

Offshore renewable energy infrastructure area proposal: Pacific Ocean off the Hunter

Submission by the Hunter Jobs Alliance



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Department of Climate Change, Energy, Environment & Water

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Background

The Hunter Jobs Alliance (HJA) is a not-for-profit alliance of community members, environment groups and unions. Firmly grounded in the local, we work with governments and industry to deliver a sustainable, safe, and prosperous future in which workers and the environment thrive. Since our launch in 2021, HJA has been advocating to put the Hunter Region on an orderly path to a low carbon and sustainable future. Methodically working toward a durable scenario for our region, with full employment, quality union jobs, in an equitable society. We consider this both possible and sustainable for the long-term, with the application of solid planning and foresight. We are achieving this by undertaking grassroots community engagement and advocacy for the emerging low-carbon economy, focusing on measurable outcomes and real projects.

By building community leadership for the above plan and respecting the dignity of workers, major headway has been made in setting community expectations and garnering social licence for the major changes to industry that are currently underway as Australia's power generation shifts to renewables. Our co-ordinator has been participating in the Hunter's Regional Expert Panel for the Royalties for Rejuvenation Fund, we have campaigned for a statutory Hunter Transition Authority which has now been pledged by the current NSW government. We have a support network of several thousand locals and a growing number of dedicated volunteers with which to continue progressing the interests of workers, our communities, and the natural environment.

Summary

The Hunter Jobs Alliance welcomes the opportunity to make a submission to the Department's community consultation on a Hunter coast, designated renewable energy infrastructure zone. We strongly support such development, and view the designation as a vital catalyst in the planning process, set to empower the region as a cornerstone in Australia's renewable energy generation.

We recognise that this Offshore Renewable Energy Area is proposed for the Land and Sea Country of the Awabakal, Darkinjung, and Worimi peoples. First Nations must also

be thoroughly consulted and their knowledge respected in the development of projects in this area and included in the benefits from these projects.

The act of seeking local input is commended and we look forward to this ongoing engagement as the Department continues to augment its regulatory framework¹ to support the offshore renewable industry. Reports from European case studies evidence ‘multi-stakeholder dialogue models which achieve enduring policy, protecting the interests of those most impacted by new energy technologies’.² Not only is there a growing body of international case studies to attest the need for steadfast policy direction, but qualitative data³ also demonstrates how the Australian public at large recognise that regions cannot lead these processes on their own. If we are to successfully navigate our way to net zero emissions, a level of support and policy certainty is required that only federal and state government partnerships can provide.

Recommendations

Recommendation 1. We fully endorse the 14 recommendations as outlined by the joint MUA, CFMMEU Construction and ETU submission.⁴ The robust evidence base these points are formed on, and the sizable number of workers represented stand as testament to the quality of advice and gravitas the package holds. We agree that the Department’s adoption of all 14 will deliver both intergenerational opportunities for the region, and consideration for our delicate coastal habitat.

Recommendation 2. Establishment of a national Marine Spatial Planning (MSP) framework to inform the decision making process on the competing interests of coastal resource use, (and the licensing process). This ‘values versus pressures’ framework will provide transparency and confidence for stakeholders while serving to protect the natural oceanic systems, through prioritising marine ecosystem-based approaches.

¹ *Offshore Electricity Infrastructure Act 2021*

² Wakeham, M. (2022). *The Visible Hand of Industry Policy* (report p 6)

³ The Next Economy. (2022). *What Regions Need on the Path to Net Zero Emissions*

⁴ CFMMEU (Maritime Union of Australia and Construction Divisions) and the Electrical Trades Union. (2023). *Offshore Renewable Energy Area: Pacific Ocean off the Hunter: Department of Climate Change, Energy, Environment and Water (Submission)*

Recommendation 3. That the Department supports the call for a National Transition Authority, which was proposed by the ACTU and Business Council joint submission at the *Jobs and skills summit 2022*. We urge swift and decisive action be taken to progress a National Energy Transition Authority along the lines of the model proposed by the ACTU.

Recommendation 4. The Department to ensure local vocational training centres are requisite factors when establishing designated renewable infrastructure zones. Well-planned and funded vocational education will help establish conditions for long term prosperity by ensuring a job ready workforce and in turn further investment.

