

BENEFIT SHARING OPTIONS FOR RENEWABLE ENERGY

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TOP THREE ISSUES

1

Building on good quality agricultural land

2

Quality of community engagement, communications

3

Benefit sharing

Or...

You're changing my landscape

Without me having a proper say

And there's nothing in it for me.

A large, stylized teal quotation mark icon.

FARMING REPRESENTATIVE

I think a big part of the issue is that some projects are creating winners and losers.

Some members are receiving \$200k or \$300k every year, while others don't receive anything.

If the benefits were shared differently - more equitably - we might see a different response.

AGENDA

9.40 am Overview of the Guide

10.00 am Windlab: Case Study + Q&A

10.35 am Interactive activity

10.50 am Break

11.05 am Beon: Case Study + Q&A

11.40 am CWP Renewables & DomaCom: Case Study + Q&A

12.20 pm Panel discussion

12.55 pm Closing remarks

1.00 pm Lunch

INTENT - PEER TO PEER LEARNING

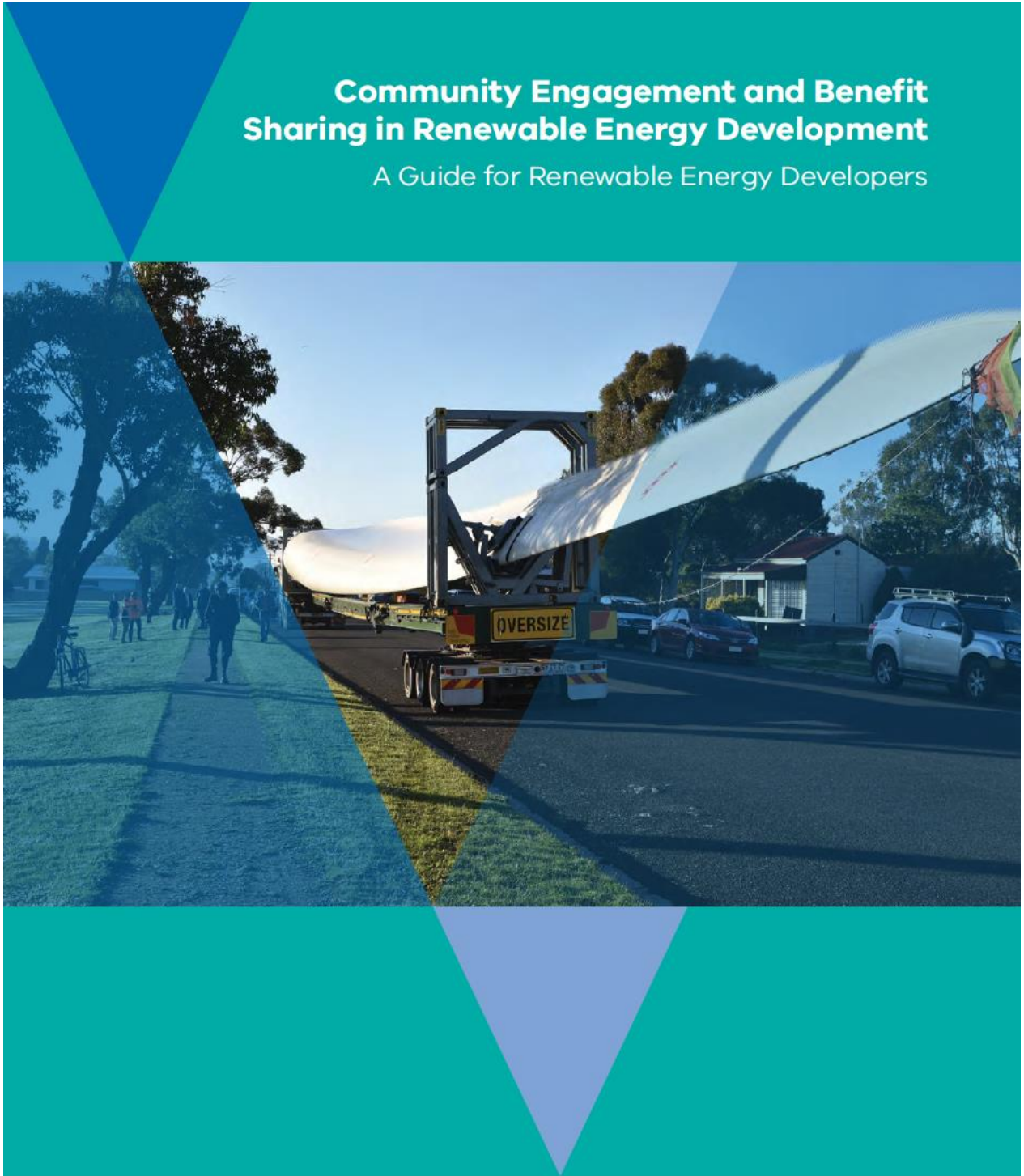
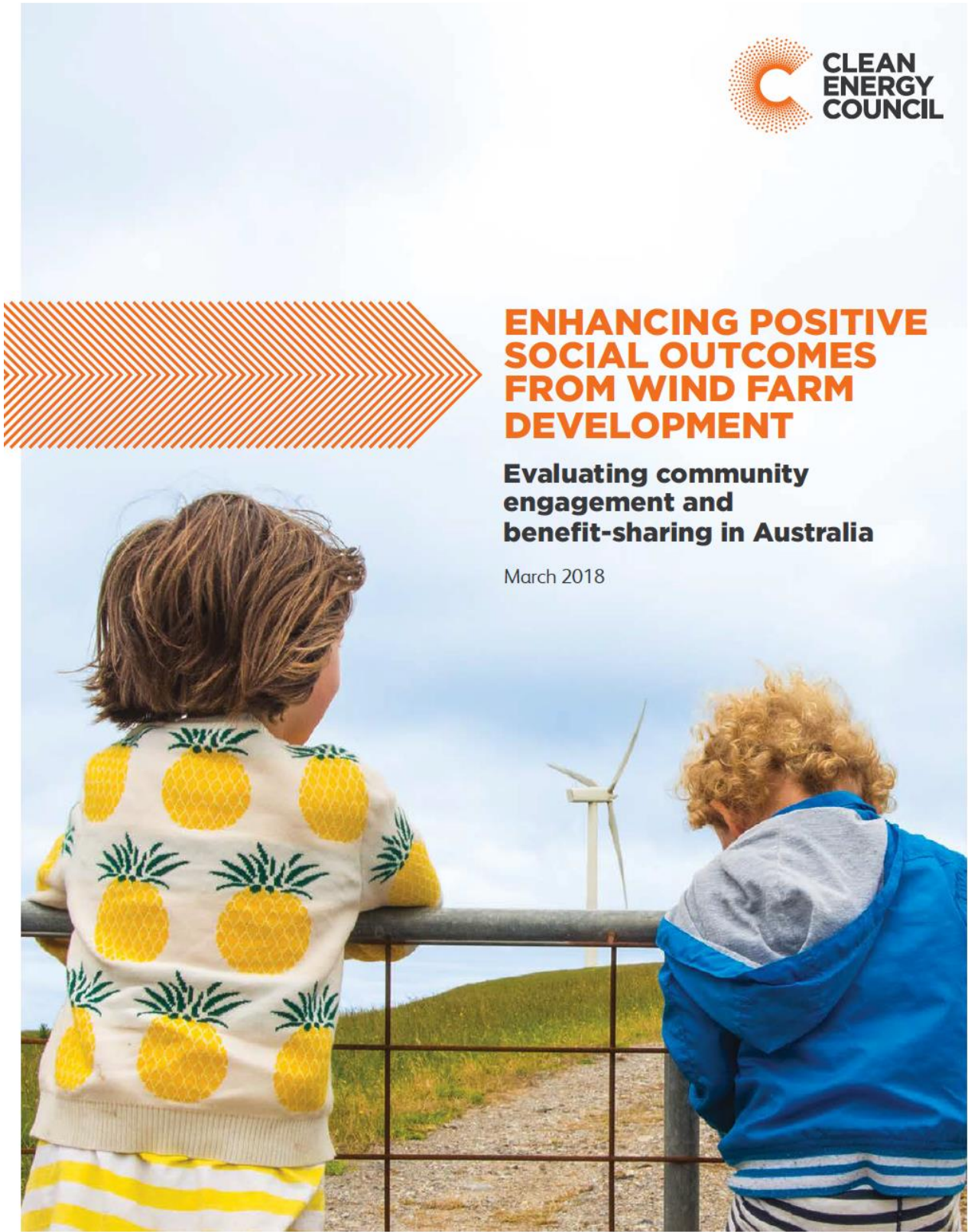
The guide and seminar are intended as a practical tool to assist project proponents, financiers, policy makers and communities in understanding the range of benefit sharing methods available.

