



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: 24 February 2026

Climate Change, Energy, the Environment, Heritage Portfolios

No. Question

1. IDA data centre proposals – Transcript page 2

The Hon. JACQUI MUNRO: Is the AEMO modelling that you're using State specific?

The Hon. PENNY SHARPE: I believe it is. Mr Lean looks like he's got some more information there. I might hand over to him. He can give you more detail about that.

ANTHONY LEAN: Yes, it is State specific. It's also reflected in our Energy Security Target Monitor report. The data is replicated there. It assumes an additional peak of 900 megawatts by 2033-34, and that comes from the ESOO report from 2025. They've also done sensitivity around higher data centre growth, as well, which assumes another 480 megawatts.

The Hon. JACQUI MUNRO: So, the department is doing its own modelling now in relation to—

The Hon. PENNY SHARPE: Yes, we're obviously doing our own analysis. Whether you call it modelling or analysis, it is what is going to be the impact on the grid, working with the AEMO data and feeding into the Government's response overall to data centres.

The Hon. JACQUI MUNRO: In relation to the IDA, has the IDA requested specific modelling from your department about the data centre projects that it was receiving?

The Hon. PENNY SHARPE: I'm not aware of that. The IDA has obviously gone out and done an expression of interest process where there's been a lot of interest in relation to data centres. It's really at the beginning of its arrangements. As I'm aware, none of that has come forward yet. I am not aware that the IDA has asked for specific modelling, but obviously as the work goes through— that's not really their role. Their role will be to assist through the planning system and look at that. It will get dealt with through the usual EIS processes.

The Hon. JACQUI MUNRO: Do you have any visibility over how many data centres are being proposed through the IDA?

The Hon. PENNY SHARPE: Not at this point. As I understand it— and I will check this, and I'm sure someone will give me a note about where this is, because this is obviously not my portfolio. I think there is some information around the EOI in the notes. All I can say, and I'll get you the actual figures— there's been a lot of interest in terms of the opening EOIs. Obviously, none of them have gone through the process yet, but I'm happy to provide that information for you.

Answer:

The Investment Delivery Authority (IDA) has not asked the Department of Climate Change, Energy, the Environment and Water to conduct modelling about data centre projects. The Department participates in IDA meetings as the process continues.

Twenty-three (23) data centre expressions of interest were received by the IDA at close of the submission date. The final number of data centres to be supported through the IDA has not been finalised.

No. Question

2. Data centres – impact on energy prices – Transcript page 4

The Hon. JACQUI MUNRO: To continue on the impact of data centres more specifically on energy, there were responses given this year to questions from last year from your department noting that wholesale prices are determined by demand and supply, the national energy market – all demand affects prices. Obviously New South Wales household prices are increasing. The impact of data centres will mean that there is more grid pressure. Are you concerned about the impact of data centres on actual household energy bills and small business bills?

The Hon. PENNY SHARPE: Absolutely. Of course. One of the key things I worry about every day is the impact of prices on households and businesses when it comes to energy. There is no doubt that increased demand from data centres could significantly put pressure on prices. The key to that – and, again, I go back to the kinds of things we're thinking about more broadly – is what other energy is put into the system, what is the way in which data centres would connect to the grid and how is that cost dealt with. They're all matters that are really under question. Yes, it is a risk, and that's part of why the Government is undertaking the work that it is.

The Hon. JACQUI MUNRO: Given that risk, and your concern, what kind of analysis is your department doing to understand what the impact of that growth that you mentioned earlier, whether it's 900 megawatts or 1,300 megawatts, will have on energy prices?

The Hon. PENNY SHARPE: They're looking at what that could be and what that could cost.

The Hon. JACQUI MUNRO: So that is work that is going on at the moment?

The Hon. PENNY SHARPE: Yes.

The Hon. JACQUI MUNRO: Can you give any information about the outcome of that analysis?

The Hon. PENNY SHARPE: I can take some of the detail on notice, but I'd encourage you to talk to my officials this afternoon.

The Hon. JACQUI MUNRO: I certainly will.

The Hon. PENNY SHARPE: They'll be able to take you through that. But, yes, of course, if you increase demand and we have constrained supply, it's going to cost more.

