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**Friends of the Earth Submission to National Energy Transition
Authority Bill
Submitted: 25.11.2022
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Thank you for the opportunity to make a submission to the National Energy Transition Authority Bill.

Friends of the Earth Australia is pleased to support a National Energy Transition Authority.

About Friends of the Earth

Friends of the Earth Australia is a national environmental organisation consisting of seven local member groups and thirteen affiliate members, with over 65,000 supporters throughout the country. We are a member of Friends of the Earth International, the world's largest network of grassroots environmental organisations, uniting 77 national member groups and some 5,000 local organising groups on every continent.

The Problem: Unplanned transitions leave communities behind

Friends of the Earth has been closely engaged with the question of how coal-dependent communities can be supported through the energy transition, and has been actively campaigning for key new industries like offshore wind in Gippsland.

For Australia to contribute its fair share to global action on climate change and help limit global warming 1.5C, there is a critical imperative to transition the country's coal generation and mining industries, and provide genuine economic alternatives for host communities.

Coal communities across Australia are struggling with the energy transition. To date, successive governments have failed to offer a clear pathway for communities to transition from what has been known and understood for many years to new forms of energy generation provided largely by the private market. The lack of a guiding plan supported by institutions leaves communities feeling confused and uncertain about their future.

We have watched as power stations withdraw from coal fired energy production, often with little notice to workers or the community they are operating in. This leaves communities feeling vulnerable, and wondering where the jobs will be.

The Opportunity: diversified regional economies with new jobs-rich industries

There is a huge opportunity to make sure the energy transition benefits the communities that have hosted the coal industry for decades. The creation of Renewable Energy Zones, and establishment of new industries like offshore wind, offer the chance to create new, long-term careers and revitalise regional economies. This can be done by repurposing existing transmission infrastructure, and building on the skills and experience of coal communities.

The renewable energy transition is gathering pace, but the communities that are supplying energy now are wondering what their role in this new industry is, and whether they will benefit or be left behind.

Parameters for a National Energy Transition Authority

Communities like the Latrobe Valley have seen what happens when energy is left to the private sector: energy becomes about profit for owners and shareholders rather than as an essential service for all. This has led to higher prices, and worse outcomes for workers and neighbouring communities. With leadership from governments, the energy transition can work differently.

A national Energy Transition Authority would have the benefit of looking at the bigger picture of energy and the assets of all regions across Australia. It could be innovative and help guide the transition in the long term, offering communities certainty that governments will support them through the energy transition. Rather than have regions competing against each other for the competitive market edge of new industries, a bigger picture transition plan would facilitate regions working together, benefiting and complementing each other.

Closure dates continue to be brought forward for Australia's ageing coal fired power stations. Real transition planning needs long term funding and commitment, to give communities certainty beyond a mere year or two ahead. The establishment of the Clean Energy Finance Corporation by the Gillard government in 2012 is a great example of an enduring government body and key organisation that has benefited Australia's efforts on climate change for many years. A National Energy Transition Authority would need to be long-term in scope and well funded to give communities the certainty they need to navigate the energy transition.

While there are shared experiences in facing industry closures, the regions that host the coal industry are diverse and have their own distinct needs and aspirations. The emerging industries that will be established through the transition will be unique to the regions that host them.

A National Energy Transition Authority should be complemented by establishing regional transition centres such as the Latrobe Valley Authority. The Latrobe Valley Authority was established by Victoria's Andrews government to support power industry workers, their families, and the community, in response to the closure of the Hazelwood coal fired power station.

The German and Spanish governments have adopted a leading approach of ensuring no-one is left behind in their energy transition planning. A key pillar of this is a focus on the employment and welfare needs of the whole community and the surrounding environment that communities depend on. A National Energy Transition Authority will need to consider the needs of the broader regions surrounding coal dependent communities – often it is hinterland communities that will be hosting new infrastructure.

It's essential that in each region, communities and unions have a real seat at the table and are deeply engaged from the beginning of the process. In many places, the transition won't only be about energy, but require maximising opportunities for local manufacturing and diversifying local businesses.

With the right support from governments, local communities can innovate with their own solutions. The creation of cooperative enterprises such as the Earthworker Energy Manufacturing Cooperative in Morwell are examples of how local workers are responding to the energy transition in a way that is empowering and community centric.

Australia needs a clear national plan as the renewable energy transformation gathers pace. Federal and state governments must work together as our energy production changes. It is crucial that the transformation is planned and carried out with the local communities, not imposed on them.

Through its reports on 'What Queensland Wants', and 'What Regions Need on the Path to Net-Zero', non-profit organisation The Next Economy has demonstrated there is great interest from regional communities and businesses to work with industry, councils and governments on visions that create hope and new opportunities.

Thank you once again for the opportunity to make a submission to the inquiry. Friends of the Earth will be following the inquiry into a National Energy Transition Authority and will be available for further discussions.