The case studies represented in the seminar are complex examples that have high replicability.

The project team recommends benefit sharing always be tailored to the local communities needs.



THE RESEARCH PROGRESSION



WHAT IS BENEFIT SHARING?

- involves sharing the rewards of renewable energy development with local communities.
- aims to integrate a development in the local community by contributing to the future vitality and success of the region.
- based on a desire to establish & maintain positive long term relations.
- contributes in ways that are positive, rewarding & beneficial for both project proponents and local communities.

KEY PRINCIPLES

1. Appropriate
2. Flexible
3. Transparent
4. Integrated
5. Mutually beneficial
6. Strategic



THE VALUE OF BENEFIT SHARING

- encourages a fairer allocation of benefits among hosts, neighbours & the local community
- a strategic means to enhance social license & maintain it over time.
- Increase ability to gain long-term contracts, access support schemes or secure finance.
- developing positive and tangible associations with the project
- increasing people's active support for the project.
- a smoother development application process.
- Others?

CONTEXT & COMMUNITY

- Benefit sharing will vary by type of technology, scale of project & project context
- Appropriate benefit sharing will be tailored to local context & grounded in strong community engagement
- Simple, 'tried & true' forms of benefit sharing can be just as effective, if they suit the context
- Start engaging about possible benefit sharing approaches early & have this open to community input



STEPS IN THE PROCESS

1. Establish benefit sharing objectives
2. Research community need & context
3. Define community of benefit & calculate the budget envelope
4. Plan our engagement & decide what is negotiable
5. Do community engagement & build networks
6. Discover community ideas
7. Assess, refine & decide
8. Establish & implement
9. Governance & administration
10. Monitor, evaluate & improve

CURRENT TYPES OF BENEFIT SHARING



**Neighbourhood
benefit programs**



**Sponsorship, grant
and legacy initiatives**



**Local jobs, training
and procurement**



**Employee
volunteerism**



Innovative products



**Innovative financing
and co-ownership**



**Beyond
compliance-level**

CURRENT TYPES OF NEIGHBOURHOOD BENEFITS



- Annual payments or one-off payments
- Equity stake
- Solar PV, mini grid, bulk buy or energy efficiency programs
- contributions/discounts to electricity bills for neighbours or neighbourhood community facilities
- Geographic priority in a community benefit grant fund
- Contributions to neighbourhood infrastructure
- Indigenous Land Use Agreements

