# Community Engagement and Benefit Sharing in Renewable Energy Development

## A Guide for Renewable Energy Developers


VICTORIA State Government | Environment, Land, Water and Planning

**This Guide is endorsed as a reference for the Victorian Renewable Energy Target Auction by:**

*"Getting community engagement right and sharing the benefits equitably must be a key part of any renewable energy project. This guide highlights best practice examples and key lessons learnt from others. It can help you chart your way to engaging effectively, and delivering benefit sharing which makes your renewable energy project a valued part of the community."* Simon Corbell, Victorian Renewable Energy Advocate

*"The National Wind Farm Commissioner welcomes focus and priority on community engagement during all phases of a wind farm's development. This guide builds on the good work of many stakeholders in recognising the absolute importance of engaging the community throughout the project's journey - as well as earning the social license to be a trusted member of that community. We strongly encourage industry and stakeholders to consider this guide and other available resources - including resources provided by our office - when designing, managing and reviewing community engagement programs for large scale renewable energy projects."* Andrew Dyer. August 2017.

**Reference:**

Lane, T. and J. Hicks (2017) *Community Engagement and Benefit Sharing in Renewable Energy Development: A Guide for Applicants to the Victorian Renewable Energy Target Auction.* Department of Environment, Land, Water and Planning, Victorian Government, Melbourne.

The content of this Guide draws extensively on previous research and writing undertaken by the authors, including: Lane, T., Hicks, J., 2014. *Best Practice Community Engagement in Wind Development.* ACT Government Environment and Planning Directorate, Canberra; Hicks, J. (forthcoming) *PhD Thesis: Community Power.* Faculty of Law, University of New South Wales, Sydney; Lane, T., Wood, E. Hall, N., Webb, A. and Mey, F. (forthcoming) *Enhancing Social Outcomes from Wind Development in Australia: Evaluating Community Engagement and Benefit Sharing.* Clean Energy Council, Melbourne. Hicks, J., Ison, N., Gilding, J., & Mey, F. (2014). *Community Owned Renewable Energy: A how-to guide.* Sydney, Australia: Community Power Agency.

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# Content



## Abbreviations

| | |
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| **DELWP** | Department of Environment, Land, Water and Planning |
| **SLO** | Social License to Operate |
| **VRET** | Victorian Renewable Energy Target |

# Introduction

Victoria's transition to a modern and renewable energy future is already underway. The Victorian Renewable Energy Target (VRET) will support new large-scale renewable energy generation investment in the state and transition Victoria to a clean energy future. The VRET auction scheme will deliver the great majority of new renewable energy generation required to meet the targets, particularly 40 per cent of renewable generation by 2025. The auction is expected to generate significant investment and jobs in regional Victoria. The government is committed to strengthening community support for renewable energy projects. The purpose of this Guide is to set out the Victorian Government's expectations for the renewable energy industry, and to help assist developers to best engage and share benefits with the communities that will host these renewable energy projects.

Victoria's new energy landscape will see renewable energy generation distributed across the state. To ensure that communities across Victoria benefit from this transition, it is important that those communities are engaged from the early stages of project planning. The Australian and international experience clearly shows that active community engagement and participation are key to the realisation of local benefit from, and support for, renewable energy development. In Australia, community engagement and benefit sharing are increasingly important to securing financing and power purchasing arrangements. Genuine community engagement is critical to successful projects, and the energy market transition more broadly. By listening and engaging, developers are better placed to identify emerging community opportunities and concerns, and deal with them proactively rather than reactively.

While many renewable energy businesses already practice and understand the importance of community engagement and benefit sharing, there have been developments in the past that failed to address local community concerns. In some cases, these projects divided communities, fuelled widespread organised opposition to the wind industry, and continue to experience legacy issues today.

Taryn Lane and Jarra Hicks have authored this Guide on behalf of the Victorian Government. Through this Guide, the government is clearly setting its expectations for best practice community engagement and benefit sharing across all renewable energy technologies. The case studies and practical information included in this Guide aim to build awareness, highlight shared benefit initiatives and help developers deliver projects that benefit their hosts, neighbours and communities. Projects that seek to foster accepted and mutually beneficial outcomes for the local community by building ongoing relationships of collaboration, trust, mutual respect and transparency, will be favourably assessed under the auction. Contracts with successful projects under the auction will require proponents to demonstrate continued engagement and community support for their projects throughout the life of the scheme.

## Structure of this Guide

The following section sets out how a project's community engagement and benefit sharing will be assessed under the VRET auction. It provides a high-level overview of the documentation that will be required from proponents applying under the scheme.

The rest of this Guide is split into three parts: Part A describes factors that contribute to better practice community engagement; Part B describes benefit sharing and why it is important; and Part C presents tools, recommended frameworks and other resources for enhancing a project's engagement and benefit sharing practices. Definitions and other resources can be found on pages 49-51.

## How projects will be evaluated

Applicants to the VRET auction will be assessed against community engagement and benefit sharing criteria. Project proponents are required to provide the Department of Environment, Land, Water and Planning (DELWP) with a set of documents across five key areas, demonstrating the extent of community engagement and benefit sharing in their project. These areas are:

1. Social Risk Analysis
2. Community Engagement Strategy
3. Benefit Sharing Program
4. Reporting, Monitoring and Evaluation Plan
5. Letters of Support.

Within the application documents, project proponents are encouraged to provide evidence of their engagement to date and local community support for their community engagement and benefit sharing approach. For example, via letters of support, monitoring and evaluation processes undertaken to date, local submissions during the development application, or community survey results.

**Tools:** Further details on the specific requirements of these documents are provided in Part C.

## Why community engagement and benefit sharing are important

Community engagement and benefit sharing are fundamental to generating community support and delivering positive and effective outcomes for renewable energy projects. However, valuing community engagement and benefit sharing as a pathway to social acceptance in communities, and setting it as a priority within the development process, has historically been challenging in Australia.

## Defining community

Community can have many meanings. For renewable energy development, 'the community' refers to all the people who live within and identify with the geographic area surrounding the proposed site. How wide this geographic area extends will depend on local people's identification with significant settlements and towns as well as relative population densities.

Marrying the terms community and engagement shifts the focus of engagement from individuals (e.g. one-on-one engagement) to the collective. This places importance on engaging in both individual and group settings. It also recognises the importance of seeking development outcomes that consider the diverse needs that exist within any community and solutions that create the greatest common good.

In renewable energy development, engaging with the community requires paying close attention to hosts and neighbours of the project, as well as engaging the broader community of the local area. Within this, key stakeholders and interest groups will need to be engaged in different ways, according to their level of interest and influence in the project. No community is homogenous, so engagement will need to take multiple forms and be flexible to the local context.

Proponents under the VRET auction process will need to classify the community segments (hosts, neighbours, broader community) according to the specifics of their project location. Furthermore, it is important that groups and individuals involved are genuinely representative of the local population and its interests.

# Part A:

# Better Practice Community Engagement

Community engagement refers to the processes through which a developer interacts with the community to guide the development of an energy project. It is a general term used to refer to many activities including communications, consultation, participation and co-development.

Although community engagement has become a commonly used term, its implementation in practice has been inconsistent, with varying degrees of commitment to genuine community participation in directing the process and outcomes of development. There is no single best way to do community engagement and no one-size-fits-all approach.

The Victorian Government supports a flexible approach across differing projects and technologies, recognising that tailoring community engagement and benefit sharing to the local context is fundamental, as is ongoing engagement through the project lifecycle.

There are, however, several key factors that consistently contribute to positive social outcomes and strong community support. These include:

- starting engagement early in the development process
- integration of the development with local landscape values and local identity (tailoring to local context)
- completing a social feasibility analysis
- community (especially local) participation in decision-making and design (fair process)
- sharing the benefits from the development in an equitable way (fair outcomes)
- building trust and relationships between stakeholders
- regular and face-to-face engagement
- prioritising an accessible complaints management process
- managing community engagement for legacy projects.

Considering these factors together in renewable energy projects will ensure a development is tailored to the local context.

Better practice community engagement can be understood as working beyond the standard consultation processes typically employed to meet planning approval and compliance requirements. Good community engagement fosters relationships, trust, feelings of ownership, and a sense of collaboration through the provision of meaningful and ongoing opportunities for the community to participate in the design and development of projects.

Community engagement is most effective in developing constructive relationships and trust if it starts as early as possible. Community engagement should begin during site selection, even if at this

### Guiding principles for the development of good practice

Having guiding principles to help frame your approach is a useful way to bring ethics to the forefront and guide developer interactions with local communities.

For renewable energy projects the suggested community engagement principles are:

- **mutual benefit**
- **mutual respect**
- **relationship building**
- **authenticity**
- **appropriateness**
- **ongoing engagement**
- **transparency and responsiveness**[1].

[1] Full details on these principles can be found on page 4 of Lane, T. and Hicks, J., (2014) *Best Practice Community Engagement in Wind Development*. ACT Government Environment and Planning Directorate, Canberra.

stage only potential hosts and neighbours are engaged. For particular project phases, community engagement should start before plans are set. For example, consulting on micro-siting of infrastructure before the planning application is submitted, and engaging with local trades people well before tenders go out.

In addition, the methods chosen need to be place-appropriate. For example, in a farming community it will be difficult to get quality participation in community engagement efforts during planting and harvest times. Relying on web-based information provision and feedback will be fraught in areas with poor internet connectivity or low internet use.

Community engagement is most successful when it establishes and delivers on clear expectations and gives people the opportunity to influence decisions. People will become disillusioned, for example, if they do not know if their feedback has been taken on board or integrated. Community engagement is also most successful when it occurs regularly via a diversity of methods through all stages of development — providing many possible points of interaction with the project as the company builds familiarity, relationships and trust over time. For example, it will still be important to maintain contact even if there are no updates during periods of inactivity.

A common way of conceiving the varied levels of participation in development processes is the International Association for Public Participation's (IAP2) Spectrum of Public Participation[2] that positions community engagement approaches along a spectrum from simply informing through to empowering.

The IAP2 spectrum has been adapted for renewable energy projects in Table 1 on page 9. Note that community engagement outcomes are cumulative from left to right.

This spectrum reflects the different degrees of influence and control given to a community through participation in planning and development. While the project as a whole might be able to be summarised somewhere along this spectrum, it is also important to note that certain activities of engagement and certain aspects of the project (e.g. certain decisions) might represent a different level of community engagement as defined by the spectrum.

### Spectrum of engagement scenario

A solar photovoltaic (PV) farm is owned by a commercial developer. All final decisions about the project are made by the company's board. In general, the project has taken a 'consult' approach to community engagement by emphasising quality, timely and regular engagement with the local community and seeking feedback on plans at key times, such as during the planning application phase.

However, an 'empower' approach was adopted for the benefit sharing program. For example, expressions of interest were invited to join a community reference group that was empowered to autonomously determine how the nominated funds were to be distributed, thereby maximising benefits to the local community.

[2] IAP2 (2014) *Public Participation Spectrum*. Sydney: International Association for Public Participation.

**Table 1: A spectrum of approaches to community engagement[3]**

| | Inform | Consult | Involve | Collaborate | Empower |
|---|---|---|---|---|---|
| **Community engagement objective** | provide balanced and objective information<br>assist the community in understanding all aspects of the project, including possible problems/issues | obtain feedback from the community on plans, options and/or decisions | work directly with the community throughout all stages of the project<br>ensure community concerns and aspirations are consistently understood and considered | partner with the community in each aspect of planning, development and decision-making, including the development of alternatives and the identification of the preferred solution | community to lead the development of the renewable energy project<br>place decision-making in the hands of the community |
| **Promise to community** | keep the community informed through all stages of development, including issues and delays | keep the community informed<br>listen and acknowledge suggestions and concerns<br>provide feedback on how input influenced the decision | work with the community to ensure concerns and aspirations are directly reflected in the alternatives developed<br>provide feedback on how input influenced the decision | look to the community for direct advice and innovation in formulating solutions<br>incorporate advice and recommendations into decisions to the maximum extent possible | implement what the community decides |
| **Community engagement outcomes** | securing a good site to install the renewable energy facility<br>gaining planning permission<br>meeting compliance regulations | minimising objections<br>effectively managing complaints<br>good stakeholder relations<br>a level of community awareness and trust in the project | long-term broad local social acceptance and knowledge of the project<br>strengthened local relationships and trust<br>local advocates for renewable energy | broad community participation, support and awareness<br>some sense of local ownership<br>greater community benefit<br>strong local relationships and trust<br>timely development and easier planning approval<br>some sharing of benefits beyond investors | benefit sharing program tailored to the local context<br>harness the skills and capital of the community<br>upskill community members to manage the project<br>largely community owned and controlled |

[3] This is a modification of the IAP2 Spectrum of Public Participation adapted from Lane, T. and Hicks, J. (2014).

## 1. Tailored to the local context

A sound understanding of the local context is essential for creating an appropriate community engagement and benefit sharing approach. The best way to do this is to spend time in the local area talking to a range of local stakeholders, as well as undertaking desktop research, to learn as much as possible about local demographics, identity, culture, aspirations, values, economy, politics and history.

The best people to inform on the local context are local people. Learn what is important: what lies behind their support or concern for the project and use this information to tailor future approaches. It is never too late to learn more about the local context to design or refine certain aspects of project plans.

