Australian Capital Territory Policy Overview: First Nations & Clean Energy

Australian Capital Territory ACT Roundtable – 23 & 24 August 2023



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Our Acknowledgement of Aboriginal and Torres Strait Islander peoples

Deloitte acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to land, skies, waters, and community. It is our privilege to pay respect to their Elders, knowledge holders, and to all the generations of First Nations' peoples who have nurtured their unceded lands for over 80,000 years and continue to do so today. We see strong, respectful, and genuine partnerships with Aboriginal and Torres Strait Islander peoples as being critical to progressing the government's reform agenda across our portfolio and achieving better outcomes.

The ACT Government and Deloitte recognise the Ngunnawal people as traditional custodians of the ACT and surrounding region. The Government acknowledges that other people and families also have a traditional connection to the lands of the ACT and region, and we respect this connection to Country.

We acknowledge and pay respect to the Traditional Owners who are critical to this engagement and to all First Nations peoples who have participated in our consultation process.

Introduction

Australia's First Nations people have sustainably cared for country for thousands of years, and the transition to clean energy is one that can help ensure that this care of land, water and sacred places continues for thousands more. As Australia transitions towards new forms of energy – regardless of the technology: solar, wind or water – projects will need to access First Nations lands and waters for development. These projects will need the consent and agreement of Traditional Owners and communities. First Nations communities have the opportunity to own and drive their own clean energy projects and to play a central role in the opportunities arising from Australia's transition to cleaner energy.

Figure 1: Indigenous Map of ACT Region · Cowra Katoomba • Dharug Young Camden idra • Bowral Gundungurra Goulburn Ngunawal Nowra umut • **NBERRA** Ngarigo Batemans Bay Yuin

ACT Indigenous Community Snapshot

Snapshot (<u>2021 Census</u> QuickStats)		
ACT Population	454,499	
Indigenous Population	8949	
Percentage Indigenous Population	2%	
Median age, whole population	35	
Median age, Indigenous	24	
Average people per household, Indigenous	2.9	

Aboriginal and Torres Strait Islander Representation within the ACT

The ACT Government and Deloitte recognise the Ngunnawal people as traditional custodians of the ACT and surrounding region. The Government acknowledges that other people and families also have a traditional connection to the lands of the ACT and region, and we respect this connection to Country.

Aboriginal and Torres Strait Islander people living in the ACT are represented by the Aboriginal and Torres Strait Islander Elected Body.

The Elected Body is designed to support the representation of First Nations Peoples in government decision-making, ensuring that needs and priorities are represented, that those needs are reflected in the development of policy and that social and economic outcomes are achieved.

B. Australian Capital Territory

Economic development of First Nations in the ACT

The <u>Closing the Gap's 2023 annual report</u> highlighted a number of findings relating to the First Nations community within the ACT. The outcome of Target 8 – to increase the proportion of Indigenous people aged 25-64 who are employed to 62% by 2031 was nearly achieved in the ACT in 2019 where 61.2% of Indigenous Australians living the ACT were employed. This is the highest in amongst the Australian States and Territories and below the non-Indigenous rate of <u>84.3%</u>.

The ACT Government and Commonwealth Public Services have a number of employment pathways for Indigenous Australians including the:

- ACT Government Indigenous jobs
- ACT Government careers and employment
- Department of Defence Indigenous graduate pathway
- Australian Public Service Commission Indigenous Careers
- Indigenous Skills and Employment Program (National Indigenous Australian Agency)

Indigenous social housing

The ACT Government has committed to expanding the range of culturally appropriate housing options for Indigenous Australians through the ACT Housing Strategy. Three dedicated long-term public housing developments have been opened across the last 7 years:

- Mura Gunya, meaning "Pathway to home" opened in Kambah in 2016;
- Gundji Gindilan, meaning "Joyful home" opened in Lyons in 2020; and
- Ningulangu, meaning "Belonging to: home, place" opened in Dickson in 2022.

