

# Impact Analysis Statement

## Summary IAS

### Details

|                                                              |                                                                                                        |
|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <b>Lead department</b>                                       | Department of State Development, Infrastructure and Planning (DSDIP)                                   |
| <b>Name of the proposal</b>                                  | <i>Planning (Battery Storage Facilities) and Other Legislation Amendment Regulation 2025</i>           |
| <b>Submission type</b>                                       | Summary IAS                                                                                            |
| <b>Title of related legislative or regulatory instrument</b> | Economic Development Regulation 2023 (ED Regulation)<br>Planning Regulation 2017 (Planning Regulation) |
| <b>Date of issue</b>                                         | December 2025                                                                                          |

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| <b>What is the nature, size and scope of the problem? What are the objectives of government action?</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Identification of the Problem including nature, size and scope of the problem</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Problem identification</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>The State Government has reviewed battery storage facility (BSF) development, including an analysis of development applications across Queensland, reviewing stakeholder feedback on the current regulation of BSF development under the <i>Planning Act 2016</i> (Planning Act), and reviewing background information to consider the potential impacts of the utility-scale storage technologies likely to be deployed in Queensland.</p> <p>In relation to the identified problems for BSF the findings provided:</p> <ul style="list-style-type: none"><li>• <b>Noise and Amenity Impacts</b><br/>Community members in proximity to BSF development can be impacted by noise, poor visual amenity and similar development impacts.<ul style="list-style-type: none"><li>- Different batteries can have varying noise impacts, which can become significant due to the battery functioning or battery cooling systems.</li></ul></li><li>• <b>Fire and Hazard Risk</b><br/>Fire risk, as well as hazardous chemical, air and water pollution risk, associated with battery failure not being properly considered and planned for in the development assessment process.<ul style="list-style-type: none"><li>- Some batteries are prone to leaking or corrosion, which could lead to health and safety risks.</li><li>- Some batteries operate at very high temperatures which can pose fire or explosion risk.</li><li>- Improper site remediation or disposal of batteries can lead to contamination of soils or waterways.</li><li>- In 2023 a battery storage facility caught fire in the Rockhampton local government area, demonstrating there is fire risk associated with some large-scale battery devices.</li></ul></li><li>• <b>Social Impacts</b><br/>BSF development can have social impacts on communities, such as access to housing and accommodation during construction and limited access to healthcare and other community services due to increased population during construction.<ul style="list-style-type: none"><li>- The construction period for large scale BSF can be over 12 months and can involve up to 100 workers on site due to the variety of maintenance systems that are required as well as safety and complexities of integrating infrastructure into existing energy frameworks and uses.</li><li>- Large BSF development often require large land parcels (10Ha+).</li><li>- Large BSF development associated with renewable energy locate more frequently in regional and rural areas and impact existing economies and land uses.</li><li>- BSF can impact on the mental wellbeing of community due to perceived and real risks related to BSF development, such as fire, contamination and noise.</li><li>- It is noted that consultation with industry experts, the Office of Industrial Relations and Queensland Fire Services have identified that fire risk from BSF development can effectively be mitigated.</li></ul></li></ul> |

The above issues were partly identified earlier in 2025 by stakeholders as part of the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Act 2025* (PSICBOLA Act) process.

Further consultation has been conducted with industry experts, peak bodies and state agencies and has confirmed that these matters are occurring because of the way BSF development is currently regulated in the planning framework, as identified in the consultation section below. Some Local Governments provided that even at small scales BSF development can have social impacts. They suggested the community benefit system be applied at 5-10MW. A summary of stakeholder consultation is provided in the stakeholder consultation section below.

The *Community Benefit Agreements: Guidance for Local Governments and Proponents* specifies that community benefits vary depending on local context, nature of the development, type and level of social impact and community expectation, among other considerations. Although in certain circumstances financial contributions may be appropriate, it is not intended that there is a one size fits all financial contribution. This ensures that the system is providing community benefit that is directly tied to impact and allows local governments and proponents to develop tailored community benefit agreements to the specific project and its context.

