



New South Wales Government

Department of Regional NSW

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Future Jobs and Investment Authorities Issues Paper

AGL Energy (AGL) welcomes the opportunity to make a submission in response to the Future Jobs and Investment Authorities (FJIA) issues paper (Issue Paper).

Proudly Australian since 1837, AGL delivers around 4.3 million gas, electricity, and telecommunications services to our residential, small, and large business, and wholesale customers across Australia. We operate Australia's largest electricity generation portfolio and have the largest renewables and storage portfolio of any ASX-listed company, having invested \$4.8 billion in renewable and firming generation over the past 20 years and added more than 2,350 MW of new generation capacity to the grid since 2003.

We support Australia's ambition of net zero by 2050 and believe this will underpin the competitiveness of the Australian economy. This will be realised by Australia generating low-cost power using zero emissions wind and solar resources, backed up by technologies like batteries, hydro power and, for some of this transition, gas. As the global community responds to the risks of climate change, AGL recognises the role we must play in the transition to a low carbon economy.

Our inaugural 2022 Climate Transition Action Plan (CTAP) outlines AGL's ambition to become an integrated low-carbon energy leader, including:

- Targeting a full exit from coal-fired generation by the end of FY35;
- Ambition to meet customer energy demand with around 12 GW of new firming and renewable assets by 2036; and,
- An initial target of 5 GW new firming and renewables by 2030.

AGL has also committed to repurposing its large thermal generation sites into low carbon industrial energy hubs, which we discuss in further detail below.

AGL is very supportive of the NSW Government's proposal regarding the development of the FJIA. AGL recognises that a successful transition in the coal-reliant regions will be dependent on industry, government and communities working together across all sectors. We welcome the NSW Government taking a leading role in co-ordinating a holistic community response to this regional industrial transition.

We also welcome the proposed local industry and community involvement in the FJIA and look forward to more detail on how the authorities will be established, and local representation identified and/or chosen.

Hunter Energy Hub

AGL's vision for the Hunter Energy Hub is to create a low carbon integrated energy hub – designed with circular economy principles – that brings together industries that can make a positive contribution to the energy transition, including renewable energy generation, grid-scale batteries, green advanced manufacturing, and associated industries. AGL sees potential for integrated end-to-end manufacturing



facilities, or multi-stage facilities, to be established at the Hunter Energy Hub where cost savings are achieved through establishing an end-to-end supply chain at a single location.

For the local community, development of the Hunter Energy Hub will create employment opportunities, and training and skills development in renewable energy and other industries. Co-location of other industry and business developments on the site will support regional economic development and diversification away from coal, in line with the Hunter Regional Plan 2041 strategy. Successful establishment of new energy projects, low-carbon manufacturing and circular economy operations will also support NSW's broader environmental, economic, and emissions reduction goals, with the Hunter Energy Hub site remaining a major contributor to the state energy sector; and growing to potentially support total lifecycle management of critical energy transition equipment e.g., batteries, solar panels, and cabling.

The NSW Government's Hunter Regional Plan 2041 highlights the importance of transformation in the Upper Hunter to contribute to ongoing economic growth and employment. The Plan also details the strategic alignment of new energy sources with the Hunter's resource capacity, identifying that renewable energy projects have strong potential to contribute to the regional economy.

As a major employer and contributor to the economic profile of the Hunter region, transitioning the existing Liddell and Bayswater thermal generation sites into the Hunter Energy Hub represents clear alignment with the government's desire to diversify employment and economic dependence on coal. This is also noted in the Hunter Regional Plan as the primary focus of all actions in the region and why the Liddell and Bayswater sites have been denoted regionally significant growth areas to be supported by a place strategy.

