

## **FLYING AGENDA: SUBMISSION FOR DRAFT GUIDELINE ON COMMUNITY BENEFITS FOR RENEWABLE ENERGY PROJECTS**

*By Lisa Harwood, Principal Policy Advisor Economic Development*

### **WALGA RECOMMENDATION**

**That State Council endorse WALGA's submission on the Draft Guideline on Community Benefits for Renewable Energy Projects**

### **EXECUTIVE SUMMARY**

- Western Australia's energy sector is transforming to achieve the State and Australian governments' 2050 net zero emissions target.
- The State Government released a draft Guideline Benefits Guideline Consultation Paper for consultation on 12 June 2025.
- The deadline for submissions on the draft Guideline was extended to 18 August following a request from WALGA.
- WALGA has prepared a draft submission aligned to WALGA's renewable energy advocacy positions and incorporating feedback from Local Governments.
- Local Governments were provided 4 weeks to provide feedback on the draft WALGA submission, from 26 June to 25 July 2025.
- 48 Local Governments provided feedback, including a joint submission on the Consultation Paper from 36 regional Local Governments.

### **ATTACHMENTS**

- [Draft Guideline on Community Benefits for Renewable Energy Projects Consultation Paper](#)
- WALGA Submission on the Draft Guideline on Community Benefits for Renewable Energy Projects

### **POLICY IMPLICATIONS**

This item relates to the following [WALGA advocacy positions](#):

- 6.16 Energy Transition Engagement and Community Benefit Framework
- 6.17 Renewable Energy Facilities
- 6.18 Priority Agriculture

### **BACKGROUND**

WALGA has three advocacy policy positions related to the renewable energy transition, which were endorsed by WALGA zones and State Council at the September 2024 State Council Meeting. One of these positions 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 local community benefits from energy transition projects. Other State Governments, including NSW, Queensland and Victoria, already have guidelines or frameworks that support communities, Local Governments and industries in negotiating community benefits.

On 12 June 2025, the State Government released its Draft Guideline on Community Benefits for Renewable Energy Projects. The stated purpose of the Guideline is to:

- provide information to communities about the types of benefit sharing arrangements available for the renewable energy infrastructure they are hosting,

- provide information to developers about State Government expectations for community benefits arrangements,
- provide a guide on appropriate value of community benefits in different contexts,
- provide suggestions for the governance and administration of community benefits funds,
- provide confidence and clarity for proponents and investors by setting out a clear framework for benefit-sharing arrangements across Western Australia.

The State's Guideline complements WALGA's recently released [Renewable Energy Community Benefit and Engagement Guide](#).

The deadline for submissions on the draft Guideline was extended to 18 August 2025 following a request from WALGA.

### **COMMENT**

WALGA has prepared a submission on the Guideline. The submission broadly supports many aspects of the State's draft Guideline, but recommends a specific focus on, or changes to, several aspects. This includes:

- The need for the requirement for community benefits to be mandated.
- Changes to the contribution rate, from the proposed range to a single, indexed figure floor for wind, solar and battery storage projects.
- That benefit sharing arrangements should commence during the construction phase of projects.
- Further clarity on the role of rates versus community benefits and that these be viewed separately.
- That Local Government should determine the appropriate governance mechanisms.
- Clearer guidance on when developers should engage with neighbouring Local Governments.
- The need for a statewide strategy to guide the rollout of the energy transition.
- The need for State Government to lead and coordinate regional cumulative impact assessments for large scale renewable projects, in consultation with proponents and Local Governments.
- Clarity on when the Guideline should apply to existing projects.

Feedback was requested on the draft submission from Local Government CEOs and Mayors/Presidents between 26 June and 25 July 2025. WALGA received responses from 48 Local Governments, via SurveyMonkey, email and a joint submission on the discussion paper from 36 regional Local Governments.

Relevant feedback from Local Governments was incorporated into the draft submission. All Local Governments were also encouraged to provide their own submissions to the State Government.

# Draft Guideline on Community Benefits for Renewable Energy Projects

## WALGA Submission

August 2025

## **About WALGA**

The Western Australian Local Government Association (WALGA) is an independent, member-based, not for profit organisation representing and supporting the WA Local Government sector.