These properties provide 15 homes designed to be age and culturally appropriate for the Indigenous community to maintain connections to family, <u>community and culture</u>. Secure housing and access to reliable energy for First Nations communities within the ACT remains a focus of the ACT government.

Energy infrastructure, funding and planning in the ACT

Since 2020, 100% of the ACT's electricity has come from renewable sources. Electricity consumed in the ACT is primarily sourced from the national power grid. Fossil fuel gas makes up more than 20% of the ACT's emissions The ACT is working towards a goal of completely transitioning away from gas, its other main source of energy, by 2045. This transition to renewable energy is expected to make the ACT the only jurisdiction in the national electricity market where regulated tariffs decline in 2022-2023. A review by the Independent Competition and Regulatory Commission has also announced that regulated electricity prices in the ACT will increase at a rate lower than inflation (from July 1) – supporting the expectation that renewable energy is stabilising prices within the ACT. Large-scale renewable energy generators in the ACT local area include:

- Mugga Lane Solar Park
- Williamsdale Solar Farm
- Royalla Solar Farm.

The ACT plans to complete its transition away from fossil fuel gas use to renewable electricity by 2045. While the previously mentioned renewable energy generators are not owned by First Nations owned businesses, within this transition away from fossil fuels the ACT Government has prioritised

efforts towards including the perspectives and involvement of First Nations communities in shaping this pathway.

An important part of transitioning to renewable energy is being able to store it. The ACT has developed:

- The Big Canberra Battery
- Feed-in tariffs

The ACT Government is also ensuring that energy storage infrastructure is at the forefront of city planning. In 2022, the ACT Government commissioned a technical study into planning approval processes for battery storage facilities and EV charging infrastructure.

ACT Gov Sustainable Household Scheme

ACT and the Commonwealth Government funding plans to allocate \$3.6 million towards solar rooftop installations on multi-unit apartments, enabling energy bill savings for tenants living in apartments. The funding allocation would alleviate associated electricity costs the 79,166 First Nation households who live in some form of <u>social housing</u>.

ACT Renewables Hub

The ACT Renewables Hub is an initiative with the ACT Government to grow the renewable energy ecosystem in partnership with the Smart Energy Council. It is a platform for members of the Renewable Energy Industry to connect, share knowledge, business opportunities, collaborate and gather through events and innovative platforms. While the ACT is yet to announce any First Nations led initiatives or programs, it should be noted that the renewable energy innovation landscape employs <u>0.8% of First Nations workforce</u>. This percentage is anticipated to grow significantly with the implementation of the First Nations Green Energy Strategy.

Renewable Energy Innovation Fund (REIF)

The Renewable Energy Innovation Fund is a \$12 million fund from the ACT Government established to:

- Support renewable energy companies based in the ACT
- Encourage the development of new ventures in the ACT
- Develop and support research and training opportunities for jobs created by the renewables industry
- Support the development of a renewable energy ecosystem.

There are a number of Clean energy projects in the ACT which REIF has supported are:

- PV Lab Australia
- Spark3D
- Hydrogen Renewable Energy Australia (HYREA)
- Zeppelin Bend
- Flex-G
- Aqacia
- ITP Power
- ITP Thermal

• Evoenergy¹

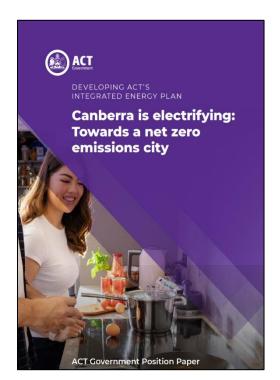
The Integrated Energy Plan

An Integrated Energy Plan is being developed to set out the big picture for how the ACT will transition away from fossil fuel gas use, optimise our energy system, engage and support energy consumers, and establish collaborative partnerships with organisations across the ACT to support all this work. This energy plan is intended to:

- Secure an affordable and sustainable energy future, and
- Support a fair and equitable transition to net zero emissions from fossil fuel energy over the next two decades.