Communities are not homogenous; the type of involvement will vary among different community groups. For example, in a study of the engagement between offshore wind developers and fishing communities, it was found that both these groups had very different views of the community engagement process[4]. The developers had held a series of public meetings and felt this effort to consult with the fragmented fishing industry was satisfactory. However, large open meetings were not an appropriate form of communication for the informal, non-hierarchical culture of the fishing communities, and were consequently not attended by them. These issues increased mistrust between the two groups, and led to scepticism and a seemingly entrenched divide. Similar dynamics could apply to other renewable energy technologies.

It is common for people to have long-term and deep personal attachments to landscapes. Landscape change is a dominant factor in explaining social concerns around renewable energy development. In Australia, researchers found that perceptions of "spoiling a sense of place is a primary cause of enduring social conflict"[5]. This is not simply about visual impact, but how well or poorly a renewable energy development integrates with or augments local perceptions of what is important and appropriate.

Conflict can emerge when a development is at odds with local people's sense of identity and place, and when the process of development does not respect people's desire to have some degree of control and influence over a development that could impact their daily lives.

### Considerations for appropriate engagement with Victorian Aboriginal groups

Engaging with local Aboriginal groups beyond planning requirements, such as Cultural Heritage Management Plans should also be a key consideration. Victoria's Traditional Owners have identified areas of cultural significance through their consent determination. The Victorian Government is committed to supporting Victoria's Traditional Owners' cultural values, access to Country and working with them in partnership to manage public land. Acknowledgement and respect of Aboriginal cultures, values and practices is at the heart of successful engagement. A place-based approach to engagement with Victoria's Traditional Owners and Aboriginal groups can provide opportunities to foster greater collaboration to address complex and social issues in a manner that is sensitive to the local context.

It is important to meet with local Aboriginal groups within a geographic area as early as feasible and understand the level of engagement, partnership and co-design that is possible, desired and appropriate throughout the project stages.

Registered Aboriginal Parties (RAPs) are responsible for the protection of Aboriginal cultural heritage in a specified area[6]. Engaging with RAPs, along with Traditional Owner Corporations, Aboriginal community controlled organisations and the Koori Youth Council, can help project developers understand local priorities and aspirations. The Federation of Traditional Owner Corporations and the Victorian Aboriginal Heritage Council may also be useful sources of advice.

Considerations for engagement are:

- identify the appropriate people early — Traditional Owners, custodians, Elders, and others with rights and interests — and facilitate direct involvement as appropriate
- traditional Owners with native title determination should be involved as partners from the inception stage
- for specific locations, it may be appropriate to develop a separate Aboriginal Engagement Plan
- continue Aboriginal and Traditional Owner groups' involvement, where possible.

DELWP's Traditional Owner Agreement Unit and Aboriginal Inclusion Branch can provide support for engaging with Victoria's Aboriginal communities.[7]

[4] Bell et al. 2013.
[5] Hindmarsh 2014, page 194.
[6] http://www.vic.gov.au/aboriginalvictoria/heritage/registered-aboriginal-parties.html
[7] For further information on principles for engaging with Aboriginal groups, ideas can be drawn from the NHMRC and AIATSIS codes of ethics for research with indigenous people and frameworks that have been developed for the health sector.

### Case study in wind: Hornsdale Wind Farm, South Australia

Neoen's Hornsdale Wind Farm is a 309MW project consisting of 99 wind turbines located between 8km and 24km north of Jamestown in Hornsdale. Great care and effort was taken to tailor the project to the local context, especially through the developer's engagement with local Aboriginal people and the creation of a wildlife conservation reserve.

Neoen engaged early with local Ngadjuri and Nukunu traditional owners and worked with them to create an appropriate Cultural Heritage Management Plan. This collaborative relationship is celebrated through local Aboriginal artworks at the base of the turbine towers.

In the creation of the conservation reserve, Neoen negotiated with a landowner to set aside land specifically for the preservation of the endangered Pygmy Blue-Tongue Lizard, with Neoen providing ongoing funding for maintenance of the site. Neoen is also co-funding a Pygmy Blue-Tongue Lizard research initiative conducted by a local university. This added environmental benefit was initiated over and above the project's permit conditions.

As a result of their engagement and benefit sharing approach, Hornsdale Wind Farm has broad and deep community support from traditional owners of the land, neighbours, construction contractors, local council, and community groups.

Encouragingly, research has found that landscape change need not be negatively received. Involving local people in the development process offers opportunities to identify and encourage a design and an associated narrative (a way of describing the development and its potential impacts) that is well aligned with local identity, existing land use and perceptions of place[8].

For example, renewable energy infrastructure might be more easily integrated in areas where the landscape is seen as one where people and the natural environment interact to create livelihoods (e.g. farming). This is not static, but changes over time in response to new opportunities to sustain the local population.

**Tools:** Further details on understanding and tailoring your community engagement approach to the local context and values can be found in Part C.

**Tools:** Building a Context Narrative on p.27.

## 2. Social feasibility

The Victorian Government recommends approaching social feasibility with the same attention and diligence given to technical and economic feasibility. Best practice renewable energy development requires that social acceptance and social risk analysis form an integral part of site investigations, side-by-side with the technical and economic analysis. There are many social factors that need to be considered throughout the development cycle. Social feasibility is about understanding, minimising and offsetting the risk of negative social impacts.

Social feasibility analysis helps developers to understand social aspects of a project and identify risks and opportunities to determine if the proposed development is socially feasible. Determining social feasibility involves analysing what is known about the local context and allowing this to inform an appropriate development.

[8] Warren and McFadyen (2010); Haggett (2011); Hicks (forthcoming).

Social feasibility analysis should be conducted at the start of a project and continue through its life-cycle - recognising that achieving and maintaining a social license is an ongoing process.

The term 'social licence to operate' (SLO) describes a "level of acceptance or approval continually granted to an organisation's operations or project by the local community"[9]. This acceptance can change over time, in response to changes in practice, key events and local context. Seeking a SLO means asking the community to accept changes in their local area (to which they likely have long lasting and deep connections), because they understand the importance of the project and can see the benefits for their community.

As new technologies come online, careful consideration must be given to what issues may emerge, regardless of whether they are dealt with through the planning system. Community resistance can significantly impact project costs and timelines. Early social feasibility analysis is even more important with emergent technologies such as battery storage projects.

Understanding the ongoing social context provides the ability to refine approaches that will best interact with and contribute to the local community.

**Tools:** Social Site Map p.29; Social Risk Matrix p.30; Stakeholder Mapping p.32.

## 3. Fairness in the process

Fairness in the process requires making sure local people have meaningful opportunities to influence the design and outcomes of a development.
This level of involvement includes opportunities to participate, with access to balanced information and having their ideas considered. A fair process requires that decisions be "responsive to information and correctable in the face of new information"[10]. A fair process is supported by opportunities for group discussion (e.g. neighbourhood meetings, community reference groups, workshops and forums) and developers reporting on feedback received and how it was considered. Decide-announce-defend approaches, where key decisions have already been made before community input is sought (i.e. through planning requirements for public display and comment), are generally not sufficient to build a perception of fairness. Social acceptance can be difficult when community outreach is framed as consultation but is in fact only information provision. As such, it is useful to consider what decisions are genuinely available for community input.

It is useful to consider how the community can be drawn on to provide design input. Seeking design input involves creating opportunities for local people (e.g. neighbours) to provide input into the design of the renewable energy project. This could involve seeking ideas and suggestions on design aspects, such as equipment and road placement, traffic management, community benefit programs and the community engagement approach. Participatory siting can maximise community input by inviting key stakeholders (i.e. hosts and neighbours) to help determine the placement of equipment and associated infrastructure. Design advice from relevant members of the community can assist a developer to ensure plans are locally appropriate and have the highest chance of social acceptance success.

### Case study in solar: Uriarra solar farm, Australian Capital Territory

Community surveys in Australia show widespread support of large scale solar*. There is also a perception that solar projects may not face the same community opposition that has been associated with wind developments, such as noise and visual amenity (given turbines can be seen at further distances).

In the case of Uriarra Solar Farm, the local community felt that the proposed development was too close to residences, would result in glare and significantly change the rural landscape. As a consequence of community opposition, the solar farm was successfully relocated to an area that had fewer residents in close proximity to the proposed facility.

The experience of Uriarra Solar Farm demonstrates that large scale solar developments are not immune to social concerns, and carefully considered community engagement and benefit sharing approach is required regardless of the technology.

* see for example ARENA/IPSOS (2015), Report: *Establishing the social licence to operate large scale solar facilities in Australia: insights from social research for industry, Australian Renewable Energy Agency, Australian Government, Canberra, Australia.*

[9] Boutilier, R. G., and Thomson, I. (2011). Modelling and measuring the social license to operate: fruits of a dialogue between theory and practice. In Social Licence (p. 10). Queensland, Australia.
[10] Gross, C. (2007). Community Perspectives of Wind Energy in Australia: The application of a justice and community fairness framework to increase social acceptance. *Energy Policy*, 35(5), 2727–2736.

### Case study in solar: Moree Solar Farm, New South Wales

Moree Solar Farm operated by Fotowatio Renewable Ventures (FRV) is a 56MW facility located 10km south of Moree, in northern New South Wales and began generating in 2016. FRV helped to integrate the project into the local community and with a high level of involvement and outreach including:

- developing a whole of project life Community Consultation Plan
- establishing a Community Reference Group early in the project development phase. This group developed criteria to measure the project's success based on the key themes relevant to the community. The minutes for each meeting were made publicly available
- having a good cross section of the Moree community as members of the Community Reference Group
- the development and implementation of an effective complaints management process
- using a diverse range of engagement activities to engage with the local community, such as stalls at local markets, presentations, site tours and a public display.

The project delivered significant benefits to Moree and the wider community, including:

- more than three quarters of the 150 construction jobs created by Moree Solar Farm were awarded to local workers, and a substantial number have been employed in subsequent solar projects
- five permanent local employees now operate the solar farm
- the benefit sharing program will deliver a portion of project revenue back to the community as grants to support local initiatives
- a person from the local area was employed as a community liaison throughout the development process, including from when the site was first deemed feasible.

In general, people are more likely to support a project when they can participate in the development process, influence outcomes and gain some benefit. People's attitudes are influenced by how fair they believe the processes and outcomes will be. Attitudes are influenced by many factors including personal experience and interpretation. Attention must be given to people's local identity, culture and relationships. For some communities, the collective culture, values and identity should inform community engagement and benefit sharing approaches.

A Community Reference Group (CRG) can bring together a range of representatives from the community to provide on-going dialogue, input and feedback between the community and the developer. To be effective, this group must have a clear terms of reference, a clear representative role and membership criteria, and a transparent appointment and communication process. It is also essential that a CRG supplement, and not replace, engagement with the broader local community. A CRG may not be appropriate or effective in every circumstance and its effectiveness depends largely on how it is integrated with the development process and local community.

For further information please refer to the following studies: Bell, D., Gray, T., Haggett, C., and Swaffield, J. (2013). Re-visiting the 'social gap': public opinion and relations of power in the local politics of wind energy. *Environmental Politics*, 22(1), 115–135; Devine-Wright, P. (2011). *Renewable Energy and the Public: From NIMBY to participation*. London; Washington, DC: Earthscan; Warren, C. R., and McFadyen, M. (2010). Does Community Ownership Affect Public Attitudes to Wind Energy? A case study from south-west Scotland. *Land Use Policy*, 27(2), 204–213; Wolsink, M. (2007). Wind Power Implementation: The nature of public attitudes: Equity and fairness instead of 'backyard motives'. *Renewable and Sustainable Energy Reviews*, 11(6), 1188–1207; Hall, N., Ashworth, P., and Shaw, H. (2012). Exploring community acceptance of rural wind farms in Australia: a snapshot. CSIRO.

*Acciona's Sanguesa project in Spain.*

### Case study in bioenergy: Yorke Biomass Energy Project, South Australia

An example of fair process and outcomes is the Yorke Biomass Energy Project located on the Yorke Peninsula. Modelled on an existing 25 MW facility in Spain (operated by Acciona, shown above), the straw-fired power plant is currently under development and once operational, will have 15 MW of electricity capacity.

The plant will be brought to the site largely in pre-fabricated modules, easing local impacts of the construction process and provides a new market for straw in the surrounding area, improving farm profitability.

A farmer's co-operative is being established for those farmer's within 50km of the plant with goal to supply over 90,000 tonnes of straw to the facility. This straw can be of lower quality than can be used for other agricultural purposes, with the ash created during the combustion of the straw being returned to farmers on a pro-rata basis for nutrient recycling, as well as improving the current practice of stubble burning.

It is expected that 40 jobs and 120 indirect jobs will be created by using regional contractors.

## 4. Fairness in the outcomes

Perceptions of fairness relate to how the benefits (financial and otherwise) are distributed relative to the potential impact of the project on the local community. In particular, perceptions of 'haves' and 'have-nots', equity and scale of benefit sharing all influence how benefits are received by the community.

Benefits need to be in-line with the scale of the project, but do not necessarily have to be direct payments. Fairness may be perceived to include creating local jobs, increasing local business revenue through the use of local contractors, boosting local education opportunities or offering innovative management and financial opportunities such as co-ownership or co-investment. Studies have consistently shown that benefit sharing via whole or partial community ownership or investment contributes to building local support for the development.

