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Draft Renewables Regulatory Framework

AGL Energy (AGL) welcomes the opportunity to make a submission in response to the Queensland Government's Draft Renewables Regulatory Framework (Draft Framework).

Proudly Australian since 1837, AGL delivers around 4.5 million gas, electricity, and telecommunications services to our residential, small and large business, and wholesale customers across Australia. AGL operates the largest electricity generation portfolio in Australia of any ASX-listed company, with a total operated generation capacity¹ of 7,982 MW as at 30 June 2024. Since 2006, AGL has invested billions of dollars in the construction and delivery of over 2 GW of renewable and firming capacity in the National Electricity Market.

We support Australia's ambition to achieve net zero by 2050 and believe this will underpin the competitiveness of the Australian economy. As the global community responds to the risks of climate change, AGL recognises the large part that we must play in the transition to a low carbon economy. Our 2022 [Climate Transition Action Plan](#) outlines AGL's ambition for decarbonisation, including the following commitments:

- Targeting a full exit from coal-fired generation by the end of FY35 (up to a decade earlier than previously announced).
- Ambition to meet customer energy demand with around 12 GW of new firming and renewable assets by 2036.
- An initial target of 5 GW of new firming and renewable capacity by 2030.

With operations across multiple states, AGL has significant experience in developing renewable projects and community engagement, as well as the regulatory obligations under both state and federal legislation to carry out comprehensive environmental assessments of the potential impacts of these projects on nature.

AGL has established several processes and policies that outline our commitments and procedures in relation to nature and biodiversity, as well as to the Traditional Custodians and communities in the regions in which we operate. Our [Biodiversity Policy](#) outlines our commitments to preserving biodiversity and natural landscape at our sites. Our [Reconciliation Action Plan](#) outlines AGL's commitments to safeguarding cultural artefacts, culturally significant sites, and heritage values associated with our existing and proposed sites, in close consultation with Traditional Custodians. AGL's [Community Engagement Policy](#) outlines our approach to early and ongoing engagement with community stakeholders with the aim of working together to create positive long-lasting social, economic and environmental impacts which help communities to grow and thrive.

We are very supportive of Queensland's targets of reaching 50% renewable energy by 2030, 70% by 2032 and 80% by 2035. Decarbonisation of the electricity sector will play a critical and disproportionately large initial role in decarbonising the economy strong action is required to accelerate investment in new renewable generation and storage. We support the Qld Government's commitment to develop world leading practice in

¹ FY24 installed capacity is the AEMO registered capacity, also taking into account the three 25MW upgrades to the Bayswater Power Station Units 4, 2 and 3 in FY20, FY22 and FY23 respectively.



the delivery of energy infrastructure, and the intention of the Draft Framework to address challenges and ensure that communities are full partners in the energy transformation.

This submission's key points are summarised as follows:

- **Policy certainty is required** to reduce investment risk and provide industry with confidence to invest in renewable energy projects and deliver on the Qld Government's renewable energy ambitions.
- The Draft Framework must **focus on acceleration of renewable energy rollout while balancing the need for strong social licence and positive environmental outcomes.**
- **The project assessment framework should be transparent, efficient and predictable,** meeting community expectations while continuing to attract investment.
- **Thorough industry consultation is essential** when considering substantial changes to assessment and approval processes to understand impacts and risks to investment.
- **Effective collaboration between all levels of government** is vital to ensure a coordinated and efficient approach to the rollout of renewable energy development across the state.
- **A clear benchmark for community consultation is necessary** to ensure appropriate engagement, mitigate impacts and deliver shared benefits for communities throughout the lifecycle of projects. The proposed Code of Conduct should be consistent with guidelines under development by other states and the Commonwealth Government, and involve comprehensive industry engagement throughout its development.
- **Leading practice standards developed by industry and government should guide engagement with communities and First Nations peoples.**
- **Clear and transparent community benefit standards are necessary** to provide clarity and certainty for both industry and communities. Dedicated benefit sharing programs for First Nations communities should be explicitly considered.
- **Support for landholders and the community is essential,** including independent legal and financial support and the development of model contracts.

This submission provides further feedback on the Draft Framework and its outlined initiatives across the five key areas in Appendix A. We look forward to further engagement on proposed developments to obtain the best outcome for industry and communities.

Should you have any questions in relation to this submission, please contact Casey Barkla-Jones at cbarkla@agl.com.au.