The IEP has been designed to support the Act in the journey towards using exclusively renewable energy by 2045. During this process community consultation will be held to understand community and stakeholder perspectives but there are not currently announced First Nations specific consultations.

The ACT Government released a Position paper in August 2022, which outlined the reasons for the transition and the method. Community Consultation for the Integrated Energy Plan is open from 1 August – 12 September 2023. The outcomes of the First Nations Clean Energy Strategy should therefore be cognisant of the commentary and feedback from First nations communities in the final IEP, to capture the full spectrum of community and stakeholder perspectives.



Energy justice, First Nations, social housing, and energy

The households that benefit the most from the energy transition will be those that electrify their heating, cooking and transport and have energy efficient homes. Those households that remain on fossil fuels will face escalating bills. Households that install solar and a battery will make additional savings too. As more households electrify all their appliances, the households that remain connected to gas are likely to pay much higher bills.

That challenge with these rapidly approaching realities is that homes available to people on low incomes typically have poor energy performance, are expensive to run and, coupled with high electricity and gas prices, can lead to energy stress, debt and poverty.

Homes that are energy inefficient can also pose serious health risks and death if they are too hot or cold. Homes with gas heating and cooking have increased indoor air pollution.

¹ Note: None of the Clean Energy Projects identified are First Nations owned or led.

Where people have low incomes, they may have little control over improving their home's energy efficiency as the upfront costs of retrofits or solar may be unaffordable, and they may also be renting or in social housing.

Household electricity costs across Australia will increase, on average, <u>4.15% between 2023 – 2024</u>. Energy Security is an ongoing consideration for First Nation communities, with 1 in 3 (<u>35%</u>) Aboriginal and Torres Strait Islander adults in households considered in the lowest quintile of equivalised gross weekly household income.

Renewable energy projects

ACT Renewable Hydrogen Cluster

In 2020 the ACT Government announced its focus on hydrogen to meet its target of net-zero emissions by 2045. Evo Energy, The Smart Energy Council, The ACT Renewables Hub, and The Australian National University have been funded by National Energy Resources Australia (NERA) to establish the ACT Renewable Hydrogen Cluster. So far, this has included:

- Australia's first public hydrogen refuelling station the ActewAGL Hydrogen refuelling station.
- The Evo Energy Hydrogen Test Lab.
- The Australian National University's research association: The Energy Change Institute.
- The Smart Energy Council and Hydrogen Australia's Zero Carbon Certification Scheme.

C. Terminology

Clean Energy

Clean energy is the generation of energy in a process that produces no greenhouse gasses or carbon emissions. It may be from sources that are not renewable, which do not replenish themselves. Clean energy refers to all carbon-zero energy sources, including renewables like solar, wind and hydro energy, but also nuclear energy and carbon-neutralising technologies like carbon-capture and sequestration.

Renewable Energy

Renewable energy is energy that is produced using natural resources which are constantly replaced and never run out. There are numerous natural sources of energy, as well as technologies used to harness natural energy.

Common natural sources of energy:

- Solar power
- Wind power
- Hydropower

Common energy harnessing technologies:

- Geothermal energy heat from the Earth, extracted in the form of fluids like steam or water
- Bioenergy energy from waste, converted into heat, biogas, electricity and liquid fuels
- Ocean energy –wave, tidal and ocean thermal energy

Net-Zero

Net-zero refers to the target of reducing greenhouse gas emissions to net zero. This does not mean there will be no emissions at all in the future. Instead it refers to reducing and avoiding greenhouse gas emissions through the use of clean energy sources, as well as offsetting emissions so that there is an exact balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere.

Emissions

In this context, emissions refers to greenhouse gases such as carbon dioxide, methane and nitrous oxide which are released into the air during processes of energy production such as burning fossil fuels. Emissions are the main driver of climate change.

