

Renewable Energy: Community Benefit System Policy

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| Related Legislation | <i>Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025</i> |
| Related Documents | <i>Corporate Plan</i> <i>10 Year Capital Program</i> <i>Council Strategies</i> <i>Communities Partnering Framework</i> |

| Policy Version | Approval Date | Adopted/Approved |
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| 1 | 21/08/2025 | Ordinary Meeting of Council |
| 2 | 27/08/2025 | General Manager Community & Liveability |
| 3 | 10/02/2026 | General Manager Community & Liveability |
| 4 | 16/04/2026 | Ordinary Meeting of Council |

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Renewable Energy: Community Benefit System Policy

1. PURPOSE

The purpose of this policy is to define and establish a consistent framework for the implementation of a Community Benefit System, including negotiating, amending, and executing Community Benefit Agreements (CBAs) as informed by Social Impact Assessments (SIAs), associated with renewable energy developments in the Western Downs region.

This policy ensures CBAs deliver meaningful and legacy outcomes for the community in alignment with the Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025, The Planning (Battery Storage Facilities) and Other Legislation Amendment Regulation 2025 and Council's long-term strategic objectives.

2. SCOPE

This policy applies to all renewable energy projects located within the Western Downs Regional Council local government area that are subject to the community benefit system under Queensland's statutory planning framework. It empowers the Chief Executive Officer (CEO) to negotiate, amend, and execute CBAs in accordance with the principles outlined in this policy.

The policy applies to the Chief Executive Officer, General Managers, Senior Leadership Team, Council's legal advisors, and other relevant officers engaged in renewable energy project negotiations. It must be read in conjunction with relevant legislation, Council's Corporate and Operational Plans, and associated governance frameworks.

3. POLICY

3.1 Introduction

Renewable energy developments present an opportunity for long-term economic and social benefit across the Western Downs region. Community Benefit Agreements (CBAs) are a key statutory mechanism by which the impacts of such developments can be offset, and tangible, place-based benefits can be delivered to local communities.

Council is committed to securing CBAs that:

- (a) are informed through strong Social Impact Assessments (SIAs) and other previously identified local needs in host communities, as articulated through community plans and a demonstrable consultation process
- (b) reflect community expectations and aspirations;
- (c) integrate with, and value-add to existing local initiatives and organisations
- (d) are proportionate and fair in scale and purpose;
- (e) embed transparency and accountability into all benefit streams; and
- (f) align with Council's strategic direction and long-term planning frameworks.

3.2 CEO Authority

The Chief Executive Officer is authorised by Council to negotiate, amend, and execute CBAs on behalf of Council, provided the agreement is in accordance with this policy and any relevant legislative requirements.

Where necessary, the CEO may delegate specific responsibilities to relevant General Managers or officers, provided such delegation is formally recorded and aligned with Council's internal delegation's framework.

3.3 Guiding Principles

CBAs must be negotiated and administered in accordance with the following embedded principles:

- (a) **Strategic Alignment:** CBAs must support the achievement of Council's Corporate Plan, Operational Plan, and key infrastructure and community strategies.



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- (b) **Community Responsiveness:** Community views must be captured through meaningful engagement as part of the Social Impact Assessments (SIAs) and used to define plans to mitigate adverse impacts and elevate social and environmental outcomes.
- (c) **Transparent Governance:** Agreements must include clear accountability measures, including defined benefit streams, key principles for operational delivery and monitoring processes.
- (d) **Fairness and Equity:** Funding allocation must consider geographic equity across impacted communities.
- (e) **Integrity of Purpose:** CBAs must not be used as a substitute for statutory conditions or infrastructure charges or utilised to offset state government responsibilities. They are a goodwill-based supplement to regulatory compliance.

3.4 Funding Framework

Each CBA will include three primary funding streams:

1. **Council Legacy Infrastructure:** Funding allocated to critical infrastructure in Council's 10-year capital program and other Council infrastructure strategies, delivering long-term, region-wide benefit in response to the broader impacts of the development. Funds in this stream will be held by Council.
2. **Community Legacy Infrastructure / Initiatives:** Funding allocated towards legacy initiatives as identified in community strategic plans that are outside of the realm of local government. Funds will be held by proponent.
3. **Community Sponsorships:** Funding dedicated to the community sponsorships and funding, providing support for grassroots initiatives delivered by local community groups, sporting clubs, schools, and not-for-profit organisations. Funds will be held by proponent.