Our membership includes all 139 Local Governments in the State. WALGA uses its influence, support and expertise to deliver better outcomes for WA Local Governments and their communities.

We advocate to all levels of Government on behalf of our Local Government Members, and provide expert advice, services and support to Local Governments. WALGA's vision is for agile and inclusive Local Governments enhancing community wellbeing and enabling economic prosperity.

## **Acknowledgement of Country**

WALGA acknowledges the continuing connection of Aboriginal people to Country, culture and community. We embrace the vast Aboriginal cultural diversity throughout Western Australia, including Boorloo (Perth), on the land of the Whadjuk Nyoongar People, where WALGA is located, and we acknowledge and pay respect to Elders past and present.

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## 1. Introduction

Western Australia's energy sector is transforming to achieve the State and Australian Governments' 2050 net zero emissions target. Local Government is a key stakeholder in this change, with many regional communities experiencing an increase in engagement from renewable energy proponents and the prospect of their regions undergoing significant transformation.

It is essential that the energy transition currently underway delivers economic opportunities, ensures reliable and affordable electricity, and results in benefits for local communities that host the energy transition infrastructure. Many Local Governments see the benefit that large scale renewable energy projects can bring to their area, however a transformation of this size doesn't come without its challenges.

WALGA welcomes the opportunity to provide feedback on the State's *Draft Guideline on Community Benefits for Renewable Energy Projects* and looks forward to working with PoweringWA to deliver positive outcomes for Local Governments and their communities.

### 1.1. WALGA's work on large scale renewable energy

The impact of large scale renewable energy projects on communities has become a growing and pressing issue for Local Governments. After consultation with Members, discussions with State Governments and other jurisdictions, WALGA State Council endorsed [three advocacy policy positions](#) related to the renewable energy transition (see Appendix 1) at its September 2024 State Council Meeting:

- 6.16 Energy Transition Engagement and Community Benefit Framework
- 6.17 Renewable Energy Facilities
- 6.18 Priority Agriculture

These advocacy positions have guided a number of WALGA's initiatives to support Local Governments. These initiatives include:

- **Energy Transition Survey:** In September 2024, WALGA conducted a survey to capture data on Local Government sentiment on the energy transition. The survey was targeted towards Local Government CEOs.
- **WALGA Research Paper:** The paper outlines how other State Governments are responding to renewable energy projects and highlights relevant energy strategies and stakeholders in State and Federal Government.
- **Planning resource:** "Empowering Local Governments - Planning for Renewable Energy" provides an overview of the State and Local planning frameworks and tools available to Local Governments for managing renewable energy facility development. It also outlines the three development assessment pathways for renewable energy proponents.
- **Teams Group for Local Government Leaders:** A Teams Group was established for CEOs and Elected Members to facilitate continued collaboration and knowledge sharing between Local Governments.

- **Large Scale Renewable Energy Forum:** A Forum was held in November 2024, bringing together State Government, industry and Local Government to discuss the opportunities and challenges of large scale renewable energy projects, and the support required by Local Governments when engaging with proponents.
- **Rating research paper:** Work is underway on a research paper that explores Local Government rating of renewable energy facilities. The paper will include a:
  1. Legislative Framework Review - to determine the current legislative provisions available to WA Local Governments and provide recommendations for any legislative changes in relation to the rating of renewable energy facilities.
  2. National and Local Review - to research how other Australian jurisdictions are managing the rating of renewable energy facilities and consult with a selection of Western Australian Local Governments.
  3. Way Forward - providing a summary of options and recommendations of the rating of renewable energy facilities by Local Governments going forward.
- **Renewable Energy Ministerial Forum:** On 12 June 2025, a Forum was held bringing together State and Local Government. State Government Ministers, Hon Amber-Jade Sanderson MLA, and Hon John Carey MLA, addressed Local Governments on their plans for the renewable energy transition and the State Government's priorities. As Minister for Energy and Decarbonisation, Minister Sanderson also engaged in a roundtable discussion with Local Governments, alongside a workshop session conducted by Powering WA, focusing on community benefits.

The delivery of community benefits from large scale renewable projects and engaging with developers in the absence of a State framework has continued to be a key challenge for Local Governments. WALGA commenced work on developing a [Community Benefits and Engagement Guide](#) at the beginning of 2025. The purpose of the Guide was to provide succinct guidance to the sector on managing engagement and community benefit challenges when it comes to large scale renewable energy projects.

