

# INQUIRY INTO IMPACT OF RENEWABLE ENERGY ZONES (REZ) ON RURAL AND REGIONAL COMMUNITIES AND INDUSTRIES

IN NEW SOUTH WALES

Hearing: 13 May 2025

## SUPPLEMENTARY QUESTIONS

Mr Andrew Abbey, NSW Minerals Council

### Planning and Mapping Transparency

***(1) You argue that mining interests are often overlooked in early REZ planning stages. What specific mapping, notification or stakeholder consultation reforms would you propose to ensure mining operators are informed earlier?***

As noted in the NSWMC submission, the Department of Planning Housing and Infrastructure Renewable Energy Planning Framework released in late 2024 provides an improved framework for meaningful consultation with exploration title holders from proponents of State Significant Development (SSD) renewable projects.

This could be further improved to minimise the risk of conflict between exploration activities / potential future mining projects and renewable energy projects by mandating effective consultation with NSW Resources and exploration title holders earlier in the development of a renewable energy project.

Exploration title holders have a legal interest in the resource located within the title area, and are obliged to undertake minimum exploration activities to maintain the title. Specific measures could be included into Secretary Environmental Assessment Requirements (SEARs) requiring a higher obligation is imposed on proponents of renewable energy projects to provide evidence in the EIS of:

- That meaningful consultation and engagement with an exploration title holder has occurred
- The methods proposed by the proponent to mitigate any land use conflict with exploration title holders
- Any such mitigation measures are required to be incorporated as a condition of consent in the approval.

Changes to the Resources SEPP could also be implemented to strengthen the suggestions listed above, ensuring effective consultation between renewable developers, the NSW Government, and explorers. Section 2.19 of the Resources SEPP (Compatibility of proposed development with mining, petroleum production or extractive industry) could be amended:

- So it applies to State Significant Development, State Significant Infrastructure, and Critical State Significant Infrastructure<sup>1</sup>
- To mandate consultation with NSW Resources
- In cases where the proposed project covers an EL, to refuse consent unless:
  - The proposed development is compatible with the proposed exploration activities

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<sup>1</sup> The intention is for the above to apply to applications relating to Renewables Infrastructure and Transmission Infrastructure but it may extend to other types of development.

- Any loss of ability to prospect on an EL is compensated for

Furthermore, better mapping of Renewable Energy Zones and renewable energy projects overlaid with any exploration/resource titles could be made more readily available. For example renewable energy data could be made available on the Governments SEED portal<sup>2</sup> which serves as a central resource for accessing, sharing, and understanding environmental data related to New South Wales. Given details of the REZ zones and renewable energy projects exists on the EnergyCo website<sup>3</sup>, it should be relatively straightforward to transfer this information to the SEED portal to enable overlaying exploration title details with renewable energy project details.

***(2) Should proponents of REZ projects be required to demonstrate no material conflict with existing or pending mining leases before projects are declared CSSI or approved?***

As noted above, as part of the early engagement with exploration title holders, and the preparation of the EIS, it should be made mandatory for renewable energy proponents to provide evidence of how they intend to mitigate against any land use conflict that would:

- Impact on the ability for a title holder to continue to undertake exploration activities; or
- Sterilise the potential future development of the resource

**Co-Existence and Strategic Land Use**

***(3) What opportunities do you see for co-existence between renewable infrastructure and mining, particularly in regions like the Hunter and Central West where both sectors are active?***

In most circumstances co-existence can be achieved with early and meaningful engagement between renewable energy proponents and exploration title holders.

The Renewable Energy Zones of NSW include some of the state's most prospective geological formations. These resources cannot be moved and risk sterilisation by renewable energy projects.

This risk can largely be ameliorated through NSW Government policy that mandates effective consultation with NSW Resources and explorers early in the development of a renewable energy project. Poor or non-existent consultation with the NSW Government and explorers has resulted in the placement of renewable infrastructure over high-value resources. Effective and regulated consultation in these cases would have allowed minor changes to the location of infrastructure and supported the growth and coexistence of both industries.

