

Executive Insights Survey Results

SEPTEMBER 2024



Executive Summary

The Queensland Renewable Energy Council (QREC) has conducted its inaugural Executive Insights Survey to gauge industry perspectives on the challenges and opportunities associated with the State's clean energy transition. Released on the eve of the second anniversary of the Queensland Energy and Jobs Plan (QEJP), this foundational survey offers valuable insights from Queensland's peak representative body for the renewable energy sector.

The survey focused on industry sentiment toward the clean energy transition, including key risks, as well as the specific theme of the effectiveness of the Renewable Energy Zone (REZ) framework. QREC will continue to monitor industry sentiment and explore additional topics in future Executive Insights Surveys. The results will also guide QREC in its ongoing efforts to support the sector.

Key Insights

- A majority of respondents (83%) believe Queensland's clean energy transition is on the right track.
- Policy certainty and bipartisan support are critical for maintaining momentum and boosting investor confidence.
- Respondents identified community support and acceptance as both the greatest risk and the most significant opportunity for the renewable energy sector.
- Regarding the REZ framework, industry perspectives were mixed. When asked for their understanding of how the REZ framework would support project delivery or create investment certainty the most common response was neutral. This suggests industry understanding is still developing.

 Policy stability and certainty – Industry are seeking additional detail and a bi-partisan approach to energy transition policy	 Community engagement – The need to develop positive relationships with stakeholders is front of mind	 Impact of approvals – The negative impact of EPBC approvals on project timelines was raised across several responses
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*Emerald Solar Park
Source: RES*

Survey Overview

The Executive Insights Survey tracks sentiment in the Queensland renewables industry over time

Purpose and context

- The Executive Insights Survey is a resource that QREC has established to support its ability to advocate for industry's needs.
- This is the first in an on-going series of Executive Insights Surveys. These resources will be used to track sentiment within the industry over time, both at the whole of transition level and on specific issues.
- This resource will support QREC with data driven insights to complement and inform a range of advocacy activities. We look forward to the insights in this report deepening as we continue to collect data.

Response rate and limitations

- The insights outlined in this report have been derived from a sample size of n=18.
- The analysis and commentary provided in this document have been tailored to draw out the valuable insights from the responses provided while acknowledging the limitations of this sample size.
- QREC looks forward to respondents increasing as our membership grows and members become more familiar with the resource.

Themes

- Each survey will look to touch on broad sentiment metrics of the industry along with a more targeted theme.
- This iteration focuses on “the Effectiveness of the REZ framework.”

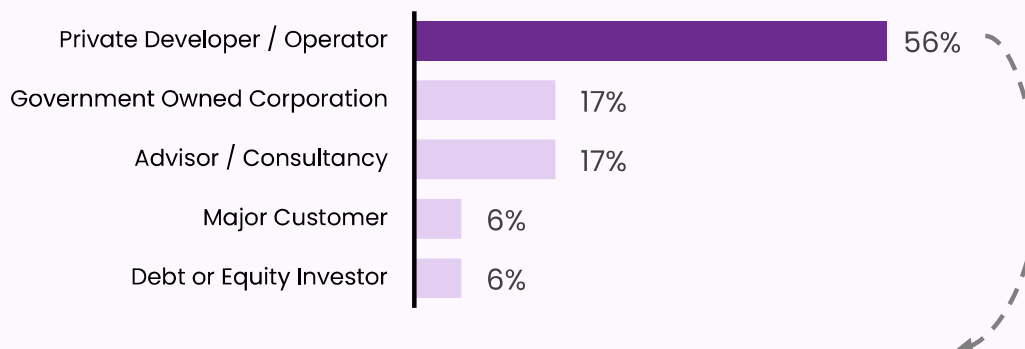


Respondent demographics

The survey featured responses from organisations contributing in various ways to the energy transition

