



18 August 2025

Department of Energy, Mines, Industry, Regulation and Safety

Government of Western Australia

poweringwa@deed.wa.gov.au

Proposed Community Benefits Guideline for renewable energy projects

Dear Madam/Sir,

The Australian Industry Greenhouse Network (AIGN) welcomes the opportunity to contribute to the Western Australian (WA) Government's consultation on the proposed community benefit guideline for renewable energy projects.

AIGN's members include some of the state's largest energy users, resource producers and industrial employers. These organisations are directly engaged in the energy transition and are committed to achieving net-zero emissions in line with national targets.

AIGN supports a well-considered approach to community benefit sharing that facilitates regional development, strengthens social licence, and ensures infrastructure critical to decarbonisation can be delivered in a timely and efficient manner. We note that all transition-aligned projects (not only renewable energy projects) must be supported to successfully transition to net-zero.

A coordinated, nationally consistent framework is essential

We encourage the WA Government to prioritise alignment with nationally consistent principles and coordinate closely with other jurisdictions through existing mechanisms such as the Energy and Climate Change Ministerial Council (ECMC). Close alignment between jurisdictions on the approach to community benefits will support investor confidence and help to ensure project costs are reasonable, particularly for proponents operating across multiple jurisdictions.

The Australian Energy Infrastructure Commissioner has noted the need for cross-jurisdictional coordination and appropriate oversight for nationally significant transition projects.

A consistent framework across jurisdictions, developed with industry and community stakeholders, can reduce duplication, promote transparency, and support enduring community partnerships.

Community benefit guidelines should support a flexible and facilitative approach

It is important to ensure regional communities benefit from hosting renewable energy infrastructure. It is equally important to ensure suitable transition-aligned projects are facilitated.

To balance both priorities, AIGN recommends governments develop a set of guiding principles to ensure the flow-through of community benefits while avoiding narrower and more rigid rules that may deter investment. These should include:

- *Transparency*
Benefit-sharing arrangements should be publicly reported and aligned with community expectations, without duplicating other regulatory obligations. Guidance could usefully include clear information on matters including key process milestones for proponents, expected timing of negotiations, and dispute resolution processes.
- *Flexibility*
Proponents should be able to tailor benefits to local needs (e.g. direct payments, community investment funds, employment programs, infrastructure improvements, etc) in direct negotiations with impacted communities, and the ability to tailor arrangements to maximise their positive impact.
- *Proportionality*
Requirements should reflect the scale, location and impact of the project (so that smaller developments or early-stage investments are not subject to excessive conditions).

Social licence requires early and genuine engagement

Experience shows that social licence is best earned through early, regionally sensitive engagement in addition to financial compensation. Trust with the community is built when engagement starts before project design is finalised, continuing throughout delivery and operation. State governments can, and should, lead in building social



licence by employing their superior knowledge of and connection with their regions to engage transparently with targeted communities.

AIGN encourages the WA Government to build on existing guidance to provide practical, outcome-focused guidance on engagement practices, including with Traditional Owners and regional stakeholders. The AEMC's social licence principles and the Energy Infrastructure Commissioner's community engagement review are two such examples.

Conclusion

A nationally consistent benefit-sharing framework, supported by transparent reporting and streamlined regulatory pathways, will help to unlock the scale of investment required to realise Australia's net-zero transition. The WA Government can play a key role by embedding these principles in its framework and coordinating with other jurisdictions.

We welcome the opportunity to discuss these views further and contribute to the development of a practical, fair and nationally aligned framework for community benefits.

Kind regards

Susie Smith

Chief Executive