The impacts of BSF development are expected to grow in frequency in the coming years. Queensland's energy roadmap identifies that by 2030, Queensland's energy system is expected to host at least 2.4GW of battery storage more than in 2025 and by 2035, an additional 1.6-3.4GW of medium-duration storage compared to 2025. There are currently 37 BSF developments with development approval and 17 currently under construction in Queensland. It is estimated that there will be approximately 26 to 50 applications for BSF development each year until 2030. The average size of a proposed BSF development is generally 315MW, with a smaller number over 500MW. The size of BSF development is also trending to become larger. It is noted that the number and size of BSF development applications is not limited by the amount of BSF that is required to achieve the objectives of the roadmap. BSF applications are industry driven and therefore there may be greater battery storage delivered than is specified in the roadmap. Applicants may also get approvals for BSF and then not proceed with development.

Departmental analysis has also identified that the social impacts of BSF development, especially smaller scale BSF, can be minimal with construction for some battery types occurring within 6-12 months and the limited number of required operational staff being located off site post-construction.

### How is the problem regulated?

The Planning Act is the primary legislation within Queensland's planning framework. The Planning Act is comprised of four main systems that consider different matters and achieve separate purposes:

- **plan-making:** guides land use planning for future development throughout Queensland, including requirements for planning and development instruments at the state, regional and local level.
- **community benefit:** sets out requirements for proponents of prescribed development to undertake social impact assessment and enter into community benefit agreements prior to development assessment.
- **development assessment:** sets out if and how development may occur and how development will be managed and assessed.
- **dispute resolution:** establishes provisions for resolution of disputes and offences.

### Development impacts (development assessment system)

Development assessment considers matters such as land use compatibility, environmental impacts, infrastructure capacity, amenity, and compliance with zoning provisions. It generally does not consider the social impacts of a project.

BSF development has been categorised by and is assessed against local government planning schemes. BSF development, where assessable, is currently decided by Local Government as the assessment manager and is typically categorised as impact assessable or code assessable. Schedule 6 of the Planning Regulation identifies criteria for BSF development that cannot be made assessable by a Local Government.

Impact assessment is an 'unbounded' assessment under the Planning Act. In addition to the technical assessment, public notification is mandatory, submissions must be considered in decision-making, and submitters may appeal the decision. Impact assessment ensures that the community and stakeholders can contribute to the development assessment process based on the scope provided for under the Planning Act.

Code assessment helps deliver expected development without undue delay, subject to pre-identified criteria. Public notification is not required and code assessable developments are assessed against specific criteria only.

Each Local Government as the assessment manager for BSF development, specifies the category of assessment for BSF. This means that while third party appeal of the decision of the assessment manager is required in some local government areas, in other areas where development is code assessable this right does not exist.

Additionally, although a definition for BSF is provided in the Planning Regulation, if a Local Government has not updated its planning scheme to adopt the definition of BSF, the use is typically treated as an undefined use subject to impact assessment, leading to potential confusion and uncertainty for communities and applicants about what the development is.

Most local government planning schemes do not include specific assessment benchmarks or policy frameworks to regulate and assess BSF development. Very few Local Governments have codes in their planning schemes that included specific assessment benchmarks for BSF development. Rockhampton City Council has recently adopted a Temporary Local Planning Instrument (TLPI) to strengthen its local planning framework for BSF. A TLPI is an interim instrument that responds to changing and emerging planning issues including specific, localised issues where there isn't time to make a planning scheme amendment.

The lack of clear and specific requirements for BSF means that there is inconsistent consultation, amenity and safety protection and application processes. Due to the potential hazards of batteries this can mean that community members may be subject to unreasonable risks and amenity impacts where a Local Government does not have the expertise or resources to consider relevant matters appropriately. The rapid and changing nature of battery technology can also exacerbate these issues.

### **Social impacts (community benefit system)**

There is currently no ability for the social impacts of BSF development to be considered in the planning process.

On 18 July 2025 the PSICBOLA Act introduced a community benefit system into the Planning Act that ensures that developments identified as having the potential for social impacts by the Minister for Planning can be required to contribute positively to the communities they impact and align with local expectations. These requirements currently only apply to wind and large-scale solar farm development. This means that communities potentially affected by BSF development cannot require positive legacy outcomes from BSF development under the Queensland planning framework.

