



First Nations Clean Energy Network

**Submission: Industry-led Electricity Contract Co-Design
Consultation**

2 October 2026



About the First Nations Clean Energy Network

The [First Nations Clean Energy Network](#) (**Network**) is made up of First Nations people, groups, community organisations, land councils, unions, academics, industry groups, technical advisors, legal experts, renewables companies and others - working in partnership to ensure that First Nations share in the benefits of Australia's clean energy transition.

The Network is led by a [Steering Group](#) of First Nations leaders.

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 clean energy projects that impact their communities, land, waters and Sea Country.

The Network's approach is built on three pillars:

- **Community** The First Nations Clean Energy Network supports First Nations communities to shape the design, development and implementation of clean energy projects at every scale.
- **Industry partnerships** The First Nations Clean Energy 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 First Nations Clean Energy Network advocates to lift significant federal and state regulatory barriers and stoke government investment, provide meaningful opportunities for energy security and clean energy generation for First Nations.

The Network was established to ensure that First Nations people play a central role in and harness the opportunities from Australia's clean energy transition. After being launched in November 2021 on Arrernte country in Mparntwe (Alice Springs), the Network has achieved a lot, supported by our [Steering Group](#), over 3000 First Nations members (individuals and organisations) and our thousands of other supporters.

Feedback on the Electricity Contract Co-Design Consultation

The First Nations Clean Energy Network welcomes the opportunity to provide brief feedback on the proposed electricity contract structures that will underpin the Electricity Services Entry Mechanism (ESEM).

The Network does not seek to comment on the detailed technical design of the proposed financial products. Rather, we emphasise one overarching principle: **the design of the ESEM and its associated contracts must enable the energy transition to deliver meaningful and lasting self-determined benefits for First Nations.**

The ESEM will play an important role in facilitating investment in new generation, storage and firming capacity. The contracts developed through this process should preserve the ability for governments to attach clear and enforceable First Nations requirements to projects receiving ESEM support.

In particular, the ESEM framework should enable:

- First Nations ownership and equity participation, including genuine opportunities for Traditional Owners and First Nations organisations to hold equity in projects
- respect for First Nations rights and self-determination, including engagement consistent with Free, Prior and Informed Consent
- meaningful economic participation, including employment, procurement, training, revenue sharing and other enduring benefits, and
- accountability for commitments, including appropriate monitoring, reporting and enforcement throughout the project lifecycle.

Importantly, these outcomes should not be understood simply as additional social obligations placed on projects. Strong and genuine First Nations participation and partnerships can contribute to better and more investable projects. Early and meaningful engagement, benefit sharing and opportunities for ownership can strengthen community support and social licence, reduce the risk of disputes and delays, improve certainty around project development and delivery, and strengthen long-term relationships between projects and the communities and Traditional Owners on whose Country they operate.

This is also a commercial consideration. The Network's work on the investor benefits of First Nations participation demonstrates that strong First Nations partnerships can reduce material project risks and improve investment outcomes. In this sense, well-designed First Nations requirements can support, rather than detract from, the ESEM's objective of facilitating timely, efficient investment in new electricity infrastructure.

There is already precedent for using Commonwealth electricity market mechanisms to drive these outcomes. The Capacity Investment Scheme has progressively incorporated First Nations participation and social licence considerations into its tender design, including through the First Nations Set Aside. The ESEM provides an opportunity to build on this approach.

We recognise that broader ESEM policy design is outside the scope of the present consultation. However, this makes it important that the financial contracts developed through this process do not inadvertently constrain the ability to establish First Nations eligibility, merit or contractual requirements elsewhere in the ESEM framework. The draft product sheets already contemplate the possibility of a separate Project Development Agreement between the ESEM Administrator and successful sellers, which may provide one mechanism through which such commitments could be given contractual effect.

Accordingly, the Network recommends that the Working Group ensure the proposed contract structures are compatible with First Nations eligibility, merit and performance requirements;

identify and address any features that could constrain First Nations ownership, participation or benefit-sharing arrangements; ensure relevant commitments can be incorporated into an enforceable Project Development Agreement or associated framework; and recommend that First Nations representatives are directly and appropriately resourced to participate in the next stages of ESEM design and contract development.

The Network would welcome the opportunity to engage further with the Working Group and the NEM Review Implementation Taskforce as the ESEM framework is developed.

Our contact details

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