

7 July 2021

Committee Secretary House Standing Committee on Environment & Energy Environment.Reps@aph.gov.au

# Submission to the House Standing Committee on Environment and Energy regarding the Australian Local Power Agency Bill 2021 and Australian Local Power Agency (Consequential Amendments) Bill 2021

Dear Committee Secretary,

Original Power is a First Nations'-led, community-focused organisation operating across urban, regional and remote Australia. We build the power of Aboriginal and Torres Strait Islander peoples through collective action and self-determined solutions to complex social, cultural, environmental and economic challenges.

Our mission is to build the power, skills, capacity and collective capability of our people to genuinely self determine what happens in our communities and on our country. So often, our people know the solutions. We just need the time, resources and support to make them a reality.

We do this through three key and interconnected ways:

**Power our people** - If people believe their actions will make a difference, they are more likely to take action, so we provide training, mentoring and support to build people's capacity and agency.

**Power campaigns** – By working together, people can turn the resources they have into the power they need to transform the challenges they experience. We provide strategy, advice, build skills and connect communities to the resources they need to ensure community lead campaigns act more powerfully together and win.

**Power solutions** – Self-determination means community-driven solutions. We provide research, analysis and resources that can turn ideas into reality, ensuring communities

can make informed decisions that take into account long-term community needs as well as country and culture.

Utilising this framework, Original Power have embarked on two important initiatives in recent years aimed at empowering First Nations' communities to take the lead on the renewable energy revolution in their regions and on their lands.

These include the Clean Energy Communities Project, an incubation hub for remote community-owned solar projects aimed at alleviating energy insecurity and driving clean-energy economic opportunities in the Northern Territory, and the establishment of a First Nations Clean Energy Network.

The First Nations' Clean Energy Network will provide a forum to coordinate our efforts to ensure that First Nations people are leading and seeing outcomes for the community when it comes to renewable energy. The network will be driven by First Nations communities and organisations, with the goal of centrally positioning the engagement, advocacy, capacity building and voice of First Nations people in the development of clean/renewable energy.

Our organisation welcomes the opportunity to provide input into the Committee's scrutiny of the Australian Local Power Agency Bill 2021 and Australian Local Power Agency (Consequential Amendments) Bill 2021 (ALPA) (the Bill).

Australia is currently on the cusp of a massive transformation of our energy system that has the potential to transform remote and regional communities and local economies through ownership of the abundant renewable energy resources on First Nations lands.

The Australian Local Power Agency (ALPA) has both a responsibility and an historic opportunity to ensure First Nations' communities, that have long been dispossessed of this continent's natural resources, can share equally in the benefits the clean energy transition presents.

This submission includes four parts:

- 1. Support for the passing of this Bill and our recommendations,
- 2. Original Power Case studies of community energy (Appendix A).
- 3. Reasons why the Federal Government should support community energy (Appendix B),
- 4. Original Power Clean Energy Development Principles for First Nations (Appendix C)

We invite you to get in touch with us to organise to visit some of the communities and projects outlined in this submission.

We support the passing of the ALPA Bill and look forward to seeing its positive impact in our communities.

Kind regards, Karrina Nolan, Director, Original Power

For further information please contact:

Clean Energy Communities Project Coordinator

Empowering First Nations communities to harness clean energy as a climate and energy security solution.

First Nations' communities in Australia are uniquely vulnerable to the impacts of climate change, and are currently experiencing both the rapid and slow onset of climate change<sup>1</sup>. Climate change poses both direct and indirect threats to the socio-economic, institutional and environmental systems of the world's Indigenous populations (Altman and Jordan 2008).

The exposure of First Nations to climate impacts is compounded by existing socio-economic disadvantages such as inadequate health and educational services, insufficient infrastructure, limited employment opportunities (SCRGSP 2017) linked to colonial and post-colonial periods (Bardsley and Wiseman 2012; Green, King, and Morrison 2009).

Despite proposing their own solutions, First Nations people and communities still struggle to find institutional "fit" in implementing their preferred climate initiatives (Nursey-Bray et al. 2013; Nursey-Bray and Palmer 2018).

Original Power works with communities who are both deeply impacted by the destructive historical and contemporary effects of fossil fuel extraction on their lands and its impacts on Country, people and climate, and who at the same time are also perversely impacted by experiences of entrenched energy insecurity.