There is also an important link between fair process and fair outcomes. A fair process will increase people's acceptance of the outcomes, even if the outcomes are not strictly what they would have preferred. Conversely, and particularly for benefit sharing, if the outcomes are at odds with people's expectations and experience of the process, it can reduce acceptance, for example if a developer were to offer a direct payment to compensate for lack of consultation. Further details on benefit sharing are explored in Part B.

For further information please refer to the following studies: Warren and McFyden 2010; Devine-Wright 2011; Bell et. al. 2013. Also: Hindmarsh, R. (2010). Wind Farms and Community Engagement in Australia: A critical analysis for policy learning. *East Asian Science, Technology and Society*, 4, 541–563; Munday, M., Bristow, G., and Cowell, R. (2011). Wind Farms in Rural Areas: How far do community benefits from wind farms represent a local economic development opportunity? *Journal of Rural Studies*, 27(1), 1–12; Walter, G. (2014). Determining the Local Acceptance of Wind Energy Projects in Switzerland: The importance of general attitudes and project characteristics. *Energy Research and Social Science*, 4, 78–88; WISE Power Consortium. (2015). *Report of Innovative Financing Models for Wind Projects, Expected to be supportive of Social Acceptance* (No. D3.3) (p. 47). European Commission.

## 5. Trust and relationships

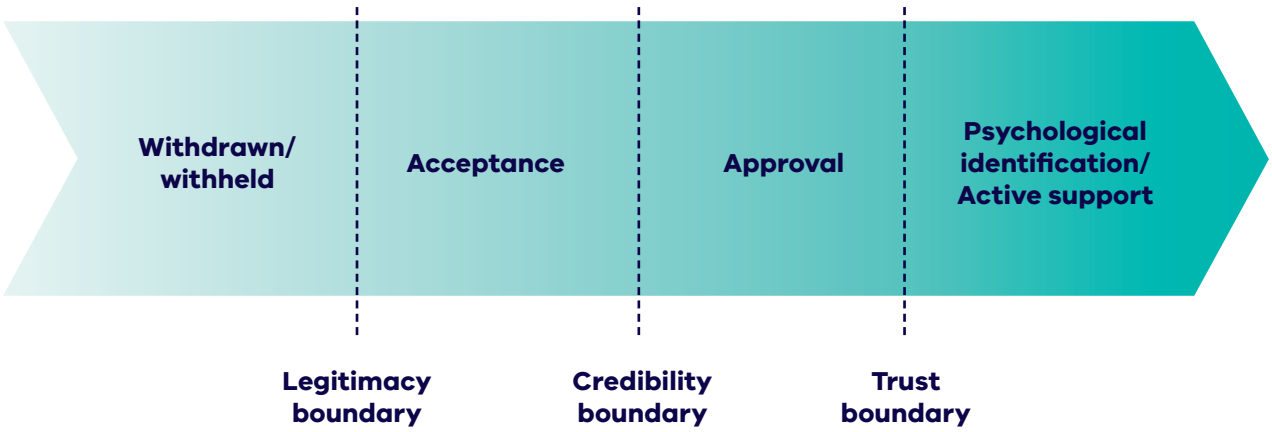
Trust is an important factor that underpins projects with strong community support. Trust occurs when a developer behaves with integrity and transparency, with a community engagement process that is fair and open. If the level of trust is poor, people's ability to believe the actions of a developer are compromised, particularly in the case of benefit sharing.

Maintaining a social licence to operate is linked to trust. The spectrum of building a SLO goes from having a SLO withdrawn or withheld, through to having local people actively supporting the project, as seen in Figure 1 below. If a developer and the project are seen as legitimate, there can be acceptance of the project. If a developer and the project are seen as both legitimate and credible, then they experience approval[11]. If people trust the development and the project, this can lead people to identify positively with the project and integrate it within their sense of "community and place" — this is referred to as psychological identification[12]. At this point, a developer and project experience strong community support and potential advocacy for the project, which can dramatically reduce social and political risk for the project.

Trust is a "social asset" developed through consistently delivering on expectations. It is therefore important to set clear expectations early on (in relation to timelines, activities, expected impacts and benefits) and communicate these well. Delivering on expectations in a timely manner can be challenging in the context of renewable energy development as there are many variables that are sometimes out of the control of the developer. They include timelines associated with approvals processes, grid connection requirements, site studies, financial markets, component orders and policy contexts among other factors. This influences the ability to make clear commitments to communities and to be able to deliver on them, and this has challenging implications for trust building. Being transparent about what aspects are uncertain, possible contingencies, and the processes and timelines for decision-making will help local people deal with uncertainty.

Despite these challenges, there are positive ways renewable energy developers can build trust. Developing relationships is aided by consistency and longevity of staff, and ideally time for face-to-face engagement (explained in Section 6). In regard to developing trust, it has been found that: "Trust is developed between a developer and a community through an open and authentic process, which demonstrates understanding and provides communities with a role in making decisions which affect their lives"[14].

**Figure 1: The process of building a social licence to operate[14].**




[11] Credibility refers to the "(perceived) quality, validity and scientific adequacy"; legitimacy refers to the "(perceived) fairness and balance of the community engagement processes, including inclusiveness of other stakeholders, transparency, fairness in handling of diverging values, beliefs and interests" from Simo, S., Niemelä, J., Tinch, R., van den Hove, S., Watt, A. and Young, J. 2014. 'Balancing Credibility, Relevance and Legitimacy: A Critical Assessment of Trade-Offs in Science–policy Interfaces'. *Science and Public Policy* 41 (2): 194–206).

[12] Thomson, I. and Boutilier, R. G. (2011).

[13] An adaptation of Thomson, I. and Boutilier, R. G. (2011).

[14] Ernst and Young. (2015). *Strategic Options for Delivering Ownership and Benefit Sharing Models for Wind Farms in NSW* (p. 53). Sydney, Australia: NSW Office of Environment and Heritage.

## 6. Face-to-face engagement and local staff

Face-to-face engagement with local people is a key determinant of positive social outcomes. Having a local face for the project and someone connected to the community can increase social acceptance. Some companies hire local staff tasked with community engagement throughout the project life-cycle, while others might only do so during some phases. Increasingly, during the construction phase, wind companies will hire a local person who can act as a 'translator' for the project, helping the community understand the construction process and what to expect, and deal with issues if they occur. The ability to have local-facing staff and a regular presence in the community will vary according to the type of technology, scale of project, stage of project and its context within the local community.

Unfortunately, face-to-face engagement and local staff is not always an option. For many projects, staff responsible for technical development will be responsible for community engagement and may only visit the community for key activities or meetings. Sometimes an external consultant may be brought in to look at social feasibility in the short-term. For companies with a few projects in their portfolio, they may have a dedicated community engagement person who works across a number of project sites and generally does not live locally but rather visits regularly. In these instances, it will be important to consider how relationships and trust can still be built over time; for example, through consistent tenure of the contact person, even if they are not based locally.

The community facing employee should be accessible, ideally through a local shop front, or sharing an office at a local community facility, even if on a part-time basis. Preferably, the local employee is trained and/or experienced in community engagement and the role should be ongoing to provide continuity to the community. Carefully considering the appropriateness of community-facing staff, including personality traits and engagement skills such as good listening skills, being humble, empathetic, responsive, accessible and a good communicator is important.

## 7. Complaint management process

It is common for communities not to know who to contact with concerns or complaints, and this can significantly impact a project's SLO. An accessible complaints management process should be prioritised as part of any community engagement strategy. Being accessible and responsive minimises the risk that a complaint escalates to local planning authorities, the Environmental Protection Authorities or other government agencies such as the National Wind Farm Commissioner (for wind developments).

At a minimum, it is recommended that all projects:

- develop a complaints management process
- maintain a detailed complaint register
- list the complaints process and stages transparently on the project website or project webpage of the development company
- provide a toll-free number with a message service and email address
- directly notify key stakeholders about the process (e.g. face to face, or through newsletters).

Best practice complaints management involves:

- making a direct phone line available to key staff who have the skills to receive the complaint and the capacity to immediately respond
- ensuring the staff member responsible has relevant training in dispute resolution, non-violent communication and active listening
- demonstrating responsiveness to the complaints and reporting on the progress/resolution of complaints to key stakeholders.

## Current community concerns about wind energy and opportunities to alleviate them

Understanding current community concerns about renewable energy developments is a key component of improving and targeting community engagement. The following list represents predominant wind farm complaints in order of prevalence received by the National Wind Farm Commissioner:[15]

- noise and annoyance from operations (including noise testing process and noise standards)
- health concerns
- planning process and transparency
- economic loss (property and opportunity)
- amenity and impact on views
- vibration
- natural environment
- community engagement.

The National Wind Farm Commissioner has published recommendations for developers about improving engagement during the wind development cycle. During site selection and planning phases, the key recommendation is close engagement with hosts and neighbours.

In regards to hosts, recommendations are to:

- undertake a collective and transparent negotiation process that involves all hosts
- manage expectations of hosts around the number of turbines and be transparent about the risk of project changes
- consider compensation to hosts if the project proceeds with reduced turbines
- provide clarity on whole of life-cycle implications for insurance, rates, taxation, decommissioning, and other responsibilities.

On neighbours, the Commissioner stated: "*Lack of effective consultation with neighbours can lead to a range of material issues for a wind farm project, including conspicuous opposition to the project, planning/approval delays and appeals, the project not being approved, as well as widespread negative media coverage about the project and the industry more broadly*"[16].

The Commissioner's recommendations are to:

- raise the profile of neighbour engagement
- consult with neighbours on project design
- advise and consult on project changes
- undertake noise testing and make the results publicly available and transparent
- facilitate site visits to operating wind farms
- provide factual information.

[15] National Wind Farm Commissioner (2016) *Annual Report by the Office of the National Wind Farm Commissioner*
[16] Ibid.

## 8. Legacy projects in the planning system

Legacy projects are projects that acquired development approval several years ago and are essentially 'shovel ready' but have been dormant for some time, and may be waiting for financial support to progress to construction. Many projects in Victoria have been suspended in this stage and may not have continued community engagement throughout this period due to uncertainty. These projects require unique consideration. For instance, how will contact with the local community be maintained and/or re-initiated?

Whilst these projects may be at an advanced development stage, and are being considered for re-activation, it is important to reflect on the history of community engagement and assess current community perceptions, and how they might have changed in line with the broader socio-political context. In regards to wind, the capacity and size of turbines, turbine layout, and wind farm footprint may also have changed, affecting community perceptions of the project. The community may require additional engagement and trust-building in order to accept a long planned for development proceeding. It is important to also establish who may have moved into the area over the period and refresh the stakeholder database to ensure that there is widespread awareness about the project and its neighbours.

### Improving engagement through the development cycle

Greater consideration will be needed as renewable energy projects move from planning and design to construction. In some case, projects are built, owned and operated by the same developer and in other cases, different developers have been involved in the various stages. The new owner of the project should seek to maximise continuity in community engagement where it has been acquired from a previous developer.

In an Australian study on local participation in the wind farm development process, only 15 per cent of survey respondents "agreed that they had the opportunity to participate or contribute in wind energy development and planning" and almost all "agreed that the views of the local residents for public consultation have consistently been ignored." Expectations are rising by the community to participate in renewable energy developments including design of benefit sharing programs and community benefit funding.

For wind energy growth areas in particular, it is important to consider the cumulative impacts of all planned and constructed wind farms in the area. Social acceptance may be impacted over time as more wind farms are constructed in the area. It is vital to have open dialogue with other wind developers in the region and have a whole of development approach with key stakeholders.

[17] D'Souza, C., and Yiridoe, E. K. (2014). Social Acceptance of Wind Energy Development and Planning in Rural Communities of Australia: A consumer analysis. *Energy Policy*, 74, 262–270. Page 268.

# Part B:

# Benefit Sharing

Renewable energy infrastructure can lead to changes, including visual and amenity impacts, in local communities. In response, developers have sought to share some of the benefits of renewable energy projects with local and other stakeholders. This is usually directed at community members in closest proximity to the development.

Sharing the benefits of a project can enhance the social and economic outcomes for the local community, further building support for a project. This often overlaps with Corporate Social Responsibility (CSR) initiatives and benefit sharing in a host community. Communities are more likely to be positive and welcoming to developers that are good neighbours and address equity issues to reduce risks of division[18].

Benefit sharing aims to create mutually beneficial outcomes for both community and developers. A fair process must accompany the design and delivery of a benefit sharing program for it to be well received.

### Tips for benefit sharing

Developing a benefit sharing program is very important and is closely related to the community engagement approach. It is key that each subset of the community that is impacted — hosts, neighbours and the broader community — is given an opportunity to influence how benefits will be shared in a transparent way.

Benefit sharing should be:

- framed as an offer by a responsible neighbour to a valued community, rather than a form of compensation
- led by quality community engagement and offering benefits early in the development process with 'no strings attached' so it is not seen as a 'tack-on' at the end. Failure to do this risks the community perceiving it as buying support.

A well-designed benefit sharing program that is tailored to the local context is good value for any project. It can result in increased support for the project, lower complaint handling costs, and less delays in project approvals — all of which have significant economic benefits for developments.

