



BUDGET ESTIMATES 2025–26

Climate Change, Energy, the Environment and Heritage Portfolios

Portfolio Committee No. 7 – Planning and Environment

Answers to Questions on Notice

Hearing: 4 December 2025

Climate Change, Energy, the Environment, Heritage Portfolios

No. Question

1. Data centres – Ministerial requests for information – Transcript page 39

The Hon. JACQUI MUNRO: So no Minister has come to you asking for specific project modelling or overall modelling that might predict future use for a pipeline of projects, for example?

KIM CURTAIN: I'll double-check and take on notice if there's a specific request, but I know it's incorporated within modelling that is generally done, because obviously they're going to be big users and are big users of electricity, and as we get more data centres that will continue. I will take on notice whether there has been a specific request for specific modelling.

The Hon. JACQUI MUNRO: Okay, so generally you're relying on AEMO to provide some expectation of how much energy is expected to be consumed by data centres?

KIM CURTAIN: Yes. There is a lot of detailed modelling that AEMO does every year in their electricity statement of opportunities report. It comes up with a forecast of what the actual expected usage will be and then there's obviously different scenarios that they model, but they have a very detailed modelling team who do some of that, and we have a data team who also work with them on what some of those scenarios are. I know there's a lot of modelling done, but I'll take on notice if there's a specific request within our department.

Answer:

There has not been a specific request from the Minister for Energy for modelling of data centre energy demand. Projections are published by the Australian Energy Market Operator each year.

2. Data centres – Advice to Infrastructure NSW – Transcript page 40

The Hon. JACQUI MUNRO: What has the department been advising Infrastructure NSW, in that case, in those conversations?

KIM CURTAIN: I'll have to take on notice the specifics of what we've provided in, but certainly data centres are big users of electricity. With the number of data centres wanting to come into New South Wales — how many of them actually will come in, we're not sure. But if all of them came in, that would be a big challenge for our electricity grid. We're providing advice on how we can move forward. The advice hasn't been pulled together yet, in terms of the final INSW advice.

Answer:

Infrastructure NSW is leading work to develop a NSW data centre strategy. The Department of Climate Change, Energy, the Environment and Water is advising on key policy considerations for data centre growth to inform the strategy.

No. Question

3. Data centres – threshold for price impacts – Transcript page 40

The Hon. JACQUI MUNRO: But there must be a point at which energy use hits a certain number and then it starts impacting wholesale prices, if that's the way you're calculating. What is that figure?

KIM CURTAIN: I'll take on notice what we can bring back on that. There's a lot of variables here. In terms of what impacts wholesale prices, it's never just one thing on its own. But I'll take on notice what we've got in terms of specifics.

Answer:

Wholesale electricity prices are determined by the interaction between demand and supply in the National Energy Market. This means that all electricity demand - the individual consumption of each household and business - affects wholesale prices.

4. Data centres – strategy – Transcript page 41

The Hon. JACQUI MUNRO: Will that be made public? Is that a strategy that is going to be public that people can read and invest through?

KIM CURTAIN: It's being led by Infrastructure NSW, but I can take it on notice. I'm not sure of the answer to that.

Answer:

Infrastructure NSW is leading work to develop a whole of government strategy for data centres. The strategy is intended for public release.

5. Data centres – timing of whole of Government work – Transcript page 41

The Hon. JACQUI MUNRO: In terms of requirements for data centres to generate new power, what kind of pathways could that be? What are you looking at?

KIM CURTAIN: That's currently the analysis that the team is doing, so I don't have an answer to that yet.

The Hon. JACQUI MUNRO: When did you start on this work with Infrastructure NSW?

KIM CURTAIN: Some months ago. I would have to take on notice exactly when that was.

The Hon. JACQUI MUNRO: In Q1 or Q2?

KIM CURTAIN: I'll have to take it on notice. I'm not sure of the exact timing.

Answer:

Please refer to the answer given later in the hearing, recorded on page 62 of the uncorrected transcript.

6. Investment Delivery Authority projects – energy impacts – Transcript page 41

The Hon. JACQUI MUNRO: How many data centre projects are you looking at through the Investment Delivery Authority?

KIM CURTAIN: I'm not part of the Investment Delivery Authority. That's led by the Premier's Department.

No. Question

The Hon. JACQUI MUNRO: Is your department being asked to look at projects through the IDA at all?

KIM CURTAIN: We're advising on this data centre strategy and what the broader plan is. We're not looking at individual projects necessarily but providing advice in terms of what the impact on the electricity grid is on the whole, I guess.

The Hon. JACQUI MUNRO: So at this point you're not being asked to model energy consumption for individual IDA projects?

KIM CURTAIN: I don't believe so. I can take it on notice, but I don't believe so.

The Hon. JACQUI MUNRO: So at this point you're not being asked to model energy consumption for individual IDA projects?

KIM CURTAIN: I don't believe so. I can take it on notice, but I don't believe so.

Answer:

The Investment Delivery Authority (IDA) has not asked the Department to model energy consumption for individual IDA projects.

7. Investment Delivery Authority projects – environmental impacts – Transcript pages 41-42

The Hon. JACQUI MUNRO: Just on that, is anyone able to answer whether, on the environmental impact side, you're being asked to do any investigation into IDA projects?

TONY CHAPPEL: The EPA is part of the Infrastructure NSW strategy and feeding into that. In terms of environmental impacts, there is water use and potentially air quality issues from back-up generation, if that is in the form of diesel. There are potentially noise implications. We're working through all of those issues. Any particular project would have to comply with the clean air regulation and other regulatory standards. That would inform our advice. I think most of these projects aren't at the point of finalising those parameters.