Warming temperatures driven by climate change are contributing to energy insecurity in regional and remote Australia through necessitating higher energy use to maintain

<sup>&</sup>lt;sup>1</sup> Bird et al. 2013; O'Neill, Green, and Lui 2012

thermal comfort. For many remote First Nations communities where inappropriate housing design and less energy efficient appliances are the norm, combined with exposure to heat and cold stress, energy use is rising but access to lower cost, cleaner energy sources remain inaccessible to most residents.

In remote and regional communities chronic energy insecurity results in household and community economic disruption, exposure to heat and cold stress and the spoiling of foods and medicines. Recent NT Government Power and Water Corporation data sets show that remote Indigenous energy users are involuntarily disconnected from electricity on average every four days. This figure increases to an average of every three days in hotter weather.

Many of these communities are identifying access to lower cost and more reliable power through solar and battery storage as a key priority area to underpin improvements in social, economic and public health indicators.

Original Power's Clean Energy Communities Project works with First Nations' communities experiencing energy insecurity to design and implement self-determined energy solutions. It is our view that an appropriately designed and resourced ALPA, centering the needs and aspirations of First Nations communities in the transition to clean energy, can underpin a significant social and economic transformation in these communities and the lives of remote and regional residents.

As First Nations communities struggle to adapt to the accelerating impacts of climate change, community energy projects offer a tangible way to take action. Community energy projects are both a climate mitigation and climate adaptation strategy.

Communities like the NT's Marlinja and Borroloola community-wide strategies to become completely energy independent are implementing community solar power and battery storage solutions including mini-grids to reach their goal. These communities need more support from Federal, State and Territory initiatives like ALPA to underpin information sharing, resourcing and project financing to enable these community-owned energy projects to thrive and expand.

## **Recommendations:**

#### 1. Fund the Australian Local Power Agency.

The creation of a dedicated Commonwealth entity, the Australian Local Power Agency, provisioned with adequate and ongoing funding, upwards of \$500 million as an initial installment, will enable First Nations' communities and the wider regions to develop

community-led and owned, decentralised electricity and storage projects that enable these communities to directly share in the benefits of clean energy.

# 2. Centre First Nations communities and voices in the development of the ALPA general strategy

Ensuring First Nations people can choose to play a central role in the development of renewable energy is a crucial component of ensuring that all Australian communities share in the benefits of this historic energy transition.

The ALPA strategy needs to address the policy and other technical and resource issues leading to extreme energy insecurity experienced across the country by Aboriginal and Torres Strait Islander peoples, particularly in homelands, outstations and in many remote communities.

The strategy needs to include working with First Nations communities and organisations to develop economic opportunities through First Nations procurement, on the job training and local employment to enable communities to be prepared to fully participate in project opportunities where they occur on First Nations' lands and regions.

We recommend that the ALPA board is required to involve First Nations people in the development of each of their general strategies, which may include a First Nations person being elected to the ALPA board.

Further, we recommend that proponents of community or large-scale renewable energy projects be required to demonstrate a process of obtaining free, prior and informed consent for all stages of projects that impact First Nations' communities and lands. See Appendix C: Principles to guide First Nations clean energy development below.

# 3. Mandate minimum requirements in Division 4: Community Investment in large scale renewables

Mandating the opportunity for community investment in large-scale renewable energy projects built by private entities is a commendable form of benefit sharing and should not replace other forms of community engagement and benefit sharing in individual project development.

We recommend minimum requirements for how the offer of investment is made to ensure adequate and appropriate awareness of impacts and opportunities for involvement are demonstrated in affected communities. Additional research, consultation and resourcing is critical to determine options to support First Nations' ownership, partnerships and investment opportunities in clean energy assets and related services.

# Appendix A: Original Power Case Studies for Community Renewable Energy:

Example 1: Ngardara 'Sun' Project, Borroloola, NT



Image: Borroloola township, Gulf of Carpentaria, NT.

Original Power has a longstanding relationship with the Indigenous community of Borroloola, located in the Northern Territory's remote Gulf country.