The largest cohort of respondents were private developers and operators

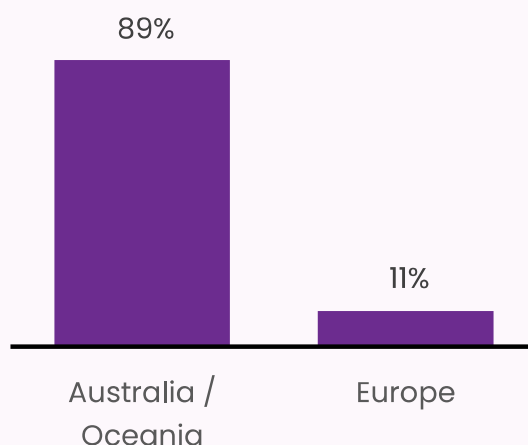
Figure: Organisation represented, % of respondents



Most of the **private developers and operators** surveyed were focused on providing solutions in battery energy and storage systems, and in the wind and solar space. Several respondents indicated a renewable fuels focus.

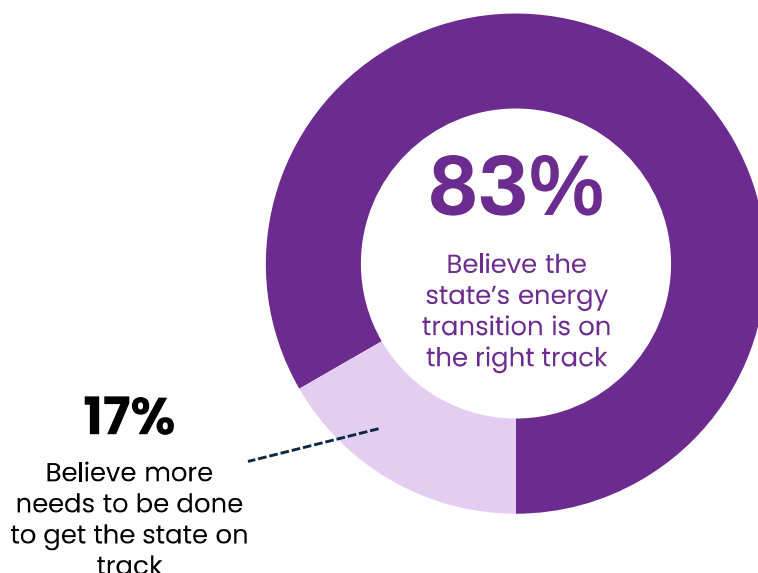
Australia was the most common location for respondent headquarters

Figure: Location of organisation headquarters, % of respondents



Heading in the right direction

Most respondents indicated the state's energy transition is heading in the right direction but desire more policy certainty



A strong desire for more policy certainty

- Policy certainty and bi-partisanship was raised repeatedly in qualitative responses. In particular, the current policy framework was noted to have supported investor confidence.
- Respondents noted Government initiatives to provide more clarity on future targets, plans and roadmaps have led to significant momentum for the renewable energy sector in Queensland.
- The upcoming election and its uncertain impact on policies were discussed. Despite this uncertainty, respondents emphasised the importance of maintaining current momentum, regardless of the outcome.

There is likely to be further policy instability with upcoming election.

Policy stability solves/mitigates a lot of the other risks listed

The looming Qld election could impact the great momentum which the Jobs and Energy Plan has created. Policy ultimately drives all the other factors.

- Survey respondents

Risks and Opportunities

Community support and acceptance is seen as both the greatest risk and opportunity in the sector

Respondents indicated that risk and opportunity for the industry are driven by the same key themes

Figure: Sectoral risks and opportunities ranked

	Themes	Risk Rank	Opportunity Rank
	Community support / acceptance	1	1
	Assessment process	2	2
	Transmission availability & capacity	3	3
	Policy stability	4	4
	Supply chain	5	5

A notable finding from the survey was that respondents indicated the same top five risk and opportunity themes. Likely reflecting the nascent nature of the energy transition, the identified themes are seen as equally likely to inhibit or promote industry outcomes. Demonstrating the importance of managing these themes in a manner that mitigates risk and seizes opportunity. We look forward to monitoring industry sentiment on these themes over time.