Legacy benefits that the community benefit system may provide include:

- Building or upgrading community facilities,
- Infrastructure upgrades or contributions not already required by Local Government Infrastructure Plans (LGIPs) or Infrastructure Agreements (IAs).
- Community services such as health and wellbeing programs, education initiatives or housing support programs.
- Financial contributions such as donations to community funds or grants for local projects.
- Training and employment such as local jobs programs, apprenticeships, or upskilling initiatives.
- Environmental projects such as conservation, biodiversity enhancement, or sustainability programs.

A Social Impact Assessment (SIA) is a process-driven tool used to systematically identify, assess and monitor social consequences. The findings of a SIA can inform the negotiation of a social impact management plan, or a Community Benefit Agreement (CBA), which can then deliver a structured benefit-sharing mechanism.

Proponents of prescribed development are required to conduct a SIA and enter into a CBA with the Local Government (as a minimum) before lodging a development application. Local Governments can participate in both the SIA and CBA processes and are able to recover any costs incurred.

### **Objectives of Government Action**

The objectives of government action are to:

- ensure that BSF development occurs in a way that:
  - at minimum, mitigates or appropriately accounts for negative impacts on host communities (e.g. landholders, business operators, and Local Governments), and

- where possible, yields tangible, net-positive legacy benefits for host communities and the State.
- ensure the social impacts and development impacts of BSF development are being adequately identified, considered and managed,
- provide consistent assessment requirements and outcomes for BSF development across the state,
- ensure communities are consulted early and meaningfully, and benefit from BSF development with social impacts,
- empower Local Government decision-making without fettering State decision-making powers,
- more closely aligns assessment processes for BSF development with wind farm and solar farm development, as well as non-renewable energy and resource projects in Queensland, to achieve consistent social impact assessment criteria, and by extension community benefit delivery drawing from similar impact thresholds (nature, magnitude, frequency and intensity).

## What options were considered?

### **Option 1: No action, maintain status quo**

Taking no action would mean that Local Governments continue to assess development applications, including without specific BSF assessment benchmarks, and in some instances without public notification. This option relies on each Local Government to undertake work to adequately assess BSF development and could involve the provision of guidance to Local Government to improve assessment.

This option relies on the fact that it could be appropriate to not apply the community benefit system as developments may not have significant social impacts that require the level of rigour in this requirement.

Despite this, one of the key matters identified about BSF development is the wide variety of types of batteries and the different impacts they can have in terms of hazard risk, impacts and operation. Due to rapidly changing technology, taking no action would mean that there is no recourse for social impacts to be considered in the delivery of BSF development.

### **Option 2: Amend development assessment only**

Amend the assessment provisions under the development assessment system, but do not apply the community benefit system to BSF development.

Requiring BSF development to be considered against the community benefit system may not be appropriate due to the potential for BSF social impacts to be minimal. As such guidance for proponents on how to manage social impacts associated with BSF could address minor scale social impacts in response to the objectives of government action without an increased in regulatory burden.

As identified, analysis and stakeholder consultation has consistently identified that there are development impacts associated with BSF and that the current regulation of these impacts is leading to inconsistent and/or low quality amenity and risk outcomes. Amending the development assessment processes to respond to these issues will improve the regulatory outcomes associated with BSF.

This option would:

- make BSF development impact assessable other than small scale BSF,
- make the chief executive the assessment manager (through the State Assessment and Referral Agency or SARA) for BSF development that is assessable development,
- introduce a state code in the State Development Assessment Provisions (SDAP) for BSF development that identifies assessment benchmarks, and
- amend the ED Regulation to specify that BSF development is accepted development in a Priority Development Area (PDA) for the purpose of the *Economic Development Act 2012* (ED Act) but retaining the requirements for assessment under the Planning Act.

The introduction of a new state code for BSF development in SDAP will provide the chief executive (i.e. SARA) with specific assessment benchmarks to consider in assessing applications. Assessment benchmarks will provide requirements for:

- Areas of high ecological value and associated wildlife habitats
- Risk mitigation
- Incident response
- Social impacts
- Agricultural land
- Natural hazards

- Protecting water quality and stormwater management
- Acoustic amenity and vibration
- Lighting
- Visual impact
- Transport networks
- Infrastructure
- Decommissioning

This option will increase regulatory requirements, as the chief executive (i.e. SARA) would be responsible for assessing applications, considering compliance with public notification requirements including consideration of properly made submissions, and liaising with technical agencies.