Since 2013, we have worked with the community to identify solutions and implement strategies to address a number of development priority areas. The Borroloola community have clear and immediate priorities for addressing both the impacts of climate change in their region and the chronic energy insecurity that is undermining local social and economic development aspirations.

Like many remote homelands in the Northern Territory, Borroloola residents experience extreme heat, and its impacts are exacerbated by overcrowded living conditions and sub-standard essential service delivery. Many families struggle to simply keep the power on for basic necessities like fridges, air conditioners, washing machines and other appliances.

Electricity is an essential service, especially in a warming climate with increasing high temperatures predicted across the Gulf region and Northern Territory. Vulnerable

communities like Borroloola require a high reliability of supply and affordable energy options.

The community have been proactive in tackling these challenges by investigating opportunities for community-owned solar power in the township. Traditional Owners and residents have a long-term view for re-powering opportunities for people to live and work on country, and adapting to climate change impacts through harnessing opportunities to build, own and generate solar power assets in the region.

In 2021 the Ngardara 'Sun' Project was started in Borroloola. The community will work with Original Power and renewable energy experts to conduct a feasibility study to design and build their own solar microgrid and connect it to the town's existing diesel-fired electricity network.

The project is designed to cut household and business energy costs by between 50-70% and reduce reliance on the town's ageing and polluting diesel generators. The study will enable Original Power to determine the most effective model for community ownership of power generation assets that can ensure benefits from lower cost, clean energy are shared equitably and transparently throughout the community.

Our aim is to ensure the results of this project can be used as a best-practice model of development by other First Nations' communities in the pursuit of their own clean energy projects and partnerships.

Gadrian Hoosan, Garrwa custodian and Coordinator for the ground-breaking community-led Ngardara 'Sun' Project in Borroloola says:

"Solar power offers the chance for our people to live and work on country, create good jobs for our young people and help our communities better prepare for climate change impacts."

For decades Borroloola residents have lived with chronic energy poverty, paying high costs on pre-paid power cards and experiencing regular electricity disconnections that spoil food and medicine, and leave homes too hot to live in.

"We want to see the future of our region powered by the sun, with cheap, clean and reliable power for every household and business in Borroloola. Clean energy gives us hope for the future of our community, and that's worth fighting for.'

## Example 2: Marlinja Community Power Project Marlinja, NT



Image: Marlinja resident Terrence Collins attaches the final solar panels to the Community Centre roof, May 2021.

In May 2021 residents of Marlinja outstation, in the Northern Territory's Barkly region, took their first steps towards re-powering the community with low cost, clean energy.

The Marlinja Solar Community Centre is a partnership between the Marlinja community and Original Power's Clean Energy Communities Project. Our project works to empower First Nations communities to take the lead on the renewable energy revolution through incubation of community-owned solar projects across the Northern Territory.

Marlinja is one of many Territory remote communities experiencing extreme energy insecurity, with high household power costs and lengthy system outages that mean resident's experience regular disruptive electricity disconnection. With Wet season temperatures in the mid-40s and overcrowded, poorly designed houses, the inability to afford electricity for essential needs has been an ongoing concern.

The solar-powered community centre is the first step in securing a lower cost, clean energy future for Marlinja residents, offering a hub for kids, family and cultural activities and a reprieve from frequent power blackouts. But it's just part of a much larger plan for the community to go 100 per cent renewable and generate its own electricity from solar power with battery storage.

"Solar powering the Territory's remote communities makes so much sense, and community-ownership models like that being advanced at Marlinja are the best way to ensure that the benefits of cheaper, cleaner energy are delivered directly back to local families and businesses," said Original Power Executive Director Karrina Nolan.

Community members are engaged in project planning, installation of rooftop solar panels, and training in electrical technology and carpentry skills. Marlinja school students also took part in a Solar Schools Day to learn more about how solar power works for the community.

Raymond Dixon, a Mudburra community leader who has helped guide the project to completion said of the community's ambitions:

"For years now our region has featured in the development plans of big companies, whether it be gas fracking, mining and more recently even big solar farms. But these projects offer next to no local benefit, and plenty of risk to our land, water and cultural heritage," he said.

"We see community-owned solar power as a way to meet the needs of local families and businesses, keeping power and any profit in local hands so we can reinvest that into our future and start making positive changes in our people's lives.