Benefit sharing programs are popular internationally but are still emerging in Australia. Benefit sharing will have an explicit focus in the VRET assessment process. The required level of any benefit sharing program will be dependent on the type of technology, scale of project, and project location.

Benefit sharing refers to offering the following types of benefits throughout a project's development:

- local jobs and procurement
- neighbourhood benefit programs (including neighbour payments, solar PV installations, screening vegetation)
- beyond compliance level activities associated with visual amenity, television reception and sound dampening
- sponsorship and community benefit funds (grants) and/or legacy community benefit initiatives (long term programs or services)
- employee volunteerism
- innovative products (including electricity products)
- innovative financing (including co-investment and co-ownership).

Each of these are described in more detail over.

[18] http://embark.com.au/display/public/content/Benefit+sharing+models


In the wind sector, using a variety of contextually appropriate benefit sharing programs has been shown to increase people's support for nearby wind farms[19]. Wind energy, especially because of community perceptions of cost, scale, visibility and noise has developed the most sophisticated benefit sharing programs to date. For some technologies, there will need to be a focus on those most directly impacted, such as neighbours of the project. For others, there may be community resistance in regards to project scale that can be addressed through a benefit sharing mechanism such as local procurement and job creation.

Large scale developments are often located in rural areas that are financially constrained. Hosting a renewable energy generator can bring about significant regional economic benefits throughout the lifecycle of the project.

The Victorian Government encourages proponents to work with communities to develop a benefit sharing model that is fit for purpose: to create strategic opportunities, drive local innovation or meet significant needs in the local region.

In the VRET auction scheme, economic development will be evaluated in addition to community engagement and shared benefits. Applicants should be aware that there will be some crossover between the two evaluation criteria, and that local job, procurement and investment activities presented in their local industry, development investment plans should also be reflected in their community engagement and benefit sharing plan.

### Understanding benefit sharing approaches

Community benefit sharing is about creating a positive legacy in the local community. Benefit sharing also needs to be tailored to local circumstance, culture and need, helping to address (not create or reinforce) patterns of conflict or inequality. It is important that benefits are perceived as being proportionate to the scale of project and the level of change or disturbance experienced by local people. As a guide, sharing benefits of between $500 - $1,500 per megawatt (MW) of installed capacity per annum for wind projects is used by several Australian wind farm projects (within a context of a bigger community engagement plan)[21]. It is important to differentiate between sharing the benefits from the development and offers that are seen (or explicitly presented as) bribery or compensation. Research has found that benefit sharing is not necessarily well received if it is seen as bribery or "admitting an impact that requires compensation"[22].

The range of benefit sharing options that a developer might use may vary across technologies as the impact, whether actual or perceived, varies across technologies. In other instances, strategies suitable to some technologies, such as wind farms, may be equally applicable to other technologies, such as solar and biomass. The key consideration is that the affected community, including any neighbours, are comfortable with the benefit sharing program and value it as a fair approach. The most prevalent technologies currently deploying benefit sharing programs are wind and hydro energy, however given the rapid transition occurring and the newness of some technologies, benefit sharing is an important consideration for any renewable energy project development.

[19] Fast and Mabee 2015; Walter 2014; Gross 2007; Ashworth, and Shaw 2012; Ernst and Young 2015; Also: Aitken, M. (2010). Wind Power and Community Benefits: Challenges and opportunities. *Energy Policy*, 38(10), 6066–6075; Baxter, J., Morzaria, R., and Hirsch, R. (2013). A Case-control Study of Support/Opposition to Wind Turbines: Perceptions of health risk, economic benefits, and community conflict. *Energy Policy*, 61, 931–943; Bidwell, D. (2013). The Role of Values in Public Beliefs and Attitudes Towards Commercial Wind Energy. *Energy Policy*, 58, 189–199; Howard, T. (2015). Olivebranches and Idiot's Guides: Frameworks for community engagement in Australian wind farm development. *Energy Policy*, 78, 137–147.

[20] Hicks, J., Lane, T., Wood, E. Hall, N., Webb, A. and Mey, F. (forthcoming) *Enhancing Social Outcomes from Wind Development in Australia: Evaluating Community Engagement and Benefit Sharing*. Clean Energy Council, Melbourne.

[21] Fast, S., and Mabee, W. (2015). Place-Making and Trust-Building: The influence of policy on host community responses to wind farms. *Energy Policy*, 81, 27–37. Page 29.

### Case study wind: Coonooer Bridge Wind Farm, Victoria

Windlab's Coonooer Bridge wind farm is a 19.6MW project located in Buloke Shire's farming district. Drawing on research from the CSIRO and its own experience, Windlab identified Coonooer Bridge as an opportunity to pilot a new approach to community engagement for the wind industry.

The host landowners were consulted, and helped to develop a scheme under which landowners within three kilometres of the project were granted equity, as well as the opportunity to invest directly in the project. This approach was implemented alongside more traditional approaches including a community grant scheme.

Windlab also provided on-going face-to-face engagement via project development staff. Staff visited the site regularly to convene group discussions with hosts and neighbours. The information gathered through this process also contributed to the strengthening of local relationships and better social acceptance.

By working closely with local hosts and neighbours to deliver fairer outcomes, it contributed to timely progression of the project – much faster than the industry average. The significant community support also led to a higher overall project value, minimal objections and Coonooer Bridge Wind Farm being recognised through a community engagement award by the Clean Energy Council.

## 1. Local jobs and procurement

Benefit sharing is generally focused on project neighbours and the local community. In areas with sparse populations or where community identification is regional rather than local, this may extend out more broadly. Local job creation and service delivery is of key importance to most host communities. It is important to give the community significant notice and lead time to allow them to prepare for and make the most of the opportunities.

Steps to consider:

1. establish local procurement policies
2. communicate early about opportunities that will be available at each stage of the development cycle and promote these through multiple channels: website; print media; newsletters; and information sessions
3. communicate budgets and realistic timelines
4. consider providing briefings or training to support local suppliers' ability to respond
5. discuss with local providers how to develop education opportunities to encourage skill development
6. train local people for ongoing employment in maintenance and operation.

## 2. Neighbourhood benefit programs

Neighbourhood benefit programs should be tailored to the local community immediately surrounding the boundaries of the project. These initiatives are well established in the wind industry, and are emerging with other technologies that are building at scale in populated areas.

Some examples of neighbourhood benefit sharing include:

- energy efficiency programs, residential solar panels or contributions/discounts to electricity bills for neighbours or neighbourhood community facilities
- priority in a community benefit fund (see page 24 for further details) for the neighbourhood area to ensure there is a allocation specifically for those nearest to the project
- contributions to neighbourhood infrastructure such as paying for the local hall and Country Fire Association's electricity bills
- annual payments to neighbours (including payments during the development, construction and operating phases)
- one-time payment at the commencement of a neighbour agreement
- sharing equity in the development with neighbours — either as a gift or offer of investment

- lease agreements for supply of infrastructure such as road access, storage of equipment or stock feeds
- provision of double glazing or visual screening to address noise or amenity concerns.

## 3. Compliance related activities

Compliance related activities are a core part of the planning and post-construction process for most technologies. Proponents should document compliance related activities that are aimed at minimising impacts on the community, although these should not be considered as benefit sharing.

Some compliance related activities include:

- visual screening of both the generator on site as well as at nearby residences
- noise mitigation on the project site with sound-proofing or at nearby residences
- television point to point radio reception testing to minimise interference from wind turbines for example.

Local government rates charged on renewable energy generators provide another substantial local benefit. In Victoria, projects are required to make a payment in lieu of rates (PiLoR) to the Local Government Area (LGA) based on a specified formula or by negotiation. The generator and the LGA are to agree on a PiLoR and may vary the amount, taking relevant project factors into account.

## 4. Community benefit funds and sponsorship

Sponsorship and community benefit funds (generally via a grant based system) are becoming more commonplace. For example, sponsorship is often applied to local community events and football clubs. The level of sponsorship may start at a low level at the early stages of a project proposal (for example the site selection stage) and increase once a project is operational.

The ability for a project to develop a community benefit fund is influenced by the technology, scale and potential profit margin of the individual project. What might be an appropriate fund amount per MW for a wind or hydro project may not be equitable, or possible, for a solar or bioenergy project. If a community benefit fund is used, it is strongly recommended that the local community be involved in its management and governance.

Some examples of broader community benefit funds that are being applied outside of a typical grant framework are:

- improving infrastructure pertinent to the local community such as a telephone tower
- building a community solar project for a local business or developing a micro grid for a portion of the community
- allocating the profits from a portion of the project to go into a revolving fund that can operate in perpetuity
- creating a targeted legacy community benefit initiative for at-risk populations in the local community (this could have a medium to long-term scope to address particular social issues)
- working with a local partner to roll out a bulk buy program for solar and heat pumps in the local area
- tourism and education programs at the facility, which could also act as additional income generation
- electric vehicle charging station at viewing location of the generator to encourage engagement.

**Neighbourhood agreements should not void the community's rights**

In some cases neighbourhood agreements have been offered in conjunction with voiding people's rights to claim standard compliance conditions in the future or to object to aspects of a project. In these cases, neighbour payments replace the ability to later raise complaints or request screening or noise monitoring. Such clauses can negatively impact the ability for an agreement to be met and reduce the level of trust between the neighbours and the developer. Benefit contracts in exchange for silence are not recommended or supported.

## 5. Employee volunteerism

Employee volunteerism, which is often considered a part of corporate social responsibility, is common in many large corporations and is gaining traction in renewable energy project developments. It refers to companies providing labour and equipment free of charge, to assist the local community with projects that might require expertise. For example, this can involve a developer directly assisting the local community to build a small-scale community energy project. The developer can utilise existing skills and networks to fast track development and support of the project.

Another approach is contractor engagement through the construction phase. This is a good way to socialise contractors more deeply with the local community. An example of employee volunteerism is presented in the Sapphire Wind Farm case study on page 25.


**Case study on wind: Sapphire Wind Farm, New South Wales**

CWP Renewables' Sapphire wind farm is a 270MW project located on broadacre agricultural land along a series of hills to the north of Gwydir Highway in the New England region. Construction commenced in January 2017 and will be complete in mid-2018. Turbines will be visible from the highway and there are a few neighbours within 5 kilometres. Sapphire Wind Farm's approach to community engagement and benefit sharing has focused on building long-term community support for the project. This includes:

- joining forces with the three principal contractors (Vestas, Zenviron and Transgrid) on the project to collaborate, co-fund and co-deliver a range of community infrastructure projects. The community is invited to submit applications for small-scale infrastructure projects that have long-lasting, sustainable benefits
- creating a community benefit fund: The focus will be on community benefit initiatives using a collaborative community development approach. The fund will deliver a series of strategic, long-term legacy projects within the local community to make a greater impact, with $3.75 million to be invested over 20 years
- undertaking community investment testing: Investigating whether the community is interested in investing directly into Sapphire Wind Farm. If there is sufficient interest in the concept, it would be an Australian first for a public community share offering being made available for a large scale renewable energy project.

## 6. Innovative products

Benefit sharing can involve the development of innovative products that serve the local community. Some recent examples include:

- making available an electricity retail offering for the local community or local businesses from a portion of the generation output of the renewable energy project (this could be an approach for both vertically integrated developers and developer/ retailer partnerships)
- making other value chain products such as compost, high-value organic fertiliser (with bioenergy) that can be managed by a community enterprise
- making offsets (large-scale generation certificates) available to help 'green' local businesses.

Other innovative products include the development of tourism opportunities. Energy tourism is a growing sector in Australia and is well established in certain regions of Europe. Individuals and groups, such as schools, often want to visit large scale renewable energy projects and see how technologies operate and hear the story of how they originated, the lessons learnt along the way and how they contribute to the local community.

Viewing platforms, interactive storyboards, live generation data, events and project tours are ways to develop these opportunities. They also assist to educate the broader community and promote the benefits of renewable energy, as well as demystifying the technology.

## 7. Innovative financing

Innovative financing is emerging internationally as a strong social acceptance pathway, however it is yet to be widely tested in Australia [22]. Innovative financing refers to a public offering for co-investment in a portion of the Renewable energy project or it may be structured as co-ownership.

Co-investment is where a community investment vehicle buys rights to a portion of the earnings of the Renewable energy project but has no decision-making power or control over the operation of the asset. The community investment vehicle could be a company, cooperative, association or trust. In this arrangement, the community has no formal ownership or responsibility over the project. One way to establish local community desire and the financial capability for this model is to test the idea with them. This can be done through a range of engagement and communication activities.

[22] WISE Power Consortium. (2015). *Report of Innovative Financing Models for Wind Projects, Expected to be supportive of Social Acceptance* (No. D3.3) (p. 47). European Commission.

Co-ownership is where a community-owned vehicle owns a portion of the renewable energy development and plays an active role in decision-making. The community vehicle may have initiated the development and may own a controlling interest in the project (i.e. more than 50 per cent), or it may have a smaller role. Here, the community vehicle carries risk and responsibilities for the life of the project, but is often responsible for aspects of development that capitalise on their community strengths — such as delivering community engagement and communications.