However, this option also introduces a new fee for BSF assessed by SARA that will replace the fee Local Governments currently charge as the existing assessment manager. Please note that the proposed fee is subject to a separate Impact Analysis Statement (IAS).

The changes this option makes to assessment processes for BSF development would decrease the regulatory burden for Local Government and increase the regulatory burden for the State Government and proponents. Local Government would no longer be responsible for assessing development applications, however will be able to contribute to the development assessment process by providing third party advice on applications where advice is sought by SARA, should they wish to do so.

Changes to the ED Regulation remove the potential for duplicate permissions to be required for BSF development under the ED Act and Planning Act remain for this option.

This option also includes less substantial changes in the Planning Regulation.

#### **Option 3 – Amend development assessment + apply community benefit system**

Amend the assessment provisions under the development assessment system and apply the community benefit system to specified BSF development (i.e. BSF development with an instantaneous output of 50MW or more)

In addition to the changes in option 2, this option would also apply the community benefit system to specified BSF development.

The option would also provide that pre-existing applications for prescribed BSF development will be taken to be not properly made on commencement of the Amendment Regulation.

The Planning Act includes purposes and requirements that must be met to make development subject to the community benefit system. The Minister must be satisfied that development has the potential to impact on the social environment of a community in the locality of the development as specified under sections 106R and 106S, being impacts on:

- the physical or mental wellbeing of members of the community, and
- the livelihood of members of the community, and
- the values of the community, and
- provision of services to the community, including, for example, education services, emergency services or health services.

#### **What are the impacts?**

##### **Option 1: No action, maintain status quo**

##### **Costs**

- **Failure to address existing concerns** – this option would result in the community concerns relating to the ability for community to have its say, fire risk, hazards and impacts on agricultural land not being consistently addressed across Queensland. Additionally, development approvals under the Planning Act will continue to be bound by current 'reasonable and relevant' conditioning tests, which limit conditioning to direct social impact matters triggered by a development meaning relevant social matters are not considered in development applications such as mental health impacts, access to community facilities and employment.

- **Stakeholders may not be able to input** – There is no requirement for Local Government to make BSF development impact assessable and therefore public notification would not be required in all instances. This means that community members may not be able to raise matters relevant to their specific situation.
- **Social licence risk** – communities are already expressing dissatisfaction with the degree to which the impacts of BSF development is mitigated, and to which the benefits are being distributed within communities and across the state. Option 1 relies on market forces and good corporate citizenry to resolve this dissatisfaction. There is no guarantee with this option that such a resolution will be achieved or be achieved in a timely or consistent manner. A resulting lack of social licence or community acceptance could hamper the rollout of BSF development, as anticipated and identified in the Queensland Energy Roadmap.
- **Unmitigated impacts risk** – where projects do proceed, inconsistencies in the assessment of impacts are anticipated to lead to ineffective or non-existent mitigations, which will likely have adverse economic, social, and environmental impacts for Queensland and Queenslanders. Correspondence from local community members has highlighted how this has occurred in previous BSF development.

#### Benefits

- **Baseline administration benefits** – Option 1 maintains the current and expected levels of public value derived from the administration and assessment of development applications.
- **Local government autonomy** – Local Governments retain a significant degree of autonomy in deciding how to assess battery storage facilities.

#### Option 2: Amend development assessment only

#### Costs

- **Cost and time for applicants** - There will be some increased costs for applicants due to the additional requirements of impact assessment under the Planning Act (such as public notification processes), such as time delays, higher fees and costs associated with compliance with increased requirements.
- **Impacts on industry sentiment** - The BSF industry may perceive these changes as increased regulatory burden, possibly affecting the sector's competitiveness and investment attractiveness in Queensland.
- **Battery delivery analysis** – An assessment by the State Government of the implications of potentially longer assessment timeframes resulting from changing the assessment approach indicates that potentially delaying battery construction by 1-2 years but is not anticipated to alter the current energy outlook to 2030.