"We'd like to see more support from the Northern Territory and Federal Governments to help our communities go all the way with solar power. Not only will it help locals but we're helping the government meet its economic recovery plans, their Renewable Energy Target and Climate Action plans too so its really a win-win for the whole Territory and our shared future."

The Marlinja community have now formed industry partnerships and applied for grant money that, if successful, will allow Original Power to work with residents to progress to the next stage of the project and deliver 100% solar and battery back-up power supply to Marlinja by the final quarter of 2021.

## **Appendix C:**

## Principles to guide First Nations clean energy development

### Purpose:

These principles have been developed to assist in the development of clean energy projects with Aboriginal and Torres Strait Islander communities. They are based on current practices, legislation and international frameworks and norms in engagement with first nations communities.

The principles centre First Nations people and their communities in the development, design, and implementation – including benefit sharing – of any clean energy projects. If followed they will ensure broader benefit to the national economy and private entities, benefit to local economies through employment and assist in the reduction of energy poverty (which is linked to health, social and educational outcomes) and relieve costs to governments in the form of the reduction of subsidisation under current energy provision arrangements.

It is envisaged that in the development of the post-COVID 19 policy response and stimulus package the Government would consider these principles for addition into procurement policies, grant program funding requirements & guidance documents for private entities.

#### **Principles:**

1. Free, Prior and Informed Consent will underpin the engagement and development of all solar stimulus projects.

**Free** from coercion, **prior** consent should be sought in advance and respect is shown for timeframes for consultation, **informed**, ensuring that all details of the proposal have been provided and understood and time is allowed for people to make a decision, **consent** a genuine consultation process which leads to reasonable understanding from the community, and the ability to agree to a project.<sup>2</sup>

2. The right to self-determination will be recognised by all stakeholders. Communities have the right to determine the impact on any proposed project to

<sup>&</sup>lt;sup>2</sup>-<u>https://humanrights.gov.au/our-work/appendix-4-elements-common-understanding-free-prior-and-informed-con</u> <u>sent-social-justice</u>

their economic, cultural, and social development and have the right to say 'yes' or 'no' to a proposed project.<sup>3</sup>

- 3. Stakeholders acknowledge the enormous contribution that First Nations people make to the maintenance of the environment and fragile ecosystems. Aboriginal and Torres Strait Islander people have been caring for country for millenia and are critical to maintaining the biodiversity of the nation. Governments and entities will work with community representatives to design and implement projects that meet conservation and development objectives as well as supporting the rights of communities to improve the quality of their lives and benefit directly and equitably from the conservation and sustainable use of natural resources.<sup>4</sup>
- 4. The maintenance and ongoing ownership of all aspects of Indigenous Cultural and Intellectual Property, including but not limited to: sciences, plant and animal knowledge, stories, designs and symbols, ritual knowledge will be respected by all stakeholders. It is acknowledged, specifically, that any knowledge shared with stakeholders around situational (site specific), environmental or cultural knowledges will remain the property of the community and will not be exploited. <sup>5</sup>
- 5. All proposed projects will, as a matter of priority, ensure employment, business and procurement opportunities for the community and other specialised First Nations service providers. This will also include resources to, where necessary, build the capacity of those communities to take up such opportunities.
- 6. The First Nations solar stimulus policy will focus on and prioritise communities proactively wanting renewable energy, and areas where solar can assist in alleviating energy poverty. Communities and projects that need solar to reduce the cost of living, enable communities to remain on homelands or outsations will be prioritised where appropriate.

### **SECTION 2: Principles**

#### Principles (Communities, Companies, Industry, Governments)

Having established and comprehensive standards and principles for engagement, negotiations, implementation, monitoring and review of renewable energy developments to be adhered to by all stakeholders is essential to project success. When all

<sup>&</sup>lt;sup>3</sup><u>https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP\_E\_w</u> <u>eb.pdf</u>

<sup>&</sup>lt;sup>4</sup><u>https://www.wwf.org.au/ArticleDocuments/391/doc-policy-wwfaus-human-rights-marginalised-groups-vulnerable</u> <u>-people-jul18.pdf.aspx?Embed=Y</u>

<sup>&</sup>lt;sup>5</sup> <u>http://www.terrijanke.com.au/icip</u>

stakeholders engage in a process based on principle they can all enjoy shared benefits which can and should be intergenerational.

