



Engagement

Summary of key insights
from consultation on
*Queensland REZ Design and
development considerations
(Powerlink's roles)*

November 2024





The Opportunity

Queensland has some of the strongest renewable energy resources in the world. The role of Powerlink in delivering Renewable Energy Zones is to lead to the best possible outcomes for developers, REZ communities and Queenslanders more broadly. Working together, we can enable Queensland as a best-practice State for the roll-out of renewable energy projects.

Disclaimer

Presenting different concepts and considering a range of approaches, as well as asking a variety of questions that consider different ways of thinking or approaching development and design helps us and you identify genuine insights of value.

It is important for Proponents to understand that the provision of all information by Powerlink in this engagement process is not a representation or guarantee of either the accuracy of this information, or that this information will, in whole or in part, be included in any way in the design and delivery of a REZ (including in any REZ management plan).

Proponents must not rely on anything provided by or communicated to them by Powerlink in this consultation process.

In providing your response and in our conversation today please do not provide to Powerlink any market sensitive or confidential information.



Part One

Introduction
and context

Part Two

Key
takeaways

Part Three

Insights by
topic

Part Four

Next steps
and staying
in touch

Part One

Introduction and context

1. Aims and principles of Powerlink's engagement
2. Overview of the invitation to respond
3. Snapshot of key Queensland REZ concepts



Thank you to those organisations and team members who provided their views in this engagement.

We recognise the time and expertise involved and are deeply appreciative.

Our Aims:

- Queensland, best practice state for the rollout of renewable energy projects
- We understand the needs of the market, and our communications and engagement reflect this

Our Engagement Principles

1. Engage early and often
2. Market-led approach
3. Clear and transparent
4. Learning & partnership approach

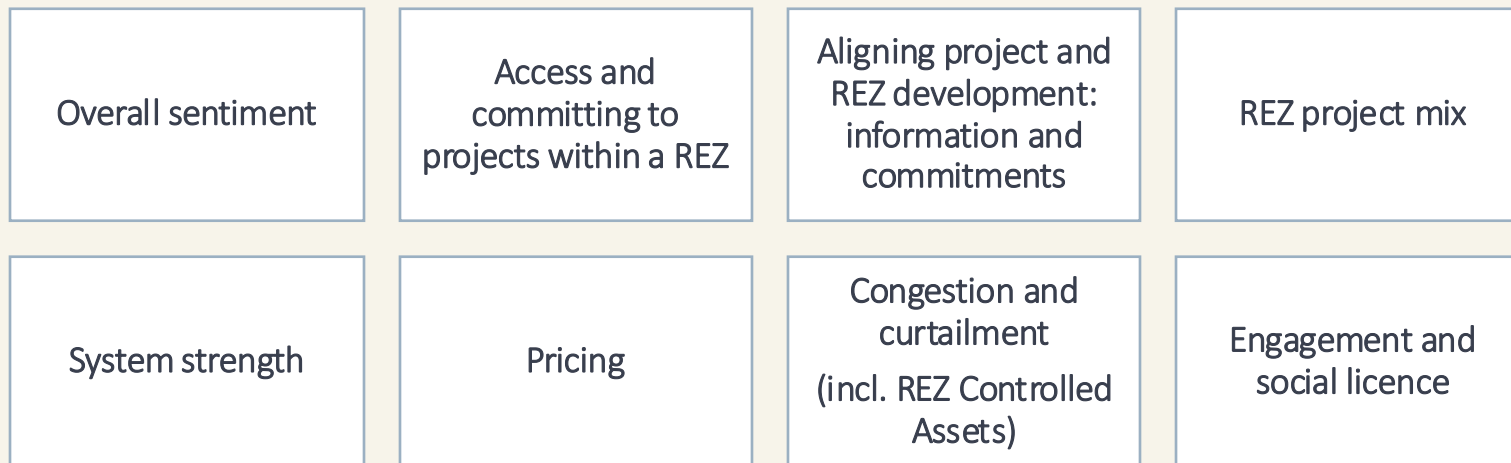
Overview of invitation to respond

Perspectives were sought on an 'invitation to respond' to help shape how Powerlink undertakes its responsibilities as both transmission network service provider (TNSP) and REZ Delivery Body (RDB). The invitation comprised a discussion paper, followed by questions clustered into eight insight areas.

A systematic analysis was undertaken to identify sentiment, strengths/opportunities and risks/weaknesses per response and insight area. Additional insights outside of the eight areas were also captured. This document walks through key feedback across the eight insight areas covered in the engagement.