60 to 90 percent of the monetary contribution under the CBA should be allocated towards stream 1 and/or stream 2, with 10 to 40 percent being allocated towards stream 3.

The allocation of funds within each Stream shall be determined by the project proponent and is subject to approval by the Chief Executive Officer. This determination must be informed by project-specific factors, including, without limitation, project location, scale, and the nature and extent of impacts identified through the Social Impact Assessment process.

3.5 Definition Legacy Project

A Legacy Project is a physical, social, or economic investment delivered in partnership with a major development that provides enduring value to the Western Downs community. It must demonstrably extend beyond the operational life and immediate footprint of the development, creating long-term benefits that are intergenerational in impact, regionally significant in scale, and aligned with Council's strategic priorities.

To be considered a Legacy Project, an initiative must meet the following criteria:

1. **Enduring Impact:** The project must provide ongoing benefit to the community well beyond the life of the associated development, with a minimum lifespan of 20 years.
2. **Strategic Alignment:** The project must align with one or more of Council's endorsed strategic plans, such as the Corporate Plan or any other Council approved Strategy.
3. **Community Value:** The project must address a demonstrated need or opportunity that materially enhances liveability, connectivity, environmental outcomes, economic participation, or cultural identity.



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4. **Regional Relevance:** The project must deliver benefit at a district or regional scale, not solely to the immediate development area.
5. **Co-Investment or Leverage:** Preference will be given to projects that leverage additional public or private funding, increase capability or capacity, or reduce future costs to ratepayers.

3.6 Monetary Contribution

A minimum base contribution shall apply, calculated using a transparent and fixed-rate formula endorsed by Council. This formula will be informed by industry standards and is to be based on the type of energy project and its total capacity (applied per approved stages) as included in the Development Approval expressed in megawatts (MW) and megawatts hours (MWh). The following rates apply to all Community Benefit Agreements executed within the 2025/26 Financial Year. Rates are to be adjusted annually throughout the life of the agreement by the Consumer Price Index (CPI).

| Project Type | \$ per Mega Watt (MW) |
|--------------------------------------|-----------------------|
| Solar | \$850 |
| Wind | \$1050 |
| Battery Energy Storage System (BESS) | \$150 (MWh) |
| Energy Storage Developments (Hydro) | \$850 |

For all agreements executed beyond the 2025/26 Financial Year, these rates are to be adjusted annually by the Consumer Price Index (CPI), ensuring the base contribution remains equitable and commensurate with changing economic conditions.

Council administrative costs in relation to the establishment of the SIA and CBA will be listed in Council's Fees & Charges Register (low, medium and high tier) to be recovered prior to the execution of the CBA by the proponent in line with legislative requirements.

In addition, Council will request an additional 1% on top of the monetary contribution of the CBA to recover ongoing costs for monitoring and reporting.

3.7 Exclusions

CBAs must not be used to:

- (a) offset statutory infrastructure charges, development conditions, or state government responsibilities;
- (b) confer unfair or preferential benefit to individual parties;
- (c) replace obligations under the Environmental Impact Statement or Social Impact Assessment processes.

3.8 Monitoring, Reporting and Review

Community Benefit Agreements are required to be made public, with copies being made available on Council website.

Council will report on the expenditure of any funds received as part of its annual financial statements and will prepare annual reports for proponents. In spending the funds received through the CBA, Council will demonstrate a nexus between the expenditure and the purpose for which it was received.

Council will require proponents to complete annual reporting on the expenditure of the monetary contribution of stream 2 and stream 3, and complete annually the self-evaluation form of the Communities Partnering Framework to address other 'non-monetary' principles.



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A formal review of each CBA is to occur no less than once every three years to ensure it remains contemporary and relevant to changing community needs. Outcomes of these reviews will be reported to Council through briefing or formal resolution as appropriate.

3.9 Roles and Responsibilities

- (a) The Chief Executive Officer is responsible for the execution and oversight of all CBAs;
- (b) Relevant General Managers and officers are responsible for supporting negotiation, monitoring performance, and ensuring compliance with this policy;
- (c) Council's Economic Development team will support consultation processes to ensure community priorities are adequately captured; and
- (d) Council retains the right to provide strategic direction on CBA priorities and may request briefings at any time.