AGL is progressing a number of energy projects at the Hunter Energy Hub, including the Liddell battery (500 MW) which is now under construction, the Muswellbrook pumped hydro (400 MW), which was recently afforded Critical State Significant Infrastructure status and Bowmans Creek wind farm (350 MW) – all of which will contribute to the desired vision of an affordable, clean and reliable electricity sector (Hunter Regional Plan Strategy 1.2). The Hunter Energy Hub also provides an opportunity to invest, trial, and scale development of emerging generation and firming alternatives such as RayGen's solar thermal technology. These activities will also be critical to achieving NSW's Net Zero objectives and ensuring reliable, low-cost supply of electricity to NSW throughout the energy transition.

The vision for the Hunter Energy Hub is to repurpose the land and infrastructure to facilitate a range of new activities on the site, to provide continued economic activity in the region, support the development of decarbonisation technologies and provide broader benefits to the community, including First Nations groups. AGL has entered eight Memorandum of Understanding (MOUs) to date, to facilitate feasibility assessments for new industries at the site. Publicly announced feasibility studies include solar manufacturing with Sundrive Solar, lithium-ion battery recycling with Renewable Metals, construction brick manufacturing utilising waste power station coal ash with NuRock Building Products, hydrogen production with Fortescue Future Industries, as well as solar PV recycling, cement and cable manufacturing facilities with Elecsome. Other potential future industries on site include data centres, intensive agriculture, green steel, green glass and a wide range of manufacturing and recycling activities.

In May 2024 the Wonnarua Nations Aboriginal Corporation (WNAC), with support from AGL, completed site readiness works and planting activities for a Manuka Tree plantation, which, if successful, will see bees introduced in ~3 years to enable the cultivation and sale of Manuka Honey.

AGL would like to acknowledge the support the NSW Government has provided for our Liddell closure program and our Hunter Energy Hub more broadly, particularly in helping identify potential investment opportunities.

Workforce transformation



The energy transition is an industry-wide transformation that will involve significant changes to the way AGL operates. In our CTAP, we set out our approach to supporting workforce transition, acknowledging that labour and skills required to operate our generation assets will change over time. AGL is committed to working constructively with employees and their representatives, as well as state and federal governments, in relation to workforce and site transitions.

The energy transition presents both a significant opportunity and major challenge with respect to energy workforce transformation. Some of the opportunities presented by the transformation of the energy workforce include new employment opportunities in renewable energy and other emerging technologies and industries, with a significant increase in the demand for specialist jobs that can support renewable project development across several different job and skills categories. At the same time, there is also likely to be significant impacts on employees currently working in the fossil fuel industries as traditional roles supporting these sectors are transformed.

AGL welcomes the forthcoming National Energy Workforce Strategy and the establishment of a national Net Zero Economy Authority (NZEA). We also welcome the work being undertaken by other states in this space, including the Victorian Energy Jobs Plan¹. To bring a whole-of-society focus on this important issue, we would encourage both the state and federal governments to work closely together on ensuring that workers and communities are supported through Australia's transition to net zero and that there is not significant overlap in the work each respective entity is trying to achieve. This will provide clarity for both employers and workers and support long-term planning arrangements.

The current transition faced by the coal-reliant regions represents a once in a generation opportunity to attract new industries, create new jobs and diversify local economies. AGL strongly supports the NSW Government's focus on helping attract new investment and industries to coal-reliant regions to replace the closures of mines and power stations. We strongly encourage both the NSW Government and the FJIA to provide as much assistance as possible to organisations looking to repurpose old mining and/or power station land in coal-reliant regions through helping them efficiently navigate the planning requirements along with helping solve issues relating to land zoning, water licences and facilitating infrastructure.

Please find our responses to the questions in the Issues Paper at **Appendix A**.

Should you have any questions in relation to this submission, please contact Leilani Kuhn (Policy Manager) on 03 8633 6934.

Yours sincerely,

AGL Energy

¹ See: AGL's submission to the [Victorian Energy Jobs Plan](#).