Again, the community vehicle could be a company, cooperative, association or trust. In several countries that have mature renewable energy sectors, such as Denmark, innovative financing approaches have been used for some technologies.

Co-investment or co-ownership can:

- empower communities to participate in the Renewable energy transition
- enhance regional economic benefits
- create greater community wealth and community assets
- provide a way for the community to directly invest in large scale renewable energy
- assist community groups and individuals to engage with other locals with common values and
- build a basis of local support and advocates for the project.

In regards to community investment, it is recommended that there is no 'carve out' linked to the performance of individual turbines, solar panels or similar, rather the returns should be linked to performance of the project as a whole. However, with regard to wind, there could be a symbolic connection to a particular turbine, such as one that is easily viewable. This could include naming rights, a mural on the turbine, a viewing platform and an interactive storyboard. A separate community investment vehicle may need to be established (for-profit or not-for-profit dependent on the values and desires of the local community). The community would then manage and govern the community investment vehicle and may choose to invest in or develop other projects through it.

Many variations of these themes exist and the key is to allow the community to explore options that best suit them. An alternative approach to standard financing models is that a local group undertakes some of the community engagement activities and receives in-kind support in exchange for "sweat equity" provisions should the project go ahead. The sweat equity could be an exchange for a single shareholding that would deliver annual returns to enable community or environment groups to undertake local activities. This has been used in the Denmark Community Windfarm, where a local environmental organisation was gifted 200,000 shares in return for sweat equity. The returns on these shares are contributed to a grant program run by the organisation.

### Case study in bioenergy: Cowra Biomass Project, New South Wales

The CLEAN Cowra biomass project is an example of community co-ownership and creating a better environment for the community acceptance of renewable energy.

The project proposes to supply electrical and thermal energy using locally available biomass resources. With bioenergy plants at a few locations and at a projected total capacity of 12MW, it could produce an estimated 60 per cent of Cowra's energy needs.

A community ownership model is being developed with key stakeholders – the local community, farmers and business owners, who are leading the development of the project. The project can provide an alternative revenue stream for farmers and better manage agricultural waste in the area.

The biomass project, by aggregating a number of substrates, will be looking to be able to convert waste to energy from:

- sludge from the local water treatment plant
- green waste from the rubbish tip
- industry by-products such as sugary water from food factories
- horticultural by-products such as beetroot tops and corn waste
- waste from an abattoir and
- soiled straw from intensive animal husbandry.

While it has been developed primarily as an innovative co-ownership project, it provides an encouraging example of best practice community engagement and benefit sharing.

Benefits created, both environmental and social, include:

- local jobs creation- biomass harvesting and handling/ energy conversion and distribution/ bio-products manufacture
- local circular economic system enhanced
- local distributed energy generation, dispatchable and decentralised
- local utilities and commodities developed, with thermal energy and reduced emissions from generation
- local carbon footprint reduced due to methane capture and conversion (currently released to atmosphere).

# Part C:

# Tools for Enhancing Social Outcomes

Below are a range of tools designed to help proponents complete the relevant documentation when applying for potential Victorian Government support such as the VRET auction. These tools are also aimed at enhancing the ability of all renewable energy projects to deliver positive social outcomes.

## 1. Social Risk Analysis

As mentioned in Part A and B of this Guide, it is very important that a project's community engagement and benefit sharing strategies are tailored to the local context, and take into account the community's needs, concerns and values. The purpose of undertaking a social risk analysis is to identify and understand these factors. Through this process, key issues may be identified that require attention and may change the scope of the project.

The information and analysis collated using this framework should influence the priorities for the Community Engagement Strategy and Benefit Sharing Program for VRET auction applicants.

The Social Risk Analysis is comprised of several parts:

- Context Narrative
- Social Impact Site Map
- Social Risk Matrix
- Stakeholder Mapping Spreadsheet

These tools feed into one another, and hence, there is a degree of overlap and synergy between them.

**Tools:** For further guidance see Part A: Tailored to the local context, page 10; and Part B: Benefit sharing, page 21.

### 1.1. Context Narrative

A Context Narrative involves constructing a 'story' of the local context, including its key attributes, values and features. It will include key aspects of local demographics, culture and history relevant to renewable energy development.

Within this story, it will identify ways that a development can align with the local context, to ensure the project and its community engagement and benefit sharing approaches are appropriate. It requires consideration of the aspects of the local context that could influence support for or opposition to a project.

The Context Narrative is designed to assist a developer to become familiar with the local context from a variety of perspectives. This will enable the developer to design project plans, community engagement strategies and benefit sharing proposals. It will also identify key issues to be aware of and key people to include in future project stages. This may be especially pertinent if the ownership and management of the project change over time.

The Context Narrative is a tool that should provide:

- a summary of the dominant local community narratives that are characteristic of how local people identify themselves and the nature of their community: its key stories, historic events, challenges and sources of identity
- a summary of the dominant local community narratives that are associated with the renewable energy technology and the proposed project
- any legacy issues that are important to consider about the project
- any impacts of policy of all levels of government on the project
- an understanding of Recognition and Settlement Agreements in areas where Victorian Traditional Owners have determined these
- ways the project can align with or enhance important aspects of the local context.

Provided below are a series of questions that can be used to build a Context Narrative. It is not necessary to answer all of them. It is important to clarify *local understandings* of issues and the dominant narratives that surround them, rather than trying to identify a single 'truth' about an issue.

To undertake this process, first do some desktop research into the history and demographics (for example, age, occupation, level of education, home ownership, level of civic engagement) of the local communities. Identify the Aboriginal Traditional Owners and investigate the relationship they have with their country.

There may be a number of settlements or towns nearby:

- *How are they different from each other?*
- *How do they relate to each other?*

Identify and research the local community groups which are the most active in the town.

- *What does this say about local people's values, hobbies and identity?*
- *Which groups seem most influential in the life of the community?*
- *Who are the local members of parliament and what are the key issues raised by constituents?*

Interview or recall conversations with local people:

- *What defines the local towns?*
- *Are they farming or holiday communities?*
- *Is this changing, and does that cause tensions?*
- *Are there weekly, monthly or annual events that are really important for the local community?*
- *What's the main source of employment and how does this affect the local identity?*

Overall, how would you summarise the type of local community (select those which are most relevant, or add others in regards to offshore technologies):

- large landholders with no neighbours within 5-15kms of the renewable energy project
- large landholders with a small amount of neighbouring broadacre farms within 5kms
- ridge developments, with neighbouring hobby farmers in the valley who may be exposed to noise and visual impacts
- lifestyle properties with prized landscapes and hobby farmers who may be exposed to the noise and visual impacts
- island or remote community developments
- peri-urban/industrial
- sea change, tree change
- highly transient community
- Victorian Aboriginal and Traditional Owners with strong connection to country.

Consider the physical environment:

- *What local landscape features are important to local people (Aboriginal and non-Aboriginal)?*
- *What happens in these places?*
- *What makes them important?*
- *Are there important historical events and sites to be aware of?*
- *Where do people go for recreation?*
- *What have the historical reactions been to other infrastructure projects?*
- *What flora and fauna species are particularly important to local people?*

These questions can be explored through a 'participatory mapping' exercise if desired. Methods for this are introduced in the next section.

It will be important to consider the project background and history, including questions such as:

- *Who initiated the project and how was this undertaken?*
- *Has the project been acquired from another developer or operator? If so, when and from whom?*
- *What has been the reception of the project so far among the local people and local media?*
- *Are there other renewable energy projects nearby? What has been the reaction to these?*
- *Have you or will you be applying for a planning amendment? How has this been consulted and communicated to the community?*

**Context Narrative scenario**

A proponent wants to develop a solar farm near a small farming community. The associated town has a proud local history of self-sufficiency and independence. The local association plays an active role in the community and works with the local council (based in a larger town 50km away) to deliver community programs. The developer made little effort to engage local people. In addition, the proposed project will be on some of the area's more fertile land, upsetting local farmers.

This project did not proceed because of local opposition. A more engaged approach is suggested: the developer should work with local farmers to identify marginal land to host the solar farm and work with the association and others to determine how the project can support the town's sense of independence and self-sufficiency — including local jobs, a community-controlled grant fund and an opportunity for locals to invest in the project.

It will also be important to consider the impact of policy:

- *Has past policy change or uncertainty affected the project or local people's perceptions of the project or RE more generally?*
- *How does the current policy and political landscape affect the project and perceptions of renewable energy more generally? What is the dominant media narrative about the project, the technology and renewable energy generally?*

### 1.2. Social Impact Site Map

A Social Impact Site Map is a map of the generator location/s and associated infrastructure in relation to local residents and the community. The purpose of the map is to integrate social features (such as location of houses, valued landscape features or areas of recreation) into the map. The map is a visual display of a site-specific social impact analysis for the proposed development. In particular, it is recommended:

- for wind and solar: indicate the layout and location of host and neighbouring residents within 3-5km
- for bioenergy: show the feedstock sources and transportation routes on an expanded map
- for all technologies: create a map that represents the location of the renewable energy project and its proximity to settlements/towns within a 10-15km zone, and create another expanded regional map if there are other significant local energy developments within 50kms
- show the location of substations and electricity grid infrastructure
- indicate cultural sites of significance for Victoria's Aboriginal and Traditional Owner groups
- include where any significant flora and fauna issues have been identified
- describe what the visibility and/or audibility will be for different stakeholders.

The outcomes of the mapping exercise will guide considerations relating to appropriate design and implementation of the project with the key issues highlighted in the map. It will also help to analyse the potential social impacts and risks of the development.

One method to begin preparing a social impact site map is to do a participatory mapping exercise. This involves "A group-based qualitative research method that gives participants freedom to shape discussion on a given topic with minimal intervention from researchers. Mapping can generate a rich understanding of the connections between people, places and organisations over space and/or time"[23]. To do this, sit down with a map of the local area with a group of local hosts, neighbours and/or other community representatives and go through a series of prompting questions.

The purpose is to allow as much space as possible for participants to share their thoughts on the character of the local landscape and what this means to local people and what the perceived impacts may be. This process is particularly useful in the feasibility stage of a project and can be used to inform the context narrative and identification of key social risks and key stakeholders.

### 1.3. Social Risk Matrix

The purpose of a Social Risk Matrix is to outline the key social risks, evaluate them and make recommendations to mitigate them. One way to approach this is to:

- identify the policy (e.g. operating environment, regulatory), social (e.g. culture, history, values), physical (e.g. site location specific, environmental, visual) and economic (e.g. benefit sharing, local job creation) factors that create the social risk. Many of these may have been raised in the Context Narrative
- briefly explore how identified factors could raise risk
- rate the risk level, the consequence and the likelihood of the risk occurring, and
- briefly state recommendations to mitigate the risk, and consider how these fit with other aspects of project planning such as community engagement and benefit sharing.

Some key considerations for the Social Risk Matrix are:

- *How many hosts are involved? How many neighbours are there?*
- *Are there other significant energy projects nearby (e.g. within 50km) that are either planned or constructed? Will there be noise or visual amenity issues that could be compounded (cumulative impacts)?*
- *Will you be applying for a planning amendment? How has the community been consulted and communicated to? What social impacts could this have?*
- *Are there any new neighbours in the area? How have they been contacted?*
- *How have local Aboriginal representatives been involved?*
- *What is the relationship with local council? Are they willing to facilitate community discussions if needed?*
- *How does this project relate to the local strategic plans of the local council?*
- *What key issues were raised in environmental and other compliance studies? How might these affect local community perceptions?*
- *For wind (and others): what is the density of neighbouring properties within 3-5km (dependent on population and visibility) of proposed technology location?*
- *For bioenergy: what feedstocks are going to be used? Could concerns or conflicts emerge?*
- *What are the plans for benefit sharing and could this create 'winners' and 'losers'?*

**Table 2: The following table (based on the ISO:31000 risk management tool) is recommended as a template to outline the perceived and actual social risks for your project.**

| Aspect | Key issue | Recommendation | Likelihood | Consequence | Risk level |
|---|---|---|---|---|---|
| Policy | | | Possible or likely | Major or Minor | Low, Medium or High |
| Social | | | | | |
| Physical | | | | | |
| Economic | | | | | |
| | | | | | |

[23] https://www.publicengagement.ac.uk/do-it/techniquesapproaches/participatory-mapping

# Tips for social risk analysis for all technologies

## Generic (including wind)

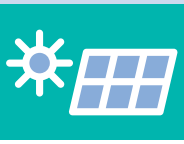
Social Risk considerations from site selection through to construction may include:

- land use and community perceptions: is it an appropriate location?
- visual amenity of the generator facility (including fencing and lighting)
- benefits flow to the community: are there only a few stakeholders benefiting or is it broader?
- impacts on sites of significance to local Aboriginal and Traditional Owner groups
- impacts on the site ecosystem: flora and fauna (short and long term)
- logistics and concerns associated with influx of workers during the construction period
- perception of how the project will impact local energy prices
- dust and road access concerns
- fire hazard concerns

Social Risk considerations through the operational phase may include:

- technology failure
- noise issues
- health and safety issues
- lighting of the generator or site — community nuisance
- community expectations about local job creation, post operations
- flora and fauna issues
- lack of local knowledge and expertise to solve maintenance or operational issues
- decommissioning concerns

## Solar



- glare from reflective surfaces and how that will be mitigated
- land use and productivity of land as well as the potential footprint and density of the project

## Bioenergy

- community understanding and perception of the technology
- sustainability (including growth, harvesting and transportation) of feedstock
- visual amenity of the generator facility
- what removal of the resource may mean for other value chains in the local area and ecosystems
- competition of supply in the region and what this means for viability
- animal welfare (if animal waste is a feedstock)
- larger scale plants competing for feedstock and potentially increasing prices for other farmers
- transportation of the stock streams — nuisance and dust concerns
- odour concerns

## Geothermal

- community understanding and perception of the technology
- environmental concerns about the extractive nature of the technology
- visual amenity of the generator facility
- concerns about the impact on groundwater
- concerns about the impact on geological stability — earthquake occurrence
- safety concerns about the generator

## Offshore: wave, tidal power and wind

- community understanding and perception of the technology
- environmental concerns
- on shore equipment risks such as cabling
- exclusion zones
- subsea cable installation and the impact on reefs
- impact on fishing grounds
- concerns of negative impact on tourism
- impacts on fauna, including migration patterns
- impacts on recreational uses of the area
- continuity of the project and community expectations through to decommissioning

### 1.4. Stakeholder Mapping Spreadsheet

Stakeholder mapping is a process of identifying relevant stakeholder types and specific contacts for a given project, with an emphasis on the local community. Stakeholders can be understood to be all those with an interest in or influence on the project or developer. They can be individuals, businesses, organisations and government. Important local interest groups to consider are:

- local sustainability or climate action groups
- local Aboriginal representatives, organisations and elders
- environmental and conservation organisations, including bird watchers
- local progress associations or chambers of commerce
- political stakeholders including all levels of government.