CURRENT SPONSORSHIP, GRANT & LEGACY TYPES OF BENEFIT SHARING



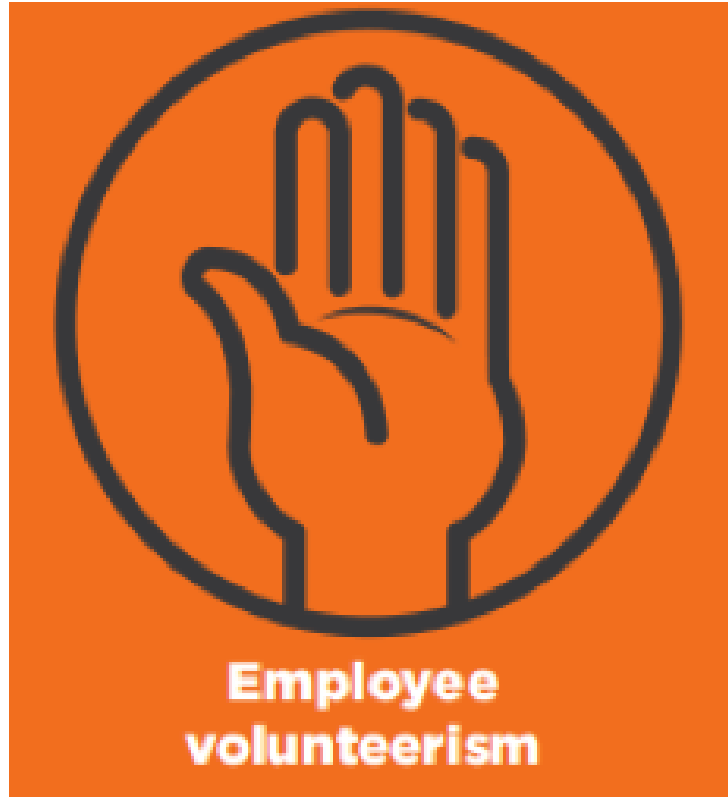
- Sponsorship programs contribute to community groups and events in return for marketing and promotion
- Grant funds often delivered by or in partnership with community members, local councils or local not-for-profit organisations
- Legacy initiatives are larger and longer-term programs aimed at delivering a strategic local benefit

BEST ENABLING LOCAL JOBS, TRAINING & PROCUREMENT



- Establishing local procurement policies
- Developing a register (e.g. online)
- Providing briefings or training
- Partnering with local education and training providers
- Advertising locally for contracts and jobs.
- Employing and training local people for ongoing employment in community engagement/liaison, maintenance and operation.
- Including local procurement preferences or requirements in the EPC contract
- Introducing local suppliers to the EPC contractor

CURRENT TYPES OF BENEFIT SHARING



- Companies providing labour and/or equipment free of charge on an in-kind basis to assist the local community with projects that might require expertise.



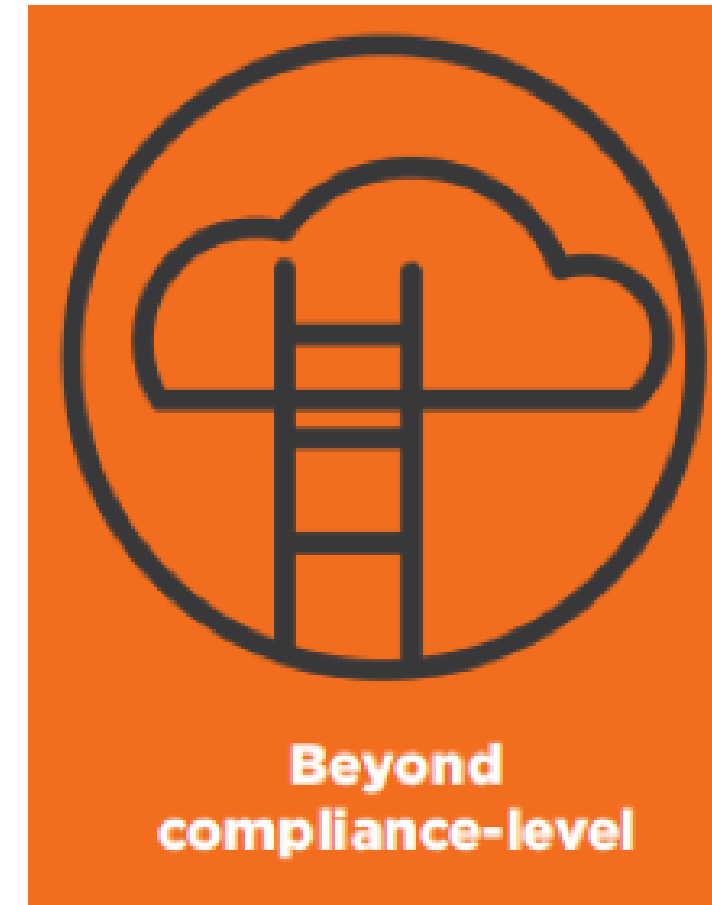
- Corporate or micro PPAs
- Behind the meter arrangements
- Local electricity offering
- Value chain products such as compost or high-value organic fertiliser (with bioenergy)
- Making carbon offsets available to help 'green' local