Furthermore, many NSW mine sites could potentially deliver significant opportunities and benefits for local communities and the State more broadly, including new jobs and investment opportunities to help offset some of the lost economic benefits once mining operations cease. This includes renewable energy development opportunities being located on former mine sites once operations cease. However, where viable opportunities do emerge, they will only be realised if the regulatory framework incentivises the consideration of new and beneficial land uses such as renewable energy development on former mine sites in a timely way.

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<sup>2</sup> <https://www.seed.nsw.gov.au/>

<sup>3</sup> <https://caportal.com.au/energyco/rez?select=central-west-orana-rez>

***(4) Should there be a formal land-use prioritisation hierarchy within REZs, and if so, where should mining activities be ranked relative to renewable projects?***

In most circumstances co-existence can be achieved through early and meaningful consultation and engagement between proponents and exploration title holders. The changes listed above would mandate the proponent must identify proposed methods to mitigate any land use conflict.

However, because of the fixed nature of resources, it should be incumbent on the renewable energy project to address how its impact on any resources will be reasonably mitigated. Where a renewable energy proponent fails to address the mandated requirements, the project could either be refused unless: a) the proposed development is compatible with the proposed exploration activities or any future extraction of the resource; or any loss of ability to continue exploration activities on the exploration title is compensated for.

**Economic Contribution and Policy Balance**

**(5) The mining sector is a major employer and contributor to regional NSW economies. Do you believe current government policy strikes the right balance between supporting the energy transition and preserving the economic role of mining?**

The mining Industry recognises the role of renewable energy projects to contribute to a mix of energy sources to deliver security and affordability. A number of mining operations use renewable energy, and other operations are either in the process of developing or considering renewable energy opportunities on their sites.

The NSW mining industry is a major employer and contributor to regional NSW economies. Our key concern is that any future project, including renewable energy projects, must properly take into consideration the potential to impact on exploration activities and sterilise the States resources, many of which will be required to enable the transition and global decarbonisation efforts. Many of the concerns can be addressed through earlier and more meaningful engagement and consideration of exploration and resource extraction requirements as part of the early planning for renewable energy projects.

***(6) You've suggested the "least-cost" REZ model may unfairly privilege REZ infrastructure over established industries. Should economic displacement costs to mining communities be considered when designating transmission corridors?***

Note - This comment was not made by NSWMC?

As part of the early planning, identification and delivery of transmission corridors, all economic displacement costs should be identified, considered and properly accounted for to understand the real and unsubsidised cost of delivering new infrastructure.

**Consultation and Governance**

***(7) From your members' perspective, how would you describe the quality and depth of consultation with the NSW Government or EnergyCo during REZ rollout planning?***

From NSWMC's perspective, EnergyCo has been reasonably attentive and engaged on policy issues affecting our members.

This includes early engagement between EnergyCo and members when: the REZs were being established; resolving planning, coordination and property impact issues associated with the delivery of primary transport routes for wind turbine blades; and coordination of individual early starter renewable energy developers who were engaging with individual mine sites.

***(8) Should the Minerals Council have a formal advisory role in REZ infrastructure governance, similar to environmental or agricultural stakeholders?***

It's critical that there are formalised early engagement opportunities between any government authorities responsible for delivering REZ outcomes and key impacted stakeholders. Where there will be impacts on mining operations this should include the NSW mining industry:

This could include (but not limited to):

- Consultation and engagement requirements for renewable energy activities that will impact on the States resources (e.g. exploration activities)
- Coordination of renewable energy project delivery where it will impact on mining operations (e.g. road corridors, NSW port activities)
- Transmission line development that will impact on mining operations
- Post mine land use regulatory improvements to enable renewable energy projects on mine sites

***(9) How should responsibility for infrastructure upgrades—like roads or water access—be shared between REZ developers and existing industries?***

Responsibility for road infrastructure upgrades or maintenance and repair associated with renewable energy projects should be paid for by the proponents of renewable energy projects, and should not be subsidised by other stakeholders or industries.

This is consistent with the approach taken for NSW mining projects who are wholly responsible for funding any upgrades, as well as ongoing repair and maintenance of any roads used by the mining operations and its staff.