Not all stakeholders will need, or want to be engaged in the same way. In addition, not all stakeholders have the same level of interest in or influence on the project. As such, this exercise should assess the appropriate level of engagement required with each stakeholder (e.g. using the categories introduced in Table 1, page 9). It will be important to consider when in the development process it will be most important to engage which stakeholders.

The Stakeholder Mapping Spreadsheet should be as detailed as possible, including:

- stakeholder type (e.g. government, NGO, neighbour)
- name
- role in the organisation, business, or government
- contact details
- their interest in the project
- their ability to influence the project and developer reputation
- when in the project development phase to engage them
- desired level of engagement (see Table 1).

Once created, the spreadsheet should include:

- details of contact made with the stakeholder, updated over time
- any changes in their details above.

The details can be filled out in collaboration with local stakeholders who have local knowledge. Over time, this database will be an invaluable source of information and evidence of due diligence, especially useful for monitoring and evaluating and reporting to key stakeholders.

## 2. Community Engagement Strategy

A Community Engagement Strategy outlines engagement through the project development phases. It includes the principles that guide the Strategy, desired outcomes, as well as the specific methods of engagement, when they will be undertaken and why. It will also outline plans for dealing with issues and complaints, and how on-going evaluation of engagement will be done. A Community Engagement Strategy is often accompanied by a detailed communications plan and sometimes a marketing plan.

Given a Community Engagement Strategy seeks to reach out to and involve the local community, it is a good idea to include community input in the process of developing the strategy. This could involve working with key stakeholders or holding a workshop to test principles and methods to help determine what is most effective and appropriate for the local context. Project stakeholders should be presented with a version of the strategy, to ensure socialisation of what is planned as well as providing an opportunity for feedback. Stakeholders might include local government, hosts and neighbours, state government, regulators and financiers. It is important to consider what staffing and other resources are available to ensure they are adequate for these tasks. It is also important to consider the historical engagement of any project when developing plans for future engagement.

**Tools:** For further reference material see Part A: Fairness in the process, page 12; Trust and relationships, page 17 ; Face-to-face engagement and local staff, and Complaints management process, page 18; and Legacy projects in the planning system, page 20.

**Questions to consider:**

- *What is the desired level of engagement (refer to Table 1, Part A)?*
- *What is the role and purpose of engagement?*
- *How will you ensure the greatest possible face-to-face contact within your budget and logistical constraints?*
- *Who needs to be involved, why and how? Draw on the stakeholder mapping and ensure that they are representative of the local community.*
- *What approaches will you use for different stakeholders?*
- *How will you engage with local Aboriginal representatives?*
- *How will you reach out to important, but marginalised or difficult to reach sections of the community?*
- *What one and two-way engagement methods are going to be most appropriate for the context?*

## Wind specific considerations: best practice in community engagement

The benchmark performance of community engagement and benefit sharing in the Australian wind sector has increased in recent years and this has implications for community expectations as well as for financiers.

Recent research[24], has found that the use of open-invite public forums in a town hall or similar, are no longer advised as they can easily be overrun by the loudest voices and entrench divisions. Rather, developers are opting for drop-in information sessions or invitation-based workshops or group meetings (e.g. with neighbours or local representatives). Methods that developers found to consistently work well are summarised in the graph below.

Having a presence in local community (21%) and face-to-face engagement (35%) are considered by developers to work well. Community participation in benefit sharing and diverse engagement methods are found to have consistently positive impacts (8%).

The dimensions of wind turbine technology are increasing, both in scale and capacity. Recent technology improvements have resulted in 3MW+ turbines, at a blade tip height of 150 - 200m and this will be the standard turbine size in Australia.

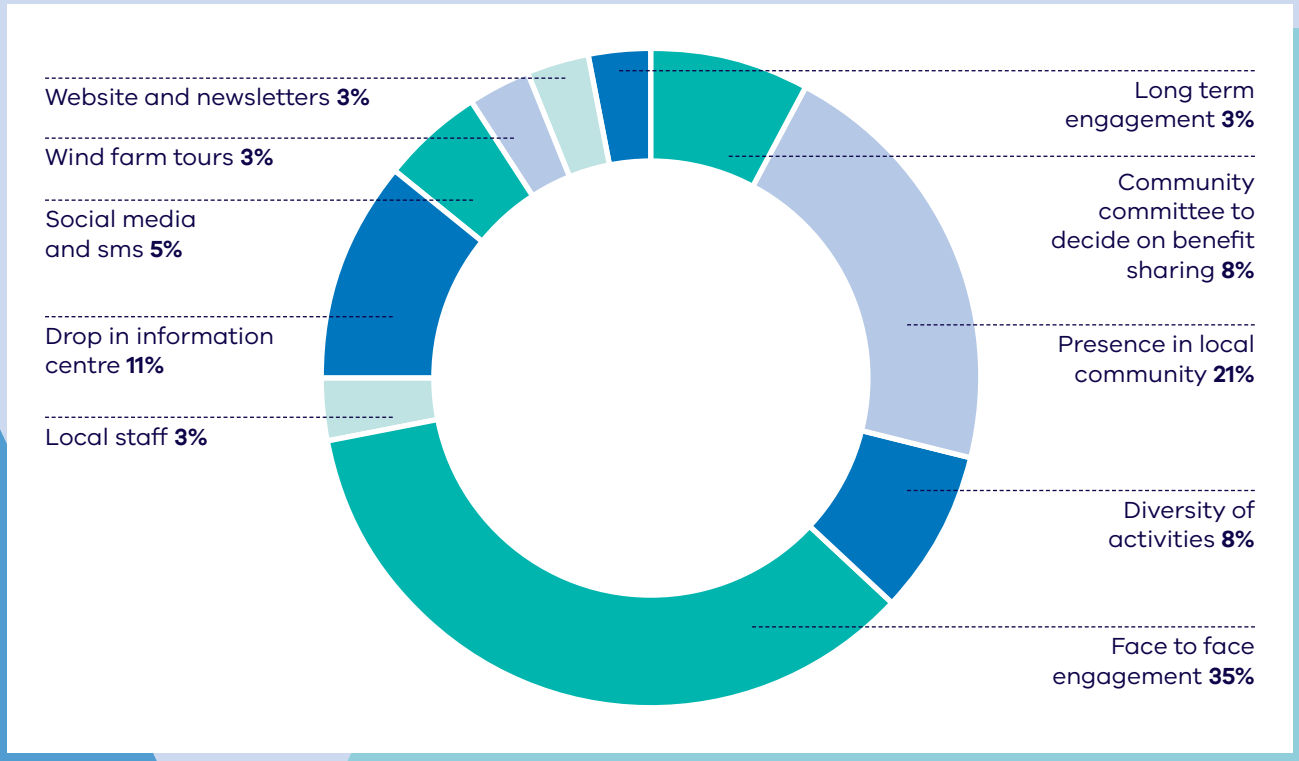
These are significantly larger than most existing wind farms. Anecdotal evidence suggests that turbine size has an impact on perception, with larger turbines in some cases appearing closer once constructed.

Updating planning approvals to incorporate larger and more efficient turbines as technology improves is increasing. The increased dimensions of wind turbines may have implications for both hosts and neighbours and need to be transparently addressed.

Ensuring that the community understands the scale of what is to be delivered is an important aspect of modern wind farm developments. Furthermore, the compliance process for obtaining the wind farm permit (or amendment) should be communicated clearly to the local community and planning documentation made available to them.

Offshore wind development may enter the Australian market in coming years and poses a new and unfamiliar technology for community engagement and benefit sharing. The significant potential distance from communities distinguishes offshore from onshore development, but this does not negate the need for developments to be socially responsible, including benefit sharing.

**Figure 2: Community engagement and/or benefit sharing techniques that are consistently beneficial**




[24] Hicks, Lane, Wood, Hall, Webb and Mey (forthcoming).

- *How will you develop key messages and build a project narrative that fits with the local context? Draw on your context narrative here.*
- *How will community input and feedback feed into project design and decision-making? How can engagement be used to develop a more robust, appropriate and supported project?*
- *How will you get community input and feedback on the Strategy and whether it is appropriate for the local context?*
- *How do you build strong and lasting relationships that can foster dialogue and mutual benefit?*
- *Will you develop a Community Reference Group or Advisory Committee with representative stakeholders in the local community?*
- *Are there local communication channels that can be tapped into?*
- *How can you demonstrate community support for the project?*
- *How can you measure success? How will you monitor and evaluate the effectiveness of your engagement approach?*
- *How will the outcomes of engagement and changes to project plans be communicated back to the community?*
- *Who will be the community liaison? Are they appropriately trained? Are they locally based?*

Include within the strategy a summary of community engagement that has been undertaken to date and the outcomes. Items to include:

- activities undertaken for completed stages of project development
- community responses, both positive and negative (e.g. outcomes of polling or surveying)
- summary of submissions made during the planning application: did they represent any community groups and what is the tone and themes presented?
- examples of media coverage, press releases and newsletters
- screenshots of key website pages, such as complaints process, FAQs and/or business interests registers
- complaints received to date and how they have been resolved
- evidence of responsiveness; key issues raised and the response
- transparency of planning documentation.

### 2.1 Community Engagement and Benefit Sharing Plan documentation for VRET applicants

A detailed Community Engagement and Benefit Sharing Plan submitted as part of the VRET application process should include the following content:

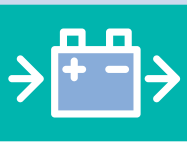
1. Social Risk Analysis, including:
    - Context Narrative
    - Social Impact Site Map
    - Social Risk Matrix
    - Stakeholder Mapping Spreadsheet.
2. Community Engagement Strategy, including:
    - Community engagement objectives and desired outcomes
    - Community engagement activities
    - Education and awareness raising activities
    - Complaints process (including any historical complaints and resolution).
3. Benefit Sharing Program, including:
    - Goal and overall objectives of the program
    - Design and development of program
    - Specific elements of the program
    - The value of the program in $ per year
    - Stakeholders to benefit, why and how they have been engaged in the process, including how neighbours have helped to shape the final package
    - Timeline and implementation for how the Program will be delivered and managed throughout all stages of development including a summary of historical activities and future planned activities.
4. Reporting, monitoring and evaluation (for endorsement by DELWP), including:
    - Objectives of evaluation
    - Methods for monitoring and evaluation
    - Metrics of monitoring (key performance indicators)
    - Timing of evaluation
    - Methods for identifying critical reputational issues and the proposed process to notify DELWP and resolve issues.
5. Letters of support, including community support (optional)

# Tips for developing a community engagement strategy across technologies

Important aspects to consider for all technologies:

- *Has the development process and timeline been clearly communicated to the local community through a range of engagement activities?*
- *Has the community had input into the process, such as siting of the facility?*
- *Is there a focus on community education, such as visits to other facilities?*
- *Are there clear communication materials available on the efficiency of the proposed plant, impacts on the price of electricity and impacts on local employment?*
- *Is there clear information about the types of services and jobs required for the project? Is there a pathway for local people to register their interest?*
- *Are the project details transparently available on a website, including visual simulations, project timeline and an accessible complaints management system?*
- *Is there available information so the community is transparently informed about any technical or environmental risks associated with the facility, including planning documentation?*
- *Are potential cultural heritage, or flora and fauna issues proactively addressed?*

## Battery storage



Battery storage and associated infrastructure such as transmission lines, can impact the local noise and visual amenity profile for the community. Set-back distances and screening options should be consulted on with local community members.