WALGA's Guide broadly complements the State Government's *Draft Guideline on Community Benefits for Renewable Energy Projects*, building on many of the principles and providing more detailed operational guidance on how to engage with developers. Local and State Government were engaged throughout the creation of WALGA's Guide, including PoweringWA. The final Guide was endorsed at the 2 July State Council meeting.

## 1.2. Summary of WALGA Recommendations

WALGA's recommendations and comments are as follows:

1. The Guideline needs to be mandated.
2. WALGA supports the proposed types of community benefit sharing arrangements.
3. WALGA supports the proposed principles for community benefit arrangements.
4. In consideration of the benefit value guidelines, WALGA:
  - a. Does not support the ranges of \$500 - \$1,500 per MW per annum for wind projects and \$150 - \$800 per MW per annum for solar projects.
  - b. Recommends there is a single figure for wind projects and a single figure for solar projects to provide clearer guidance on expectations of developers.
    - i. This figure should be \$1,050 per MW per annum for wind projects and \$850 per MW per annum for solar projects.
    - ii. This rate should be a floor.
    - iii. This rate should be paid on installed capacity.
  - c. Recommends a rate is included for battery storage projects.
  - d. Supports the payment of these rates over the life of the development and annually indexed to the Consumer Price Index.
5. WALGA supports the proposed criteria for applications of the Guidelines, except for the consideration of 'The application of other fees and charges incurred by the developer, including local government rates and any pre-existing community focused financial commitments.'
6. WALGA supports the proposed principles for developers engaging with the community, on community benefit arrangements.
7. WALGA supports the consideration of benefits for Aboriginal Western Australians.
8. In consideration of the governance structures, WALGA:
  - a. Supports the proposed flexibility in governance structures to include both Local Government and community, however the final decision on structure should sit with the Local Government.
  - b. Does not support the use of Local Government led trusts as a governance mechanism.
9. There should be stronger guidance on when benefit sharing arrangements should commence.
10. WALGA supports the proposed length of arrangement for community benefits.
11. WALGA supports the ongoing reporting and review of community benefit arrangements.
12. The Guideline needs to be mandated.
13. WALGA supports the consideration of nearby communities and neighbours in the allocation of community benefits.
14. There needs to be clearer guidance on when developers should engage with neighbouring Local Governments.
15. WALGA supports community benefits being viewed as separate to rates.
16. WALGA supports additional development benefits being considered.



## **2. WALGA Recommendations on the Draft Guideline on Community Benefits for Renewable Energy Proponents**

WALGA welcomes the release of the State Government's *Draft Guideline on Community Benefits for Renewable Energy Projects* (the Guideline). It provides much needed guidance for Local Governments and industry on how to engage and negotiate positive outcomes for the communities housing large scale renewable energy projects.

WALGA broadly supports most of the principles within the Guideline. However, to achieve its purpose of providing 'confidence and clarity for proponents and investors by setting out a clear framework for benefit-sharing arrangements across Western Australia', WALGA considers it is essential that the requirement for community benefits be mandated.

WALGA considers that statements in the Guideline, such as 'ultimately community benefits flow through to electricity costs...' and comments relating to sovereign risk are not helpful and have the potential to further divide communities. Clear, legislated requirements will help to ensure equity and transparency for all stakeholders involved.

WALGA welcomes the opportunity to provide feedback to PoweringWA's *Draft Guideline on Community Benefits for Renewable Energy Projects*. WALGA's response is informed by direct and extensive engagement with Local Governments on this submission, and with the sector over the last 12 months on the renewable energy transition and community benefits and engagement more broadly.

### **2.1. Mandating of Community Benefits**

#### **WALGA Recommendation**

##### **1. The Guideline needs to be mandated.**

While the document states 'Consistency with this guideline will support a project's progression through the planning, regulatory and connection processes...', no mechanism has been identified to ensure community benefits are agreed and delivered. Local Governments' experiences to date are that not all developers are open to engaging with the community or on the delivery of community benefits from their projects.

