Being Prepared

Introduction

With insights into their communities, councils can support proponents in understanding local priorities and values before project designs are locked in, ensuring that land use considerations, infrastructure needs, coexistence opportunities and potential cumulative impacts are fully recognised and addressed.

Council can assist proponents in four key ways, including:

- ensuring proponents undertake a thorough Social Impact Assessment (SIA), including how negative impacts can be avoided, managed and mitigated, and how positive impacts can be enhanced
- guiding proponents on communicating and engaging with communities, (including providing advice on how existing local forums can be used to encourage community participation)
- identifying community needs and advocating for future community goals to enable benefit delivery and positive legacy through Community Benefit Agreement (CBA) negotiations and outcomes
- participating in the building of social licence for renewable energy projects.

To be effective in their role, councils can prepare for renewable energy projects before proponents start prospecting or completing feasibility studies in their Local Government Areas (LGAs).

Council strategies, plans and policies

Councils help to ensure the impacts of renewable energy projects are addressed and managed in a way that reflects community needs, values, priorities and aspirations. It is important for councils to communicate these values, priorities and aspirations to proponents.

Council's existing strategies, plans and policies may outline its position on key matters and identify community priorities. These may include planning schemes, economic development strategies, workforce and housing strategies, environmental management frameworks, cultural heritage plans and community wellbeing strategies.

If renewable energy projects have not already been addressed or considered in these documents, councils may wish to review and update them accordingly to identify opportunities for positive legacy outcomes and provide conditions and guidance to proponents.

By embedding renewable energy considerations into strategies, plans and policies, councils will be in a stronger position to provide clear guidance to proponents, negotiate community benefits, create consistency in decision-making across multiple projects and understand cumulative impacts for proponent management.

Document review

- **Rates, fees and charges:** when councils review their rates, fees and charges, they should think about how these apply to major projects. This includes covering the costs of council's work on SIAs and CBAs (and other requirements) and should match how involved the council expects to be.
- **Local Government Infrastructure Plan (LGIP):** as renewable energy projects grow, they can change the make-up of the community and increase the demand for infrastructure (for example: transport, sewerage/water, stormwater, parks, land for community facilities) in the LGIP.
- **Asset management plans:** councils may review their asset management plans and assess the potential impact on existing infrastructure assets to help decide if any replacement, maintenance or improvements are needed to support new development.
- **Other plans and policies:** councils may consider procurement policies (for example, hiring local and social enterprises), economic strategies that can inform potential benefits and community interests, and other relevant council policies or plans (for example, waste management plans) to help clarify council's position on key matters.

Importantly, these key documents can help proponents understand community perspectives and priorities.

Councils may provide baseline datasets to support the scoping for the SIA process. Council strategies and plans reflect community priorities, both short and long-term, and can guide councils and proponents in articulating community benefit opportunities.

Land use planning

Key points:

Council can provide guidance to proponents on location and design for major projects through local planning schemes and policies, supporting alignment with community aspirations and expectations.

Some local planning schemes may not yet consider the land use implications of renewable energy projects and may require updating.

Council may consider reviewing, updating or establishing local planning instruments to encourage well-managed development and proactively plan for current energy infrastructure needs with consideration for long-term community goals.

Amending planning schemes

Updating planning schemes, depending on the nature and scale of changes proposed, can involve significant time and resources. To support a good-practice approach to updating planning schemes, councils may like to consider the below:

- Engage early with relevant stakeholders (for example, state government, landholders and proponents) to shape practical and forward-looking amendments, with consideration of issues of concern such as coexistence, infrastructure, siting and design, water management and local amenity.
- Maintain, protect and enhance liveability, productive agricultural areas and the natural environment, while understanding potential project impacts.
- Undertake scenario planning to prepare for potential future outcomes.
- Clarify where renewable energy projects are suitable, under what conditions, and how potential land use conflicts and coexistence will be considered and addressed.

Setting council service fees

Key points:

Councils in Queensland have broad powers under the *Local Government Act 2009* to impose rates as well as service fees and charges.

Councils have an important responsibility to set fair and reasonable fees for services. This requires councils to establish clear, transparent fee structures that reflect actual service costs and can withstand external scrutiny.

Councils can charge fees for participating in SIA processes, considering the SIA report and negotiating and entering into a CBA. They can charge these fees to a proponent whether a CBA is entered into or not.

