



# Renewable Energy Industrial Precinct |

## Development Principles

### Overview

Beyond Zero Emissions is demonstrating demand for **Renewable Energy Industrial Precincts** (REIP) in both the Gladstone and Hunter Regions through industry engagement. We aim for a national revival in Australian manufacturing powered with affordable and reliable renewable energy.

The purpose of these **Development Principles** is to define the parameters of REIPs so that manufacturers, investors and stakeholders can respond to the **Expression of Interest** document.

This document should be read in conjunction with the [REIP Briefing Paper](#) prepared by Beyond Zero Emissions and WWF Australia. The REIP paper calls for significant government investment in REIPs and outlines the policy framework required to deliver it. This EOI process will demonstrate industry support for this national policy position.

**Renewable Energy Industrial Precincts** are defined by ambitious environmental performance targets laid out in these **Development Principles**. The overarching criteria is that manufacturers use only renewable energy to power their facilities.

**Development Principles** for REIPs are described on following pages and summarised here:

1. 100% Renewable Energy
2. Industry commitment to sustainability
3. Carbon use in very specific circumstances
4. Reasonable exemptions will be accommodated

We are accepting **Expressions of Interest** that demonstrate the range of REIP participants:

- *Size*: any size of project is encouraged to participate
- *Scale of production*: projects with the capacity to rapidly upscale and employ manufacturing workers will be prioritised
- *Energy requirements*: while energy must be renewable (or on the pathway) to qualify for the REIP, there is no upper limit to the amount of energy needed. See **Transition to 100% renewable energy** for more information.
- *Stage*: both mature production facilities as well as early stage manufacturing will be an important ingredient in a REIP cluster. We will prioritise applications from manufacturers at [TRL 8 and above](#).

## Transition to 100% renewable energy

Both new and existing facilities can participate and different criteria apply to each as shown in to the following transition schedule<sup>1</sup>:

<b>New facilities</b>	Commit to 100% renewable energy (electricity plus heat) from day one
<b>Existing facilities</b>	Commit to 100% renewable electricity within 5 years
<b>Existing facilities</b>	Commit to 100% renewable energy - electricity plus heat - within 10 years

This ambitious schedule reflects the real opportunity that is available to Australian manufacturers as we harness the full potential of our abundant renewable resources. These targets are a strong statement of intent to domestic and international markets of our commitment, securing investment and opportunities.

For each interested party, Beyond Zero Emissions plans to draw on its strong network of industry partners, investors and government contacts to help achieve these targets and the vision of a thriving zero-emissions manufacturing sector.

## Development Principles in detail

Facilities applying for a **Renewable Energy Industrial Precinct** will be reviewed for eligibility based on principles consistent with our work on these precincts to-date, including our [Million Jobs Plan](#) and recent REIP [pre-budget submission](#) with WWF Australia.

Our highest considerations are:

### 1. 100% Renewable Energy

- New facilities will use 100% renewable energy and existing facilities plan to transition to 100% renewable energy within the next 10 years.
- Hydrogen projects and infrastructure that supports hydrogen must have a clear statement of intention to only use renewable (green) hydrogen.
- We understand that the 100% renewable energy commitment may only be possible for some sectors with significant government support.

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<sup>1</sup> These transition schedules and references to renewable energy relate to Scope 1 + 2 as defined in the [GHG Protocol](#). Disclosure of emissions and renewable energy use should be conducted through recognised bodies such as [CDP](#)

- **Scope 1** - Direct GHG emissions occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.
- **Scope 2** - GHG emissions from the generation of purchased electricity consumed by the company

Beyond Zero Emissions acknowledges that Scope 3 emissions will vary depending on the individual business but will advocate for each proponent to set a Scope 3 emissions target in accordance with the [Science Based Targets initiative](#).

- We want to consult with project proponents to understand these barriers and support you to advocate for effective policy solutions where possible.
  - Please articulate your concerns in your EOI submission.
- 2. Industry commitment to sustainability**
- Our screening process endeavours to identify and support all projects that represent genuine efforts to embrace a sustainable future for Australian manufacturing.
  - We will undertake Due Diligence on **facilities** (not companies). The economic transition will be complex and moving towards a sustainable future requires buy in from all stakeholders, which is why a genuine commitment to these principles for a facility will be assessed, as opposed to the company's work at large.
  - Beyond Zero Emission values prevent us promoting initiatives in weapons manufacturing; fossil fuel equipment manufacturing or animal testing.
- 3. Carbon use in VERY specific circumstances**
- Carbon capture and utilisation from **non-fossil fuel** sources for use in processes that require a carbon input. For example, cement, bioplastics, silicon, steel recycling etc. We may consider supporting carbon capture projects that show a clear commitment to the renewable energy transition (Scope 1+2) time schedule.
  - Use of biomass from unavoidable agricultural/forestry waste or sustainably grown biomass may be considered. Note that the use of biomass is a difficult issue and requires further screening by Beyond Zero Emissions on a per project basis.
- 4. Reasonable exemptions will be accommodated**
- We acknowledge that there are nuances for each project with sector specific considerations. Many of these will be tackled on an individual basis through our project screening process.
  - We will also need to factor in reputational and stakeholder risks prior to final confirmation of an application. We acknowledge that this is an evolving space and these principles will be regularly reviewed and updated as policy and technology advancements take place.
  - The final decision on all REIP Expressions of Interest will be made by the Beyond Zero Emissions CEO.

## Program alignment

Renewable Energy Industrial Precincts closely align with many **Australian government programs** and the [United Nations' Sustainable Development Goals](#). Renewable Energy Industrial Precincts complement existing Australian and international policies and strategies related to energy, industry and employment as outlined in our [2021-22 Pre-budget submission](#), jointly published by Beyond Zero Emissions and WWF Australia.