The Hon. JACQUI MUNRO: So nothing has come across your desk that is a specific IDA project?

TONY CHAPPEL: I will have to check that. I don't have anything that I can recall specifically in terms of an individual project, but I'm happy to take that on notice and come back to the Committee.

The Hon. JACQUI MUNRO: At this point, there's no particular way that any of you are interacting with specific IDA projects outside of the normal, for example, State significant development process or any other process that exists within government?

TONY CHAPPEL: I think that's broadly right, but certainly EPA has had a number of meetings with various proponents or advisers around more systemic ways to mitigate some of the negative impacts and maximise the positive impacts. All of that thinking is being fed into the Infrastructure NSW strategy.

No. Question

KIM CURTAIN: My understanding is the IDA is still currently going through its expression of interest process, and we are being asked to provide some input into that analysis, but I'll have to take on notice exactly what we're being asked for on that.

Answer:

The Investment Delivery Authority sought advice from agencies on potential environmental issues during its expressions of interest process. This is expected to be completed by February 2026.

8. Departmental advice to the Investment Delivery Authority – Transcript page 42

The Hon. JACQUI MUNRO: That would be helpful. Is there a structure or some sort of taskforce within your department that deals with the IDA? Are there staff put aside to interact specifically or have some role responsibility around the IDA?

KIM CURTAIN: Not dedicated staff, but there are certainly the experts we have, particularly in the energy infrastructure team and also in our data and analytics team, who provide advice to the IDA on specific energy requests that they have.

The Hon. JACQUI MUNRO: Just to clarify, is the IDA actually asking specific questions of your department about specific projects?

KIM CURTAIN: I believe so, but I'll take that on notice. I don't have the specifics.

Answer:

The Department was consulted and asked to give feedback on all proposals in the first round of expressions of interest (EOIs) the Investment Delivery Authority considered with respect to the EOI assessment criteria.

The Department was later asked to provide additional information on a specific EOI proposal based on feedback provided. This was not related to data centres.

9. Power price modelling – Tomago – Transcript page 42

The Hon. JACQUI MUNRO: What modelling has been done on the power price impact of Tomago staying online?

KIM CURTAIN: That obviously is one of the scenarios that we review along with a number of other scenarios because obviously that is still a question mark and it's certainly a live issue. I can take on notice the exact specifics, but that is one of the scenarios that we are considering.

Answer:

Modelling assessing electricity market outcomes out to 2035, with and without Tomago online, has been completed.

10. Data centres – timing for release of strategy – Transcript page 42

The Hon. JACQUI MUNRO: I wouldn't want to earn the ire of my colleagues. I'm just trying to really understand how your department, as the department of energy, is giving advice to government about data centres and the capability that our network has to actually take on the huge compute power that is being proposed. It sounds like it's

No. Question

pretty vague at the moment and nothing's really being asked. There's potentially a data centre strategy being developed. Is that right? There is a data centre strategy being developed?

KIM CURTAIN: I'm not sure if that's the title it has, but certainly the Infrastructure NSW piece is bringing together, I would say, a strategy for the State.

The Hon. JACQUI MUNRO: What is the deadline on actually having that released?

KIM CURTAIN: I'll have to take it on notice. It's not our report. But I'd say more generally, as we've said before, there's a lot of variables in the market, so the number of data centres that come in — as I said, AEMO has modelled the number of data centres into the future. The question is: Is it enough? Is it —

Answer:

Infrastructure NSW is developing a data centre strategy to guide sustainable growth and ensure the sector's infrastructure needs are met with consideration to household bills, energy and water security, and the environment. The strategy is due to be completed in 2026.

11. Data centres – cumulative modelling for Investment Delivery Authority proposals –
Transcript pages 42-43

The Hon. JACQUI MUNRO: Has the IDA given you the amount of power required should all of the expressions of interest that have been made to the IDA come online to be approved?

KIM CURTAIN: I believe they may have to our energy team, who has been providing the advice, but I don't have those specifics. We'd have to refer that to the IDA.

The Hon. JACQUI MUNRO: Could you please take on notice if your team has been asked to model the full suite of IDA projects related to data centres —

KIM CURTAIN: Sure.

The Hon. JACQUI MUNRO: — and also what that number actually was, how much power they would be using, and also if there is any advice around whether that will impact wholesale prices in New South Wales and how?

KIM CURTAIN: Sure, we'll take it on notice.

Answer:

The Investment Delivery Authority (IDA) has not provided the Department of Climate Change, Energy, the Environment and Water with a figure for the electricity demand of all data centres who submitted an expression of interest or asked the Department to model the full suite of IDA projects related to data centres.

The Department is undertaking modelling of the energy impact of data centres.

12. Synchronous condensers – Transcript page 43

The Hon. JACQUI MUNRO: On synchronous condensers — I know we brought this up last budget estimates — my understanding is that AEMO has been warning about the

No. Question

need for synchronous condensers since 2021. I'm wondering why they had only been ordered this year.

KIM CURTAIN: I'd have to go back for the history. I can take on notice the history, but there was a lot of work done to try to accelerate the purchase of synchronous condensers, which, as you know, needed some legislation change and a direction to Transgrid. That's all on track now. Certainly, everything we would have liked to have done faster, but I'll have to take on notice the history.

The Hon. JACQUI MUNRO: Who actually has responsibility for ordering those synchronous condensers?

KIM CURTAIN: Transgrid.

The Hon. JACQUI MUNRO: Did the department at any point speak to Transgrid to say, "Can we ensure that this happens before the year 2025?"