***(10) Is there a risk that uncoordinated development in REZ regions could reduce the overall economic benefit by undermining mining productivity?***

If uncoordinated renewable energy projects impact the ability for exploration title holders to undertake exploration activities, or sterilise the ability to deliver viable mining projects, there is a risk renewable energy developments in REZs could reduce the overall economic benefits that could potentially be gained from future mining projects.

***(11) What specific changes to the post-mining regulatory framework would enable faster and easier approval of renewable projects on former mine sites?***

The NSW Parliamentary Inquiry undertaken by the Standing Committee on State Development into beneficial and productive post mining land use which tabled its report to the Government on 14 April 2025. NSWMC notes the findings and recommendations of the report provide a basis for the NSW Government to investigate and deliver regulatory improvements to make it easier to enable faster and easier approvals of renewable energy projects on former mine sites.

NSWMCs submission to the Inquiry provided an extensive overview of the regulatory challenges associated with delivering renewable energy projects on former mine sites, as well as identifying some possible solutions for consideration. The NSWMC submission can be found here (relevant pages 16-17): [Submission No 59 INQUIRY INTO BENEFICIAL AND PRODUCTIVE POST- MINING LAND USE](#)

***(12) What mechanisms, e.g. joint workforce planning or shared training pipelines, would help avoid destructive labour competition between REZ and mining projects in regional NSW?***

It's noted the majority of employment benefits associated with the REZ implementation will be short term construction jobs. As stated in the Department of Planning's Large Scale Solar Farm Guidelines, it's estimated "*the Roadmap will attract up to \$32 billion of private-sector investment in electricity infrastructure by 2030, supporting 6,300 construction jobs and 2,800 ongoing jobs*"<sup>4</sup>.

Mining jobs on the other hand provide significant benefits of both short term construction jobs during the development of a mine, but more importantly tens of thousands of long term operational jobs located in regional NSW. From the 2023/24 NSW Minerals Council annual expenditure survey, NSW mining companies directly spent an estimated \$22.0 billion in a single year, which comprised a total workforce of 35,000 full-time equivalent workers, as well as supporting over 7,000 local businesses located in regional NSW. These benefits are delivered year on year.

Whilst every effort should be made to implement any employment/education programs to improve labour availability , in reality, any destructive labour competition between REZ and mining projects will potentially occur during the REZ peak construction period only and is likely to be relatively short term.

***(13) What are the key regulatory hurdles, e.g. rehabilitation milestones, tenure conversion, land classification, that prevent timely handover of former mine sites for renewable projects?***

The NSW Parliamentary Inquiry undertaken by the Standing Committee on State Development into beneficial and productive post mining land use tabled its report to the Government on 14 April 2025. NSWMC's submission to the Inquiry provided an extensive overview of the regulatory challenges associated with delivering renewable energy projects on former mine sites, including the key regulatory hurdles. The hurdles and challenges as identified by NSWMC and others were extensively outlined in the table report.

The NSWMC submission can be found here (relevant Pages 7-12): [Submission No 59 INQUIRY INTO BENEFICIAL AND PRODUCTIVE POST- MINING LAND USE](#)

***(14) How could the planning system incentivise renewable projects to prefer post-mining or industrial land?***

The NSWMC submission to the NSW Parliamentary Inquiry undertaken by the Standing Committee on State Development into beneficial and productive post mining land use included specific recommendations on improvements that could be made to the NSW planning system to improve post mine land use opportunities for renewable energy projects - see pages 16-17 for further details. This includes:

- Better State government policy and coordination including the development of a State level planning policy specifically for mine rehabilitation and closure that:

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<sup>4</sup> Page 9 - [Large-Scale Solar Energy Guideline](#)

- Confirms the NSW Government has responsibility for changing land use permissibility on land that was previously used for the purpose of mining or associated downstream uses; and
- Confirms the NSW Government as the consent authority for development on Mining Land, as well as any related modification applications to existing development consents for mining operations required to enable any post mining land use.
- Flexibility to reconsider and change development approval outcomes; including changes to:
  - The “substantially the same development” test
  - Improve flexibility to modify rehabilitation conditions
  - Streamline rehabilitation modification applications
  - Contain assessment consideration of rehabilitation modification applications

In addition there needs to be further consideration given to challenges under the NSW Mining Act which regulate rehabilitation requirements and sign off as well as long term financial security requirements and sign off.