CURRENT TYPES OF BENEFIT SHARING



3 active models:

- Community ownership
- Community co-ownership (community-developer partnership)
- Community co-investment



Going beyond what is stipulated to deliver:

- communications towers
- extra vegetation screening
- biodiversity enhancement
- double glazing etc...

EMERGING OPPORTUNITIES

- Legacy approaches
- Agri-solar
- Considering transmission infrastructure in the ‘community of benefit’
- Community co-investment
- Community co-ownership
- Virtual solar (solar gardens)



CASE STUDY 1: COONOOER BRIDGE

Roger Price
Windlab

The integration of benefit sharing with
community engagement using
neighbourhood co-ownership



AT YOUR TABLES:

Go around the group:

- Share your name and role
- What has your experience been of benefit sharing to date?

Once everyone has shared this, go around the group again:

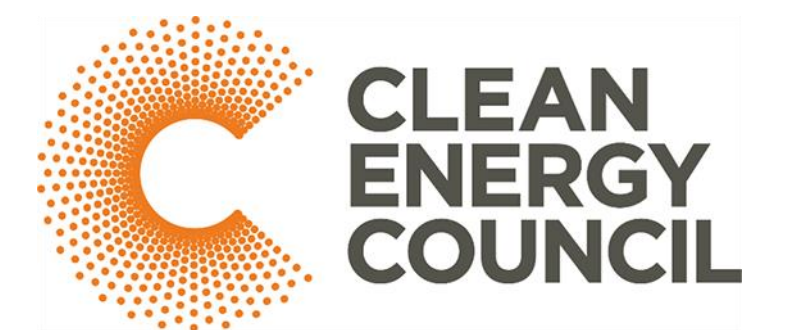
- What are your biggest questions regarding benefit sharing?

> Have one person scribe & be willing to report back to the big group.

CASE STUDY 2: KARADOC SOLAR FARM

Justin Coburn
Beoen

Establishing a local employment and
training program



CASE STUDY 3: SAPPHIRE WIND FARM

Andrew Dickson
CWP Renewables

Ross Laidlaw
DomaCom

Offering a public community co-
investment opportunity



PANEL DISCUSSION

Anna Freeman

CEC

Roger Price

Windlab

Justin Coburn

Beoen

Andrew Dickson

CWP Renewables

Ross Laidlaw

Domacom

Dr Jarra Hicks

Community Power Agency

Taryn Lane

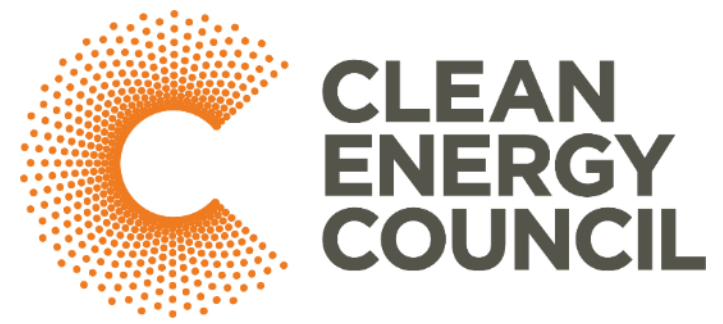
Akin Consulting



QUESTIONS

Hearing various benefit sharing options and how they have been delivered, what are your reflections on:

- Why these models have worked well in the context they have been delivered?
- What could be adapted to work in other contexts?
- What would be challenging about applying this model else where, in other circumstances?
- What are you looking forward to in regards to the future of benefit sharing in the Australian renewable energy context?
- What role do you see benefit sharing playing in the broader transition to renewable energy?



THANK YOU

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