KIM CURTAIN: The way that the process works is that for Transgrid to be able to purchase another synchronous condenser they'd need a determination from the regulator to allow them to add that to their asset base. The challenge was that in terms of the way the market was working, they couldn't get that or make the case for that, which is why we sought a direction from the Minister to allow that to happen faster than what would have otherwise happened in the market.

The Hon. JACQUI MUNRO: Did they commence that process in 2021?

KIM CURTAIN: Again, I wasn't around then, so I'll have to take on notice the history.

Answer:

In October 2021, the Australian Energy Market Commission made changes to the National Electricity Rules for the efficient management of system strength on the power system. This rule introduced a new system standard and transmission standard for system strength and established the function of System Strength Service Providers to procure system strength. The provisions in the new rules required these service providers to commence planning for system strength from 30 September 2022.

In December 2021, AEMO identified system strength shortfalls at the Sydney West and Newcastle nodes in its 2021 System Security Report. At the time, these shortfalls were projected to emerge in 2025–26 with the then expected closure of Eraring power station. This report identified the system strength gap, but not the infrastructure solution required to resolve it.

Transgrid is the System Strength Service Provider for NSW. In December 2022, Transgrid commenced the Regulatory Investment Test for Transmission to identify the infrastructure required to address the system strength gap.

In December 2023, Transgrid advised the Department it could only commission synchronous condensers by 2028–29 at the earliest under the Regulatory Investment Test for Transmission, and in the interim could procure on high-cost system strength services from existing generators.

Transgrid does not order equipment for new infrastructure projects until after getting regulatory approval to recover its costs from the Australian Energy Regulator. It can take two or more years to carry out this regulatory process. Some electricity equipment

No. Question

has multi-year delivery timelines due to high global demand. For synchronous condensers, this time is estimated at three or more years.

In May 2024, the NSW Government announced it had reached an agreement with Origin Energy Limited to operate Eraring power station until at least August 2027 and no later than April 2029. Origin has subsequently confirmed that it intends to operate Eraring to April 2029. This has effectively deferred the system strength gap in NSW from 2025–26 to 2029–30.

In June 2024, Transgrid published its Project Assessment Draft Report as part of the Regulatory Investment Test for Transmission. This report identified that a suite of synchronous condensers was required to maintain a minimum level of system strength in NSW. This report found that NSW consumers would face load shedding if synchronous condensers were not in place in 2027–28 after Eraring power station was expected to close. This report estimated accelerating the delivery of synchronous condensers at five locations by 12 months to 2027–28 would have a net market benefit of \$269 million.

The NSW Government engaged Transgrid on how to accelerate its procurement of synchronous condensers. In February 2025, the Department and Transgrid released a request for tender to supply synchronous condensers at five locations across NSW.

In July 2025, Transgrid published its Project Assessment Conclusions Report as part of the Regulatory Investment Test for Transmission. This report concluded that accelerating synchronous condensers at five locations across NSW would deliver a \$1.1 billion net market benefit.

In August 2025, NSW Parliament amended the *Electricity Infrastructure Investment Act 2020* to broaden the Priority Network Infrastructure Project regime so that it could support Transgrid's procurement of synchronous condensers.

In September 2025, the Minister for Energy directed Transgrid to procure synchronous condensers at five locations as a Priority Network Infrastructure Project.

In October 2025, Transgrid executed a contract with GE Vernova to supply synchronous condensers at five sites across NSW. Transgrid estimates this has accelerated delivery up to 18 months earlier than under the national regulatory process.

13. **Electricity Infrastructure Roadmap updates** – Transcript page 43

The Hon. JACQUI MUNRO: Finally, is the department going to update the electricity road map given the changes to things like synchronous condensers and to data centres specifically, and potentially other issues as well?

KIM CURTAIN: Do you mean the EII Act or the —

The Hon. JACQUI MUNRO: The energy road map — the actual road map that is determining how people are investing and where, and what they should be looking at.

KIM CURTAIN: The way in which the road map is being delivered is changing all the time with different timing of different projects. I'm not sure if the road map itself needs to be updated. I can take that on notice and go back and have a look. But certainly it's a moving thing, as we don't control all of the projects in the market. It's something we have to constantly be adapting to.

No. Question

Answer:

The Electricity Infrastructure Roadmap is a public document released in 2020. The Government has no plans to update this document.

The implementation of the Roadmap is enabled by the *Electricity Infrastructure Investment Act 2020* (EII Act). The EII Act provides mechanisms which are designed to adapt as the energy transition evolves.

The Act sets minimum objectives for generation, storage and firming infrastructure which set the floor for investment, ensure reliability objectives are met, and minimise costs to electricity consumers.

The Consumer Trustee publishes an Infrastructure Investment Objectives Report (IIO Report) every two years which sets out 20-year development pathways and 10-year tender plans to meet the objectives. IIO Reports include the latest available demand forecasts from the Australian Energy Market Operator, including for data centres.

The IIO report may set out a development pathway that is more ambitious than what is required to achieve the minimum objectives under the Act, where it is in the long-term financial interests of NSW electricity customers to do so.

On 7 August 2025, the NSW Parliament passed the *Electricity Infrastructure Investment Amendment (Priority Network Projects) Bill 2025* to amend the directions framework in the EII Act. This empowers the Infrastructure Planner to identify and recommend priority projects to the Minister for Energy in response to reliability or system security shortfalls and strengthens the framework's obligations and enforceability on network operators.

On 18 September 2025, the Minister for Energy directed Transgrid to procure, connect and commission synchronous condensers as a Priority Network Infrastructure Project in response to a forecast shortfall in system security services. This, together with an agreement with Transgrid to support its procurement of synchronous condensers at five locations, will accelerate the signing of procurement and construction contracts up to 18 months earlier than normal national regulatory approval processes would allow.