The Hon. JACQUI MUNRO: Just to really clarify, do you have specific information about how those energy prices might be increasing –

The Hon. PENNY SHARPE: Yes, I believe so.

The Hon. JACQUI MUNRO: But you don't have the figures on you.

The Hon. PENNY SHARPE: No, I don't, but I'm happy to try and get those. The caveat that I would put on any of that is: When you're looking at it, it really depends on – do you account for all of the costs? I suppose, what goes into the model depends on what goes out. The other thing that I would say to you is that the work that's being undertaken is also part of the Cabinet process in terms of the development of the strategy as well.

No. Question

Answer:

The Department of Climate Change, Energy the Environment and Water has undertaken modelling that assessed the likely impact data centres have on emissions and wholesale electricity prices.

3. Waste Levy review – Transcript pages 4-5

The Hon. JACQUI MUNRO: Just on the waste levy, there has been a delay on what was supposed to be a new waste levy program that was promised two Christmases ago. In the MYEFO statement released at the end of last year, waste and environment levies revenue has been revised down by \$76.4 million in this financial year to reflect lower than expected waste sent to landfill. I'm just wondering why that was.

The Hon. PENNY SHARPE: Two things there: If you're asking about what's delayed, there was a waste levy review. At the moment, waste levy is collected at a certain tonnage and a certain cost, and usually the increase follows CPI. Part of the review was looking at whether we should raise the waste levy. You're right that the Government hasn't made a final decision about that, but we have informed councils that it will be by CPI this year, so that decision has been taken. I'd need to take on notice details exactly about why the number's going down, but the first answer would be that it means that more is being diverted from landfill. The whole point of the waste levy is to act as a lever and an incentive for more to be recycled and for more of it to be diverted from landfill. I don't know whether Tony has any extra information about that, but if the funding has gone down and the projections are down, it means there is actually more being diverted, and that's a good news story.

The Hon. JACQUI MUNRO: That's why I was curious about what the cause was. Do you mind if I ask you later today about that, given we have limited time?

TONY CHAPPEL: Sure.

The Hon. PENNY SHARPE: Sure.

Answer:

The waste and environment levies revenue has been revised downward by NSW Treasury, by \$76.4 million. The original revenue figure was based on a high-volume revenue year in FY 2022–23 that experienced an unusual spike.

The spike was caused by some one-off transport/construction projects across the Construction and Demolition waste stream.

That revenue line item has been revised based on current revenue projections informed by revenue received year to date.

4. Supported camping – Transcript pages 5-6

The Hon. JACQUI MUNRO: I wanted to move to camping fees. In relation to the supported camping tender, in the template contract there appears to be no limitation on the amount of money that contractors can charge for access to supported camping. Is that accurate?

No. Question

The Hon. PENNY SHARPE: No. Where we are at is we have basically gone out to an EOI for supported camping. There are a couple of things I'd say about that. Supported camping is not new in New South Wales. There have been operators that have operated within national parks that provide that.

The Hon. JACQUI MUNRO: I do appreciate that.

The Hon. PENNY SHARPE: Just let me get to it. We've done an EOI process. That's all being collated for recommendations in relation to me. The point that I would make is that in terms of the expectations of the revenue that will be provided if supported camping went ahead in all of the sites that have been proposed, it's about \$32,000 a year. This is not a big money spinner for national parks.

The Hon. JACQUI MUNRO: That was part of my question. Therefore my question hasn't really been answered about how operators are limited in terms of what they charge the public.

The Hon. PENNY SHARPE: We're not at that point yet. There are no operators. There's been an EOI process where people have indicated an interest, and—

The Hon. JACQUI MUNRO: But there is actually a template contract.

The Hon. PENNY SHARPE: Yes, I'm aware.

The Hon. JACQUI MUNRO: That relates to how much people would pay— 5 to 10 per cent of their revenue.

The Hon. PENNY SHARPE: They do an EOI. They provide— again, I haven't seen all of this yet. It hasn't come to me. The department is working through that. They would basically work through. There's an EOI process. If you were actually putting a proposal in, I believe— and Mr Lean can stop me if I'm incorrect here— then that would be worked through. Again, fair questions, but I'm not able to answer them yet because we're not that way through the process.

The Hon. JACQUI MUNRO: Would you put a limit on the amount of money that can be charged for access?

