50 Camberwell Road Hawthorn East VIC 3123

20 May 2025

Mr Jim McDonald MP
Chair, State Development, Infrastructure and Works Committee
Queensland Parliament
Lodged online at via Queensland Parliament website

Dear Mr McDonald,

Response to the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025*

The Clean Energy Investor Group (CEIG) welcomes the opportunity to provide feedback on the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025* (the Bill) introduced into the Queensland Parliament in May 2025.

CEIG represents domestic and global renewable energy developers and investors, with more than 16GW of installed renewable energy capacity across more than 76 power stations and a combined portfolio value of around $38 billion. CEIG members' project pipeline is estimated to be more than 46GW across Australia. CEIG strongly advocates for an efficient transition to a clean energy future on behalf of the investors who will provide the low-cost capital required for this transition.

Key Points

General comments

- **CEIG supports consistent, transparent planning systems that build community trust and enable timely delivery of renewable energy projects**.
- CEIG cautions that **the introduction of new requirements (SIA and CBA) must not introduce delays, investor uncertainty, or inconsistent expectations between councils.**
- CEIG recommends the Queensland Government **establish a dedicated, well-resourced body – or expand an existing one (e.g. SARA or the Coordinator-Generation) to coordinate planning and environmental assessments, ensure legislative alignment, and enforce clear timeframes.**

Implications for pre-existing applications

- CEIG is concerned that the **proposed framework may allow new SIA and CBA requirements to be retroactively applied** to already-lodged development applications and is concerned at the lack of appropriate grandfathering arrangements; this can be expected to **cause costly delays and significant disruption to project timelines, investment decisions, and grid connection planning without additional community benefit** and will threaten Queensland's reputation as an investment destination and a predictable State to do business with.
- It is critical that the changes are not applied retrospectively and **only apply to applications submitted after the reforms were publicly released.**
- CEIG urges the Government to **provide clear and fair transitional arrangements, ensure proportional and predictable assessment requirements, and deliver timely industry guidance.**

Mandatory community benefit system

- **CEIG supports the intent behind a mandatory community benefit system** that strengthens community engagement and outcomes for host regions.
- CEIG acknowledges that properly designed **SIAs and CBAs can support social licence** but stresses that they **must not hinder the delivery of sustainable and reliable energy infrastructure.**
- CEIG notes that **requiring a completed SIA and legally binding CBA before DA lodgement introduces significant procedural and investment risk**, especially without mandated timeframes or consistent local government processes.
- Requiring local government sign-off on CBAs effectively **makes councils gatekeepers to development assessment, creating compliance risks for CEIG members with international anti-bribery obligations** due to payments made prior to project approval.
- CEIG recommends the system be **underpinned by clear guidance, coordinated processes, defined timeframes, fair dispute resolution, and flexibility** to meet local needs while supporting energy transition goals.

Appeal rights

- **CEIG supports limiting third-party appeals on CBAs,** however CEIG is concerned that **the Bill allows broad appeal rights for any submitter, even those not directly impacted by the project.**
- **CEIG recommends that appeal rights be proportionate and restricted to parties with a clear, direct interest in the project.**

GENERAL COMMENTS

CEIG supports the development of clear, consistent planning frameworks that foster community trust and enable the timely delivery of renewable energy projects. It is standard practice to conduct a social impact analysis early in project development to inform the design of a community benefit scheme. CEIG therefore supports, in principle, the formalisation of these good development practices.

For new projects, having clarity on the exact form of the Social Impact Assessment (SIA)

and Community Benefit Agreement (CBA) the government expects will enable proponents to undertake this work upfront in the required format, reducing duplication and ensuring existing goodwill efforts are not revisited unnecessarily.

CEIG understands that the Bill proposes to amend the *Planning Act 2016* to formally embed community benefits into the State's planning system. This would require renewable energy proponents to conduct a SIA and secure a legally binding CBA with the relevant local government before lodging a development application (DA).

In addition, CEIG understands that the proposed amendments to the *Planning and Environment Court Act 2016* would empower the Planning and Environment Court to be able to handle disputes over:

- Content or omissions in SIAs and CBAs,
- Compliance with development approval conditions relating to CBAs,
- Whether appropriate social impact conditions were imposed on approvals.

This submission focuses primarily on these key amendments.

CEIG strongly cautions that these new requirements must not lead to unnecessary delays, investor uncertainty, or inconsistent expectations between councils. A clear, State-led framework for conducting SIAs and negotiating CBAs is critical to ensure the process is fair, workable, and supports the efficient delivery of sustainable and reliable energy projects.

While CEIG supports meaningful and constructive community engagement, it is important to recognise that the proposed reforms will add cost and complexity to renewable energy development. To manage these additional requirements without delaying project delivery, Queensland's planning system must remain efficient, well-resourced, and clearly coordinated. CEIG recommends the creation of a dedicated body – or the expansion of an existing body such as the State Assessment and Referral Agency (SARA) or the Coordinator-General – to oversee and coordinate planning and environmental assessments across relevant agencies. This body should also have a role in driving coordination earlier in the legislative and policy development stages, to ensure alignment across regulatory requirements. This coordination must be supported by clear and enforceable timeframes at each stage of the process.

CEIG is generally aligned with the Queensland Renewable Energy Council's (QREC) submission to the Bill.

IMPLICATIONS FOR PRE-EXISTING APPLICATIONS

CEIG understands that under the proposed Bill, pre-existing development or change applications (i.e. those lodged before new regulations come into effect but not yet decided) are not automatically protected from the new requirements.