14. Sydney Ring South – status – Transcript pages 47-48

The Hon. WES FANG: This question is for Ms Curtain and Ms McCaughey. Are you concerned that projects like HumeLink and Snowy 2.0 will be constrained in moving power to the Sydney centre because of a lack of the Sydney Ring South project being completed?

HANNAH McCAUGHEY: I think at the moment the system is able to accommodate HumeLink and Snowy, but that's to say that the Sydney Southern Ring is a project that has been discussed for some time. It is being reviewed by AEMO currently, I understand, so I would be looking out for the draft ISP because that's where it will come through.

The Hon. WES FANG: So it's your testimony to this supplementary budget estimates that it can currently handle both the projected Snowy 2.0 and HumeLink projects existing without the Sydney Ring South project being constructed.

No. Question

HANNAH McCAUGHEY: Just to make sure I understand the question, and just to make sure we're being very specific on the question —

The Hon. WES FANG: Let me rephrase it. My understanding is that, at the moment, around the Yass district, we have quite a number of wind farms. When it's the circumstance that we are generating a lot of wind power from those wind farms, we cannot actually move the power to Sydney, where we might have a deficit because it's a cloudy day and the solar is not producing. We have to send that power to Victoria. If the sun is shining and the wind is blowing down in Victoria and they are at negative pricing for power, we are paying to send that power to Victoria and also paying to put it into their grid because we can't actually move the existing renewable energy power into Sydney because of the lack of Sydney Ring South. Is that correct?

HANNAH McCAUGHEY: EnergyCo is responsible for the renewable energy zones, and Yass is not within a renewable energy zone.

The Hon. WES FANG: No, it's not, but it's got a lot of renewable energy projects, hasn't it? That's another topic for another day. It's got a lot of renewable energy projects despite it not being in a REZ.

HANNAH McCAUGHEY: Yes —

The Hon. WES FANG: I've raised that with the Minister a number of times. Ms Curtin, are you able to provide some insight into this?

KIM CURTAIN: I don't have specifics on that one. I can take it on notice.

Answer:

The Australian Energy Market Operator (AEMO) is responsible for identifying the need for new transmission investments outside of those progressed under the *Electricity Infrastructure Investment Act 2020*. AEMO identified the Sydney Ring South project as an actionable Integrated System Plan (ISP) project in its 2024 ISP. It remains as an actionable ISP project in the Draft 2026 ISP, with power flow control as the ISP candidate option. The Sydney Ring South 500 kilovolt option identified in the 2024 ISP is considered a future ISP project in the Draft 2026 ISP.

15. Sydney Ring South – timing – Transcript page 48

The Hon. WES FANG: We've got the department here, and we've got EnergyCo. My understanding is that AEMO has said it's, effectively, vital for the transmission of power. I think there was an understanding that it was going to go under the EII Act, but the New South Wales Government expects it's going to go under the RIT-T process. For some reason, this project, which is so vital to actually moving power around and is costing consumers huge amounts of money because the wholesale price of electricity in Sydney is particularly high when we can't move power into the biggest centre, being Sydney, from the south — and it seems nobody's got ownership of this problem. Tell me that somebody here knows what I'm talking about.

HANNAH McCAUGHEY: Just so we're really clear, the roles and responsibilities within the system are that, currently, the decision for whether Sydney Southern Ring would become an — sits with AEMO. That's who decides when the project would come into —

No. Question

currently it's not an EII Act project because it's still in the process of AEMO. That's why I suggested that we wait to see what comes out of the draft ISP.

The Hon. WES FANG: Has AEMO ever suggested that it should go under the EII Act? Has the New South Wales Government ever suggested that that might be a better way for it to be constructed quickly?

HANNAH McCAUGHEY: I would have to take on notice whether that has ever happened, but I think that it is an important project which has been reviewed by AEMO on numerous —

Answer:

EnergyCo and the Department are not aware of AEMO or the NSW Government suggesting the project be delivered under the *Electricity Infrastructure Investment Act 2020*.

16. Central-West Orana REZ – consumers costs – Transcript pages 50-51

The Hon. WES FANG: Ms Curtain, can I get an answer as to how much the New England REZ and the Central-West Orana REZ are going to put onto the price of residential power bills for consumers?

KIM CURTAIN: As Ms McCaughey said, the full cost of CWO REZ is public. That has been published in the AER determination.

The Hon. WES FANG: What is it?

KIM CURTAIN: I don't have the number in front of me, but we'll pull it out.

HANNAH McCAUGHEY: I'll help. The capex number is 5.6. That's what's in the AER.

The Hon. WES FANG: It's 5.6 what? Billion? Million?

The Hon. ANTHONY D'ADAM: Point of order —

...

The Hon. WES FANG: Can I get an answer as to what this is going to put on the price of consumer's bills, or are you going to take it on notice?

HANNAH McCAUGHEY: We will take it on notice.

Answer:

In August 2025, the Australian Energy Regulator published the National Electricity Rules-equivalent consumer cost for the Central-West Orana REZ Renewable Network Infrastructure project, and is available at: www.aer.gov.au/documents/cwo-rez-network-project-remade-revenue-determination-summary-report.

17. GIPA information request – Transcript page 52

The Hon. WES FANG: It was recently reported that Chris Uhlmann had an FOI rejected due to Cabinet-in-confidence issues. Ms Curtain, who made that determination that the modelling was Cabinet in confidence? Was that the department or the Minister?

No. Question

KIM CURTAIN: I will try to get that answer for you. I don't have that here but I will get it for you before the —

The Hon. WES FANG: Before the end of the hearing?

KIM CURTAIN: Yes.

Answer:

Please see the answer provided later in the hearing, on page 79 of the uncorrected transcript.