The Hon. PENNY SHARPE: Potentially but, as I said, the best case scenario is, if everyone was going to be operating, we're looking at about \$32,000 a year. This is not going to be an expensive exercise.

The Hon. JACQUI MUNRO: But it might be a money-spinner for the operators— that's the whole point.

The Hon. PENNY SHARPE: Are you suggesting that we don't have operators in national parks? There are literally hundreds of them.

The Hon. JACQUI MUNRO: I'm asking if there is going to be a limit on the amount that private operators can charge the public for access to national parks in New South Wales.

The Hon. PENNY SHARPE: Let me take that on notice, but my sense is it's not going to be tens of thousands of dollars, if that's what you are asking.

No. Question

Answer:

There are currently 394 licensed Parks Eco Pass operators, of which 32 are Aboriginal owned businesses. These businesses provide optional services that help visitors learn about nature, learn new skills, hire equipment and stay safe. They provide employment to thousands of people throughout NSW. The fees they pay to the National Parks and Wildlife Service (NPWS) are reinvested into park management. They do not have exclusive use of any land, restrict the ability of anyone to visit a park or camp, or make it more expensive to visit a park or go camping.

The Government does not set prices for private businesses or determine what they may charge the public. Tours, equipment hire, food and a variety of other visitor services are offered by private businesses on NPWS and other Government land at a wide range of price points determined by market demand.

Parks Eco Pass licence applications and expression of interest submissions require potential operators to outline their proposed products, services and pricing, and NPWS assesses whether this will meet the needs of visitors and align with the public interest as part of determining whether to offer a licence.

5. Funding of renewables roll out – Transcript pages 10-11

The Hon. PENNY SHARPE: The biggest threat we have to energy reliability and energy prices in New South Wales is the fact that our coal-fired power stations break down a lot –

The Hon. JOHN RUDDICK: They could be repaired –

The Hon. PENNY SHARPE: – and they're coming to end of life.

The Hon. JOHN RUDDICK: – but there's no incentive to repair them.

The Hon. PENNY SHARPE: There are a couple of ways in which we could do that. Let's also remember that we work in a privatised arrangement, which you would like. The previous Government sold off all of our coal-fired power stations and they're now in private hands.

The Hon. JOHN RUDDICK: They're heavily regulated.

The Hon. PENNY SHARPE: It's a matter for the private investors, which I thought you would be supportive of. They're the people who are closing down –

The Hon. JOHN RUDDICK: I'm not in favour of crony capitalism. It is an extremely regulated industry, so they're basically government departments.

The Hon. PENNY SHARPE: It's their choice to close them down, Mr Ruddick. That's what they're doing. It's my job to keep the lights on and prices as low as we possibly can – that's what I'm doing.

The Hon. JOHN RUDDICK: Matt Kean announced, when he was the environment Minister in 2020, that by 2033 we will have completed the renewable rollout. We are now in 2026. We're halfway there. I get the impression that timelines keep getting extended and costs keep getting overblown. Could you tell us, since we're halfway through this glorious project, how much money has been invested by New South Wales

No. Question

taxpayers into the renewable rollout and how much has been invested by the private sector?

The Hon. PENNY SHARPE: I would have to take the detail of that on notice, but I am happy to provide it. There is no secret here. The road map used to be multipartisan, and there are a few people pulling off that — I'm not quite sure where the National Party are with this now. The point here is that we are moving through all of that. It is a privatised arrangement. New South Wales relies heavily on private investment when it comes to the energy road map. That's the way it was designed. It was actually designed without very much public money going into it at all. One of the things that I have done since being the Minister is to actually implement the road map. We inherited the road map as a design and we have had to work through it in terms of the implementation, as everyone has. We are working through that. I think Matt Kean said that Central-West Orana would be shovel-ready by 2022. It is now being built, but we have managed to get it actually approved.

The Hon. JOHN RUDDICK: It's just endless delays.

The Hon. PENNY SHARPE: The point I would make is that, yes, I can get those numbers.

The Hon. JOHN RUDDICK: I'm looking forward to that.

The Hon. PENNY SHARPE: But the vast majority of the investment relies on private investment, something that you should be happy about. As you would rightly acknowledge, there is a range of supports that happens in terms of financing. We are also doing the supplementary work — things like building the roads infrastructure that needs to occur and all of those things.