31 of the 35 responses received are included in this playback. The four that are not included were either endorsements of another submission, did not address the consultation/were out of scope or were excluded on request of confidentiality. Many who responded provided rich and detailed perspectives.

The eight insight areas



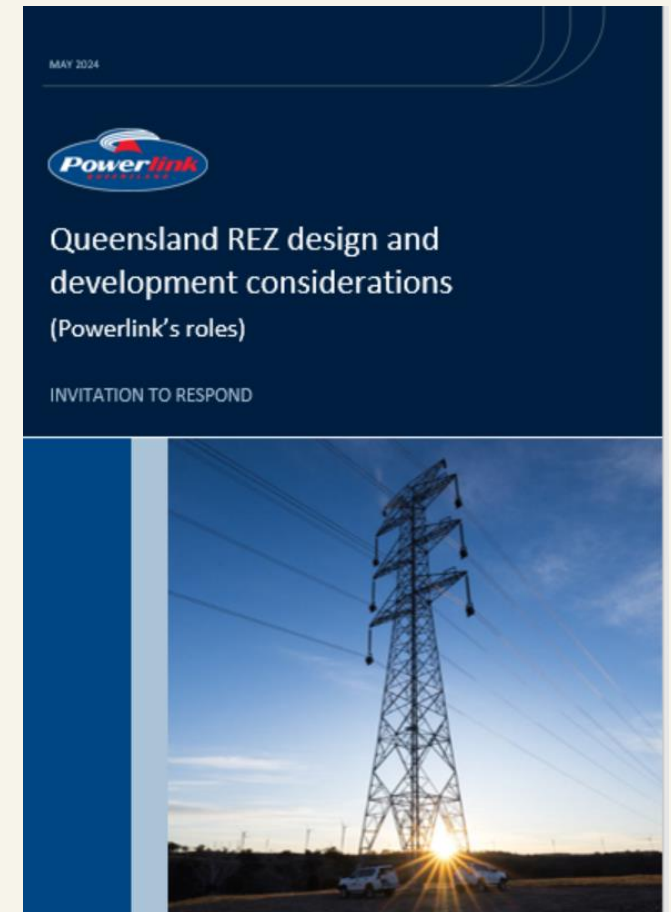
Key Queensland REZ concepts

Key concepts were included in the discussion paper to enable responses, these spanned:

- The Queensland REZ framework is fundamentally different from other jurisdictions.
- Targeted benefits of Queensland REZs to energy proponents
- Queensland REZ project and transmission characteristics
- Market-led approach
- REZ Roadmap > REZ Declaration process

Access the discussion paper for detail here:

<https://www.powerlink.com.au/renewable-energy-zone-information-developers>



Part Two

Key Takeaways



Key takeaways



Overall positive sentiment towards Queensland REZ approach



Support for market led REZ model



Conditional support for planned curtailment



Unanimous support for early community engagement



Conditional support for near-term wind bias



More information and clarity needed on key REZ aspects

Key Takeaways

1. All choices have pros and cons, some choices advantage certain project characteristics / attributes. Key is that the approach aligns with the objectives of that REZ (incl delivering efficient outcomes)
2. A range of sentiments, overall trending positively for the overall approach and characteristics of market-led. To balance the virtues of the market led concept, sufficient confidence and signalling is needed in transmission network investment/availability, in particular.
3. More information and clarification is needed on concepts, and the role of information and engagement through declarations and subsequent development is critically important. *Keep engaging and providing information.*



Part Three

Insights by Topic

Insight Area 1 Overall sentiment, project speed, REZ objectives

Insight Area 2 Access, readiness & maturity

Insight Area 3 Aligning project and REZ development: information and commitments

Insight Area 4 Project Mix

Insight Area 5 System Strength

Insight Area 6 Pricing

Insight Area 7 Congestion and curtailment

Insight Area 8 Engagement and social licence



Insight Area 1. Overall Sentiment



What we asked

- 1a. What are your overall views on the discussed approach to REZs for attracting investment?
- 1b. How does the approach best support fast project development timeframes?
- 1c. What are fit-for-purpose REZ objective/s?

1a. What are your overall views on the discussed approach to REZs for attracting investment?

The Queensland REZ approach has the potential to attract investment, but more information is needed around the specific advantages this could bring

Sentiment snapshot	
Supportive	7
Conditionally supportive	16
Unsupportive	4
Mixed sentiment	1

*“... many aspects of the proposed approach are favourable ... a market led REZ approach **could help reduce risks for both Powerlink and developers.**”*

1b. Approach to best support fast project development timeframes?