#### Benefits

- **Greater stakeholder involvement** - mandatory public notification and the inclusion of third-party appeal rights enhance transparency and community involvement in the decision-making process. This increased community engagement fosters trust and ensures that projects are developed with broader social support, which can lead to smoother project implementation and long-term success. It will also ensure that relevant matters for each specific project are raised and considered in development assessment.
- **Maintaining investor confidence and providing statewide consistency** - Providing for consistency in the category of assessment and community engagement will ensure that communities across Queensland are appropriately and fairly engaged and receive appropriate benefit sharing. Additionally, this reduces the level of uncertainty for industry to invest in Queensland by providing a standardised assessment process.
- **Assessment of relevant matters** – Introducing the chief executive (i.e. SARA) as assessment manager, together with adopting a new state code for BSF development in SDAP will ensure that any BSF development that has development impacts on individuals and communities, the environment or infrastructure and services will be subject to an impact assessment. This will ensure that all relevant information is considered in development assessment, including stakeholder views, and matters identified in the State Code. Specifying this information in the Planning Regulation is consistent with how other uses that are assessed by SARA are specified, to provide a consistent framework for stakeholders.
- **No requirement for social impact assessment** – Not regulating the requirement for social impact assessment will mean there is less regulatory burden to providing BSF development, which will assist some proponents in the delivery of BSF projects and reduce costs associated with delivering these projects. Providing guidance on SIA can be done rather than regulatory requirements can allow for a more proportional and tailored approach to responding to social impacts of a project depending on what they may be.
- **Reduced regulatory requirements for Local Government** - This option would mean that Local Governments are no longer the assessment manager for BSF development. This will reduce the demand on under resourced Councils to assess these complex and high impact developments. Where Local Governments are resourced



and able to assist in assessment they will be able to provide third-party advice in line with the existing processes.

### **Option 3: Amend development assessment + apply community benefit system**

#### **Costs**

The costs identified under Option 2 also apply to Option 3.

The following additional costs also apply to Option 3:

- **Capacity challenges for some Local Governments** – some Local Governments may find it challenging to facilitate SIA and to conduct negotiations relating to CBAs. Compliance and enforcement of CBAs may also present a challenge for some local governments with limited resourcing and capacity. This matter is managed as Local Governments will have the ability to charge a fee to the proponent to cover any resourcing or associated costs to consider a SIA, prepare the CBA, and engage in mediation. This provides the ability for Local Governments to cover costs where they do not have the capacity to undertake the necessary activities related to SIA and CBA.
- **Increase in cost and regulation** – as compared with Option 1 and 2, making SIA and CBA a mandatory part of the development application process may create a barrier to entry for some proponents who may not be able or willing to finance the upfront costs and/or time requirements of the community benefit system. This matter is mitigated by the introduction of chief executive reserve powers to give a notice stating that a SIA and/or CBA is not required. Further, the consistent Statewide approach and assessment manager will provide for certainty.
- **Disproportionate requirements** – The identified social impacts of BSF are anticipated to be minor in many cases. The community benefit system is a notable increase in regulatory burden on proponents that may be disproportionate to the impacts and risks of BSF development, depending on the size and details of the projects. A low threshold for specific BSF development may result in BSF development with minimal social impacts being and community benefit system requirements having minimal positive legacy.

#### **Benefits**

The benefits identified under Option 2 also apply to Option 3.

The following additional costs and benefits also apply to Option 3:

- **Mandatory community engagement and benefit-sharing** – provision of community benefit will need to be demonstrated for a development application to proceed, which will assist industry (and possibly government) in building social licence, and assuage community concerns.
- **Improved social outcomes for communities** - Local communities directly receive social and economic benefits from large-scale projects commensurate with these projects' impacts. Projects that are captured by the CBS would be subject to consideration of the nature and scale of the development and the level of impact on the community, noting that each project is unique and their impacts require consideration on a case-by-case basis. Moreover, these assessments and agreements can identify and address cumulative and indirect impacts before formal development assessment has commenced.
- **Empowerment of Local Governments** – Local Governments are empowered to guide developments and secure the appropriate benefits for their community through making decisions where there are impacts to local and regional communities and their social infrastructure.
- **Consistency with development with similar impacts** – SIAs and CBA are required in the planning framework for wind and solar farm development that can significant social impacts. They are also typically required for other major developments, including 'traditional' resource sectors such as mining and gas. Harmonising these requirements across sectors where a use can have similar significant impacts creates a degree of consistency and incentivises knowledge transfer for these uses that can all be of significant scales and disproportionality impact rural and regional residents.
- **Requirements for pre-existing applications** – The Amendment Regulation provides that pre-existing applications not yet decided are to be deemed not properly made and therefore subject to the community benefit system.