The Hon. JOHN RUDDICK: There's a lot to get done.

The Hon. PENNY SHARPE: I can get you some of those figures. I am happy to do so.

Answer:

The NSW Budget 2025–26 Paper No.3 includes Transmission Acceleration Facility (TAF) expenditure over four years to 2028–29 of \$2.1 billion, and an estimated total cost of the TAF of \$4.3 billion. Further information is available at: www.budget.nsw.gov.au/sites/default/files/2025-06/bp3-infrastructure-statement-nsw-budget-2025-26.pdf. These costs are recovered from private network operators, which replenish the Facility to support further projects.

The total private sector investment committed to the renewable rollout since 14 November 2019, interpreted as capital investment in projects contributing to the minimum objectives under the *Electricity Infrastructure Investment Act 2020* (EII Act), and projects authorised under the EII Act framework, is estimated to be over \$20 billion. To date, some of these projects have been fully constructed and commissioned, while others are part way through their progress towards full commercial operation.

6. Transgrid synchronous condensers – Transcript pages 15-17

The Hon. WES FANG: I'm going to let that one go for the moment. Minister, you'll see in the three documents that I tabled, there's a second article —

No. Question

The Hon. PENNY SHARPE: Have you numbered them? You have. Great. Which ones are we looking at?

The Hon. WES FANG: There's a number 2 in the top right-hand corner. That is from the Transgrid website, which indicates that, under your direction, they've ordered —

The Hon. PENNY SHARPE: The privatised entity that your Government privatised.

The Hon. WES FANG: Minister —

The Hon. PENNY SHARPE: Just saying.

The Hon. WES FANG: You can't interject and then complain when I interject. It's a two-way street if you want to do that. Minister, that article indicates that, instead of the purchase of five synchronous condensers, they've ordered 10. What was the price of the original five units that they were prepared to order?

The Hon. PENNY SHARPE: I'd have to take that on notice. I think it's around \$700 million but I'd need to check.

The Hon. WES FANG: In that instance, how much are the 10 smaller synchronous condensers that they've ordered instead?

The Hon. PENNY SHARPE: You'd have to ask Transgrid. They're a private company. They're their synchronous condensers.

The Hon. WES FANG: But, Minister, you issued the direction for the synchronous condensers. Surely —

The Hon. PENNY SHARPE: Can I explain to you how the directions work?

The Hon. WES FANG: I'm asking you — you will understand why I'm asking these questions.

The Hon. PENNY SHARPE: Maybe.

The Hon. WES FANG: Did they ask you for permission to change from five synchronous condensers to 10?

The Hon. PENNY SHARPE: I made a direction for five. The other 10 is a matter for Transgrid.

The Hon. WES FANG: Is it?

The Hon. PENNY SHARPE: Sorry, you're asking me questions about a company that I don't own, nor am I on the board.

The Hon. WES FANG: You made a direction for five synchronous condensers and they ordered 10.

The Hon. PENNY SHARPE: Yes, so —

The Hon. WES FANG: What you'll see —

The Hon. PENNY SHARPE: If you let me answer the question —

The Hon. WES FANG: I'm going to lead you now —

The Hon. PENNY SHARPE: Alright. You give me all the information and I'll try to answer it because what you're saying makes no sense.

No. Question

The Hon. WES FANG: I'm going to lead you now to the third document.

The Hon. PENNY SHARPE: Good — oh, a Government Gazette.

The Hon. WES FANG: Yes.

The Hon. PENNY SHARPE: Great. Which bit?

The Hon. WES FANG: You will see in the Government Gazette, Minister —

The Hon. PENNY SHARPE: Yes, 12 December — I signed it.

The Hon. WES FANG: Yes, you did. You'll note that, in part of the direction, you talk about — and I'll make sure I've got the right page here.

The Hon. PENNY SHARPE: Which bit?

The Hon. WES FANG: I believe it is the fifth page — maybe the seventh page. It is in the document in any case. It specifies for the synchronous condensers —

The Hon. PENNY SHARPE: Whereabouts is it?

The Hon. WES FANG: I'm just getting to that part.

The Hon. PENNY SHARPE: Post-it tabs are helpful.

The Hon. WES FANG: Here we go. Page 3, halfway down — synchronous condenser package. It notes —

The Hon. PENNY SHARPE: Sorry, where were you looking?