Instead, the accompanying *Planning (Social Impact and Community Benefit) and Other*

Legislation Amendment Regulation 2025, which is currently out for consultation, proposes to treat all "pre-existing" applications (i.e. DAs or change applications other than minor changes that were lodged but not decided) as not properly made[1]. These applications would be returned to the confirmation stage with the chief executive, effectively forcing applicants to restart the assessment process with the new SIA and CBA requirements – even if these applications were lodged in accordance with the rules in force at the time – leading to significant delays and increased costs without additional community benefit.

This means projects currently in the DA stage would face new and unanticipated regulatory criteria, which could significantly alter their risk profile and economic viability. CEIG sees a strong potential for transition risk to existing projects already under assessment and is concerned at the lack of appropriate grandfathering arrangements. While future projects can factor the new requirements into their planning from the outset, it is critical that the changes are not applied retrospectively and only apply to applications submitted after the reforms were publicly released.

Applying new regulatory requirements to projects already underway creates significant uncertainty in Queensland's planning system. Investors and assessment managers – including local governments – have already invested considerable time and resources in progressing pre-existing applications. Requiring these to be revisited or reworked undermines confidence, disrupts project timelines, delays investment decisions and financial close, and interferes with grid connection planning. This risks damaging Queensland's reputation as an investment destination and a predictable State to do business with.

To preserve investment confidence and fairness in the planning system, CEIG urges the Queensland Government to:

- Provide clear and fair transitional arrangements for all applications already lodged but not yet determined;
- Ensure assessment requirements are proportionate and predictable; and
- Issue timely guidance and engagement with industry to clarify how and when any new rules will apply.

MANDATORY COMMUNITY BENEFIT SYSTEM

CEIG supports the intent behind the introduction of a mandatory community benefit system requiring proponents of wind farms and large-scale solar farms to complete an SIA and enter into a legally binding CBA with relevant local governments or stakeholders. We recognise that these measures aim to strengthen community engagement and deliver more positive outcomes for communities hosting renewable energy infrastructure.

While we support the goal of enhancing social licence through improved engagement and benefit sharing, CEIG is concerned that the proposed framework – if not carefully

[1] Queensland Government (May-25) *Planning (Social Impact and Community Benefit) and Other Legislation Regulation 2025*

implemented – may introduce additional cost, delay, and regulatory uncertainty to renewable energy projects.

SIAs and CBAs should enhance – not hinder – the delivery of critical sustainable and reliable energy infrastructure. To do so, they must be designed to support meaningful engagement without creating unnecessary regulatory or investment risk.

The requirement to complete both the SIA and a signed, legally binding CBA prior to lodging a DA introduces significant procedural and investment risk. Despite the inclusion of a voluntary mediation mechanism, the lack of mandated timeframes for CBA negotiations opens the door to indefinite delays – particularly in cases where agreement cannot be readily reached. This risk is amplified by inconsistent capacity and approaches across local governments, leading to uncertainty about the process, scope, and expectations involved in CBAs.

Requiring local government sign-off on the CBA effectively positions councils as gatekeepers to development assessment, creating significant compliance risks. Several CEIG's members are subject to international anti-bribery obligations, which would be triggered by any payment or benefit provided to a decision-maker prior to their determination of the project. Making such payments before development approval may breach those obligations.

To be effective, a mandatory community benefit system must strike the right balance between supporting host communities and enabling project viability. CEIG recommends that the framework be underpinned by:

- Clear, consistent guidance on both SIA requirements and CBA expectations;
- Proportionate and streamlined processes that avoid duplication or delays;
- Defined timeframes and fair dispute resolution mechanisms to ensure procedural certainty; and
- Flexibility to tailor agreements to local needs while ensuring outcomes are achievable and aligned with broader energy transition goals.

With the right design, the system can support stronger community outcomes while preserving the clarity and confidence investors need to deliver sustainable and reliable energy infrastructure on time and at scale.

APPEAL RIGHTS

CEIG supports a planning system that provides clarity, fairness, and procedural certainty for all parties involved in renewable energy development. In this context, CEIG acknowledges the proposed appeal provisions in the Bill, which would allow properly made submitters to appeal approvals or conditions to the Planning and Environment (P&E) Court, while limiting the ability of third parties to appeal matters related specifically to CBAs or associated contribution conditions in the absence of a CBA.

CEIG considers it appropriate that CBAs remain primarily a matter between proponents and local governments or stakeholders, and supports the proposed limitation on appeals relating solely to CBA conditions. This approach helps avoid unnecessary litigation and delays over what should be negotiated, project-specific agreements.

However, CEIG is concerned that the Bill grants overly broad appeal rights by allowing any properly made submitters – regardless of whether they are directly impacted by the project (e.g. not a neighbour, landowner, or community stakeholder) – to appeal a development approval or its conditions to the P&E Court. This would significantly increase legal and regulatory risk, creating uncertainty and potential delays for projects.

While CEIG supports a process that allows directly affected third parties to raise legitimate concerns, we are concerned that the proposed appeal rights could be used by individuals or groups fundamentally opposed to renewable energy – regardless of whether they are materially impacted by the project. This risks introducing unnecessary delays and costs without additional benefit to host communities.

CEIG recommends that appeal rights be proportionate and restricted to parties with a clear, direct interest in the project. We caution that the integrity of the appeal process depends on maintaining proportional and consistent appeal rights, and urges the State to provide clear guidance on how the new provisions will operate in practice.

CEIG thanks the State Development, Infrastructure and Works Committee for the opportunity to provide feedback on the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025* and looks forward to continued engagement on those issues. Our Head of Policy and Advocacy can be contacted at marilyne.crestias@ceig.org.au if you would like to further discuss any elements of this submission.

Yours sincerely,

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