Discussion

Marine Spatial Planning Framework

We acknowledge the existence of multiple discrete planning tools and resources for government and industry decision makers, however suggest that the Department turns its attention to the available best practice for managing our marine environment as ever more demand is placed upon it. Marine spatial planning (MSP) frameworks provide a holistic overview of three dimensional aquatic areas, acting to delineate zones of complex needs. This allows for management of contemporary activities as well as novel and emergent needs in a balanced way. This is arrived at thanks to predefined (yet open to reevaluation) boundaries based on accurate physical marine data sets and broad stakeholder engagement.⁵

Looking at several existing CSIRO⁶ MSP resources already in place, a national MSP framework is a natural progression to address the cumulative impacts of discrete projects. The DCCEEW website displays a Marine Bioregional Plan (MBP) for the *Temperate East Marine Region*⁷ supplemented by *Conservation Value Report Cards* - designed to set out broad objectives for its biodiversity, identification of regional priorities, with strategies and actions to achieve these, however being published over a

⁵ Briggs, C., Teske, S., Langdon, R., Hemer, M., Howard, P., & Marsh, P. (2021). *Offshore Wind: Prospects for Australia* (report - recommendation 2, p 12). Blue Economy CRC.

⁶ <https://www.csiro.au/en/research/natural-environment/oceans/marine-spatial-planning>

⁷ <https://www.dcceew.gov.au/environment/marine/marine-bioregional-plans/temperate-east>

decade ago are in urgent need of re-evaluation. Other services available are the interactive mapping/ decision support system - *Australian Marine Spatial Information System* (AMSIS)⁸ that improves access to integrated government and non-government information in the Australian Marine Jurisdiction. Another asset available to regulators is *Seamap Australia*, the national repository for the collection of marine habitat datasets.

The data and intent are waiting to be harnessed in a transparent and practical MSP framework (such as those evidenced across Europe, and recently adopted by the Victorian State Government)⁹ - not to duplicate or supersede existing planning and management, but to support the *Environment Protection and Biodiversity Conservation Act 1999* with an integrated and coordinated planning and management system across marine sectors, the land-sea interface, and jurisdictions. We suggest that the provision of a clear rationale for how the marine zone uses will be prioritised, paired with a corresponding conservation and mitigation strategy, will result in a trusted, authoritative, and transparent management process. A national MSP framework will ensure that the utmost diligence is applied for all coastal infrastructure projects.

A National Transition Authority

Social licence forces and political will have positioned the Hunter for a dedicated, local Transition Authority as pledged by NSW Labor, however it is not yet implemented or indeed, fully resourced. We wish to highlight a substantial disconnect between the Hunter community's tracking to be ready for an OWI and government projected scenarios. In the interim, NSW has several initiatives in place to boost collaboration between government and industry such as establishment of *Renewable Energy Zones*, complemented by *Energy Co* to maximise local benefits. Looking to workforce preparedness there is the *Electricity Infrastructure Jobs Advocate*, the Federal and NSW Government subsidised fee-free TAFE courses for training/ retraining and upskilling in identified growth areas. Some public investment has been committed, such as the Renewable Manufacturing / Low Carbon Product Funds, and Royalties for Rejuvenation Fund. However, predictions from the investment community point out the glaring inadequacies from the Australian Energy Market Operator's (AEMO) scenarios that

⁸ <https://amsis-geoscience-au.hub.arcgis.com/pages/renewables>

⁹ <https://www.marineandcoasts.vic.gov.au/marine/marine-spatial-planning>

model the National Electricity Market (NEM) decarbonisation in line with the Paris Agreement - and are found to be not commercially credible,¹⁰ nor are they realistic in delivery of socially responsible pathways.