The majority of respondents saw opportunities in the approach that can support fast/er development

Key attributes offering potential gains:

- ✓ Supports faster timeframes for projects already progressing
- ✓ Opportunities for strategic alignment across key stakeholders
- ✓ Good siting and effective coordination reduce delays in connection
- ✓ Enabling innovation by harnessing the forces of the market and allowing different project development approaches
- ✓ Smaller sized REZs reduce complexity

*“... a ‘market led’ approach brings the potential for ... **innovative solutions.**”*

*“Coordinating between fewer proponents reduces complexity and facilitates **faster decision-making.**”*

1b. continued

Things respondents said could really change the game on timeframes

There is strong appetite to streamline development processes – particularly planning approvals and connection, noting responses highlight this also risks regulatory uncertainty via new processes

REZ decision timing and communication	Streamline processes and minimise number and burden of new processes	Transmission network delivery
<ul style="list-style-type: none">• Clear and certain REZ declaration and process timeframes will allow development to progress• Where connection works need to be progressed in advance of REZ declaration, these are dependent on sufficient engagement and information	<ul style="list-style-type: none">• Minimal deviations from NER and/or administratively light processes and regulatory requirements• Streamlining grid studies / GPS would add particularly high value.• BUT responses highlight this also risks regulatory uncertainty	<ul style="list-style-type: none">• How early Powerlink steps in• How the impact of delays to network augmentation will be managed within the REZ• Any interdependencies between proponents re. transmission network timing

Time ... to agree the RMP [and] associated access standards is a concern, as well as the time taken to achieve planning approvals and receive a grid connection offer for any project (inside or outside a REZ)

*“We are keen to understand how the Declared REZ framework can bring **sustained improvements.**”*

Illustrative quotes

*“A critical issue is **how the timing of REZ decisions and delivery is coordinated and communicated**. Developing a project requires coordinating many time-sensitive contracts, including land agreements and equipment suppliers.”*

-

*“... the connection works are more likely to fall under the project’s critical path, as substantial development work on the generating asset is expected to have been completed by the time a REZ is identified as suitable, and ... is declared. Most REZs are also expected to require a substantial transmission build out which could also impact project timelines. **As such, ongoing and effective engagement between the REZ Delivery Body (RDB) and the proponent is expected to be critical to the delivery and successful connection of the project(s).**”*

-

“If a threshold number or size of projects need to commit, that has the potential to delay projects that are ready.”

1c. What are fit-for-purpose REZ objective/s?

The objectives of REZ development should focus on positive outcomes for proponents, consumers and communities

Key themes for objectives for REZ development:

1. Coordinated and efficient delivery of transmission infrastructure
2. Streamlined processes and approvals
3. Strategic and optimised
 - location,
 - timing,
 - sizing and
 - coordination

considering factors such as network, resource, load, developer readiness, community readiness, government support

Target outcomes associated with these objectives

- Investment certainty
- Value for proponents: efficient return on investment, assistance in managing developer risks
- Positive consumer outcomes
- Positive community outcomes

Insight Area 2 – Access, readiness & maturity



What we asked

- 2a. What key considerations should we make to enhance the market-led approach?
- 2b. What are the pros and cons of progressing projects on a First-Ready First-Served basis?
- 2c. When is a project sufficiently mature to commit transmission access to?

2a. What key considerations should we make to enhance the market-led approach?

The market-led approach requires further detail particularly on how it would support *anticipatory* investment and add value beyond the current framework

Three consideration themes:

1. Sufficient anticipatory commitment and strategic investment

- Chicken and egg: Many proponents raised the possible tension between Powerlink depending on mature project/s and project maturity depending on transmission network infrastructure
- Development stages: Some highlighted whether the different needs of projects at different development stages require consideration, e.g. early-stage projects have different support needs compared to those of mature stage projects

2. Early market signalling and sufficient information provision

- Ensure transparency and early signalling and information communication

3. Additional perspectives centred on the foundation proponent (unpacked ahead)

Illustrative quotes

*We appreciate the market-led ... approach ... **we recognise that this approach presents a complex balancing act** in terms of market signalling and understanding the regulatory process ... an optimal approach would lie somewhere in between, where Powerlink's **market-led strategy is enhanced by clear signalling and strategic investment** to ensure the grid is developed optimally.*

-

*... development focused organisations generally perceive grid connection to be one of the two biggest risks (the other key risk being planning) on an early to mid-stage renewable energy development project. **Without a certain level of confidence in the grid connection most mature development organisations will struggle to get internal approval to spend time and cost on developing in the area.***