APPENDIX A – AGL responses to Issue Paper’s questions

Issue Paper’s question	AGL response
<p>1. What other impacts should the NSW Government consider in preparing for a decline in coal demand?</p>	<p>The NSW Government should consider impacts of the decline in coal demand on local supply chains and the indirect impacts of industrial closures on local businesses and economies. It is also important to include indirect impacts when developing the criteria for initiatives that qualify for potential funding under the FJIA framework.</p>
<p>2. What are the most important things the NSW Government should be doing now to help your specific region?</p>	<p>AGL considers that some of the most important things that the NSW Government should be doing in the coal-reliant regions include:</p> <ul style="list-style-type: none"> • Identifying and helping mitigate regulatory and planning barriers impacting the repurposing of mine and power station land. • Helping unlock investment in coal-reliant regions. • Developing a tailored communication strategy for each affected region to assist communities in understanding the work being done to manage the transition away from coal. These strategies should outline the ways that people can benefit from this work and get involved. • Investing in ‘facilitating infrastructure’ to support future business needs on repurposed industrial lands – this will make a significant contribution to minimising new investment risk and uncertainty.
<p>3. What should be the key priorities for the NSW Government and the Future Jobs and Investment Authorities in supporting coal-reliant regions?</p>	<p>In addition to assisting with repurposing industrial land and unlocking new regional investment, AGL considers that the key priorities for the NSW Government and the FJIA in supporting coal-reliant regions should include:</p> <ul style="list-style-type: none"> • Helping retain the local skilled workforce in the coal-reliant regions. • Implementing a strategy to upskill the existing workforce for the new emerging manufacturing and renewable energy sectors.
<p>4. Are there other key outcomes or success measures that should be the focus for the Future Jobs and Investment Authorities?</p>	<p>One of the key success measures for the FJIA is the management of the timing of interventions and strategies to ensure they align with the forecast mine and power station closures. For example, the timing of upskilling and obtaining new qualifications for the existing workforce will be different to the timing of training for the emerging school aged future workforce.</p> <p>Some other key success measures could include:</p>

	<ul style="list-style-type: none"> • Master planning completed for large industrial land redevelopment opportunities. • Data on the new industries/businesses attracted to regions. • Data on jobs created in each coal-reliant region.
<p>5. What else could the NSW Government consider as part of the strategic work program to support the objectives of the Future Jobs and Investment Authorities?</p>	<p>One key initiative needed to help ensure the transition of coal-reliant regions occurs in a timely manner are collaborative and efficient processes that enables new industries to develop quickly.</p> <p>Support from the NSW Government in the form of the proposed place strategy will help accelerate that development process by streamlining agency interaction and reducing repeated content and process requirements. This will enable organisations like AGL to progress through planning and development more efficiently and see earlier realisation of regional economic, employment and environmental benefits associated with the repurposing of old power station or mine sites.</p>
<p>6. Do the proposed principles to govern the Future Jobs and Investment Authorities align with your region’s vision for how the Future Jobs and Investment Authorities should work?</p>	<p>The proposed principles to govern the FJIA align with how AGL considered that the Authorities should work, particularly around providing support for strategic planning to support new industries and helping attract and retain place-based job-creating investments.</p>
<p>7. How should the NSW Government ensure that relevant stakeholders, including workers, industry and local communities provide input into how the government supports the future for coal-reliant regions?</p>	<p>AGL makes the following suggestions to help ensure that all the key stakeholders have the opportunity to provide input into how the government supports the future for coal-reliant regions:</p> <ul style="list-style-type: none"> • Work with established representative bodies and existing community, business and industry forums where possible. • Avoid creating an additional layer of committees and reporting. • Tailor messaging to each local area as each is unique and will have different transition timelines. • Include social media in the communication strategy as most rural areas rely on social media for information with the loss of local newspapers. • Identify local ambassadors/influencers who can help ensure that the NSW Government is reaching the relevant stakeholders.

