead to a net reduction of the State's productive agricultural land.*
- The Central Country Zone resolved to request WALGA to advocate to the State Government to develop a more comprehensive and effective approach to guide the management and placement of renewable energy facilities; including but not limited to wind, solar, battery renewable diesel and associated infrastructure.
- The existing State Government *Position Statement: Renewable energy facilities* does not adequately address these concerns, leading to inconsistent application and approvals of renewable energy facilities across the State.
- WALGA will advocate for the existing *Position Statement: Renewable energy facilities* to be amended and elevated to a State Planning Policy, including more nuanced provisions which provide greater guidance to Local Governments and applicants, and allow for renewable energy land uses to be classified as either small or large facilities.
- A joint meeting of the Environment Policy Team and Infrastructure Policy Team on 10 July endorsed the position for consideration by State Council.
- This draft advocacy position should be considered in conjunction with accompanying draft WALGA advocacy positions Energy Transition Engagement and Community Benefit Framework (<u>Item 8.2</u>) and Priority Agriculture (<u>Item 8.4</u>).

ATTACHMENT

- Attachment A: <u>WALGA 2023 Annual General Meeting (Item 5.2 Land Use Policy)</u>
- Attachment B: <u>Great Eastern Country Zone Minutes 11 April 2024 (Item 9.2 –</u> <u>Agricultural Land Use)</u>
- Attachment C: <u>Central Country Zone Minutes 12 April 2024 (Item 9.3 Wind Energy</u> <u>Facilities)</u>
- Attachment D: <u>Position Statement: Renewable energy facilities</u>
- Attachment E: <u>State Planning Policy 2.5 Rural planning</u>
- Attachment F: <u>Development Control Policy 3.4 Subdivision of rural land</u>
- Attachment G: <u>State Planning Policy 2.4 Planning for Basic Raw Materials</u>
- Attachment H: <u>State Planning Policy 2.9 Planning for Water</u>

POLICY IMPLICATIONS

Related current Advocacy Positions:

4.1 Climate Change

Local Government acknowledges:

- *1. The science is clear: climate change is occurring and greenhouse gas emissions from human activities are the dominant cause.*
- 2. Climate change threatens human societies and the Earth's ecosystems.
- *3.* Urgent action is required to reduce emissions, and to adapt to the impacts from climate change that are now unavoidable.
- *4. A failure to adequately address this climate change emergency places an unacceptable burden on future generations.*

Local Government is committed to addressing climate change. Local Government is calling for:

- 1. Strong climate change action, leadership and coordination at all levels of government.
- 2. Effective and adequately funded Commonwealth and State Government climate change policies and programs.

6.1 Planning Principles

All legislation and policy which deals with planning and development must:

- ensure role clarity and consistency across all legislation controlling development, to avoid confusion of powers and responsibilities;
- *be easily interpreted by, understood by and accessible to all sections of the community;*
- *be amended only with WALGA involvement and/or consultation/involvement with Local Government.*

6.2 Planning Reform

The Local Government sector supports the underlying principles of planning reform and the continuing focus of streamlining the planning system while ensuring Local Government retains the ability to respond to local context and characteristics through Local Planning Frameworks.

BACKGROUND

The placement and management of renewable energy facilities have become contentious issues in local communities across Western Australia. Concerns have been raised regarding the location of these facilities on agricultural land, their proximity to rural boundaries and residences, and their potential impact on right-to-farm practices such as aerial spraying activities.

The 2023 WALGA Annual General Meeting resolved that WALGA *establish and promote policies to protect and prioritise the preservation of agricultural land against its displacement by non-agricultural activities that lead to a net reduction of the State's productive agricultural land* (Attachment A).

The Great Eastern Country Zone passed a similar resolution at their April Zone meeting (Attachment B).

The Central Country Zone made a similar resolution, requesting WALGA advocate to the State Government *to develop a more comprehensive and effective approach to guide the management and placement of renewable energy facilities; including but not limited to wind, solar, battery, renewable diesel and associated infrastructure* (Attachment C).

Furthermore, Local Governments have also raised concerns with the coordination of renewable energy facilities in industrial areas, particularly in relation to their appropriateness in the 'General Industry' zone and impacts and suitable location on heavy industry sites.

The existing State Government *Position Statement: Renewable energy facilities* (Attachment D) is inadequate to address these concerns, leading to inconsistent application and approvals of renewable energy facilities across the State.

The advocacy position was considered at the Environment and Infrastructure Joint Policy Team meeting on 10 July. Following discussions at the Joint Policy Team meeting, an amendment was made to the advocacy position to include reference to "associated infrastructure".

COMMENT

The State Government through the Western Australian Planning Commission's (WAPC) *Position Statement: Renewable energy facilities*, published in March 2020, provides general and specific guidance to planning decision makers when:

- 1. Considering statutory proposals for renewable energy facilities, and
- 1. Seeking to address renewable energy facilities through the strategic planning framework.