Source: Powerlink



Risks and Opportunities

Insights from the commentary provided by respondents around the risks and opportunities centered around several key themes



Risks



Political volatility: Proponents suggested that investment decisions are being impacted by uncertainty around future policies, exacerbated by the impending 2024 state election.



Approvals framework: Proponents cite difficulties with approval processes and timeframes, especially with stringent EPBC compliance requirements.



Grid connection challenges: There are concerns that smaller generation and storage projects are not being connected efficiently and in a way that supports feasibility.

Opportunities



Co-ordinating community engagement: Positive relationships can be fostered with communities and consultation fatigue can be alleviated through a strategic and unified approach.



Delivering shared infrastructure: Substantial commercial benefits can be unlocked through public and private sector collaboration in the delivery of enabling infrastructure.



Leveraging strong investor confidence: Some proponents believe a strong policy response has accelerated funding into the sector, and policy certainty can accelerate this momentum



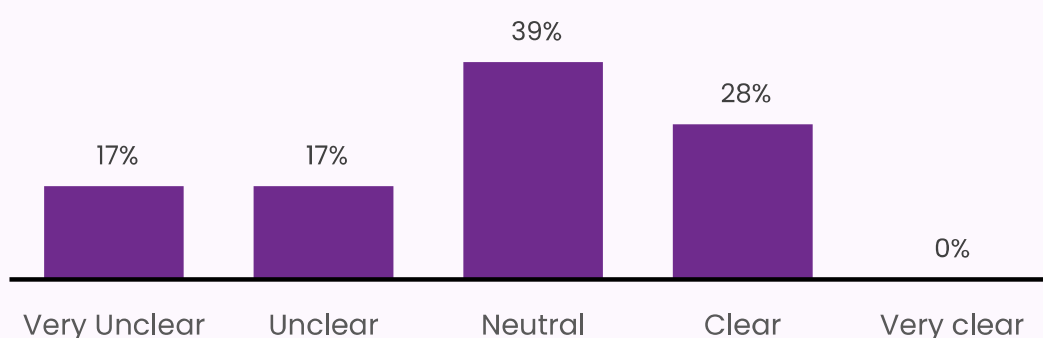
“Community acceptance is fast becoming a major obstacle to the timely delivery of the [energy transition]”

Comprehension of REZ framework

Industry understanding of the REZ framework and its benefits is developing

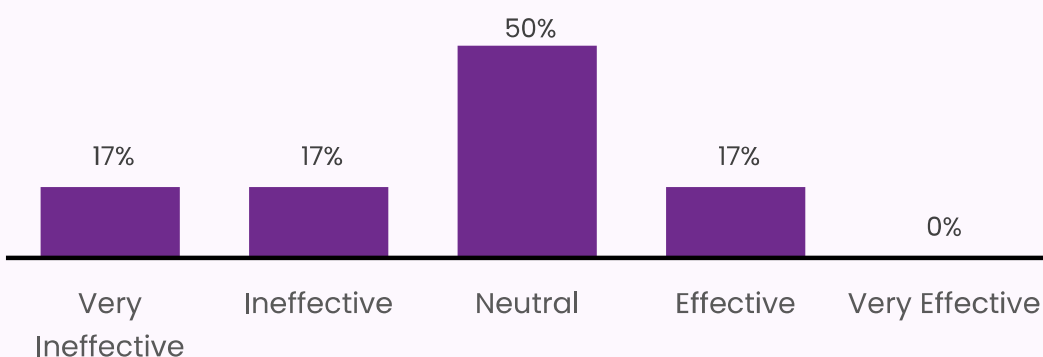
Industry understanding of how the REZ framework can support project delivery is limited

Figure: Understanding of REZ framework's support for project delivery, % of respondents



Similarly, views appear mixed on the effectiveness of the REZ framework in creating investment certainty

Figure: Effectiveness of REZ framework in creating investment certainty, % of respondents



Perspectives on REZ framework

The strong focus on transmission planning hasn't translated to other aspects such as strategic land use planning and approvals processes.