Although this option will mean that applicants will have to re-lodge applications, the process will ensure that the benefits to communities generated by the community benefit framework will be provided to as many communities as possible. The Act also recognises there may be circumstances in which a social

impact assessment or CBA is not necessary and provides that an exemption from the community benefit system may be sought from the Chief Executive.

#### Who was consulted?

- The Department has consulted with a variety of Local Governments, state agencies, peak bodies and industry stakeholders in the development of the recommended option. Consultation as part of the PSICBOLA Act has also been considered.
- In general stakeholders did not provide consistent feedback on the proposed options and recommendations.
- Some Local Governments suggested a threshold of 5-10MW and provided that BSF at small scales can have social impacts.
- Stakeholders raised the need to ensure that the proposed reforms do not impact the ability for primary producers and rural families to benefit from BSF technology. Feedback provided that current exemptions for small scale BSF in the planning framework are appropriate to allow these stakeholders to use appropriate scale BSF without the need for planning approval. BSF is accepted development where:
  - the facility is for a pad mounted battery storage device only and the total area of the premises covered by the facility is no more than 15m<sup>2</sup>; or
  - the facility is for a pole mounted battery storage device only and the total volume of the device is no more than 2m<sup>3</sup>.

#### What is the recommended option and why?

##### **Option 1: No action, maintain status quo (not recommended)**

Given the concerns expressed by host communities about the lack of consultation and consideration of social impacts, taking no action to mitigate identified risks is likely to lead to significant opportunity costs, unmitigated adverse impacts, and a failure to develop an environment where BSF can establish effectively and efficiently, to meet the demands of Queensland's energy roadmap.

Therefore this option has not been chosen.

##### **Option 2: Amend development assessment only (not recommended)**

This option presents benefits over the baseline case (option 1).

The changes in this option will improve the outcomes of development applications and mean that BSF development is proportionally assessed and subject to consistent and certain requirements as well as increase transparency and further allow for community input in the delivery of these projects. The changes to development assessment requirements do not address the social impacts of BSF development. as there is no mechanism to substantively consider social impacts and to ensure that communities receive benefits commensurate to the impacts that BSF development may have.

Although guidance about how proponents can provide community benefits for the communities they deliver BSF development could address the issues raised by stakeholders, especially at smaller scales where the social impacts of BSF development is lower, at large scales the social impacts BSF development require consistent and mandatory consideration and responses, so that communities can be confident that they receive benefits commensurate with impacts and not rely on the goodwill of industry to deliver outcomes above minimum regulatory requirements.

##### **Option 3 – Amend development assessment + apply community benefit system**

Amend the assessment provisions under the development assessment system and apply the community benefit system to specified BSF development (i.e. BSF development with an instantaneous output of 50MW or more)

In addition to the changes and benefits identified for option 2, the proposed amendments as per Option 3 will improve the consistency of how BSF development is assessed, ensure that local communities have their say and ensure that there are positive legacy impacts for local communities.

The proposed amendments identified in option 3 include:



- specified BSF development (i.e. BSF development 50MW or more) be subject to the community benefit system, and
- pre-existing applications BSF development requiring assessment against the community benefit system being subject to the new provisions in the Amendment Regulation upon commencement.

In addition to the benefits of option 2, 'front loading' community benefit system requirements provides certainty to industry and community on what the minimum requirements are to advance to regulatory and assessment processes, such as development assessment under the Planning Act. It also sets a minimum standard and obligation on industry and a minimum benchmark for communities across Queensland, aligned with other land uses that have similar impacts on communities due to their nature, scale or function (e.g. wind, solar, gas, mining and infrastructure projects).

The potential impacts on industry, being the time and cost of longer proposal development phases while a SIA is prepared and a CBA is being negotiated, and the increased development assessment phases and processes for specified BSF development, are considered proportionate to the level of social and development impacts from these developments, and the lack of community benefit currently being captured in the context of those impacts. This is because the requirements for proponents are negotiated specifically for each SIA and CBA meaning the system has been designed to ensure that requirements are proportionate to the impacts of the development.