The Position Statement should be read in conjunction with other relevant planning documents when making planning decisions. Local Governments have raised concerns with policies being affected by renewable energy facilities (attached), including:

- State Planning Policy 2.5 Rural planning;
- Development Control Policy 3.4 Subdivision of rural land;
- State Planning Policy 2.4 Planning for Basic Raw Materials; and
- State Planning Policy 2.9 Planning for Water

Position Statements are afforded a lower level of regard in planning decision making than other documents, such as State Planning Policies.

Considering the expected growth in renewable energy facilities, both in size and number, and the potential for these to impact amenity, and existing land uses, there is merit in exploring if the current State Government policy settings and associated framework are contemporary and fit-for-purpose.

The advocacy position calls on the *Position Statement: Renewable energy facilities* to be amended and elevated to a State Planning Policy, including more nuanced provisions which provide greater guidance to Local Governments and applicants, the need for local engagement and the realisation of community benefits from the development of renewable energy facilities, and allow for renewable energy land uses to be classified as either small or large facilities. WALGA will also advocate for the State Planning Policy to make direct reference to the policies listed above to ensure a balanced approach with the existing planning framework.

This draft advocacy position was informed by sector feedback provided during June 2024 and input from the Environment and Infrastructure Joint Policy Team meeting on 10 July. It should be considered in conjunction with new draft WALGA advocacy positions Energy Transition Engagement and Community Benefit Framework (<u>Item 8.2</u>) and Priority Agriculture (<u>Item 8.4</u>).

8.4 PRIORITY AGRICULTURE ADVOCACY POSITION

By Kieran McGovern, Policy Officer Planning

WALGA RECOMMENDATION

That State Council endorse a new Priority Agriculture Advocacy Position as follows:

The state planning framework should provide sufficient statutory protections for areas identified as high quality agricultural land.

WALGA calls on the State Government to:

- *1. Amend the Planning and Development (Local Planning Schemes) Regulations 2015 to:*
 - a. Create a new model zone under Schedule 1, Part 3, Clause 16 for land identified as high quality agricultural land known as the 'Priority Agriculture' zone, with the following objectives:
 - *i.* to retain priority agricultural land for agricultural purposes; and
 - *ii. limit the introduction of sensitive land uses which may compromise existing, future and potential agricultural production.*
 - b. Define 'Priority Agriculture' zone under Schedule 2, Part 1, Clause 1 to align with the definition provided in State Planning Policy 2.5 - Rural planning.
- 2. Review the areas which have been identified by the Department of Primary Industries and Regional Development as high quality agricultural land and expand the extent of mapping to address the whole of Western Australia.
- *3.* Undertake a 'health check' of State Planning Policy 2.5 Rural planning and Development Control Policy 3.4 - Subdivision of rural land, in consultation with relevant stakeholders.

Central Country Zone	WALGA recommendation supported
Central Metropolitan Zone	WALGA recommendation supported
Gascoyne Country Zone	WALGA recommendation supported
Great Eastern Country Zone	WALGA recommendation supported
Great Southern Country Zone	WALGA recommendation supported
Kimberley Country Zone	WALGA recommendation supported
Murchison Country Zone	No meeting held
North Metropolitan Zone	WALGA recommendation supported
Northern Country Zone	WALGA recommendation supported
Peel Country Zone	WALGA recommendation supported
Pilbara Country Zone	WALGA recommendation supported
South East Metropolitan Zone	WALGA recommendation supported
South Metropolitan Zone	WALGA recommendation supported
South West Country Zone	WALGA recommendation supported

ZONE CONSIDERATION

AVON MIDLAND COUNTRY ZONE

The meeting recommended that the WALGA Recommendation be amended at item 2 by replacing the words "Review the areas" with the words "Review the existing areas".

The meeting recommended that the WALGA recommendation for a new Priority Agriculture Advocacy Position be amended by –

- 1) In the first paragraph replacing the words "sufficient statutory protections for areas" with the words "sufficient data to allow local governments to implement protections, including statutory protections where required, for areas"; and
- 2) After the first paragraph adding a paragraph "Establishes and promotes policy templates to guide local governments for their individual adoption to protect and prioritise the preservation of agricultural land against its displacement by non-agricultural activities that leads to a net reduction of the State's productive agricultural land.".

The state planning framework should provide sufficient statutory protections for areas sufficient data to allow local governments to implement protections, including statutory protections where required, for areas identified as high quality agricultural land.

Establishes and promotes policy templates to guide local governments for their individual adoption to protect and prioritise the preservation of agricultural land against its displacement by non-agricultural activities that leads to a net reduction of the State's productive agricultural land.