Yours sincerely,

AGL Energy



Appendix A

Enhanced environmental outcomes

Environmental assessments and compliance

AGL welcomes enhancements to the planning framework, with a focus on timely, efficient and fair assessment and approval processes for renewable development to deliver positive outcomes for the community and the environment. Thorough industry consultation is necessary to understand impacts and risks to investment of changes under consideration.

We urge the Qld Government to continue to collaborate with all levels of government and industry to ensure a coordinated and efficient approach to the rollout of renewable energy development across the state. Strong support and coordination with the Commonwealth Government on reforms to the Environment Protection and Biodiversity Act 1999 (EPBC Act) is essential to supporting the development of a regulatory framework that balances the need for accelerated renewable energy rollout with managing social and environmental impacts.

It is prudent to ensure that the state environmental agency's role and responsibilities are clear and don't compete with those of other government departments. Ideally there would be a single decision-maker considering the risks and rewards of projects with input from the relevant departments. Any new approach under consideration should be more streamlined, not increasingly complex, with a single, coordinating entity. Simplified and efficient processes are vital to provide certainty, timely decisions and reduce investment risk, fostering positive community outcomes.

Although state and federal environmental assessment frameworks currently exclude consideration of positive biodiversity impacts of projects, focusing solely on potential impacts on threatened species or habitat within the boundary of the project, we note that there is an increasing focus on 'nature positive' both internationally and domestically. Consideration should be given to a project's actions beyond the development footprint of that project and its contribution to achieving state or regional nature positive goals. Careful consideration needs to be given to guidance material outlining expectations to developers on how to avoid and mitigate harm, with industry input to ensure that they are sensible and don't have unintended consequences.

Outcomes and strategic planning

Alignment of state and federal laws is essential. It is comforting to see that the Qld Government is working closely with the Commonwealth Government to develop and implement bioregional plans, which may lead to streamlined approval processes by removing assessment under the EPBC Act when particular development proposals are consistent with a bioregional plan.

AGL supports co-location of projects, facilities and infrastructure to maximise efficiency and positive climate and nature outcomes, whilst reducing environmental and social impacts.

Circular economy

As the world strives to decarbonise and reach net zero ambitions, nations are looking for ways to reduce greenhouse gas emissions and reduce environmental impact while also maintaining a strong and prosperous economy. Building a circular economy will be central to this.

Consideration needs to be given to recycling and reuse of solar panels, batteries, and wind turbines, particularly as the energy transition accelerates. AGL is supportive of the work underway by the Qld Government on end-of-life recycling and resource management.

There are synergies with resource recovery industries and Australia's ambitions to support manufacturing industries that make a positive contribution to the energy transition and deliver significant workforce and economic benefits in moving to a lower carbon economy. AGL sees potential for integrated end-to-end



manufacturing facilities, or multi-stage facilities, to be established where cost savings are achieved through establishing an end-to-end supply chain at a single factory.

We urge the Qld Government to explore opportunities for expanding its circular economy initiatives to include wind turbines and batteries. The Australian Energy Market Operator (AEMO) has forecast under its 2024 Integrated System Plan's *Step Change* scenario a growth in capacity of residential and commercial batteries from today's 1 GW to an estimated 7 GW in 2029-30, then 34 GW in 2049-50². Battery waste will increase with rising demand for these products. Given the safety issues around transporting and exporting batteries for recycling, it is necessary that Australia build the capability and capacity domestically to manage this looming waste issue. AGL outlined its support and recommendations for end-of-life recycling facilities in our submissions³ to ARENA's consultations on the Battery Breakthrough Initiative and Solar Sunshot program.

Any work underway by states should align with the Australian Government's recently released National Circular Economy Framework, which was developed in the context of Australia's net zero transition.

Effective community participation

Engagement

AGL is very supportive of work to improve engagement with communities to help deliver positive long-lasting social, economic and environmental impacts which help communities to grow and thrive. We urge the Qld Government to work closely with the Commonwealth Government to identify areas of overlap and synergy, and consider work underway from recommendations outlined in the Australian Energy Infrastructure Commissioner (AEIC)'s Final Report of the renewable energy [Community Engagement Review](#). The establishment of independent Community Leader Councils through Coexistence Queensland is a positive step to proactively bring stakeholders together on emerging coexistence issues. However, consideration needs to be given to scope of work to ensure no duplication/overlap in the efforts of other organisations.

AGL supports the ambition of the Code of Conduct to genuinely engage with communities, mitigate impacts on communities and deliver shared benefits to communities throughout the lifecycle of generation projects. Details of the proposed mandatory Code of Conduct for renewable energy developers will determine the effectiveness and appropriateness of engagement. The Code of Conduct should be consistent with guidelines that other states and the Commonwealth Government are developing. AGL looks forward to further details and engagement on the development of the Code of Conduct.