The Hon. WES FANG: Page 3, middle way down — synchronous condenser package. It says:

Each individual Synchronous Condenser that forms part of the Synchronous Condenser Package must provide at least 1500 MWs of inertia ...

In terms of Transgrid ordering 10 smaller units, are you assured that those 10 smaller units have the 1,500 megawatts of inertia that you've specified in the direction? Or did they just order them without seeking a variation?

The Hon. PENNY SHARPE: That's not quite how this works.

The Hon. WES FANG: That's the direction, Minister. That's exactly what it says in the direction that you made.

The Hon. PENNY SHARPE: I'm aware; it was my direction. Anything in addition to the five is a matter for Transgrid and they're working through it. It was always known that they need extra ones.

The Hon. WES FANG: Do the 10 that have been ordered meet the requirements of 1,500 megawatts of inertia per unit?

The Hon. PENNY SHARPE: My understanding of the way that it works with the 10 units is that they basically provide more flexibility on the site. So they will meet the inertia requirements that are there, but they're being delivered in a slightly different way.

The Hon. WES FANG: Yes, Minister, but your direction was quite clear that each unit had to have 1,500 megawatts of inertia.

The Hon. PENNY SHARPE: Yes, and what I'm saying is that the advice that I have —

No. Question

The Hon. WES FANG: Did they seek a variation to order two smaller units to replace it?

The Hon. PENNY SHARPE: I'd have to take that on notice.

The Hon. WES FANG: You can't tell me how much it costs for the 10. You can't say if they've asked for a variation or not. You have got to pass her a bigger note, Mr Lean.

The Hon. PENNY SHARPE: Do you want information or not?

The Hon. WES FANG: Yes, I do. Not just me — it's most people.

The Hon. PENNY SHARPE: That's okay. I'm just going to take that on notice. I'll come back to you with the answers that you require when you are not interrupting the entire time and you actually explain it.

The Hon. WES FANG: That's the pot calling the kettle black.

The Hon. PENNY SHARPE: What I will say to you is that we are doing what is required to build a new energy grid and we're working closely with people like Transgrid and we're thinking ahead in relation to synchronous condensers, but I will come back to you.

Answer:

Transgrid's pre tender estimate for the supply of synchronous condensers across the five sites was \$451 million. The total contracted value with GE Vernova for the supply of synchronous condensers at five sites is \$446 million.

The NSW Government's agreement with Transgrid to accelerate the procurement, commits to review the direction and consider if amendments are needed to align with the outcomes of the tender.

7. Microplastic and foam pollution – Transcript page 19

Dr AMANDA COHN: One more from me before I go to my colleague, coming back to the microplastic assessment report. I mentioned synthetic turf. They found large volumes of foams that are likely originating from construction sites. Is that also on your list?

The Hon. PENNY SHARPE: Dealing with foams is a big challenge. One of the good things that we've done is basically double the penalties for anyone who's not managing their construction site, which I think is important. It hadn't been changed for years and years. One of the pieces of legislation that we passed doubled that and there's sort of ongoing education work. But we are looking at foams. I don't know whether Mr Chappel wants to talk about —

TONY CHAPPEL: Yes, I can get some more information.

Answer:

The NSW Government recognises that construction and demolition sites are a source of microplastic and foam (polystyrene) pollution.

The Government will continue to consider new initiatives as part of its plastics reform, including alternative materials and ways to reduce foam plastics used in construction.

Construction sites found to cause foam pollution may be issued with clean-up notices, penalty notices or face prosecution for offences.

No. Question

The Government recently increased penalties for pollution for the first time in decades. The maximum penalty for a water pollution offence or failing to comply with a clean-up notice under the *Protection of the Environment Operations Act 1997* is \$2 million for a corporation, with an additional daily penalty of \$240,000 for a continuing offence. For an individual, the maximum is \$500,000, with an extra daily penalty of \$120,000 for ongoing offences. Higher maximum penalties apply for leaks, spills and other escapes that are wilful or negligent and harm or are likely to harm the environment.

8. REZ impacts on Timor Caves and bat species – Transcript pages 22-23

The Hon. JOHN RUDDICK: I'll do that. I do thank you for heading up to Walcha at least on one occasion. I've been up there as well.