18. Industry sector that has cut the most emissions – Transcript page 53

The Hon. JOHN RUDDICK: My question is again to Mr Nicholas Rowley, the chair of the Net Zero Commission. Mr Rowley, what industry in New South Wales over the last two decades has cut the most amount of carbon emissions?

NICHOLAS ROWLEY: That's a really good question. I will take that on notice because I don't know.

Answer:

The electricity sector reduced emissions by the largest amount between 2004–05 to 2021–22, by 17.3 million tonnes of carbon dioxide equivalent (MtCO₂-e) or 28% of the sector's 2004–05 emissions.

19. Net Zero Commission staff – Transcript pages 54-55

The Hon. JOHN RUDDICK: At the Net Zero Commission, either on the staff or on the board, are there any people in there who have industry experience with the resources sector? It is the sector which is reducing carbon emissions the most, so I would have thought we would have needed some of their expertise.

NICHOLAS ROWLEY: We do, but I will take that on notice. I can give you the full details of the CVs of at least two members of the commission whom I know, of course, very well. But I would rather defer and take that on notice so that I can give you the real details of the contribution that they've made. Some of them, not wishing to in any way reveal their ages, have experience which goes back 20 or 25 years.

Answer:

Across Commissioners and staff, the Net Zero Commission has comprehensive relevant expertise including:

- climate policy as it relates to the resources sector
- engineering, geological engineering
- international trade and economy
- methane monitoring
- economics, including carbon leakage
- climate science
- energy policy
- emissions modelling

No. Question

- development and deployment of abatement technologies in the Australian mining sector
- engagement and communication.

20. Albury biocertification – Transcript pages 55-56

Dr AMANDA COHN: My questions relate to the process of biodiversity conservation, particularly as it relates to the Albury City Council local government area, which I understand is the only local government area with an environmental planning instrument that's biodiversity certified. I know that the council is currently seeking a further extension of their certification that was previously granted in 2021. As evidence that Albury City Council has maintained or improved biodiversity values, they've submitted a list of activities undertaken, but no assessment of vegetation extent or integrity, no assessment of habitat suitability and no species surveys. How can this be deemed sufficient evidence of maintenance or improvement of biodiversity values?

The CHAIR: That's for you, Mr Bruce, isn't it?

BRENDAN BRUCE: Yes, I'm probably best placed to take that on. I'm not aware of the extension of certification that's being sought, but any certification that's put before the Minister for consideration of extension would need to have a full assessment of the impacts to date. If there are concerns around the extent of the material that's been put forward, that would be something that the Minister would consider once she was to determine whether an extension was to be granted or not. It's quite a rigorous assessment under the terms of the Act for the Minister in making that determination.

Dr AMANDA COHN: Part of my concerns come from the fact that the original certification was conferred back in 2011, and obviously the new *Biodiversity Conservation Act 2016* establishes a much more robust framework than the *Threatened Species Conservation Act 1995*. An extension of this existing scheme – would you be satisfied that those methods meet the same standards that apply to all other certifications made under part 8 of the *Biodiversity Conservation Act 2016*?

BRENDAN BRUCE: There may still be some transitional arrangements in place when the new Act came into force, as well. I can take on notice exactly how that kind of differential will be dealt with through the assessment process.

Dr AMANDA COHN: I appreciate that being taken on notice. This certification has already been extended once, and there's now a further extension being sought. Is it your understanding that the Minister has the power to make that extension twice?

BRENDAN BRUCE: Let me take that on notice. I'll be able to come back to you during this session.

Dr AMANDA COHN: In 2021, the approval that was provided by the department of the environment to Albury City Council directed them to review the effect of the Albury Local Environmental Plan on biodiversity values. What evidence have they provided to satisfy that direction?

BRENDAN BRUCE: Again, I'm sorry, I'll have to take that on notice. I haven't seen the application that's come through. I'm sure my staff may be reviewing it, but I haven't seen any of that detail, so I'll take that on notice.

No. Question

Answer:

The biodiversity certification of the Albury Local Environmental Plan 2010 is preserved by clause 43 of the Biodiversity Conservation (Savings and Transitional) Regulation 2017. The proposed extension will be considered in line with these provisions.

Public consultation on the proposed extension was open on the Department's website from 15 November to 14 December 2025. The Minister for the Environment must consider any submissions received before determining whether to grant an extension.

Albury City Council provided the Department with a review of the Albury Local Environmental Plan 2010 in February 2022. Amendment of the Plan is a separate process and is the responsibility of Albury City Council.

21. Gas exploration moratorium – Transcript page 60

The Hon. JACQUI MUNRO: Is there any work being done to suggest that the Government will lift the moratorium on new gas exploration licences?

KIM CURTAIN: That one is not in our space. That's led by Regional.

The Hon. JACQUI MUNRO: Have you been asked to provide any information, any advice, to do with lifting licences?

KIM CURTAIN: As I said, we've provided inputs in terms of what we see from the needs of New South Wales from an energy perspective and fed that into the conversations and analysis.

The Hon. JACQUI MUNRO: What has that advice been?

KIM CURTAIN: I'd have to take on notice the specific details of the advice.

Answer:

The Department of Climate Change, Energy, the Environment and Water has not provided any advice to NSW Resources on the issue of lifting the moratorium on new gas exploration licences.

22. Marine park reserves – Transcript page 60

The Hon. JACQUI MUNRO: Is there an update on the marine park reserves from the environment perspective?

BRENDAN BRUCE: Ms Pepper, who's the relevant deputy secretary, is not here. Are you talking about the marine network management plan or the marine reserves?

The Hon. JACQUI MUNRO: The marine reserves.