-

*The declaration of a Queensland REZ after a project is already in late-stage development. The proposed approach seemed to allow a REZ to be declared once a project was significantly progressed, at which point the project needs to transition to the REZ framework. **If a REZ will be declared, it is better to know that earlier so it can be factored into the approach to progressing the project.***

2a. The role of the Foundation Proponent was a key area proponents commented on

Key themes raised:

1. Risk allocation

- Fair sharing of cost / risk
- Use of Conditional DNA access rights was raised as providing Foundation Proponents with adequate certainty

2. Clear, visible overall value proposition

- More information needed to understand the opportunity
- Could market assist shaping the foundation proponent model? e.g. through an EOI

3. Ensure focus on best REZ outcomes

- Ensure foundation proponent needs don't distort most efficient REZ outcomes from being achieved

*“If foundation generators are to take on the bulk of the project origination risk and bring projects to a relatively mature commercial state before the REZ declaration process commences ... imperative on Powerlink to ensure **there is a reasonable sharing of risks beyond that point ... a clear value proposition for moving first.**”*

*“... develop a clear description of value for foundation generators in each REZ, **as early in the REZ development process as is possible**”*

2b. What are the pros and cons of progressing projects on a First-Ready First-Served (FRFS) basis?

There are pros and cons across all access arrangement approaches; first-ready first-served could support timely development but must be further refined.

Sentiment snapshot	
Supportive	5
Conditionally supportive	8
Prefer alternative access model	6
Mixed sentiment	1

Overall considerations

- There are pros and cons of every access model
- Should be objective-driven: different access models can suit different objectives
- There are pros and cons of favouring early movers over latecomers, as FRFS does
- Does FRFS sufficiently allow Powerlink to manage its risk?
- Which project attributes are dis/advantaged by FRFS?

“Each approach has its trade-offs in terms of speed, fairness, and incentive alignment, which should be carefully weighed based on the context and goals of the renewable energy zone.”

2b. First Ready First Served – key opportunities and concerns

Key pros

- Reduces potential delays of projects which are largely progressed which could be delayed under other approaches
- Reduces reliance of projects on others
- Reduces risk of unready projects securing access and blocking further developments
- Rewards the most effective and fastest proponents
- Enables different types of development approaches to project development

Key cons / questions

- Does the FRFS approach forego enabling later proponents from participating via a clear multi-party access framework?
- May not suit larger more complex projects some technologies e.g. offshore wind, PHES
- Does it accommodate project staging?
- May result in successful projects that are not the 'best' for end consumers
- Risks uncertainty around sunk early development investment - which may result in lower investment
- May result in proponents rushing
- Some held a preference for other access models- auction or open access

Illustrative quotes

“We endorse Queensland's approach of granting access based on preparedness criteria, emphasising the importance of clear and fair requirements such as secured permits, suppliers, and financing.”

“... it is crucial that the pace of transmission infrastructure development not be contingent on the pace of development or commitment of all projects within a REZ. More advanced and committed projects must not be delayed by projects less advanced or yet to be committed.”

“If a threshold number or size of projects need to commit, that has the potential to delay projects that are ready.”

“Projects developed with staging in mind also requires specific consideration. For multi-staged projects, fixed costs (or indeed upfront overbuild to provide future efficiencies) would typically be assumed to be distributed across multiple stages, and investment decisions may only be made if there is confidence in the ability of future stages to reach a similar investment decision and be allowed to connect.”

*“It is not clear if the First-Ready First-Served basis gives consideration to projects to be constructed in **stages**. For instance, a 1GW project may be developed, which supports the development of the REZ, but it may be decided to build may be delivered across two 500MW stages (for example to dilute risk and/or respond to offtake demand). Under this scenario, it is not clear what the committed project sizing is assumed to be.”*

2c. When is a project sufficiently mature to commit transmission access to?

Committing access to projects based on ‘readiness criteria’ provides clarity for proponents but may reasonably impact certain developers’ project development approaches.

A range of criteria were proposed

- Most responses outlined technical capability via connection milestones as appropriate ‘readiness criteria’
- While financial capability of proponents is an important consideration, only two proponents indicated this should be an explicit milestone for readiness

Snapshot of proposed criteria

Planning & approvals	Connection – most responses here	Financing
<ul style="list-style-type: none">• Development approval• Land securement• Granted feasibility licence (offshore wind)	<ul style="list-style-type: none">• Detailed Connection Enquiry response• Completed grid modelling• 5.34A/B- meeting criteria of/ receipt of.	<ul style="list-style-type: none">• Financing commitment• Immediately prior to Financial Investment Decision



Insight Area 3 – Aligning project and REZ development: information and commitments

Objective

To understand energy proponents' information requirements to enable positive alignment between project development pathways and REZ development activities and steps.