At Original Power our mission is to build the power, skills, capacity and collective capability of Indigenous peoples to genuinely self-determine what happens on our country. So often, our people know the solutions. We just need the time, resources and support to make them a reality.

We do this through three key and interconnected ways:

**Power our people** - If people believe their actions will make a difference, they are more likely to take action, so we provide training, mentoring and support to build people's capacity and agency.

**Power campaigns** – By working together with common purpose, people can turn the resources they have into the power they need to transform the challenges they experience.

**Power solutions** – Self-determination means community-driven bottom-up solutions.

We have developed a framework to assist communities in capacity building and self-determination, and from working with community believe there are some common factors that influence our capacity for self-determination:

- 1. Knowledge
- 2. Motivation
- 3. Leadership
- 4. Community Decision Making
- 5. Resources
- 6. Power & Agency

These interconnected ways of doing and the framework for capacity building and self-determination is underpinned by the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) which outlines engagement foundations and the pathway for obtaining Free, Prior and Informed Consent (FPIC).

FPIC "is both a process and an outcome. The outcome is the right of Indigenous people to say 'yes' or 'no' to a … project which impacts their rights … This is a far higher standard than the mere right to be consulted. FPIC is also a decision-making process and a framework for ensuring project developers properly engage Indigenous people and involve them in decisions…"<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> ICIN p.3

**Free** from coercion, **prior** consent should be sought in advance ensuring respectful timeframes for thorough consultation, **informed** ensuring that all details of the proposal have been provided and understood and time is allowed for people to make decisions based on independent advice, **consent** is a genuine consultation process which leads to understanding from the community and the ability to agree to a project or to reject it.

Free, prior and informed consent must underpin the engagement and development of all renewable projects.

To enhance the successful outcomes of renewable projects and increase the potential for equitable benefit sharing, FPIC can be enhanced by applying the following high-level principles:

- 1. Acknowledgement of the contribution First Nations people make to the maintenance of the environment and ecosystems.
- Stakeholders will work with First Nations communities to design and implement projects that meet conservation and development objectives as well as supporting the rights of communities to improve the quality of their lives and benefit directly and equitably from the conservation and sustainable use of natural resources<sup>7</sup>
- 3. First Nations people have the right to the maintenance and ongoing ownership of all aspects of Indigenous Cultural and Intellectual Property, including but not limited to: sciences, plant and animal knowledge, stories, design and symbols, ritual knowledge and this will be observed and respected by all stakeholders.
- 4. It is acknowledged, specifically, that any knowledge shared with stakeholders around situational (site specific), environmental or cultural knowledge will remain the property of the community and will not be exploited.<sup>8</sup>
- 5. All proposed projects, will, as a matter of priority ensure employment, business and procurement opportunities for the community and other specialised First Nations service providers. This will be explicitly outlined in any outcome agreements with detailed and measurable targets, timelines and deliverables. This will include resources, where necessary, to build the capacity of those communities to take up opportunities.
- 6. Project developments must prioritise communities proactively wanting renewable energy, prioritise the reduction and alleviation of energy poverty and costs relief for energy supply and enable communities to remain on homelands and access their land.

<sup>&</sup>lt;sup>7</sup> WWF

<sup>&</sup>lt;sup>8</sup> Terrijanke.com.au

For community renewable projects (small scale) these further principles, develop by Beyond Zero Emissions<sup>9</sup>, for successful practice apply:

- 7. Technical Excellence Systems working extremely well, covering all energy needs, using appropriate technologies.
- 8. Longevity and maintenance Achieve a sustainable solution which has proven to last the test of time through good maintenance procedures and sustainable construction for the environment.
- 9. High RE penetration Achieved a high penetration of renewable energy or a completely renewable system.
- 10. Ongoing community involvement Community members are involved in ongoing systems reporting, they know how to troubleshoot problems and maintain systems themselves.
- 11. Knowledge transfer The community benefit from education on electricity, design of power systems, maintenance, how solar works and business models.
- 12. Financially sufficient The project supports itself (or in conjunction with another venture) and doesn't require ongoing external funding (this must include replacement components).

<sup>&</sup>lt;sup>9</sup> BZE 1 million jobs report p97-98