BRENDAN BRUCE: I have to take that one on notice, I'm afraid.

Answer:

There are 6 marine parks and 12 aquatic reserves established in NSW waters. Under the *Marine Estate Management Act 2014*, a review of the management rules for marine parks and aquatic reserves must be undertaken every 10 years to determine whether

No. Question

the management rules remain appropriate for securing the purposes of marine parks or aquatic reserves.

23. Waste levy – EPA advice – Transcript pages 60-61

The Hon. JACQUI MUNRO: I'll go to the waste levy. I presume that's Mr Chappel. This is something the Government promised would be done before last Christmas. I'm wondering if it will be a gift to the public to have a new waste levy policy announced.

TONY CHAPPEL: I expect there'll be some further communication this year, but these are policy decisions for government.

The Hon. JACQUI MUNRO: Have you provided advice to the Minister that gives an updated rate, for example, so they can then decide whether they want to make a policy or not?

TONY CHAPPEL: The waste levy review considered all the parameters of the current levy and its operation, including how it escalates at the moment and any potential adjustment to the area, the different rates that apply in different areas, and some of the other externalities. Obviously, we need to also consider any macroeconomic impact, as well as any perverse incentives – with asbestos or illegal dumping and a number of other matters – and how those might be addressed. We've provided comprehensive advice across those domains. They're currently under consideration by government.

The Hon. JACQUI MUNRO: Has the Government asked you for any further information since you presented that piece of work?

TONY CHAPPEL: I really can't speak to a Cabinet process.

The Hon. JACQUI MUNRO: So basically what you're saying is the Government has all the information and it just needs to make a decision?

TONY CHAPPEL: No, I think there's a detailed consideration underway. I'm confident in due time the Government will announce its decision.

The Hon. JACQUI MUNRO: When did you provide the advice to the Minister?

TONY CHAPPEL: I'll have to take that on notice, because I don't have it in front of me.

The Hon. JACQUI MUNRO: Was it at the start of the year or in June or –

TONY CHAPPEL: I couldn't be certain, I'm sorry. Let me just take that on –

The Hon. JACQUI MUNRO: Was it this year?

TONY CHAPPEL: I'll take some advice on how to best answer that. I'm just conscious it's also a Cabinet process.

Answer:

The NSW Environment Protection Authority provided advice on the waste levy review throughout 2025.

No. Question

24. Data centres – energy requirements – Transcript page 62

The Hon. JACQUI MUNRO: Are you considering putting the types of conditions on these applications that include that a data centre provider must generate X amount of energy in accordance with their own use?

KIM CURTAIN: That's certainly one of the things we are looking at, yes.

The Hon. JACQUI MUNRO: But that hasn't happened yet?

KIM CURTAIN: No.

The Hon. JACQUI MUNRO: There are no requirements?

KIM CURTAIN: It's in the mix, yes, of what's being considered.

The Hon. JACQUI MUNRO: Have any data centres had requirements placed on them related to their energy consumption so far?

KIM CURTAIN: I don't know. I'd have to check with Planning on that. We can take it on notice.

Answer:

This question should be referred to the Minister for Planning and Public Spaces.

25. Merotherie road works – Transcript page 62

The Hon. WES FANG: Ms McCaughey, you said previously in an answer that the tree clearing that occurred on Merotherie Road was part of the EIS. Are you confident that those roadworks were part of the EIS? I've just received information to say that the roadworks were specifically excluded from the EIS work by ACEREZ. Are you sure that those roadworks were covered in that EIS that was approved?

HANNAH McCAUGHEY: The briefing that I received is that it was within the EIS. It was something that went under consultation. I'm happy to review on notice, but the information I have now suggests it is because the reason that the widening of Merotherie Road was needed was for safety concerns to meet Australian standards in relation to the roads. Therefore, that would've had to go under consultation and so forth. There has been consultation for an extended period on it. I am happy to review one more time and take that on notice, but with the information I have with me today, I'm reasonably confident.

Answer:

Please refer to the answer provided later in the hearing on page 79 of the uncorrected transcript.

26. New England REZ tender – Transcript pages 67-68

The Hon. WES FANG: Ms Curtain, are you aware that Bellgrove Advisory was provided a consultation contract for the New England REZ?

KIM CURTAIN: I'm not sure.

The Hon. WES FANG: Anybody?

No. Question

DOUGLAS PARRIS: Yes, they were involved.

The Hon. WES FANG: Are you aware of their role on the Sydney Metro project?

DOUGLAS PARRIS: Not closely, no.

The Hon. WES FANG: Are you aware of Mr Burden, an EnergyCo project director, having a role tendering or working with Mr McGrattan on the Sydney Metro project?

DOUGLAS PARRIS: No.

The Hon. WES FANG: No? Interesting.

DOUGLAS PARRIS: I'm aware of Mr Burden, to answer that part of your question, but I'm not aware of metro —

The Hon. WES FANG: You weren't aware that he was involved with Mr McGrattan and tendering and working with him on the Sydney Metro project. How does a firm that was the subject of an ICAC referral by the secretary for Transport at the time and an individual publicly removed from another New South Wales government major project find themselves working on a New South Wales major government project? Is this news to you? You were aware or you were not aware? I don't know. Tell me.

DOUGLAS PARRIS: I'm aware. My understanding is that there were no adverse findings out of that process. I might take that on notice and come back, if that's okay, just to confirm.

The Hon. WES FANG: Were the appropriate declarations of interest declared prior to or during the contract tendering process? You can take it on notice.

DOUGLAS PARRIS: I'll take it on notice.

The Hon. WES FANG: You look a bit shocked.

DOUGLAS PARRIS: No, I just want to make the observation that there's a difference between an investigation and a finding of fault. I'm not familiar with the latter.