Energy Efficient

Energy efficiency means using less energy to perform the same task. For example, improving insulation and weatherisation of buildings to reduce use of energy to power heaters and air-conditioners. Energy efficient ways of doing things without using energy, or reducing the amount of energy used.

D. Stakeholders supporting Development of the First Nations Clean Energy Strategy

Department of Climate Change, the Environment, Energy and Water

The Australian Government is putting an initial \$5.5 million to developing the First Nations Clean Energy Strategy, as a key priority of the Commonwealth and State and Territory Governments National Energy Transformation Partnership. The strategy will be developed with First Nations communities and organisations to ensure that First Nations peoples play a key role and actively engage in the transition to net-zero emissions.

First Nations Clean Energy Network

The First Nations Clean Energy Network was launched in November 2021 and is made up of First Nations people, community organisations, land councils, academics, unions, technical advisors, renewables companies and others working in partnership to ensure that First Nations people,



groups and communities are key participants in, and share in the benefits of Australia's rapid transition to clean energy².

As a national, First Nations-led coalition, the Network aims to enable and empower First Nations to participate in, benefit from, respond to, and shape renewable energy projects that impact their communities, land, waters and Sea Country.

The First Nations Clean Energy Network's approach is built on three pillars:

- Community The Network supports First Nations communities to shape the design, development and implementation of clean energy projects at every scale.
- Industry The Network acts as an innovation hub, promoting best practice standards and principles that companies should adopt and investors should require before committing capital to a clean energy project.
- Policy reform The Network advocates to lift significant federal and state regulatory barriers and stoke government investment, removing regulatory barriers to energy security and clean energy generation.

The Network aims to ensure the transition to renewable energy happens in partnership with First Nations communities. The Network has been engaged by the Department via a grant to support the Strategy because:

- a) it has the required cultural and technical expertise to undertake the activities, as evidenced by toolkits it has released to support First Nations communities and industry on clean energy projects;
- b) the nature of the project is specifically dependent on the expertise of First Nations people to contribute to development of a clean energy Strategy; and
- c) it has the necessary contacts, trust, and engagement with stakeholders to support the development of a well informed and codesigned Strategy.

National Indigenous Australians Agency

The National Indigenous Australians Agency (NIAA) works in genuine partnership to enable the selfdetermination and aspirations of First Nations communities. They lead and influence change across government to ensure First Nations peoples have a say in the decisions that affect them.



Development of the First Nations Clean Energy Strategy aligns with the NIAA's key responsibilities, which include:

- leading and coordinating Commonwealth policy development, program design and implementation and service delivery for Aboriginal and Torres Strait Islander peoples;
- providing advice to the Prime Minister and the Minister for Indigenous Australians on whole-of-government priorities for Aboriginal and Torres Strait Islander peoples;
- leading and coordinating the development and implementation of Australia's Closing the Gap targets in partnership with Indigenous Australians; and
- leading Commonwealth activities to promote reconciliation.

² The Network is led by a Steering Group of First Nations leaders (see <u>https://www.firstnationscleanenergy.org.au/who_we_are</u>).

First Nations Clean Energy and Emissions Reduction Advisory Committee

The Advisory Committee was appointed by the Minister for Energy and Climate Change in consultation with the Minister for Indigenous Australians on 30 April 2023. The Advisory Committee's purpose is to ensure that the views of First Nations people shape the design and implementation of clean energy and emissions reduction policies and programs.

The role of the Advisory Committee is to:

- a) Provide advice on First Nations perspectives regarding the Australian Government's clean energy and climate change priorities
- b) Ensure First Nations perspectives are appropriately considered in the development of policy, reform, and program implementation
- c) Ensure First Nations heritage and cultural protocols are respected and protected
- d) Identify opportunities for First Nations people and communities to share in the benefits of the transition to net zero

Members of the Committee were selected for their expertise across a variety of areas such as Indigenous Affairs, energy, climate change, social and legal services.