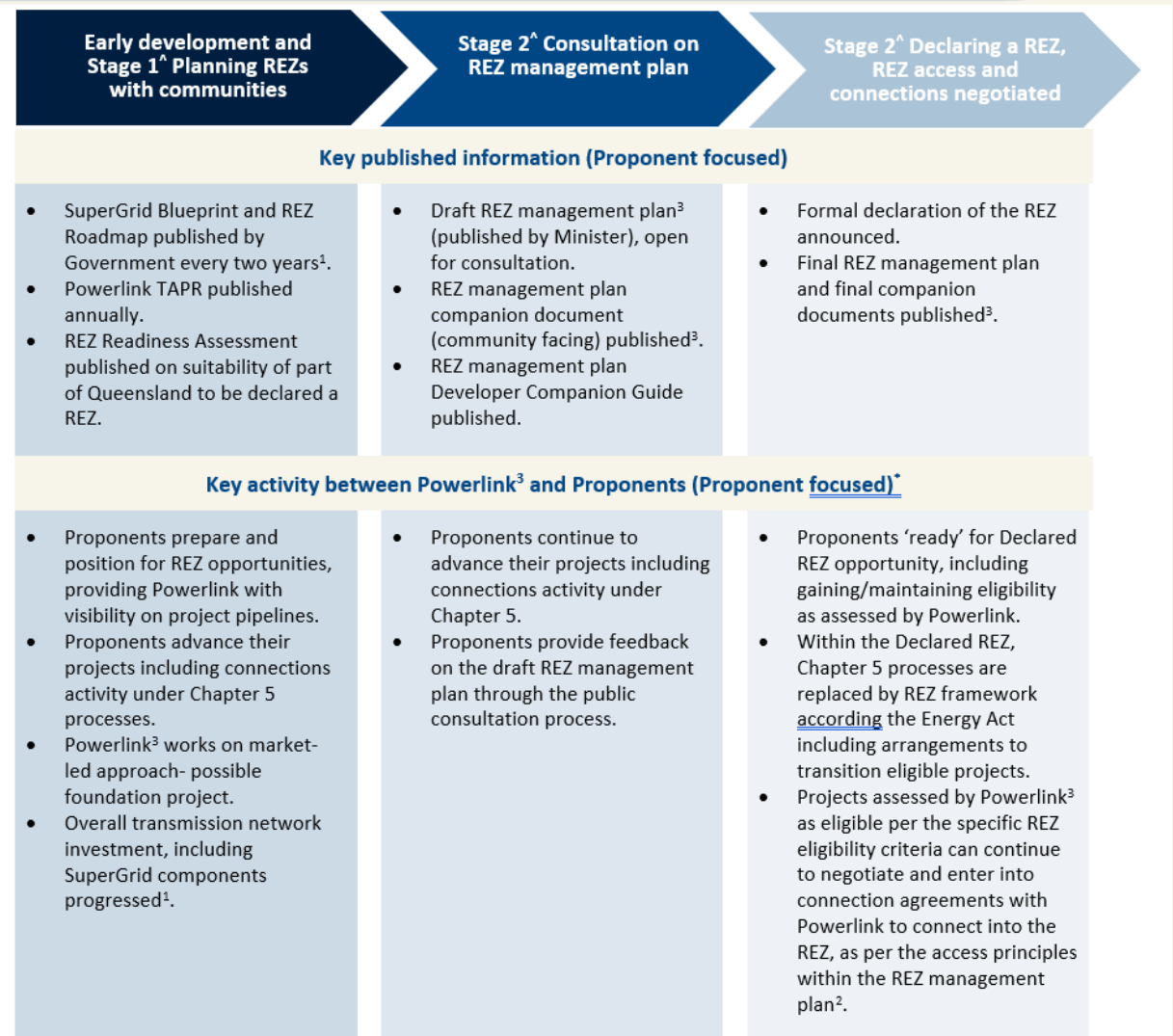
What we asked

3a. Reflect on the list of publishable documents and interactions between Powerlink and proponents outlined in the Discussion section, is this sufficient to ensure investment confidence?

Insight Area 3. Aligning project and REZ development: information and commitments

For reference, the discussion paper laid out key communication information at three stages leading up to declaration of a REZ.