The Hon. PENNY SHARPE: Good.

The Hon. JOHN RUDDICK: Do you think it would be fair to say that there was universal, fierce opposition by the locals to this REZ?

The Hon. PENNY SHARPE: For the impacted landholders, I think there is very fierce resistance. I think more broadly within the community it's more nuanced than that.

The Hon. JOHN RUDDICK: I understand that two properties have been acquired, because there were two people up there in the new route who did not want to sell to EnergyCo, but they had to sell for health reasons or whatever. The only buyer in the market, of course, is now EnergyCo. Who is going to want to buy into that area at the moment? It has suppressed the entire area. There is, within this proposed corridor, the Timor Caves.

The Hon. PENNY SHARPE: Yes.

The Hon. JOHN RUDDICK: Are you familiar with that to some extent?

The Hon. PENNY SHARPE: Yes, I am.

The Hon. JOHN RUDDICK: Good. As you know, they are 370-million-year-old caves. They're quite important. There is evidence that there are 12 documented bat species which call these caves their home.

The Hon. PENNY SHARPE: Bats like caves, yes.

The Hon. JOHN RUDDICK: One of those bats in an endangered species, the large-eared pied bat.

The Hon. PENNY SHARPE: Yes.

The CHAIR: Oh, they're so cute.

The Hon. JOHN RUDDICK: So cute, thank you.

The Hon. PENNY SHARPE: They're really little, but they've got really big ears. I'm familiar with them.

The Hon. JOHN RUDDICK: Now, your corridor is proposing to directly pass over these precious caves, with their precious bats in them. EnergyCo has done an environmental assessment of the caves. Are you familiar with that?

No. Question

The Hon. PENNY SHARPE: I'm aware that they've done it. The detail of it, no, I'm not aware of.

The Hon. JOHN RUDDICK: I'd be grateful if you could look into it because I'm hearing that that environmental impact assessment – normally they overstate the impact. I understand that they've said that there's only one type of bat that lives in these caves. The locals are absolutely certain that there's 12, so this needs to be rectified.

The Hon. PENNY SHARPE: That's what the process actually does. As you're aware, currently the proposed corridor is three kilometres wide. It will eventually get down to being about 140 metres wide. There's a lot of work that's done there. This is exactly the process that it works through. It starts like this, and it goes through a whole lot of areas. The caves are captured by that. There's obviously an examination of whether you can move the route. I can't remember how many, but there was a significant number of changes to the route on Central-West Orana as a result of working with landholders, where the buildings are, where it crossed their property – all of that sort of work. That's exactly what's supposed to happen. The caves will form part of that. The environmental assessment, though, isn't done yet. There's the studies that are being done. They then have to go into the planning process, and that's where all of that is examined. It's not just about EnergyCo. Other parts of my department and other agencies have input as well. I would expect that all of that's dealt with appropriately.

The Hon. JOHN RUDDICK: Bats are quite sensitive creatures.

The Hon. PENNY SHARPE: Yes, they are.

The Hon. JOHN RUDDICK: They have quite complex sonar detection.

The Hon. PENNY SHARPE: Yes.

The Hon. JOHN RUDDICK: Even though the final route, if it does get to that – let's hope it doesn't, but if there is a final route – may not go directly over the Timor Caves, the vibration is an important issue for these creatures. It might be a kilometre away, but I think the environmental impact assessment needs to factor in that even though it may not be directly over the Timor Caves, the impact may be directly felt. Can you give us an assurance that we will be taking into account the special requirements of the bats?

The Hon. PENNY SHARPE: I'm very pleased that you're concerned about endangered bats. That's good.

The Hon. JOHN RUDDICK: I am.

The Hon. PENNY SHARPE: We need more people to be concerned about endangered animals. But the assessment takes into account all of those matters, and I'd expect them to be dealt with as they must. That's actually what the planning system does.

Answer:

There is no question taken on notice in this section of the uncorrected transcript.

9. Wind farm impacts on birds – Transcript pages 23-24

The Hon. JOHN RUDDICK: What steps are in place? I keep hearing anecdotally from farmers who are having wind farms in particular constructed that they are reporting dead birds, and they are reporting that birds are learning to stay away from certain

No. Question

areas. What processes have we got in place to monitor what impact the wind turbines are having on birds?