A non-mandatory Guideline will not only make it difficult for Local Governments to negotiate fair outcomes for their communities but also leaves them without any regulatory backing to ensure agreements are delivered. WALGA considers that there also needs to be clear mechanisms to monitor and enforce compliance, which outlines the process and penalties that will take place in the instance of a proponent not delivering what was agreed upon.

There are several options that should be examined as potential mechanisms to mandate the Guideline, including (but not limited to) amendments to existing planning or energy legislation or new, standalone legislation.

## **2.2. Community Benefits**

### **2.2.1. Types of community benefits**

#### **WALGA Recommendation**

1. WALGA supports the proposed types of community benefit sharing arrangements.

As noted in the Guideline, the approach to community benefit sharing arrangements should be tailored to the community's needs. The Guideline should not be prescriptive in the exact type of community benefit arrangements that should be negotiated. Arrangements should reflect the needs and circumstances of each Local Government and the community they represent. What constitutes a community benefit should be discussed with proponents and the community on a case-by-case basis, but the final determination should be made by the Local Government given their statutory responsibility for strategic community planning.

Local Governments have expressed the importance of legacy funding that provides long lasting benefits to the community. This is reflected in WALGA's Energy Transition Survey results, where upgrades of infrastructure, services or facilities (62%) and new infrastructure, services or facilities (47%) were listed as the two most important aspects of a community benefits framework for Local Governments.

Legacy funding for infrastructure projects should be able to be used for capital expenditure and operational and maintenance expenditure of any project funded through community benefits and owned and/ or operated by Local Government.

### **2.2.2. Principles for community benefit arrangements**

#### **WALGA Recommendation**

1. WALGA supports the proposed principles for community benefit arrangements.

The proposed principles underpin what Local Governments are seeking from developers - bespoke benefits that provide the opportunity for their communities to see long lasting benefits from the transition. A particular emphasis should be placed on transparency from developers where possible, ensuring clear communication and significant collaboration with the community when designing community benefit arrangements.

## **2.3. Community Benefit Arrangements in WA**

### **2.3.1. Benefit value guidelines**

#### **WALGA Recommendation**

1. In consideration of the benefit value guidelines, WALGA:
  - a. Does not support the ranges of \$500 - \$1,500 per MW per annum for wind projects and \$150 - \$800 per MW per annum for solar projects.

- b. Recommends there is a single figure for wind projects and a single figure for solar projects to provide clearer guidance on expectations of developers.
  - i. This figure should be \$1,050 per MW per annum for wind projects and \$850 per MW per annum for solar projects.
  - ii. This rate should be a floor.
  - iii. This rate should be paid on installed capacity.
- c. Recommends a rate is included for battery storage projects.
- d. Supports the payment of these rates over the life of the development and annually indexed to the Consumer Price Index.

While some flexibility is required in negotiating the type of community benefit arrangements, it is important there is clarity in the expectation of developers when it comes to amount of financial contribution to be made. A range offers little incentive for developers to contribute more than the lowest figure, which may not be suitable for projects that have a higher impact on the community. Local Governments are seeking a rate akin to that included in NSW's [Benefit Sharing Guideline](#) and reflecting the conversations they are already having with some developers. However, unlike the NSW rate, this should not be an upper limit, but rather a floor, and should only include community benefits (not a combination of neighbourhood and community benefits). A floor rate not only provides greater certainty for all stakeholders but also provides developers with the ability to go further in their financial contribution towards the hosting community.

Where projects cross boundaries, the allocation of community benefit contributions should be made on the basis of the proportion of nameplate capacity located in each Local Government. For example, if a 10MW project has 4MW in one Local Government and 6MW in another, then a 40/60 split should be made in the contribution arrangements.

It is recommended that a rate is included for Battery Energy Storage Systems (BESS), especially given the Guideline states that the principles of the Guideline can be applied to renewable energy generation infrastructure, including batteries. Without a clear rate, Local Governments may struggle to negotiate a financial contribution from battery storage. It is noted in the Guideline that there is no industry standard, however the \$150 per megawatt hour per annum for stand-alone battery energy storage systems located in a rural zone stated within the NSW's [Benefit Sharing Guideline](#) provides a useful guide in developing a WA figure.