Answer:

Bellgrove Advisory was engaged as a professional service provider to the New England REZ project team following a competitive tender process.

Mr Burden is engaged on the New England REZ project and submitted all required declarations of interest prior to the commencement of his engagement, and again during the tender process to the independent probity advisor. The probity advisor did not raise or identify any issues in relation to these declarations.

27. Toorale environmental water – Transcript page 68

The Hon. WES FANG: Can you provide on notice the details of how the methodology is used and calculated for water volumes, and the records and water volumes that have been transacted at Toorale that we currently have?

BRENDAN BRUCE: Over what period?

The Hon. WES FANG: Since March 2023 would be good.

The Hon. EMILY SUVAAL: When the world started.

No. Question

The Hon. JACQUI MUNRO: Or ended.

BRENDAN BRUCE: I'm happy to take that on notice.

Answer:

This question should be referred to the Minister for Water.

28. National park acquisitions – Transcript page 68

The Hon. WES FANG: That's the answer I was hoping for. Could you please provide — and I'm happy for this to be on notice because it may be short or it could be lengthy; I don't know — all the properties that have been purchased for the purpose of becoming a national park since March 2023 which are above 1,000 hectares, including the date of purchase, the location, the size and the price paid?

KIM CURTAIN: I think that would definitely be on notice. I don't have that level of detail here. Although I'd love to read them all out to you, I don't have them.

Answer:

Information on newly acquired lands is regularly provided on the Department's website.

29. Great Koala National Park announcement – Transcript page 69

The Hon. WES FANG: When was the department made aware of the Government's decision that they were going to announce the Great Koala National Park?

KIM CURTAIN: Probably immediately when the decision was made. We would have been providing advice on it, so straight after the decision was made I imagine we were advised.

The Hon. WES FANG: I know when the announcement happened, I'm asking when the department was made aware by the Government that they were going to make that announcement.

KIM CURTAIN: I'd have to take that on notice. I don't have that detail.

The Hon. WES FANG: Who made the decision to introduce a moratorium on the Monday after the Father's Day announcement of the Great Koala National Park?

KIM CURTAIN: I imagine that was a government decision.

TONY CHAPPEL: I think there was a direction from the forestry Minister.

The Hon. WES FANG: I appreciate that. I guess what I'm asking is who instructed the forestry Minister to make that instruction? Was it a decision of Cabinet? Was it a decision by another Minister? If the department is aware of that, I would appreciate an answer on notice. When was the work commenced in relation to the compensation package that was initially offered to forestry workers, and who instructed it be commenced?

KIM CURTAIN: I'll take that on notice. I want to make sure we give you the right answer.

No. Question**Answer:**

The Department had an ongoing role in the decision to announce the Great Koala National Park.

The direction was a decision of Government.

Work to develop an industry and worker support package commenced in December 2023 as part of the Great Koala National Park assessment and consultation process. It was a decision of Government to commence the assessment.

30. Improved Native Forest Management additionality – Transcript page 70

The Hon. WES FANG: Now is the one billion dollar-plus question: How will this park be funded if the Commonwealth does not accede to the New South Wales Government's request to grant carbon credits for the Great Koala National Park, because the requirements for additionality have not been satisfied?

KIM CURTAIN: That is still underway, so we'd need to see how that comes out.

The Hon. WES FANG: Where are we at in relation to that? Because I know that the State Government is reliant on the Federal Government accepting that they can be part of a scheme that requires additionality. I'm yet to see how additionality is occurring in the Great Koala National Park when, effectively all you're doing is stopping selective logging. Can you explain to me, Ms Curtain, where the additionality sits?

KIM CURTAIN: I understand that the ACCU method has been released on exhibition today, but I don't have any more details on that, currently.

The Hon. WES FANG: How is the State Government planning to demonstrate additionality?

KIM CURTAIN: I will have to take that on notice.

Answer:

The Australian Government's Emissions Reduction Assurance Committee publicly released the draft Improved Native Forest Management method and associated documents on 4 December 2025. The consultation period was open from 2 January 2026 to 30 January 2026. These documents detail how the method proposes to address additionality, and other offset integrity standards.

31. Waratah Super Battery – Transcript page 70

The Hon. WES FANG: Transgrid also receive payments from the operation of the battery, don't they?

HANNAH McCAUGHEY: Yes.

The Hon. WES FANG: Are they in a similar structure? Are they paid regardless, or are they paid for the service?

HANNAH McCAUGHEY: I would like to take that on notice. We all work very closely. In fact, recently I was out at the Wallgrove centre with Transgrid – with their operation centre – actually seeing the Waratah Super Battery being drawn on. All of the

No. Question

Transgrid operators there had said to me multiple times what a good asset it had been. It's something I'm working through, but to the —

Answer:

Transgrid is paid to recover the costs for the upgrading of their network and for operating the System Integrity Protection Scheme service. The operating payment does not change as a result of the battery operating at a lower capacity.

32. White hydrogen – Transcript page 71

The Hon. JACQUI MUNRO: Just going back to energy, is your department doing any work on white hydrogen – or gold or natural hydrogen, depending on who you're talking to? It's the same thing.

KIM CURTAIN: I'm not sure about those terms. We're certainly on green hydrogen.

The Hon. JACQUI MUNRO: My understanding is that South Australia and Queensland have been granting licences to look for white, or natural, hydrogen, which is essentially a low- to zero-emission energy opportunity. That's something we could be pursuing in New South Wales. My question is around whether we are pursuing that or if anybody is researching the opportunities that it holds.

KIM CURTAIN: I'm not aware of it in our department, but it may be something that regional are looking at from that perspective. I can take it on notice and double-check.