This is re-provided here for reference:



Is this list of documents and interactions sufficient to ensure investment confidence?

Sharing information early – either via standardised documentation or engagement – would provide clarity and investment certainty to proponents.

Sentiment snapshot	
Sufficient	4
Additional detail needed	14
Does not provide confidence	0

Key content themes

- Majority of respondents outlined additional information and detail required in documentation and/or engagement e.g.:
 - Access scheme principles and capacity parameters
 - Network planning
 - Tech specs (point of connection, infrastructure specs)
 - Network cost allocations and connection costs
- Priority on any information on grid/connection modelling that can be provided early

Is this list of documents and interactions sufficient to ensure investment confidence?

Timing considerations

- Timeliness of information and decision making critical
- Information provided - *ideally before the connection package work was undertaken* - would help create upfront certainty. Particularly on REZ declaration timing, location, tech specs

Suggested channels and roles

- Early, regular information esp. on connection process and requirements
 - suggestion- potentially via a real-time dashboard
- Recognition REZ Management Plan is critical channel, but interim details prior to are beneficial
- RDB seen as playing a key role in communication to proponents and communities
- Suggestion to publish network planning more frequently than TAPR and further forward than the ISP
- Other channels could include technical workshops, financial guides, stakeholder engagement summaries

Insight Area 4 – Project Mix



Objectives To explore the potential benefits and challenges of setting limits on the project technology mix, and the concept of a near term wind-bias for Queensland Renewable Energy Zone development.

What we asked

4a. Considering the project configuration/mix set for a given Queensland REZ, what should be considered in and influence the mix of generation and how it is specified?

4b. Do you agree or disagree that there is merit in a wind bias in near-term Queensland REZ developments?

4a. REZ project mix - overall considerations

Sentiment snapshot	
Supportive	0
Conditionally supportive	11
Unsupportive	9

"A fixed project mix offers predictability and targeted investment but may lack flexibility and could misalign with developers' strategic priorities"

"Powerlink should consider the close interactions between wind/solar ratios, different forms of energy storage and exposure to different forms of reliability at risk periods."

Key themes

- Majority conditionally supportive – promoting this should be market-led or determined by the renewable resource availability
- Avoid specifying rigid generation mixes to promote innovation and respond to market dynamics
- There was some acknowledgment that setting a target mix might be necessary to achieve curtailment management.
- Consider the diverse climate and resource conditions across REZs
- Promote a diverse energy portfolio and storage solutions
- Avoid clustering similar technology types to minimise operational conflicts and curtailments

4a. REZ project mix – key opportunities & concerns

Key benefits/ opportunities

- Focusing on fewer, larger projects simplifies financial planning and speeds up the process.
- Fixed project mix enhances predictability, aiding in planning and maintaining energy supply.
- Targeted investment aligns with policy goals by funding the necessary energy types.
- Optimising the grid reduces congestion and instability risks.
- Streamlined planning boosts infrastructure development efficiency.
- Diversification lowers reliance on a single technology.

Key risks/ weaknesses

- Project timelines vary. Wind projects generally take longer. So, flexibility is needed to avoid disadvantages.
- Fixed mixes may not align with resources or market dynamics leading to inefficiencies and missed opportunities for emerging technologies.
- Including energy storage essential for optimal use of infrastructure ...
- ... but high penetration of energy storage may harm wind project economics. (Due to competition for peak prices.)

4b. Merit in a near term wind bias

Sentiment snapshot

Supportive	4
Conditionally supportive	8
Unsupportive	4


“It is considered to be suitable to prioritise wind projects for new REZ infrastructure plans, as solar is less restricted in where it can be developed and built in Queensland.”

“There is no merit in a wind bias. A balanced mix of wind, solar, and battery projects in Queensland REZs can optimise energy generation, minimise environmental impact, and enhance grid reliability.”

Key themes

- Most conditionally supported wind bias- in the near-term, driven by market fundamentals and technology complementarity
- Queensland will require an additional 10GW+ of wind, highlights the need to support wind development
- Four proponents didn't support this due to the potential to delay of development, given longer development timeframes.
 - They preferred a technology agnostic approach

Insight Area 5 – System Strength



Objective

To explore preferences in relation to securing system strength.

What we asked

5a. What is your preferred option to mitigate the impacts of system strength? (BYO, SSUP, Integrated Common Use, Unsure/Depends)

5a. What is your preferred option?