To rectify this shortfall, and synergise the multiple policies, jurisdictions, and departments, we propose the establishment of an independent, federal Transition Authority - responsible for coordinating action, guiding transparent channels of funding and overseeing the program regulation and evaluation - to bring the complex network of stakeholders together and accelerate an orderly path for the Hunter. A model where membership is composed of unions, employers, academics, governments and civil society representatives provides the greatest possibility of achieving enduring energy transition plans. By utilising the best aspects of government policy machinery, a national view will have capacity to comprehensively strategise the phased planning process, driving quality employment and investment results in a socially cohesive, outcome driven way.¹¹ The National body would be perfectly positioned to function in lock-step with state run Regional Authorities, for delivery of a focused approach to structural adjustment.¹²

Regional Vocational Training Centres

Government has a clear role in building skills, working with industry, and providing pathways for workers. For example, NSW has undertaken significant innovation in direct funding for training facilities for some industries with high skills demand. A notable example is civil construction, specifically the West Connex Training Academy model and its TAFE partnership, that has been adopted by other states.¹³ Skills training and labour market programs should be developed to support oil, gas and coal workers to gain employment and skills in offshore wind energy. The Hunter region scenario of an existing coal and gas workforce located on the doorstep of an emerging offshore wind industry is an intergenerational opportunity to transition to employment in renewable energy.¹⁴ Active training and labour market adjustment programs should be

¹⁰ Clean Energy Investor Group. (2023). *Decarbonising Australia: Accelerating our energy transition with a credible 1.5°C scenario*. (report)

¹¹ ACTU. (2023). *Energy Transition Authority: What Workers Need*.

¹² HJA. (2021). *Building for the Future: A 'Hunter Valley Authority' to secure our region's prosperity* (report)

¹³ Hunter Jobs Alliance. (2022). *A TAFE New Industries Training Centre for the Hunter* (briefing note)

¹⁴ Briggs, C. et al. (2021). *Offshore Wind: Prospects for Australia* (report - recommendation 8, p 14). Blue Economy CRC.

developed to maximise this potential. This would create clear pathways for workers, address skills shortages, and attract investment in sectors where other regions are directly competing for a clean energy (and its manufacturing sector) workforce.

Public Ownership Opportunities

While not a formal recommendation, we promote that the declaration of this OEI area promotes the principles of energy democratisation when considering implementation of benefit sharing models (BMS)¹⁵. Within a human rights framework, access to energy underpins our basic human needs. Leaders and citizens have a clear choice – to protect the existing economic, political and social structures, or to look at how we can take advantage of these immense industrial changes by addressing entrenched social inequity, and truly progress as a nation.

To safeguard against ongoing and future global energy shocks, a mix of public and private ownership has potential to shore up a basic level of domestic energy security. Straightforward and practical measures to ensure this include (1) Use of public funds toward establishment of OEI projects being proportionately reflected in ownership of OEI and energy assets. (2) That the area's designation be contingent on a minimum standard of a range of opportunities for local ownership - for example, cooperatives, local government and community ownership models, community shareholders in private ventures. (3) That the Department commits to identifying areas where First Nations peoples could capture investment to generate greater economic sovereignty, whether through payments for ecosystems services/ land management practices and carbon farming; investing in social enterprises; or instigating new ways to 'pay the rent'.¹⁶

With ambition to reach beyond mere cost recovery exercises or variable levies on licence holders,¹⁷ we would also like to encourage the Department's research and debate on two concepts that would be suitable amendments to the *OEI Act*¹⁸ framework; that worker and producer owned cooperatives are incentivised, and

¹⁵ NSW Office of Environment and Heritage. (2014). *Strategic options for delivering ownership and benefit sharing models for wind farms in NSW: Final Report*

¹⁶ The Next Economy. (2022). *What Regions Need on the Path to Net Zero Emissions*

¹⁷ *Offshore Electricity Infrastructure (Regulatory Levies) Regulations 2022*

¹⁸ *Offshore Electricity Infrastructure Act 2021*

regulations be mandated which stipulate development of material services models¹⁹ to retain ownership of domestically sourced componentry, throughout its lifecycle. While these are both bold notions, they are not new, and well within our capacity to realise.

The Hunter Jobs Alliance offers these suggestions as a constructive contribution to the Hunter community's efforts to grow and diversify economic and job options. To that end, we outline a set of recommendations: to establish an MSP Framework, a National Transition Authority, New Industries Training Centres, and welcome any feedback on these recommendations and the analysis contained within this submission.

¹⁹ Aurisicchio, M., Van Der Laan, A.Z., Tennant, M. (2021). Material-service Systems for Sustainable Resource Management. In: Kishita, Y., Matsumoto, M., Inoue, M., Fukushige, S. (eds) *EcoDesign and Sustainability I*. Sustainable Production, Life Cycle Engineering and Management.