REZ frameworks create lots of cumulative impacts, and competition between developers - this needs to be properly considered.

REZ development is quite slow and not keeping pace with private investment and developer planning.

[The] last thing we want is more investment uncertainty from REZs like there has been in NSW.

Hopefully, [Queensland] will avoid some of NSW's mistakes.

- Survey respondents

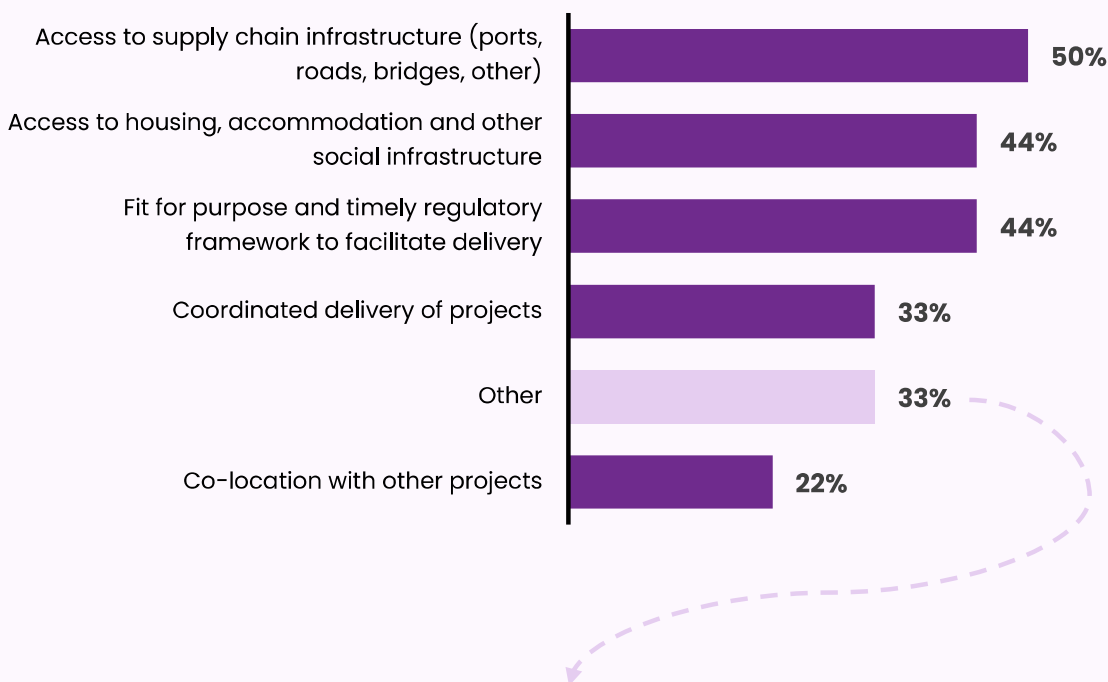


Strengths of REZs

Access to supporting infrastructure is considered an important feature of REZs

Access to enabling infrastructure and streamlined regulatory frameworks were identified as important in enhancing the investment attraction of REZs

Figure: Features of REZs (other than transmission) that increase their investment attraction, % of respondents



A third of respondents listed **other** features that contribute to investment attraction within REZs, broadly these include:

- The ability to foster partnerships with informed communities over a longer term, driving co-benefits
- Proactive and coordinated planning with a clear line of sight over future development initiatives and REZ access policy
- Clearer communication of the benefits of the REZs beyond co-location with transmission infrastructure