There were a range of preferences for system strength solutions – typically driven by cost effectiveness and flexibility

System strength preferences

Self-mitigation (BYO)	Preference for centralised (SSUP/ CUI)	No preference/ flexible
7	7	10

Key opportunities/ strengths

- Integrated Common Use and centralised solutions were described as more cost effective, less complex approaches – potentially resulting in better reliability and stability
- A ‘system strength market’ was suggested as an opportunity for the implementation of integrated common use infrastructure.

Key risks/ weaknesses

- Complexity of system strength
- Significant market consideration and implementation of frameworks already complete

Insight Area 6 – Pricing



What we asked

6a. What does good look like in terms of REZ access fees?

Consider:

- REZ access pricing structure?
- Annual charges?
- Should different prices apply for different technologies?

6a. Pricing – what does good look like?

Sentiment snapshot	
Supportive	-
Conditionally supportive	19
Unsupportive	2
Mixed	1

*“should be **transparent** and **made available as soon as reasonably practicable**”*

*“**Foundational generators should not be required to completely fund REZ assets at the outset.**”*

*“**A good structure for annual charges should be based on the amount of energy generated or capacity installed...**”*

Key themes

- Conditional support for access pricing
- Need clarity around the structure and setting of fees
- Need clarity around what is included (e.g. system strength, cost of network, cost of connection).
- If cost structure is not transparent and competitive, this risks distorting or disincentivising investment
- Highlighted preference for annual annuity structure based on capacity / generation to match the duration of the project life
- Two unsupportive, noting lack of access charges in the national framework and potential for market distortion

Insight Area 7 – Congestion and curtailment



What we asked

7a. How would you evaluate your congestion and curtailment in a REZ context?

7b. Will the inclusion of a planned (but not guaranteed) REZ curtailment level encourage or discourage project investment confidence and decisions?

7c. As a REZ-project, how would you additionally evaluate the risk of curtailment and Marginal Loss Factors outside of the REZ?

7d. In what circumstances do you think REZ controlled assets would be appropriate

7a. Regulation of congestion and curtailment in a REZ context?

Sentiment snapshot	
Supportive	7
Conditionally supportive	10
Unsupportive	1

“A mechanism or method should be established, and information be made available to the market on the various limits of operation including seasonal operation for the developers/proponents to quantify the risk of curtailment and make better investment decision.”

Key themes

- Conditional support for evaluating/ managing curtailment in REZs – given this is a major risk for investors.
- General support that a low level of curtailment was efficient
- The role of loads (incl. BESS) was emphasised as important in managing congestion in REZs
- Further detail needed on how this may be implemented
- Impacts on outside-of a REZ generators given the significant locational signal this could create

7b. A planned (but not guaranteed) REZ curtailment level?

Sentiment snapshot	
Supportive	7
Conditionally supportive	10
Unsupportive	1

“We do agree that a low to moderate level of curtailment can be efficient from a market perspective. However, it is important that proponents are provided with certainty on the level of curtailment.”

Key themes

- Most conditionally supported a planned curtailment level – given the investment certainty this would create
- However, many highlighted a residual risk related to the actual vs target curtailment level..
- One proponent did not support planned curtailment, preferring open access.
- One response encouraged the curtailment level to be developed in conjunction with the foundation proponents.
- Concerns raised the (mis)interpretation and market perception of this target may lead to unrealistic expectations for developers

7c. Curtailment and MLF outside the REZ?

Key themes

- Evaluation of curtailment and MLF largely driven by outside-of-REZ factors
- Clarity needed on how this would be accounted for through the target curtailment level (if implemented)
- Outside-of-REZ congestion and MLF risk can ultimately only be addressed through network development
- One responses highlighted that MLF risk cannot be hedged
- This is driven by policy development (e.g. supporting broader renewable energy project development) and coal retirement – which both present uncertainty

“Any REZ target curtailment levels need to consider downstream constraints elsewhere in the network.”

“Ongoing investment in network infrastructure to accommodate growth should be a key feature of a Qld REZ. Undertaking of a congestion and MLF studies would allow projects to evaluate the risks further... it is important to ensure the assumptions that are taken into account are valid with new transmission infrastructure.”

7d. In what circumstances are REZ controlled assets appropriate?

Sentiment snapshot	
Supportive	1
Conditionally supportive	9
Unsupportive	3

“Where Powerlink proposes to introduce controlled access within or around the REZ, it is crucial to proceed with market transparency to ensure procedural fairness to other prospective projects that may be impacted.”

“Projects not within the REZ should be still allowed to connect to the backbone network and where those projects cause network congestion options to upgrade the network to reduce the constraint could be identified if justified.”