Fees help ensure that proponents cover the cost of services associated with development, including council staff time, technical assessments and ongoing oversight, rather than passing these costs onto ratepayers. They provide a mechanism for councils to resource additional staff capacity or engage external expertise where major projects create extraordinary demands.

Councils may wish to embed service fee considerations within documents or policies, such as *'A guide to doing business in our region'*. For example, councils could set an indicative hourly rate for tasks or charge a percentage of the CBA cost. Providing case studies or examples of how fees are used can help manage proponent expectations and support consistency across LGAs.

Achieving the right balance in fee setting is crucial. The focus should be on covering additional legitimate and proportionate council costs.

Council fee considerations

When setting fees, councils should use transparent and evidence-based methodologies. This includes considering full-cost recovery principles, drawing on benchmarks from comparable councils and ensuring that the fees are consistent with statutory fee frameworks and relevant state legislation. Clearly documented fee schedules can improve proponent understanding, reduce disputes and support smoother negotiations in the early stages of a project.

Transparent council communication on proponent fees builds community trust. Communities will have confidence that proponents are paying their fair share and that ratepayers are protected from infrastructure, environmental or social costs associated with major renewable energy projects.

Periodic reviews of fee schedules (for example, during council's annual budget processes) are recommended to ensure they keep pace with inflation, changing policy requirements and shifts in community expectations.

This may include adjustments linked to regulatory obligations, such as increased requirements around community engagement, benefit-sharing or participation in a SIA process.

Supporting regional economic diversification

Key points:

Major projects should bring benefits and opportunities to local communities, and councils play a role in shaping these outcomes.

A strong economic and social vision provides the foundation for meaningful, long-term regional development, including future land use, infrastructure needs, employment pathways and investment attraction.

Integrating energy projects into this vision ensures that councils can align land use, workforce, infrastructure and benefit-sharing strategies with community goals, such as housing, workforce training, service delivery and regional liveability.

Councils that clearly articulate regional priorities are better positioned to engage with proponents, advocate for appropriate outcomes and negotiate legacy investments that match their long-term planning. Such clarity helps reduce conflict, provides certainty for investors and ensures benefits are distributed fairly across communities.

To make the most of major projects, councils may gather baseline data to underpin decision-making, help set realistic local participation targets and provide the evidence base to advocate for infrastructure upgrades or funding. Councils may collaborate with neighbouring councils, Regional Organisations of Councils (ROCs) and Regional Development Australia to ensure a coordinated approach that maximises regional impact.

These projects can bring risks, and there are steps that councils can take to help mitigate these to support positive community outcomes. These steps include planning for cumulative impacts, monitoring delivery of proponent commitments and ensuring projects are aligned with long-term resilience strategies.

In setting a clear regional vision that integrates renewable energy into broader economic and social development goals, councils are better able to align land use, infrastructure, workforce and benefit-sharing strategies. Councils can shape major projects to drive economic diversification, attract investment and secure long-term legacy community benefits.

Building the evidence base: baseline data and economic monitoring

To maximise the benefits of renewable energy projects, it is beneficial for councils to understand their current economic position and readiness to participate in energy projects. Councils may build on existing work and hold baseline data to:

- understand the socio-economic baseline of the community
- establish current gross regional product, industry composition and employment patterns
- identify key sectors, ratepayer concentration and economic dependencies
- map business capability and supply chain participation readiness
- monitor labour force trends, training gaps and housing availability
- track structural changes and economic shocks over time.

Maximising Community Benefit

Renewable energy projects can provide economic benefits to host communities during the project's life and beyond.

Opportunities	Potential benefits
✔ Construction and operational jobs across solar, wind, storage and transmission infrastructure	✔ Upgrades to local infrastructure including roads, power, telecommunications and water
✔ Increased demand for local goods and services, such as accommodation, catering, logistics, training and maintenance	✔ Workforce development through training, apprenticeships and industry partnerships
✔ Opportunities for local suppliers to engage in project tenders and subcontracts	✔ Community investments delivered through CBAs, supported by targeted small-to-medium enterprise (SME) programs and aligned to regional priorities
✔ Development of supporting industries, such as battery storage and component manufacturing	✔ Establishment of a long-term identity as a renewable energy hub, attracting tourism, research and innovation
✔ Activation of industrial land and infrastructure to support economic diversification	✔ Energy projects can form catalytic infrastructure which links with broader economic strategy. Councils, where feasible, can plan proactively and engage early with proponents to understand the future pipeline

From vision to action: Economic levers for participation

Turning vision into action includes identifying existing strengths, closing capability gaps and leveraging renewable energy projects to stimulate broader regional growth.