Developing further cultural heritage management and engagement guidance for renewables with First Nations peoples should be guided by the Clean Energy Council's *Leading Practice Principles: First Nations and Renewable Energy Projects*⁴ as well as work underway by the Commonwealth Government to develop the First Nations Clean Energy Strategy. AGL outlines a number of recommendations to improve First Nations people's participation in the Australian energy system in our submission⁵ to the First Nations Clean Energy Strategy, including, but not limited to; establishment of a taskforce to enable participation, partnerships with First Nations businesses and groups, and establishment of an overarching national legal framework for cultural heritage protection to replace state-level legislation.

Community benefits

AGL is supportive of setting clear and transparent standards for community benefits in relation to renewable energy project development to provide more clarity and certainty around what is expected for both industry

² [AEMO 2024 Integrated System Plan](#)

³ See: Solar Sunshot [submission](#) (May 2024) and Battery Breakthrough Initiative [submission](#) (September 2024)

⁴ Clean Energy Council's [Leading Practice Principles: First Nations and Renewable Energy Projects](#)

⁵ AGL [submission](#) to the First Nations Clean Energy Strategy, Feb 2024



and communities. Community fund allocations should be centrally coordinated by industry and government, with local community input in the assessment and distribution of funds, and have clear rules to provide enduring value for host communities. In ensuring local benefits for host communities, dedicated benefit sharing programs for First Nations communities should be explicitly considered.

Where possible community benefits for renewable energy projects should be consistent across jurisdictions to ensure benefit sharing is equitable regardless of location. AGL is currently developing benefit sharing guidelines to apply a consistent benefit sharing approach across all its projects. The guidelines will be based on government and industry requirements and a best-practice review AGL recently completed, and will include detail on how the community will be consulted in developing project specific benefit-sharing programs.

Regarding intentions to continue rolling out the Local Energy Partnerships program with key peak bodies, communities and industry, we note that there is currently no mention of First Nations partners. AGL strongly recommends that the Qld Government partner with the First Nations Clean Energy Network.

Jobs and economic development

AGL broadly supports the initiatives outlined in the Draft Framework to boost local jobs and economic development. In our submission⁶ to the Victorian Energy Jobs Plan Consultation Paper, we provided several recommendations to promote the energy industry, help raise awareness of job opportunities and attract and retain workers in regions. Some of these recommendations included mapping out career and training pathways, developing industry-led competencies and short courses for transition training, providing HECS-style study relief, providing local training and education opportunities through local training centres, and addressing structural barriers such as housing scarcity in regions.

Maximising the local economic impact and job creation opportunities of new projects is also critical in ensuring communities benefit from the energy transition. AGL has a number of new projects in its development pipeline in Queensland, which represent hundreds of construction jobs, as well as ongoing jobs, in regional communities. AGL is developing local content and job creation guidelines for new projects to maximise local economic benefit. State government measures to support skills development in regional communities would be helpful in ensuring the relevant workforce and skills exist in regional areas where new energy projects are likely to be constructed.

In addition to the stated initiatives to boost local jobs and economic development outlined in the Draft Framework, AGL urges the Qld Government to focus on mitigation of regulatory and planning barriers impacting repurposing of mines and existing power station land to help boost economic development.

We urge all levels of government to collaborate and align processes to deliver clarity for both employers and workers, and support long-term planning arrangements

Easy access to information

Transparency of renewable pipeline

AGL broadly supports initiatives outlined, including a notification scheme for renewable energy projects and the Qld Government's intention to explore the need for an online portal with project mapping. These initiatives will improve transparency and will be beneficial not only for communities, but also project developers. Some potentially useful information to include in the online portal could be locations of projects, their capacity and stage of development.

⁶ AGL [submission](#) to the Victorian Energy Jobs Plan Consultation Paper, Apr 2024



Empowering communities and local government

We are broadly supportive of the government's intention to offer tailored support for local government to ensure they engage with communities, and to avoid arduous grant applications and reporting requirements.

Supporting trusted independent information

AGL supports initiatives to inform and educate communities and improve transparency through independent and trusted information on the energy transformation. As noted in the Draft Framework, independent research and analysis will help to build trust and understanding amongst communities and the general public around actions taken to address emerging issues in the energy transformation, and combat misinformation that may hinder support for, and the speed of, renewables rollout. In our submission⁷ to the Victorian Energy Jobs Plan Consultation Paper, we recommended a government-led national advertising campaign to help raise awareness and promote the need for the energy transition.