While the community benefit system is a new concept under the Planning Act, other assessment processes in Queensland already require social impacts and/or community benefit delivery, for example coordinated projects under the *State Development and Public Works Organisation Act 1971* and the *Environmental Protection Act 1994*, and projects under the *Strong and Sustainable Resource Communities Act 2017*.

The Department conducted a jurisdictional analysis to understand how other states regulate BSF development:

- The introduction of community benefit system for BSF development is consistent with NSW that has a community benefit framework that applies to BSF development. NSW apply their community benefit framework to BSF in a more restrictive way than is recommended by the Department.  
The framework applies to BSF only when it is in a rural zone and is \$30M+ (\$10M in environmentally significant areas) or is declared Critical State Significant Infrastructure by the Minister. Although Queensland applies the community benefit system to a greater extent than other jurisdictions, this is due to the nuanced operation of the Queensland system where community benefit is provided based on analysis of the on the ground impacts rather than a pre-determined number.
- All states include the ability for the State to assess BSF development, with most states only assessing BSF development where it is identified as complex or of state interest to ensure appropriate expertise is available for assessment, or assessment is appropriately streamlined.  
The Victorian (>1MW) and South Australian (>25MW) state governments can assess smaller scale BSF development to ensure its timely delivery where certain criteria are met. This highlights the appropriateness for states to be able to be the assessment manager for development based on their specific aims and purposes.

The potential impacts on Local Governments, being resources and organisational capacity and compliance or enforcement relating to a SIA and CBA, is navigated through the establishment of clear, minimum requirements that need to be met by Local Governments and proponents and the ability for Local Government to charge fees for their role in the SIA and CBA processes. Additionally, the increased role that the State will have in assessing development applications will reduce the resources required by Local Government to assess these types of applications. The increased assessment role of SARA will see the introduction of a fee to recover costs associated with the process. As previously identified the increased role of SARA and the associated cost recovery fee is being considered through a separate IAS.

Currently, there are a broad range of approaches being taken by BSF development proponents with respect to social licence, with some proponents not undertaking any actions. The increase in regulation is sought only to the extent considered reasonable to better manage social impacts and development impacts on communities.

A potential impact on competition for BSF development may be experienced where smaller companies do not have the capacity to prepare a SIA and/or negotiate a CBA, or where their ability to provide for community benefit is limited, and therefore larger or major companies may be favoured or be more capable of undertaking a SIA and/or CBA. Arguably this outcome is acceptable as it indicates the proponent would not have the capability or capacity to deliver BSF developments that suitably manage social impacts on communities under current best practice guidance parameters. However, this potential limitation to competition can be circumvented through use of Chief Executive reserve powers to give a notice stating that a SIA and/or CBA is not required.

While some aspects of Option 3 may create new administrative costs and potentially reduce competition due to increased requirements to some degree, it is considered that these disadvantages are outweighed by the social, economic, and potential environmental benefits of a consistent regulatory environment and greater levels of community engagement and benefit-sharing.

**Based on the above rationale option 3 is the recommended option.**

## Impact assessment

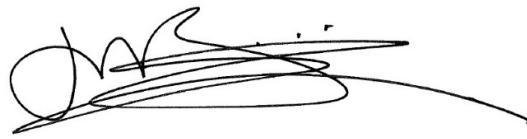
|                                         | First full year                                                                                   | First 10 years**                                                                                  |
|-----------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| <b>Direct costs – Compliance costs*</b> | Direct costs cannot be quantified at this time. Justification is provided in the body of the IAS. | Direct costs cannot be quantified at this time. Justification is provided in the body of the IAS. |
| <b>Direct costs – Government costs</b>  | As above.                                                                                         | As above                                                                                          |

\* The *direct costs calculator tool* (available at [www.treasury.qld.gov.au/betterregulation](http://www.treasury.qld.gov.au/betterregulation) ) should be used to calculate direct costs of regulatory burden. If the proposal has no costs, report as zero. \*\*Agency to note where a longer or different timeframe may be more appropriate.

## Signed



John Sosso  
Director-General  
Department of State Development, Infrastructure and Planning  
Date: 04/12/2025



Jarrod Bleijie MP  
Deputy Premier,  
Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations  
Date: 05/12/2025