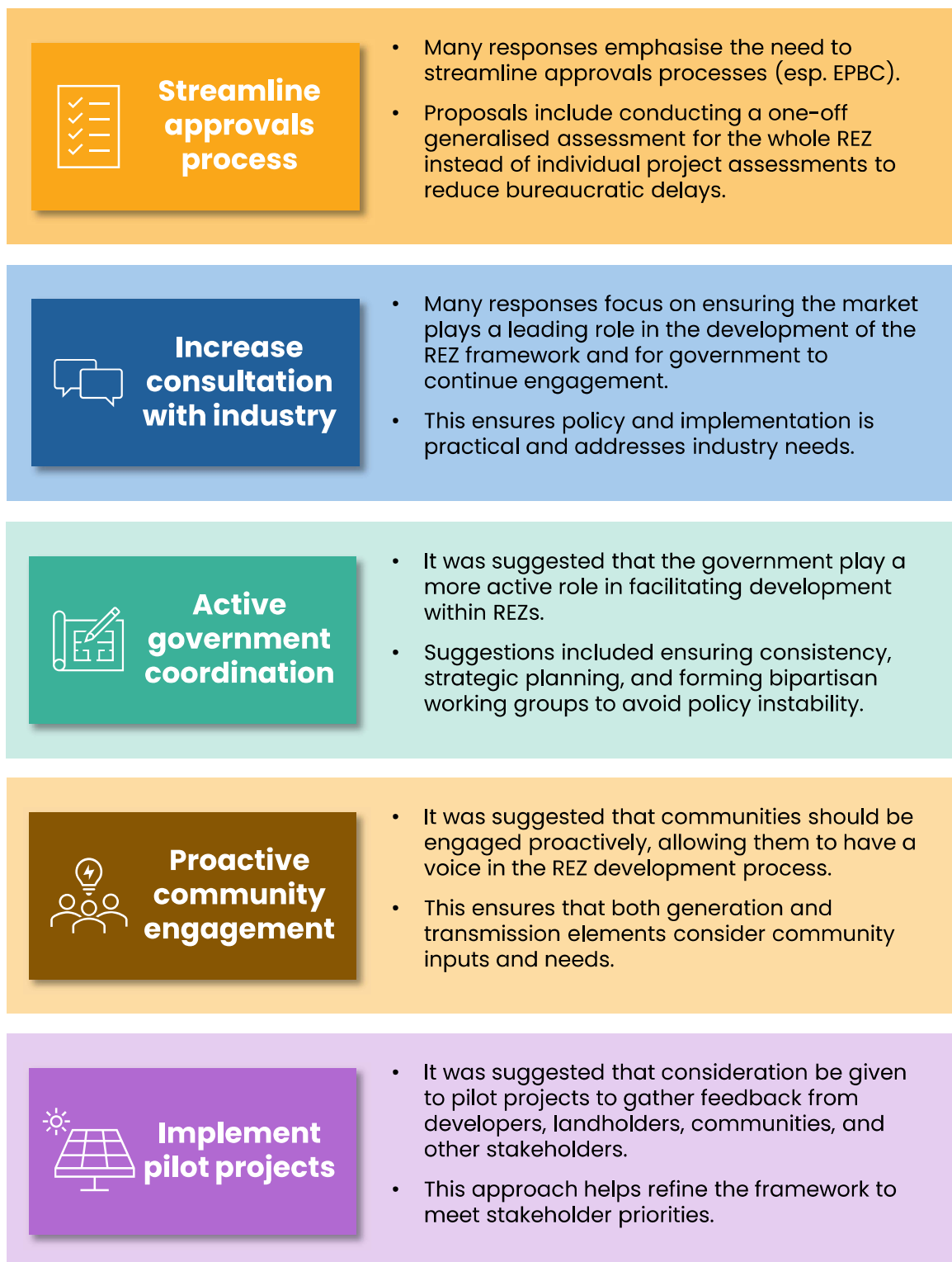


“Policy uncertainty... influence[s] investment decisions”

Actions for government and industry

A range of actions were suggested that would support the REZ framework and wider transition outcomes

Figure: Actions that are suggested for the Government and/or industry to improve the delivery of the REZ framework and wider transition



QREC collaborates with industry, communities, and all levels of government to drive the growth of Queensland's renewable energy sector.

As Queensland's only renewable peak industry body, we represent stakeholders across solar, wind, pumped hydro, electricity transmission, battery storage, and renewable fuels.

Our leadership in policy development promotes leading practices and fosters positive community relationships. Through this focus, we aim to power regional growth, support Queensland's economic future, and provide access to clean, reliable and affordable energy for all.

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