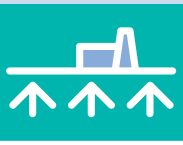
Developers of battery storage projects should focus on the need for education and awareness raising about the technology, and full disclosure about the development process and possible impacts. In some cases, the battery storage facility may not need a planning permit under the current regulations, but this should not exempt it from a consultation and engagement process.

In some cases, dependent on the siting of the facility, it may be necessary to undertake noise monitoring and potentially factor in the construction of a sound barrier to accompany the facility.

Other considerations:

- *Is transparent information available to the community about any technical risks associated with the planned facility?*
- *Are system reliability improvements, such as to reduce blackouts, clearly communicated through various channels and available on the project website?*

## Geothermal



The type of geothermal resource and the application of technology varies on a project by project basis. Due to the limited development of this technology in Australia and the complexity of the technology, communities may not understand the engineering of geothermal systems and the potential impacts. Community education and consultation should be a keystone of any geothermal project.

Full detailed disclosure about the technology to be used and the development process, and a strong communications campaign is recommended. Local communities have previously raised concerns with proposed geothermal power plants in Victoria[30].

The table below represents how a focus group on geothermal energy rated its preference for consultation, indicating a clear preference for community meetings to discuss the project[31].

| **Please rank the importance of including the following items in a consultation process for your community, starting with 1 to indicate greatest importance and ending with 7 for least importance.** | **Mean Rank** | **Std. Deviation** | **Range** |
|---|---|---|---|
| Community meetings to discuss the project | 2.7 | 1.74 | 1 to 7 |
| An internet site with protection information and a form for expressing opinions | 3.1 | 1.60 | 1 to 6 |
| Factsheets that explain the project | 3.1 | 1.93 | 1 to 7 |
| A dedicated project liaison officer | 4.3 | 2.02 | 1 to 7 |
| Online.mail administered questionnaires | 4.7 | 1.55 | 2 to 7 |
| Updates about the project through social media (e.g. Twitter and facebook) | 4.7 | 1.88 | 1 to 7 |
| A dedicated phone contact | 5.4 | 1.77 | 2 to 8 |

[25] Carr-Cornish, S. and Romanach, L. (2012) Exploring community views toward geothermal energy technology in Australia. CSIRO, Pullenvale, Australia.
[26] Ibid.

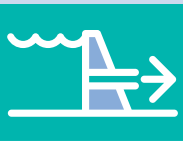
## Bioenergy

The predominant issue for bioenergy community engagement is the need for education and awareness raising about the technology and the multiple benefits it can deliver. Education can demystify the technology and process for the broader community. The multiple feedstocks from agriculture, forestry, and urban sources can be complex to understand as well as the multiple energy products produced including electricity, heat and liquid fuels.

Considerations:

- *Have the services and benefits the facility provides (including any base load power) been well communicated?*
- *Have any concerns over the impact on feedstock supplies, ecosystems and food-supply been addressed?*

## Hydropower pumped storage



Pumped hydroelectric storage (pumped hydro storage) is a proven technology that has been providing grid-scale energy storage and network support services for decades. However, the geographic features required for pumped hydro storage mean that availability of suitable project sites is often more limited than other technologies. While interest in pumped hydro storage has historically been focussed on large-scale projects (such as the Snowy Hydro project), there is now an emergence in mid-scale projects. Engaging the local community around the key benefits of energy security for the domestic grid is an essential narrative for all pumped hydro storage projects, as is addressing any concerns around the potential environmental impacts.

## Solar thermal

For solar thermal technologies, consideration needs to be given to building an awareness and literacy around the operation of the technology as well as a focus on safety. For the variations that use a tower, visual amenity concerns may be a focus for community concern.

There may be concerns about the molten compounds used and the high temperatures generated by the heliostats. Glare from the mirrors of the heliostats may also be concern for local residents and road users around the vicinity.

## Wave and tidal power (also relevant for offshore wind)

As a emergent technology with significant energy potential, it is likely that wave and tidal power will continue to be tested across Australia. There may be low level impacts on the environment and community, however given it is such a new technology in terms of people's perceptions, there needs to be significant transparency, consultation and education about planned projects.

Considerations:

- *Do the community and relevant stakeholders (like mariners and surfers) understand the exclusion zones?*
- *Will the exclusion zones impact on commercial or recreational uses?*
- *Given the offshore nature of the project, how will you ensure the community is informed? E.g. Letters, notices on boat ramps, mariner newsletters, public information sessions, etc ?*

## 2.2 Possible engagement activities by project phase

There are many possible community engagement methods that can be applied through the project development cycle. Table 3 shows a range of engagement and communications methods, grouped into methods that would be considered basic , good quality and leadership level engagement practice.

The table can be used to help determine the timing and application of community engagement and communication methods along the development process, according to desired levels of engagement.

**Table 3: Possible engagement activities by project phase[27]**

| Wind farm development phase* | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity** | **Site Selection** | **Feasibility** | **Planning and Approval** | **Construction** | **Commissioning and Operations** | **Decommissioning** | **Community engagement tools and their application** |
| Stakeholder Research | ✔ | ✔ | ✔ | | | ✔ | Baseline social risk study. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Baseline social risk study; stakeholder identification and mapping. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Detailed site specific social risk study; stakeholder identification and mapping; one-on-one meetings with local stakeholders and 'snowballing' to identify others; done regularly to build relationships. |
| One-way communications | | | ✔ | ✔ | ✔ | ✔ | Project website; factsheets. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Project website; factsheets; neighbourhood newsletter; press releases. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Project website; factsheets; neighbourhood newsletter; press releases; newspaper ads; regular news columns; information in other local organisation's publications. |
| Two-way communications | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Telephone lines. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Telephone lines; group or committee briefings. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Telephone lines; one-on-one briefings; social media. |
| Community education | | | ✔ | ✔ | | | Publicly displayed photomontage |
| | | | ✔ | ✔ | ✔ | ✔ | Publicly displayed photomontage; energy resource monitoring data and/or audio installations to experience sound; field trips (pre-construction) or open days (post construction); stalls at community events and markets; school education materials and sessions. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Publicly displayed photomontage; energy resource monitoring data and/or audio installations to experience sound; field trips (pre-construction) or open days (post construction), frequent stalls at community events and markets; regular community building gatherings such as film nights on relevant topics or dinners; school education materials and sessions. |

[27] Adapted from Lane and Hicks (2014).

| Wind farm development phase* | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity** | **Site Selection** | **Feasibility** | **Planning and Approval** | **Construction** | **Commissioning and Operations** | **Decommissioning** | **Community engagement tools and their application** |
| Community outreach | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Meeting with all neighbours within an appropriate zone for the technology and scale; low level media and public event to open the facility. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Meeting with all neighbours and nearby residents in a zoning size specific to the local environment and technology; drop-in information sessions; public launches at different stages of the project's development; once constructed, generation facility is able to take tours; allow the community access to the energy generator such as through open days. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Meeting with all neighbours and nearby residents in a zoning size specific to the local environment; public launches at different stages of the project's development, once constructed, energy generator is able to offer tours; events that allow the community access to their wind farm such as a picnic day; volunteer and advocate trainings to get people skilled up to talk about the project. |
| Decision-making/ feedback loops | | | ✔ | ✔ | ✔ | ✔ | Web form on website, public comment, town meeting or community forum. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Public comment, community forum; community reference group; board; workshops, community polling; focus groups; surveys; community planning process for key decisions; decisions and rationale reported back to community (minutes from meetings made available). |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Public comment, community forum; community reference group; community representative on development board; workshops, community polling; focus groups; surveys; community input for key planning decisions; consensus building; participatory decision-making; delegated decisions to community organisation; decisions and rationale reported back to community. |
| Working with local groups and representatives | | ✔ | ✔ | ✔ | ✔ | ✔ | Engagement with local council |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Engagement with local council and State and Federal Government representatives; engagement with local community organisations, environmental and advocacy groups and education institutions; engagement with local Aboriginal groups outside of Cultural Heritage Study. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Engagement with local council and State and Federal Government representatives; engagement with local community organisations, environmental and advocacy groups and education institution; formal collaboration with local groups and representatives; engagement with local Aboriginal groups outside of Cultural Heritage Study. |

| Wind farm development phase* | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity** | **Site Selection** | **Feasibility** | **Planning and Approval** | **Construction** | **Commissioning and Operations** | **Decommissioning** | **Community engagement tools and their application** |
| Local benefit sharing | | | ✔ | ✔ | ✔ | ✔ | Sponsorship of local groups; permit condition neighbourhood benefits — tree planting and radio/ television interference mitigation; benefits in-kind — road improvements during construction. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Community Fund; permit condition neighbourhood benefits — tree planting and radio/television interference mitigation; benefits in-kind — road improvements during construction; cash payments; gift of equity and/or subsidised electricity; partial community investment in the energy generator; local purchasing policies for contractors and services during construction; employee volunteerism. |
| | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Community fund; neighbourhood benefits — tree planting and radio/television interference mitigation; cash payments; gift of equity and/or subsidised electricity; local purchasing policies for contractors and services; community ownership of asset; ability to purchase local energy retail product; benefits in-kind — road improvements during construction; employee volunteerism. |
| Complaints management | | | | ✔ | ✔ | ✔ | Internal complaints management process developed; complaints register; complaints system listed transparently on the project web site; web-form on website to register complaint. |
| | | | ✔ | ✔ | ✔ | ✔ | Internal complaints management process developed; complaints register; complaints system listed transparently on the project web site; dedicated phone line — web form; one-on-one meetings; notification about the process through face-to-face or project newsletters; complaints process is well communicated to complainants. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Internal complaints management process developed; complaints register; complaints system listed transparently on the project web site; notification about the process through face-to-face or project newsletters; complaints process is well communicated to complainants; dedicated direct staff line; one-on-one meetings; reporting on resolution; staff member responsible has relevant skills and training and can respond immediately. |

| Wind farm development phase* | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity** | **Site Selection** | **Feasibility** | **Planning and Approval** | **Construction** | **Commissioning and Operations** | **Decommissioning** | **Community engagement tools and their application** |
| Employee — community liaison | | | ✔ | ✔ | ✔ | ✔ | Project developer takes on the community engagement role and visits only for key activities or meetings; contractor is brought in to look at social feasibility short-term. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Trained community engagement person working part-time on individual project, does not live locally but visits regularly; local employee hired for the construction phase — may also have a local shop front for construction phase. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Local employee ('translator') working on the ground — preferably a local resident who is trained in and dedicated to community engagement; dedicated shop front for project; consideration of how to make the role permanent and ongoing. |
| Monitoring and Evaluation | | | | | ✔ | ✔ | Evaluation after project construction. |
| | | | | ✔ | ✔ | ✔ | Reactive monitoring and evaluation when an issue occurs or when a new strategy is being developed; occasional community focus groups or survey; evaluation at key long-term milestones. |
| | | ✔ | ✔ | ✔ | ✔ | ✔ | Established processes of internal evaluation; established processes for evaluation by the local community or external experts. |

***** *Phase 1 - Site Selection; Phase 2 - Feasibility; Phase 3 - Planning and Approval; Phase 4 - Construction; Phase 5 - Commissioning and Operations; Phase 6 - Decommissioning.*

*basic level engagement; quality level engagement; leadership approach.*

## 3. Benefit Sharing Program

A Benefit Sharing Program is a plan to strategically deliver added value to the local region over the lifecycle of the project. The program may change over time as the needs of the local area and the project change.

Some key questions to consider when designing the Program are:

- *How will the Program be developed? How has it been co-developed with directly impacted neighbours and stakeholders? With the broader community and/or Community Reference Group?*
- *How will the rationale and method for calculating community benefit be explained to the community? How will changes made to the program be communicated to the community, especially where feedback from the community has influenced the change?*
- *Who will benefit from the different aspects of your benefit sharing program? Is this equitable?*
- *How could this program best serve the needs of the local area? What do local government plans offer in regards to information on local needs?*
- *What other initiatives already exist in the local area and how can these be complemented rather than duplicated? Are there opportunities for strategic partnerships, i.e. with the community bank, local government grants programs or local education facilities?*
- *What is the available funding for benefit sharing and will this fluctuate over time? Will it be linked to annual profit margin or be a static amount?*
- *What form will benefit sharing take in different stages of the project?*
- *Who will be responsible for delivering the Program? How will effective governance and transparency be achieved?*
- *What is the community expectation around benefit sharing?*
- *What other partnerships could amplify the benefit?*
- *Are there prevalent community concerns that can be addressed via a benefit sharing program, such as a neighbourhood focus or a new sanctuary area for potentially impacted wildlife?*
- *How will the expectations of different segments of the community be managed; for example, hosts who end up with a reduced number of turbines, and in some cases no turbines? How will benefits be shared with these people? Will these benefits be different to those offered to other non-host neighbours?*
- *Is there interest in community investment in the project or other local renewable energy generation project ideas that you could promote?*
- *If developing a fund, what is best practice in regards to amount per MW per year for the given technology, management, and governance?*
- *Could your staff and contract partners be involved in volunteerism in the local community?*
- *Is the scale of your Program commensurate with the scale of the renewable energy project?*
- *Are there any at risk portions of the local community who could be a focus of the program?*
- *Is there potential to use a portion of generation to create a locally promoted electricity retail or Renewable Energy Certificate product?*

Include in the Program a summary of the benefit sharing that has been undertaken to date and its outcomes. Items to include are:

- any agreements that may have been signed
- who has been engaged in developing the benefit sharing program; what options were considered for benefit sharing; and how the proposed program meets the needs and/or preferences of the stakeholders
- a description of any clauses included in benefit sharing contracts that limit a signatory's ability to raise issues, speak publicly about the project or seek future additional benefit/compensation.