It is important that the Qld Government also consider the medium for dissemination of information in communities to cater to different audiences. In our submission to the NSW Government's Future Jobs and Investment Authorities issues paper⁸, we outlined suggestions for communicating locally, including identification of local ambassadors/influencers who can help ensure that the relevant stakeholders are being reached and inclusion of social media in the communication strategy.

Enduring landholder protections

Fair support and compensation for landholders

AGL is broadly supportive of measures taken to improve support and fair compensation for landholders and communities, including the development of model contracts for landholder and neighbour agreements. Information provided to landholders must be accurate and from credible sources. Support should be provided to landholders to access independent legal and financial advice to ensure they obtain the necessary information when entering into agreements relating to renewable energy projects. AGL's standard approach is to contribute funds to landholders to obtain this advice.

Escalation pathways

AGL is supportive of the Qld Government's approach to improving escalation of complaints in relation to renewable project developments, which should be consistent with the AEIC's recommendations which include expansion of the Energy and Water Ombudsman Queensland's responsibilities to include complaint pathways for large-scale renewable energy ⁹.

End-of-life protections

With increasing concerns around the decommissioning of renewable energy systems and legacy financial implications, end-of-life planning and assurance is essential. To address community concerns regarding a projects' environmental legacy, industry and government should work together to develop a plan for end-of-life, such as through product stewardship.

AGL has previously supported the concept of a wind farm decommissioning calculator to assist project proponents in estimating decommissioning costs¹⁰.

⁷ AGL [submission](#) to the Victorian Energy Jobs Plan Consultation Paper, Apr 2024

⁸ AGL [submission](#) to the NSW Government's Future Jobs and Investment Authorities issues paper, Jul 2024

⁹ AEIC's [Community Engagement Review](#)

¹⁰ AGL [submission](#) to the NSW Draft Energy Policy Framework, Jan 2024



Strategic land use planning

AGL is broadly supportive of the government undertaking work to support sustainable development and coexistence through regional plans and conducting early analysis of cumulative impacts in REZ planning. We have previously advocated for guidelines for renewable energy development to offer a measurable way of evaluating cumulative impacts and the acceptable level of change in any landscape from a visual impact point of view, especially in REZs and areas that are suitable for renewable energy development¹¹.

The Draft Framework notes that the Qld Government has committed to reviewing Regional Plans, along with other planning exercises such as bioregional planning and delivery of frameworks to coordinate energy infrastructure. More resourcing will likely be required at a regional level to deliver on these planning initiatives to accelerate the rollout of renewable energy projects.

Sustainable coexistence practices

AGL is supportive of co-location of facilities and infrastructure to maximise efficiency and reduce environmental and social impacts. We are currently supporting our customers to decarbonise through the development of microgrids to power agriculture¹². We are also supporting high emission industries transition to cleaner energy through the acquisition of Energy360 in 2022, which is a leading provider of biogas solutions.

Efficient industry facilitation

Streamlining processes

Efficiencies in the planning process and streamlined approval and connection processes are essential to accelerating the energy transition and ensuring that renewable energy targets are met. We emphasise the need for all levels of government to work together to coordinate and ensure that finite resources are being directed to the right places, providing clear policy direction to help create a positive investment environment. The role of the Coordinator-General should be focused on more complex projects, with smaller less complex projects that are simple from an approvals perspective continuing to access existing pathways, with the option to utilise the Coordinator-General if required.

Investment confidence

We recognise and support the collaborative approach that the Commonwealth, state and territory governments are taking through the National Energy Transformation Partnership (NETP) and the Renewable Energy Transformation Agreements (RETA) to work together on reforms to help transform Australia's energy system to achieve net zero by 2050.

Reviews and updates to Qld's SuperGrid Infrastructure Blueprint and REZ Roadmap should consider AEMO's Integrated System Plan (ISP). AEMO's Draft 2024 ISP identifies several key risks to the delivery of the optimal development pathway for transmission and REZ development, which would support the delivery of sufficient renewable generation to meet the 82% target.

Building industry partnerships

AGL strongly supports the Qld Government partnering with key renewable energy industry bodies such as the Clean Energy Council to deliver on outcomes. As mentioned earlier in this submission, AGL strongly recommends that the Qld Government partner with First Nations groups such as the First Nations Clean Energy Network to ensure that the voices of First Nations peoples are heard.

¹¹ AGL [submission](#) to the NSW Draft Energy Policy Framework, Jan 2024

¹² [AGL partnering with AFS on industry leading renewable microgrid projects in NSW](#)