### **2.3.2. Criteria for application of guidelines**

#### **WALGA Recommendation**

1. WALGA supports the proposed criteria for applications of the Guidelines, except for the consideration of 'The application of other fees and charges incurred by the developer, including local government rates and any pre-existing community focused financial commitments.'

Community benefits should be viewed as separate to Local Government rates and other fees and charges. The ability to rate renewable energy projects is important when it comes to Local Governments recouping costs incurred by these kinds of developments. The Guideline also acknowledges under the section '*The role of rates*' that rates and community benefits should be viewed separately. Rating should not be a factor considered by developers and communities when agreeing on a community benefits arrangement. Any fees/charges of particular concern should be defined in the Guideline to provide clarity to all parties.

### **2.3.3. Developing community benefit arrangements**

#### **WALGA Recommendation**

2. WALGA supports the proposed principles for developers engaging with the community on community benefit arrangements.

Ongoing community engagement is critical to positive outcomes when it comes to the development and delivery of community benefits. It is particularly critical that community benefit arrangements are agreed early on in the project's development, and that there is ongoing assessment of the agreement's effectiveness.

WALGA considers that the principles in the Guidelines should be requirements for engagement, with each requirement having corresponding examples on how this can be achieved, including timelines and occurrences. This would make enforcement simpler and provide greater clarity to all stakeholders involved.

### **2.3.4. Benefits for Aboriginal Western Australians**

#### **WALGA Recommendation**

1. WALGA supports the consideration of benefits for Aboriginal Western Australians.

In developing community benefit arrangements, Local Governments engage across their communities, including with Aboriginal people. WALGA agrees with the statement in the Guideline that an Aboriginal perspective should be included in all community consultations and consideration of benefits programs.

### **2.3.5. Governance structure**

#### **WALGA Recommendation**

1. In consideration of the governance structures, WALGA:
  - a. Supports the proposed flexibility in governance structures to include both Local Government and community, however the final decision on structure should sit with the Local Government.
  - b. Does not support the use of Local Government led trusts as a governance mechanism.

Local Governments should be involved in the governance of all community benefit arrangements. WALGA agrees with the sentiment in the Guideline that the exact governance structure should be dependent on the hosting community, and there should be flexibility around the exact structure and the involvement from community. However, the final decision on governance structure should rest with the Local Government.

This is for several reasons, including:

- Local Government has the appropriate financial governance frameworks, reporting obligations, and long-term planning capabilities in place to manage public money appropriately.
- The delivery of community infrastructure projects is likely to occur on land under the control of Local Government. Local Government should control what obligation and risk they take on at the start of a project consideration, rather than making difficult decisions after significant project development has occurred by a third party.

If the Local Government does not want to have this control, then they can elect to negotiate to adopt a different governance structure with the proponent or community.

Local Government led trusts are not supported as a governance mechanism. Alternatively Local Governments should use reserve accounts, which are governed under the Local Government Act and subject to annual budgetary processes. Reserve accounts ensure integration into Council Business Plan frameworks, planning for long-term community projects and alignment with strategic community priorities. Any governance structure considered needs to be transparent, with appropriate public accountability. There should be minimal additional administrative cost or regulatory burden applied to whoever are managing the funds.

### **2.3.6. Commencement of benefit sharing arrangements**

#### **WALGA Recommendation**

1. There should be stronger guidance on when benefit sharing arrangements should commence.

While it is recognised projects will not begin generating income until they are operational, the impact these projects have on the communities housing them begins during the construction phase. A portion of the community benefits arrangements should therefore commence during the construction phase of the project.

### **2.3.7. Length of arrangements**

#### **WALGA Recommendation**

1. WALGA supports the proposed length of arrangement for community benefits.

Community benefit arrangements should extend through the life of the project, including to decommissioning.

Of particular concern to Local Governments is the impact that a change in project ownership could have to any community benefit arrangements. WALGA supports the statement within the Guideline, that community benefit arrangement should be tied to a specific project rather than a proponent and should be maintained regardless of any change to project ownership. However there needs to be a mechanism in place to ensure this takes place.