WALGA calls on the State Government to:

- *1. Amend the Planning and Development (Local Planning Schemes) Regulations 2015 to:*
 - a. Create a new model zone under Schedule 1, Part 3, Clause 16 for land identified as high quality agricultural land known as the 'Priority Agriculture' zone, with the following objectives:
 - *i. to retain priority agricultural land for agricultural purposes; and*
 - *ii. limit the introduction of sensitive land uses which may compromise existing, future and potential agricultural production.*
 - b. Define 'Priority Agriculture' zone under Schedule 2, Part 1, Clause 1 to align with the definition provided in State Planning Policy 2.5 - Rural planning.
- 2. Review the <u>existing</u> areas which have been identified by the Department of Primary Industries and Regional Development as high quality agricultural land and expand the extent of mapping to address the whole of Western Australia.
- *3.* Undertake a 'health check' of State Planning Policy 2.5 Rural planning and Development Control Policy 3.4 - Subdivision of rural land, in consultation with relevant stakeholders.

SECRETARIAT COMMENT

The first objective of State Planning Policy 2.5 (SPP2.5) is to:

support existing, expanded and future primary production through the protection of rural land, particularly priority agricultural land and land required for animal premises and/or the production of food;

There is currently not a strong connection between the objectives of the SPP2.5 and the Schedule 2 of the Planning and Development (Local Planning Scheme) Regulations 2015 (LPS Regulations), which is read into all Local Planning Schemes. The draft advocacy position recommends this changes through the inclusion of a model zone in the LPS Regulations. This will allow Local Governments that have land identified as priority agriculture to incorporate those zones into their local planning schemes. It will remain the purview of Local Governments to decide what land uses are permissible or not within that zone.

It should be noted that most land zoned for rural purposes, particularly those in the more arid parts of the state, will not meet the requirements set out by the Department of Primary Industries and Regional Development, and will therefore not be impacted by any policy change or this advocacy position.

With regard to the second point in the Zone Resolution, there is value in policy template guidance from the State Government. WALGA can raise the prospect of such guidance through its engagement with the Western Australian Planning Commission in relation to its proposed request for a health check of *State Planning Policy 2.5 - Rural planning* and *Development Control Policy 3.4 - Subdivision of rural land*, should it be supported by State Council.

EAST METROPOLITAN ZONE

Include a point 4:

4. <u>Investigate and advocate for improved systems to counter biosecurity threats</u> <u>to agricultural zones.</u>

SECRETARIAT COMMENT

WALGA's comprehensive <u>Post Border Biosecurity Advocacy Position</u> was endorsed by State Council in July 2023. WALGA also made a submission on the statutory independent review of the *Biosecurity and Agricultural Management Act 2007*. WALGA has also taken a proactive approach to our engagement with the State Government on the current biosecurity threat posed by the Polyphagous Shot-hole borer, and is calling on the Government to greatly improve the current response activities, commence with urgency recovery activities, improve the level of public awareness through a public campaign, and increase their support for independent research.

GOLDFIELDS ESPERANCE COUNTRY ZONE

The GVROC make the following comments for consideration by WALGA and the State Council in finalising the advocacy position for this item and also for the accompanying draft WALGA advocacy positions Energy Transition Engagement and Community Framework (Item 8.2) and Renewable Energy Facilities (Item 8.3):

- the key issue is the location of renewable projects, with fears big tracks of regional WA will become wind and solar farms.
- there needs to be consideration in the planning framework, for any proposed projects to consider the full social, visual and economic impacts on the region.
- needs to factor in the rapidly changing renewable technologies being developed. E.g. wind turbines and solar could be replaced as an energy source quite rapidly and then left with an issue of disposing of outdated assets.
- GVROC LGAs would like to be regularly kept informed through processes, changes and development of policies and advocacy positions to the renewable area and it resultant issues by WALGA and the State and Federal Governments.

SECRETARIAT COMMENT

As per Secretariat Comment for item 8.2.

WALGA RECOMMENDATION

That State Council endorse a new Priority Agriculture Advocacy Position as follows:

The state planning framework should provide sufficient statutory protections for areas identified as high quality agricultural land.

WALGA calls on the State Government to:

- 1. Amend the Planning and Development (Local Planning Schemes) Regulations 2015 to:
 - a. Create a new model zone under Schedule 1, Part 3, Clause 16 for land identified as high quality agricultural land known as the 'Priority Agriculture' zone, with the following objectives:
 - *i.* to retain priority agricultural land for agricultural purposes; and
 - *ii. limit the introduction of sensitive land uses which may compromise existing, future and potential agricultural production.*
 - b. Define 'Priority Agriculture' zone under Schedule 2, Part 1, Clause 1 to align with the definition provided in State Planning Policy 2.5 - Rural planning.
- 2. Review the areas which have been identified by the Department of Primary Industries and Regional Development as high quality agricultural land and expand the extent of mapping to address the whole of Western Australia.
- 3. Undertake a 'health check' of State Planning Policy 2.5 Rural planning and Development Control Policy 3.4 - Subdivision of rural land, in consultation with relevant stakeholders.