Overall sentiment

- Most responses outlined a pragmatic need for controlled assets to be used in limited circumstances to
- However, this should not completely restrict outside-of-REZ investment
- Proponents seeking clarity and transparency
- There was also some uncertainty around the definition of controlled assets – this must be clarified
- Some responses described broader potential benefits of controlled assets which could extend to coordinating physical infrastructure to support development, or centrally controlled assets to provide system services within REZs

Insight Area 8 – Engagement and Social Licence



Objective

To learn what constitutes best practice in your view, and ways this is visible and could be evidenced.

What we asked

8a. How do you demonstrate best practice approaches to community engagement and investment to support social licence across both the generation and transmission aspects of your projects?

8a. How do respondents demonstrate best practice approaches to community engagement and investment to support social licence?

There is a clear need to uphold a minimum standard of tailored community engagement. This can be achieved through eligibility criteria for projects.

Sentiment snapshot	
Supportive	15
Conditionally supportive	6
Unsupportive	1

Overall considerations

- Proponents unanimously outlined the need for early community engagement for social licence
- All but one response indicated a role for Powerlink, either as coordinating and/or ensuring minimum standards are upheld
- The unsupportive response highlighted community engagement should be developer-led, with minimum standards upheld, rather than prescriptive coordination
- Views covered Powerlink's role, criteria, risks of lack of coordination, community benefits, local content, benefit funds

8a. How do respondents demonstrate best practice approaches to community engagement and investment to support social licence?

Eligibility criteria

- A key theme was the opportunity to set expectations through eligibility criteria
- Criteria being objective, attainable, avoiding over-prescription to maintain flexibility, while being sensitive to investor confidence and project delivery timing.
- Example criteria dimensions proposed:
 - early engagement, qualified teams, comprehensive plans, community benefit funds, and consideration of local supply chains.
- A key opportunity for consistency is alignment to uniform / national standards (e.g. Energy Charter or QLD Renewable energy code) and planning approval process

*"We would like to see REZ **eligibility criteria to drive better community engagement practice across the industry, provided those criteria are objective, attainable and meaningful.**"*

*"We recommend that **any need for specific or unique social performance eligibility criteria for assessing REZ Projects are balanced against how these may impact investor confidence or project delivery timing.**"*

Key theme: pricing in community contributions

Pricing and community benefit funding, key themes:

- Merit in a shared contribution model and a cumulative impacts / legacy benefit approach
- Should be separate to other pricing, for transparency
- Consideration should be made for developer's own community benefit activities and priorities
- Codesigning allocation of funds with community and relevant stakeholders e.g. First Nations beneficial. (Role for Powerlink)
- Views on who the beneficiaries should be e.g. directly impacted or wider

*“financial contributions to ... community impacts may be appropriate, they **should be managed separately rather than rolled into access fees**, to ensure transparency and to allow projects to direct funds in ways that support their own perspectives ...”*

*“The **community and employment portion of the fees must be allocated transparently and effectively. ... directly benefit the communities ... (i.e. not the regional centres but the local host communities).**”*

*“The **REZ Delivery Body has a role to play in allocating these funds to strategic legacy projects ... Ideally ... co-designed with local communities and ... First Nations people.**”*

Community engagement - Illustrative quotes

"It is important to clarify Powerlink's expectation ... regarding community engagement and social licence commitments. Further, we would encourage these expectations to be aligned with planning approval process."

"While the rationale for local procurement is clear... well-meaning policies can create difficulties... Our recommendation is that local contracting should be effort rather than outcome based."

*"Given limited resourcing and capacity, [we] recommends Powerlink engage Traditional Owners and renewable energy representatives... **to negotiate REZ-wide Cultural Heritage Management Agreements as part of REZ Readiness Assessments.**"*

*"In NSW there is a growing expectation from local governments that developers will agree to Voluntary Planning Agreements equating to a payment of 1.5% of the project's Capital Investment Value... **impacting project viability.**"*

*"Community management and biodiversity assessment and offsets should be considered as a **'whole of REZ' approach**... A coordinated approach to biodiversity offsetting... should be considered."*

Part Four

Next Steps

Next steps and staying in contact



Next steps

We are incorporating feedback and perspectives into our REZ design and approach and planning the next engagements. This will include highlighting how we have incorporated perspectives.

Please make sure you are signed up to receive information and updates on Queensland REZs

Sign up here: [REZ Updates](#)



Sign up to receive
market updates and
notifications on REZs.

Contact information

Wendy Miller

Customer Strategist, Powerlink

wendy.miller@powerlink.com.au