### **2.3.8. Reporting and review**

#### **WALGA Recommendation**

1. WALGA supports the ongoing reporting and review of community benefit arrangements.

Given the long lifespan of renewable energy projects, and how quickly the energy landscape is changing, there must be a process for the continual review of any community benefit arrangements. WALGA supports the key considerations stated within the Guideline as they allow for flexibility in the process depending on the agreed governance structure.

In finalising the Guideline, the State Government should also consider the need to monitor and review the effectiveness of the Guideline itself. This should be undertaken with minimal administrative burden on Local Government.

### **2.3.9. Nearby communities and neighbours**

#### **WALGA Recommendation**

1. WALGA supports the consideration of nearby communities and neighbours in the allocation of community benefits.
2. There needs to be clearer guidance on when developers should engage with neighbouring Local Governments.

Neighbouring Local Governments may bear the brunt of construction and operation more so than communities where the project is located. The Guideline should provide greater guidance about when developers need to engage with nearby Local Governments to ensure communication is ongoing between the communities affected the most.

### **2.3.10. The role of rates**

#### **WALGA Recommendation**

1. WALGA supports community benefits being viewed as separate to rates.

Large scale renewable energy developments will often utilise, and/or impact on, local services and infrastructure, such as roads. It is critical there is a mechanism for Local Governments to recoup these costs. Rates are an established mechanism to do this. Currently, most Local Governments do not receive any additional rate revenue from large

scale renewable energy projects - the rates being levied are on the current landowners based on the existing land use, not the improved value from the renewable energy development.

The rating of large scale renewable projects should be separate to community benefits, which are designed to build social license and ensure that communities share in the economic and social gains of the energy transition. WALGA supports the statement within the Guideline, which states community benefits should be viewed as separate to any cost recovery undertaken by Councils. Accordingly, statements in the Guideline such as the one below, should be removed to ensure clarity on this issue:

'Nevertheless, communities and Local Governments should consider the cumulative impact of any change in ratings approach along with any independently negotiated community benefits program. This will ensure commerciality is maintained, sovereign risk is reduced, and that additional revenue is split fairly between hosting councils seeking to recover their costs, and communities seeking benefits for hosting new renewable energy projects.'

### **2.3.11. Development benefits**

#### **WALGA Recommendation**

##### **1. WALGA supports additional development benefits being considered.**

Beyond financial arrangements, there are other ways that renewable energy developers can provide benefits to local communities, including the funding and/ or development of training programs and apprenticeships, job opportunities, investment in community programs and housing. In delivering large scale renewable energy projects, developers should consider how their project can be delivered in a way that can provide further positive outcomes to the community. These additional benefits should be independent of a set financial community benefit contribution rate.

### **2.4. Additional Comments**

While the Guideline addresses many of the aspects of community benefits and engagement, there are several outstanding issues which will impact its effectiveness.

#### Statewide strategy for the rollout of the energy transition

The Guideline is only one component of the broader regulatory and policy framework required to ensure an orderly and fair renewable energy transition. Project proponents are actively and increasingly pursuing opportunities in many rural, remote, and regional areas. There is currently no coordinated approach to integrating these investments into existing communities and industries, leaving individual Local Governments and their communities to 'reinvent the wheel' in their efforts to achieve the best outcomes for their communities. It is also creating confusion amongst Local Governments about their role in the transition and anxiety in communities about the potential impacts on their local area.

WALGA's [2025 State Election Priorities](#) calls for the development of a comprehensive, Statewide strategy as a priority to facilitate the development of large scale renewable energy projects across WA, to manage the impacts and maximise the benefits of renewable energy for the State's communities, economy and environment.

#### Cumulative impacts

The Guideline refers to the cumulative impact that multiple projects may have on a single community or region, however it doesn't provide guidance on how these impacts should be measured, and whose responsibility that should be.

WALGA considers that the State Government should lead and coordinate regional cumulative impact assessments for areas that are becoming a focus of development, in consultation with proponents and Local Governments.

WALGA notes that having a comprehensive understanding of the cumulative impacts of multiple large scale renewable projects in a region (ideally informed by the statewide strategy referred to above) is an important consideration beyond community benefits. Any assessment process should also include considerations around the cumulative impacts on the environment, agricultural production, waste, demand for housing, basic raw materials and other goods and services, local roads, and implications for emergency management and how these can be addressed.