Key levers include:

- co-investment in enabling infrastructure, such as industrial road access, substation upgrades, water pipelines and workforce facilities
- business capability mapping to identify existing industries and workforce capabilities aligned with renewable supply chains, such as civil works, logistics, electrical and fabrication
- procurement facilitation and training support to help local suppliers access tenders, prequalify and meet proponent requirements
- strategic precinct activation, including zoning, infrastructure planning and co-location of allied industries, such as transmission and advanced manufacturing
- aligning proponent contributions and benefit-sharing models to support identified economic and social priorities.

By working in partnership, councils, industry, state agencies and other key stakeholder groups, can drive a shift from transactional project participation to long-term economic change.

Managing risk: Avoiding negative economic outcomes

While renewable energy projects offer benefits, they can bring potential risks that may impact regional economies if left unmanaged. There are several ways these risks can be mitigated.

Risks

- **Economic leakage:** contracts, jobs and investment flow out of the region due to a lack of local readiness or procurement support
- **Labour and supply chain displacement:** workers and suppliers are diverted away from key local industries, leading to shortages in agriculture, mining, manufacturing, or essential services (especially where there may already be employment constraints); other projects in the region experience delays due to the use of raw materials (for example: gravel, sand, concrete)
- **Capacity pressures:** local housing, health, education and emergency services face increased strain from population influx (in regions without adequate mitigation strategies and resourcing)
- **Post-construction downturns:** communities experience a short-lived boom followed by sharp declines in activity and revenue, affecting local business activity and impacting local prices
- **Infrastructure misalignment:** inadequate, poorly timed, or poorly maintained roads, water or workforce facilities post-project
- **Community division:** benefits are unequally shared or fail to reflect community priorities
- **Housing market:** project-driven demand places strain on existing supply, while rapid new construction can create oversupply once workforces leave (Note: This risk must be managed alongside strategies to support permanent population growth)

Mitigation

- Identifying and implementing enablers such as capability-building programs, procurement support and removal of participation barriers to increase local business engagement in renewable energy supply chains
- Engaging early with proponents and contractors to shape local procurement and workforce strategies
- Including economic development outcomes in CBAs, for example, training, precincts and shared infrastructure
- Using CBAs to invest in long-term enablers, for example, training centres, precinct development and upgraded infrastructure
- Strategic infrastructure planning and alignment with the scale of renewable energy projects, other major projects or government co-investment mechanisms
- Encouraging proponents to use transparent and inclusive engagement processes to align projects with community expectations, with consideration for past engagement activities and outcomes

Renewable Power Purchase Agreements

Renewable Power Purchase Agreements (PPAs) are contractual arrangements between an energy buyer, such as a council, and a renewable energy provider. These agreements ensure that the electricity supplied originates from renewable technologies. For councils, renewable PPAs may represent a strategic tool to manage energy costs, achieve carbon-reduction targets and safeguard against future energy price volatility.

Key benefits of renewable PPAs

- **Cost and budget certainty:** by locking in a fixed price for renewable electricity, councils may achieve greater budget predictability over the long term.
- **Social licence and advocacy:** PPAs allow councils to lead by example, demonstrating their commitment to sustainability while strengthening their role as advocates for renewable energy.
- **Regional benefits:** by supporting renewable energy projects in rural or regional areas, councils may enhance local economic participation and secure long-term community benefits.

Councils consuming over 500 megawatt hours of electricity annually may find wholesale PPAs negotiated directly with project proponents a practical and impactful solution.

Unlike traditional electricity supply contracts, PPAs specify clear terms for the volume of electricity purchased, the price per unit and the duration of the agreement.

When exploring renewable PPAs, councils should consider their load size and plan well ahead of the expiration of existing electricity contracts to ensure a smooth transition.