**Tools:** For further reference material see Part A: Fairness in the outcomes, page 15; and Part B: Benefit sharing, page 21.

### 3.1 Recommended Benefit Sharing Program documentation for VRET applicants

A Benefit Sharing Program should be articulated in terms of hosts, neighbours and the broader local community. It should detail the plan to implement benefit sharing across project phases and detail the following aspects:

1. Goal and overall objectives of the program
2. Design and development of the program, including the role of the community in this process
3. Specific elements of the program (see page 21)
4. The method for calculating the benefit sharing budget, including value of the program in dollars per MW per year
5. Stakeholder benefits and justifications
6. Timeline and implementation for how the program will be delivered and managed throughout all stages of development including a summary of historical activities and future planned activities including during:
    - Site selection
    - Feasibility planning and approvals
    - Construction
    - Commissioning and operations
    - Decommissioning
7. Plans for how the program will be communicated with the local community
8. Evaluation process:
    - Timing of evaluation through each phase of development which can inform reporting to external stakeholders, such as government.

### 3.2 How to calculate the value of the Benefit Sharing Program

In calculating the value of the Benefit Sharing Program include the following aspects:

- any in-kind stream: staff or contractor time/ contribution; and,
- any cash contribution stream, including:
    - sponsorship
    - community benefit fund
    - neighbourhood (but not host) payments
    - the cost of providing neighbourhood programs such as solar or energy efficiency programs
    - the cost of developing innovative products
    - the cost of undertaking beyond compliance activities such as for flora and fauna protection
    - the cost of creating opportunities for local jobs and contractors (e.g. training)
    - the cost of establishing a co-investment or co-ownership opportunity.

Do not include:

- payments to hosts
- council rates (Payment in Lieu of Rates)
- permit requirements e.g. to minimise noise or visual impacts
- the value of expected future returns on investment
- the value of the local spend on jobs and contracting
- the value of savings generated from innovative products or neighbourhood programs
- other commercial costs.

Although these cannot be included in the direct value of the Benefit Sharing Program, they can be included in a calculation of local economic impacts.

## 4. Reporting, Monitoring and Evaluation

A reporting, monitoring and evaluation plan needs to accompany community engagement and benefit sharing plans. Successful projects will be expected to provide the Department of Environment, Land, Water and Planning (DELWP) with progress reports at agreed intervals (these will be negotiated for successful projects). This will be a summary of key findings from internal reporting, monitoring and evaluation processes.

If required, proponents will have an agreed period to update their community engagement strategy and benefit sharing program to address emerging or unexpected issues. Where proponents submit addendums to plans, these must be provided to the Department for approval and the proponent will need to report on them going forward.

A suggested outline for a reporting, monitoring and evaluation plan includes:

- Principles of evaluation
- Objectives of evaluation
- Methods for monitoring and evaluation
- Metrics of monitoring (key performance indicators)
- Timing of reporting and evaluation.

### 4.1 Monitoring and evaluation metrics

To effectively monitor and evaluate community engagement and benefit sharing, projects may choose to set SMART goals (or Key Performance Indicators). These are desired outcomes or indicators of success. SMART goals are:

S Specific
M Measurable
A Agreed upon, attainable
R Realistic
T Time-based

These could be integrated into the proposed community engagement and benefit sharing timelines. Examples include:

- number of newsletters in a year or number of subscribers or stakeholders
- percentage uptake of neighbour benefit offering
- number of website updates in a given period
- number of neighbourhood or community reference group meetings in a year
- percentage of neighbours and hosts attending neighbourhood meetings, or with whom face-to-face meetings have been held over a given period of time
- number of enquiries or complaints received
- number of 'Give us Feedback' forms received in time-period
- response times to address enquiries or complaints
- percentage of positive versus negative media on the project.

Collecting such metrics will aid reporting and monitoring of the progress and outcomes of community engagement and benefit sharing. This forms the quantitative component of evaluation.

### 4.2 Evaluation process

Evaluation processes are undertaken by the developer to assess the effectiveness of their community engagement and benefit sharing strategies. Because community engagement and benefit sharing are aimed at involving and benefiting the community, it is imperative to involve the community in evaluation processes to truly understand the outcomes and impacts of these activities.

It is recommended that evaluation of community engagement and benefit sharing involve at least one of the following methods of gaining community feedback:

- Evaluation Committee (preferred option, see details below)
- written feedback on the Community Engagement Strategy and Benefit Sharing Program
- written feedback via an online form linked from the website
- surveys that include open ended questions.

These evaluation methods will enable the collection of both qualitative and quantitative data, both of which are crucial for evaluation of the inherently social nature of community engagement and benefit sharing.

**Suggested evaluation questions, or topics, to cover through your chosen method:**

- *What has gone to plan: a review against the submitted community engagement strategy and benefit sharing program and associated timelines?*
- *What has been delayed and why? What actions are being taken to address this (e.g. a revised strategy)?*
- *What key activities have been undertaken? Provide evidence where possible, such as: newsletters, website snapshots, press releases, photos of events/activities, media articles.*

- *Are there any emerging challenges or issues? What are the proposed solutions? Does the strategy need to be amended; e.g. has the local context changed? Or the project timeline?*
- *Are there any new partnerships or initiatives with local groups, council or business?*
- *Are there any other proposed changes to the community engagement and/or benefit sharing strategies? Why?*
- *What, if any, feedback has been received from the community in the preceding period?*

Suggested timeline for reporting, monitoring and evaluation:

- planning, construction and first year of operations: biannual reports
- operations: reports at years 2, 5 and 10
- decommissioning/repowering/end of contract: reports at years 12, 14 and 15.

Note that different metrics and methods might be appropriate at different points in the development cycle. Multiple methods can be used in conjunction with each other; for example, an Evaluation Committee and a survey.

### 4.3 Evaluation Committee

An Evaluation Committee would be comprised of an appropriate selection of internal and external representatives, such as:

- community engagement staff
- wind farm development team
- senior management
- contractors (during construction)
- a host
- a neighbour
- representative/s from the community (e.g. key interest groups)
- external community engagement expert.

Ideally host, neighbour and community representatives will be nominated by their community, rather than chosen by the developer. The committee could be run by a developer or facilitated by an external evaluation consultant.

The committee will undertake a review of community engagement and benefit sharing activities and plans, following the suggested evaluation questions above. Think of this committee as a focus group that offers an opportunity to understand a variety of perspectives, understand what leads to conditions of support or concern, and to refine practice for the future. Importantly, such a committee, if run well, will allow for discussion and relationship building.

### 4.4 Written feedback and surveys

It is recommended to have a feedback mechanism on the project website that is available at all times. This could be a simple form collecting details of the issue/suggestion and the person's contact details. Setting a target for response times is good practice.

Another form of written feedback could involve getting a manageable and appropriate number of key stakeholders or representatives (e.g. 2-4 people) to provide written feedback on the developer's Community Engagement Strategy or Benefit Sharing Program. This could inform the creation of plans not yet in place, as well as being part of an evaluation process. This could involve some or all of the stakeholders identified for the Evaluation Committee.

Surveys can be used to gain a shallower level of written feedback from more people. Again, surveys should seek feedback on similar issues to those raised above. It is important that surveys offer open-ended questions, as well as yes/no and/or multiple choice answers. It is advised to seek to understand a degree of nuance to any issues or concerns that exist, rather than asking people to fit themselves into a simple dichotomy (e.g. for or against). Rather, seek to find out what are the reasons behind their position and what conditions would move them toward a positive attitude.

Written feedback and surveys can be used to supplement the activities of an Evaluation Committee (covered above), or could be used instead of an Evaluation Committee. A downside to using surveys as the only means of feedback is they can be shallow and impersonal, and they do not encourage a depth of understanding or discussion. Given social issues are often complex and interrelated, this can be a barrier to really understanding what is going on.

# Definitions

| | |
|---|---|
| Benefit sharing | Distributing, or sharing, the financial and other benefits of an renewable energy development with local and other stakeholders. Benefit sharing often targets those community members in closest proximity to the development, as well as residents of nearby settlements. |
| Community | 'The community' refers to all the people who live within, and identify with, the geographic area surrounding the proposed site of the renewable energy project. How wide this area extends will depend on local people's identification with significant nearby settlements and towns, and on population. It will also vary according to the scale and impact (e.g. visual) of the project. |
| Community engagement | Community engagement refers to the processes through which a developer interacts with the community to guide the development of an renewable energy project. It is a general term used to refer to many activities including communications, consultation, participation, and co-development. What activities are undertaken as community engagement necessarily changes to suit the context of each community. |
| Community benefit fund | A fund established by the developer as part of a benefit sharing program. The fund is distributed to eligible community initiatives or individuals as grants. |
| Community Reference Group | A group of local community representatives formed to provide an on-going means for dialogue, input and feedback between the community and the developer. To be effective, this group must have clear terms of reference, a clear role, membership criteria to ensure representativeness, a transparent method of appointing members, and transparent means of communicating activities and updates to the broader community. Also referred to community consultative committees. |
| Community co-investment | Community co-investment is when a community investment vehicle buys rights to a portion of the earnings of the renewable energy project but has no decision-making power or control over the operation of the asset. The community investment vehicle could be a company, cooperative, association or trust. In this arrangement, the community has no formal ownership or responsibility over the project. |
| Community co-ownership | Community co-ownership is when a community-owned vehicle owns a portion of the renewable energy development and plays an active role in decision-making about the project. In this arrangement, the community vehicle may have initiated the development and may own a controlling interest in the project (i.e. more than 50%) — or they may take a smaller role. Here, the community vehicle carries risk and responsibilities for the life of the project, but is often responsible for aspects of development that capitalise on their community nature — such as delivering community engagement and communications. The community vehicle could be a company, cooperative, association or trust. |
| Context narrative | A context narrative involves constructing a 'story' of the local context, including its key attributes, values and features. Within this story, it will identify ways that the renewable energy development can align with the local context to ensure the project and its community engagement and benefit sharing approaches are appropriate. |
| Developer | The entity initiating an renewable energy development, such as a company. |
| Design advice | Creating opportunities and means for local stakeholders and the local community to provide input into the design of the renewable energy development or aspects of it. This involves seeking specific ideas and suggestions on particular points of project design, such as equipment placement, road placement, traffic management, design of community benefit program, community engagement approach. |
| Host | Property owners who are hosting equipment or supporting infrastructure associated with the renewable energy development. |
| Innovative financing | Sourcing finance through unconventional means that involves local community stakeholders, such as via a public offering for co-investment or co-ownership of an renewable energy development. |

| | |
|---|---|
| Legacy community benefit initiative | Initiatives which will bring a collaborative community development approach to benefit sharing in order to deliver high-impact, strategic, long term benefit with the local community. Such initiatives leave a lasting legacy from benefit sharing and are necessarily a response to locally-identified priorities. |
| Legacy projects | Legacy projects are renewable energy developments that have long since acquired development approval and are essentially 'shovel ready' but have been dormant for some time and, for example, may need a financial mechanism to progress to construction. |
| Neighbour/ neighbourhood | Owners of properties adjacent to the host property/properties and/or all those living within a five kilometre radius of the renewable energy development, or a distance as deemed appropriate by the population density, topography, development impact and local people's sense of community (or neighbourhood). |
| Participatory siting | A process of including key stakeholders (i.e. hosts and neighbours) in the process of determining the placement of equipment and associated infrastructure of the renewable energy development. |
| Social feasibility | A process of coming to understand the social aspects of a project and its context, including identification of risks and opportunities, in order to determine if the proposed development is feasible from a social perspective. Social feasibility involves analysing what you know about the local context and using this to inform what an appropriate development will look like in that particular context. |
| Social impact site map | A map of the renewable energy generator location/s and associated infrastructure in relation to local residents and community. The purpose of the map is to integrate social features (such as location of houses, valued landscape features or areas of recreation) into the site map. The map is a visual display of a site-specific, social impact analysis for the proposed development. |
| Social license to operate (SLO) | A level of approval granted by society (particularly the local community but also more broadly) that enables the renewable energy development to enjoy an accepting or supportive operating context. It is not a formal license or approval, but is, instead, an on-going sense of how people feel the project is performing. Rather than being static, a social license is always open to change, in response to changes such as in practice, key events, to thelocal context. |
| Stakeholder mapping | A process of identifying relevant stakeholder types and specific stakeholder contacts for a given project, with an emphasis on the local community. Stakeholders can be considered as all those with an interest in or influence on the project and developer. They can be individuals, businesses, organisations and government. |

# Other Useful Resources

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Stucley, C., Schuck, S., Sims, R., Bland, J., Marino, B., Borowitzka, M., Abadi, A., Bartle, J., Giles, R., Thomas, Q. (2012) *Bioenergy in Australia: Status and Opportunities*. Bioenergy Australia. Available: http://www.bioenergyaustralia.org/data/reports/BIOENERGY%20IN%20AUSTRALIA%20Rev%201.pdf

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