#### Existing projects

The Guideline provides a framework for negotiating community benefits for new renewable energy projects, however there are many projects that are already underway in some form, that will not align to the guidance provided. As noted in the Joint Local Government Submission on behalf of Country Local Governments Renewables Alliance, there should be clear triggers for community benefit arrangements to be negotiated or improved for pre-existing projects, to align to the Guideline.

These triggers could include projects that are yet to be approved and projects that undergo significant changes post construction (ie repowering or upgrades to higher capacity). To provide certainty to industry, projects that have been approved but not yet constructed should not be subject to the Guideline.



## **Appendix 1 - WALGA Renewable Energy Advocacy Positions**

### **Energy Transition Engagement and Community Benefit Framework**

#### Position Statement

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 local community benefits from energy transition projects as a priority.

#### Background

Western Australia's energy industry is transforming to achieve the goal of net zero emissions by 2050. In WA 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 of the energy transition. 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.

### **Renewable Energy Facilities**

#### Position Statement

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. 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. 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. 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. possible negative impacts on or alienation of productive agricultural land;
  - ii. their proximity to lot boundaries with particular attention to potential negative, impact on town sites and sensitive land uses;
  - iii. potential negative impacts on airport operations;
  - iv. their appropriateness in the 'General Industry' zone and impacts and suitable location on heavy industry sites
  - v. 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.

### 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.

The Great Eastern Country Zone passed a similar resolution at their April Zone meeting.

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.

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 is inadequate to address these concerns, leading to inconsistent application and approvals of renewable energy facilities across the State.

## Priority Agriculture

### Position Statement

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.

### Background

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.

WALGA prepared a Research Paper: Protection of Productive Agricultural Land (Research Paper) which provided policy context, WALGA advocacy and analysis of State and Local Government approaches to land use protections. The Research Paper described the process of high quality agricultural land being identified by the Department of Primary Industries and Regional Development, which can then inform Local Governments who choose to adopt priority agricultural land provisions within their local planning frameworks.

This work identified a lack of consistency between the subregional planning strategies across the different regions of WA that has impeded the implementation of best practice planning controls into local planning frameworks, and thus produced inconsistent application across the State.

## **Appendix 2 - Additional considerations**

Some Local Governments provided additional comments or questions outside of the scope of the Guideline, that are valuable for PoweringWA to consider. These include:

- 1. The application of the Guideline to "off-grid" large scale commercial renewable energy projects**

Consideration should be given to how (and if) the Guideline should apply to large scale renewable energy projects being installed for industrial decarbonisation.

These projects are also likely to have similar impacts on the community from a visual amenity and use of public infrastructure perspective.

- 2. Investing in Local Government strategy and negotiation capability**

As noted in the Joint Local Government Submission on behalf of Country Local Governments Renewables Alliance, the Guideline should encourage long-term Local Government strategic thinking, formulation of legacy projects and outcomes, and consideration of how community benefits funds can be applied and maximised to enable communities to position themselves for the future.

WALGA's recently developed Community Benefits and Engagement Guide provides Local Governments with practical information and processes to consider their local strategy and priorities, engage with developers and the community, and develop community benefit schemes. PoweringWA should build on this initiative and the State's Guideline by funding a series of capability building workshops for Local Governments. These workshops could assist local leaders in engaging with developers, determining the opportunities and impacts of projects on the community, and the development and management of community benefit schemes. With much of the development occurring in small, under resourced rural Local Governments, this capability building approach would greatly assist in lifting skills, avoiding delays and improving community and industry outcomes.

- 3. Providing more detailed support to those Local Governments dealing with the North West Interconnected System (NWIS)**

The Guideline notes that 'The principles in this guideline are broad and can be applied across WA, particularly to projects located within the South West Interconnected System (SWIS) in Western Australia. It is important to note that projects in the North West Interconnected System (NWIS) may require tailored approaches due to different network characteristics and community contexts.'

Local Governments in the North West are grappling with the best way to support their communities when it comes to renewable projects and community benefits. Greater support for these Local Governments should be explored, whether it is an expansion of the current Guideline, or separate guidance specific to the NWIS.

- 4. The impact of community benefits on Financial Assistance Grants**

The receipt of community benefit funding should have no impact on the Financial Assistance Grants provided to a Local Government.