Answer:

The Department of Primary Industries and Regional Development (DPIRD) is the lead agency for resources, exploration and mining in NSW. The Department of Climate Change, Energy, the Environment and Water will continue to work with DPIRD to assess the potential for natural hydrogen in NSW's future energy supply.

33. New England REZ route – Transcript page 72

The Hon. JOHN RUDDICK: When was the board of EnergyCo first advised of the "constructability challenges" for the Dungowan route?

DOUGLAS PARRIS: I'd probably need to get back to you with the exact date on that.

The Hon. JOHN RUDDICK: Just a ballpark will be fine.

DOUGLAS PARRIS: Somewhere in the June to July period, I would say, but I'd need to confirm.

Answer:

June 2025.

34. New England REZ capacity – Transcript page 73

The Hon. JOHN RUDDICK: The original generation capacity for the New England REZ was officially described as eight gigawatts. However, the gazetted declaration of the REZ referred to a network capacity of eight gigawatts. This implies the generation capacity might be as high as 16 to 18 gigawatts. How and when did the capacity of the

No. Question

New England REZ go from an eight-gigawatt generation zone to an eight-gigawatt transmission zone?

DOUGLAS PARRIS: That is some time before I was involved. I'd probably need to take that on notice and come back to you on that one. As you say, the legislation was passed in 2021. It has been eight gigawatts of transfer capacity for some time. But I'll take the comment about generation capacity versus transfer capacity on notice.

Answer:

The New England REZ has an intended network capacity of 8 gigawatts (GW) under the *Electricity Infrastructure Investment Act 2020*, which is reflected in the REZ Declaration and EnergyCo's public communications to date.

EnergyCo is initially proposing to unlock 6 GW of network capacity through the first two stages of the project. An additional 2 GW may be delivered through future stages subject to energy demand. The REZ is expected to support around 12 GW of generation (from solar and wind) with 4 GW of storage to fill the initial 6 GW of network transfer capacity provided by the new REZ transmission network.

35. Synchronous condenser purchase – Transcript page 77

The Hon. WES FANG: How many synchronous condensers were instructed to be purchased?

KIM CURTAIN: I believe there were 10 in total in five different locations across New South Wales, but I'll double-check the figures.

The Hon. WES FANG: Was it the case that Transgrid originally was planning on purchasing five?

KIM CURTAIN: Let me just get the right numbers for you. I'll just double-check the figures and come back to you.

The Hon. WES FANG: It's my understanding there was a release from Transgrid on 29 October 2025 suggesting that they'd secured 10 synchronous condensers, and that they were able to do so because they accepted smaller synchronous condensers, effectively taking two smaller condensers for every large one that they were supposed to buy. Does that ring a bell with you?

KIM CURTAIN: I can come back on the detail. I mean, the key would have been the capacity of the synchronous condensers that were needed, I would have expected.

The Hon. WES FANG: This is where we're going to drill down on the detail, Ms Curtain. I'm assuming it's the case that purchasing two smaller condensers would be more costly than purchasing one large condenser, given that you're effectively duplicating a control system and duplicating any number of components. It's much like anything of scale. You buy smaller numbers of something as opposed to larger items. Did we pay more?

KIM CURTAIN: I'll take the detail on notice. It depends on what the system actually needed at the time.

No. Question**Answer:**

On 18 September 2025, the Minister directed Transgrid to accelerate procurement and delivery of synchronous condensers at five key locations in NSW to maintain system strength and to keep the grid secure.

In October 2025, following a competitive process, Transgrid awarded the synchronous condenser supply contract to General Electric (GE) Vernova. The assessment considered both price and non-price criteria. GE Vernova's solution provides 10 synchronous condenser machines across the five identified sites to meet the identified system strength need as soon as possible.

36. Synchronous condenser acquisition – Transcript page 77

The Hon. WES FANG: In those circumstances, did they seek permission to change the plan? And if those synchronous condensers cost more than was originally budgeted for the larger units, will Transgrid wear that cost as opposed to the New South Wales consumer?

KIM CURTAIN: I've got confirmation that there were 10 synchronous condensers at five different locations. My understanding is this was agreed as part of the contract that was entered into with Transgrid. I'll have to come back to you in terms of the difference in cost. I don't have that detail.

The Hon. WES FANG: When you say you'll come back to me, you're happy to take all those questions that I just asked in the last three minutes on notice and come back to me with an answer?

KIM CURTAIN: Yes, Mr Fang.

Answer:

Transgrid has procured 10 synchronous condensers through a competitive process overseen by the Department. The request for tender was approved by the Department, and specified a minimum service level for synchronous condensers at five locations across NSW. The successful tenderer proposed to install two synchronous condensers at each location to meet these minimum service levels.

Transgrid will submit the costs of the synchronous condensers and associated works to the Australian Energy Regulator (AER) to determine revenue for the project. If the AER determines the tender process was genuinely competitive and appropriate, it will allow sufficient revenue to recover Transgrid's costs.

37. Translocations – Transcript page 78

The CHAIR: Can you confirm that it is still the case that no translocation programs are still under consideration

BRENDAN BRUCE: There's no relocations of koalas happening until the review is complete.

The CHAIR: None at all? So even the Kosciuszko one – they're all on hold?

BRENDAN BRUCE: Yes. I think planning for some is still continuing, but there will be no movement of any koalas while -

No. Question

The CHAIR: When you say planning for some, which ones are still in the planning?

BRENDAN BRUCE: I'd have to take that one on notice.

Answer:

Feasibility assessments have been undertaken at Kosciuszko National Park and Minyurnai Indigenous Protected Area, but no further on-ground action has been taken.