A guide to doing business in our region

Key points:

- Councils may develop a practical guide that outlines local expectations, processes and opportunities for major project proponents wishing to operate in the community.
- The guide could function as both a planning tool and a risk mitigation strategy to guide responsible investment and align external projects with the economic, environmental and social priorities of the local area.
- The guide can build upon existing documents and processes such as strategic economic frameworks, community reference group feedback, and regional alliances.
- Key elements may include a profile of local business capability, guidance on procurement, engagement principles, expectations around workforce accommodation and local employment, council's position on SIAs and CBAs and links to relevant council documents.
- Councils may wish to include case studies of successful local project delivery, baseline datasets relevant to project planning and contacts for proponents seeking to engage with council or local suppliers.
- Regularly updating the guide ensures it remains relevant to emerging industries and legislative changes.

Councils can support proponents with guidance on how best to engage with locals, what standards are expected and what opportunities and forums exist for community and business engagement. Councils know their communities best and can guide proponents to tailor their engagement and communication to the needs and expectations of locals.

Why consider developing *'A guide to doing business in our region'* or policy?

In a rapidly evolving economic and energy landscape, councils with *'A guide to doing business in our region'* will be better equipped to manage competing demands, attract responsible investment and deliver long-term prosperity for their communities.

When implemented well, *'A guide to doing business in our region'* becomes a powerful, proactive tool, helping councils lead and shape development that delivers lasting value for their communities.

Purpose of the guide

'A guide to doing business in our region' is intended to deliver a range of benefits, including:

- ensuring proponents are better placed to meet local needs and negotiate in good faith
- ensuring consistency with regional plans
- maintaining public confidence in decision-making processes
- providing clarity on what is non-negotiable (for example, local employment expectations)
- promoting collaboration and investment in areas the community prioritises, including infrastructure, housing and economic development
- providing transparency and reassurance to the local community
- reducing duplication and confusion by providing a consistent, place-based reference for multiple projects and stakeholders.

Strengthening trust, fostering accountability and improving long-term project outcomes

The following steps are intended to support councils who wish to develop *'A guide to doing business in our region'*. The content can be reviewed regularly to reflect changes in local priorities, infrastructure needs or state and federal policy settings.

1. **Define council's current context to reflect realistic expectations**
    - Review local planning schemes, regional priorities (including what economic development is supported and encouraged), community values and characteristics such as demographics.
    - Gather baseline data on local economic conditions, workforce, land use constraints, housing availability and social infrastructure.
    - Draw on previous engagement processes, community reference groups, or place-based strategies as needed to inform an evidence base.
2. **Build a sustainable benefits framework**
    - Provide clarity on community priorities, aspirations and benefit opportunities.
    - Engage early and meaningfully with key stakeholders, including local industry groups and key employers, regional development agencies, chambers of commerce, training providers, social service providers, farmer associations, community organisations, youth representatives and the community.
    - Co-design workshops or reference committees to test priorities, refine criteria and build shared ownership of the plan.
    - Identify how community benefits will be negotiated, delivered and evaluated.
3. **Translate priorities into clear, measurable requirements**
    - Outline how proponents may demonstrate community priorities through CBAs, supported by governance and reporting mechanisms where relevant.

- **Prepare *'A guide to doing business in our region'***
    - Ensure the format is clear, accessible and practical for both proponents and the broader community.
    - Publish the guide on council's website.
    - Use the guide to brief prospective investors and as a reference point in early discussions with proponents.
    - Provide to Council for consideration and endorsement.

Help! We don't have capacity to do all that

Developing *'A guide to doing business in our region'* can feel overwhelming, particularly for councils with limited staff, time or technical skills. If a council does not have the internal capacity to produce a comprehensive document, there are a few practical ways to get started.

Start small: begin with a simple framework or checklist that outlines council's core expectations and key council documents that proponents should refer to, then build on this over time as more resources or partnerships become available.

Collaborate: seek support from ROCs, economic development bodies or neighbouring councils which may be developing similar materials. Sharing resources and case studies can help spread the workload and keep costs manageable.

Engage third parties: if budget allows, engaging a qualified supplier to help prepare a locally tailored document could be an efficient investment, especially if council anticipates a high volume of future project proponents. This person can work with council staff to align the document with community expectations, strategic plans and statutory requirements, while leaving council with a practical, council-owned resource.

'A guide to doing business in our region' represents a clear, functional resource that can be refined over time and through feedback. Councils may start small through a simple guide, building and enhancing it over time, with consideration of engagement feedback. Through the guide, councils can set clear expectations, strengthen community outcomes and position themselves more confidently when dealing with major projects.