<p>8. How can the NSW Government best use the proposed local authorities to ensure local views are represented?</p>	<p>AGL welcomes the focus on local representation and looks forward to seeing more detail on how this will be identified and/or selected going forward.</p> <p>To ensure that local views are represented, AGL suggests that the NSW Government:</p> <ul style="list-style-type: none"> • Fund local authorities to implement strategies. • Avoid arduous grant applications and reporting requirements. • Does not require local councils to prove that they need funding and support, given that the areas that are most impacted have already been identified. Also, include the local councils that surround coal-reliant local government areas (i.e. Upper Hunter Shire, Dungog Shire) as the local business in these areas will also be affected and the mining workforce also live in these local government areas.
<p>9. How should the timeline of planned mine consent expiry and indicated power station closure dates across each region inform the allocation of the Government's resources to support the Authorities?</p>	<p>The timeline of planned mine consent expiry and indicated power station closure dates across each region should inform the basis of all planning, allocation and implementation of the Government's resources, with the coal-reliant regions that will be the first to experience closures of mines and power stations being a priority for resource allocation in the first instance.</p> <p>However, this approach will need to be flexible to allow for movement in the dates of proposed closures – for example, an unexpected/unplanned closure or where a pending extension is granted/denied.</p>
<p>10. What skills or expertise should members of each Local Authority have to effectively inform decisions on priorities for each region?</p>	<p>Some of the skills and expertise that AGL considers key for members of each FJIA to possess includes experience in:</p> <ul style="list-style-type: none"> • Education, skills and training. • Local economics (employment, workforce demographics, local industries outside mining) • Land use and planning • Business development • Working with government. • Community development (housing, homelessness, health services etc) • Stakeholder and community engagement <p>Other important attributes that members of each FJIA should possess include industry connections / knowledge along with experience providing representation for a sector navigating closure/transition.</p>

<p>11. Is there anything else that should be included in the proposed operating model for the Future Jobs and Investment Authorities?</p>	
<p>12. What types of investments should the NSW Government prioritise for funding?</p>	<p>It is key that the funding for the transition in the coal-reliant regions is made available in a timely manner to ensure that those regions can start their transition as soon as possible.</p> <p>Broadly speaking, AGL considers that the NSW Government's investments should be focused on encouraging the development of new long-term industries, potentially energy related to capitalise on the existing skill base, that will create a high level of new jobs in the coal-reliant regions. One example is investing in businesses that are creating traineeship/ apprenticeship in any sector (i.e. building, IT, health, child/aged care) in a coal-reliant region.</p> <p>Furthermore, significant investment will be required to plan and deliver the site infrastructure required to meet the future needs of the new industries on old mining/power station sites. As such, any support from the NSW Government for this upfront investment will be very helpful in removing a key uncertainty/risk for third parties.</p> <p>Another potential investment for the NSW Government is the delivery of training and education to help people retrain and/or upskill. However, it is important that the delivery of this training and education is in the local coal-reliant region (i.e. Upper Hunter not Newcastle).</p>
<p>13. Are there other tangible outcomes that the Future Jobs and Investment Board should focus on to help deliver and measure benefits over time?</p>	<p>Some other tangible outcomes that the Future Jobs and Investment Board should focus on include:</p> <ul style="list-style-type: none"> • Jobs created in the region. • Amount of regional investment. • Training data for the region. • Population/demographics data for the region. • New industries in the region
<p>14. Are there any other key elements that should be included in the Future Jobs and Investment Board's annual reporting?</p>	
<p>15. Are there other accountability or transparency measures the NSW Government should adopt to ensure the Future Jobs and</p>	



Investment Authorities deliver on the objectives?	
16. Do you have any further suggestions for how the NSW Government can support coal-reliant communities?	AGL suggests that the NSW Government should ensure that there is broad community representation (i.e. not all focused on industry and jobs) in the FJIA. This will help ensure that the social fabric of the regions is appropriately supported.