The Hon. PENNY SHARPE: I'd need to just check the detail of this, but I'm pretty confident on this – the impact of wind farms on birds is something that all wind farms are required to monitor two years after construction. It's part of the conditions of their consent. They are required to monitor and report on the impact of birds and bats, in fact. That work is ongoing. There's a lot of different information that's being provided. There is occasionally an impact, as there is an impact when you build a road and when you build any infrastructure. There are requirements to monitor that, and there are actually guidelines in relation to the way in which wind farms operate. Sometimes they actually have to be curtailed as a result of – some times of the year. That's a bit site specific, but there is actually a significant amount of consideration of the impact on birds and bats and other species with any of these projects.

Answer:

Monitoring and adaptive management for wind farms is typically required as part of the conditions of planning approval.

Also refer to the answer given in the hearing, recorded on pages 23-24 of the uncorrected transcript.

10. Energy project delays and funding impacts – Transcript page 26

The Hon. JACQUI MUNRO: Minister, I want to take you to the financial statements in the annual report for the department. It notes that the department received \$927.9 million less than expected in 2024-25, mostly due to less money being transferred to EnergyCo due to project delays. Could you please tell me what specific project delays have caused that?

The Hon. PENNY SHARPE: The other significant part of the funding change is the change to Federal arrangements for energy rebates as well, which is quite significant. The delays are as we go through the planning system – as we know, projects are taking longer, which means that different costs come on board at different times, so there are different transfers of funds.

The Hon. JACQUI MUNRO: Are there specific project delays that have caused this delay?

The Hon. PENNY SHARPE: I can take on notice exactly what they are. For example, as I said, previous governments said that Central-West Orana would be shovel-ready by 2022 – obviously that wasn't the case. We had to go through the planning system, finalise the route and do those kinds of work. It is now on track to be dealt with by 2028. All of those matters are a matter of record. But I can get you more detail about that.

The Hon. JACQUI MUNRO: Just to be clear, those delays will not change the amount of money that is actually provided to those projects in the forward estimates?

The Hon. Penny Sharpe: No. Things move around as a result of the different financial milestones.

No. Question

Answer:

Large infrastructure programs such as Renewable Energy Zones (REZ) progress through planning, environmental assessment, procurement and delivery phases. As these stages occur, expenditure can shift between financial years depending on when approvals, procurement processes and delivery milestones are reached.

Accordingly, the difference in funding transferred to EnergyCo reflects the timing of project development activities across the REZ program rather than a delay or a reduction in overall project funding.

11. Corporate and Enabling Services realignment – Transcript page 26

The Hon. JACQUI MUNRO: Minister, what is an "ECCS realignment"?

The Hon. PENNY SHARPE: That's the restructure of the department. Do you want to talk to Mr Anthony Lean about it? ECCS is the energy and climate change part of my department. As you know, we established a brand-new department: DCCEEW. There's been a restructure in relation to that, partly as a result of the Government's targets on reducing senior executives but also really just making the department fit for purpose, given the Government priorities.

The Hon. JACQUI MUNRO: Does that include this corporate and enabling services optimisation contract? There was a Nous Group contract worth \$650,000 for corporate and enabling services optimisation.

The Hon. PENNY SHARPE: That's a different matter. Mr Lean can tell you that.

ANTHONY LEAN: That's actually a separate process. After we were established, we went through a process of centralising corporate functions that had been spread across the different groups in the department. Nous was engaged to help us with the design and some of the change management around that as well.

The Hon. JACQUI MUNRO: I might go into that in more detail this afternoon.

Answer:

There is no question taken on notice in this section of the uncorrected transcript.

12. Eraring outages and modelling – Transcript page 26

The Hon. JACQUI MUNRO: In terms of Eraring, there were reports that in 2024 about 6,000 hours were lost because of Eraring outages. I am wondering how you have modelled those outages for this year and into what will now be a 2029 operation.

The Hon. PENNY SHARPE: We will have to take that on notice. All of the outages and the modelling in relation to that sits mainly with AEMO as part of their ongoing reporting around ESOO, as we were talking about in the previous session.

Answer:

The Department typically uses the inputs and assumptions developed by the Australian Energy Market Operator (AEMO) for use in its electricity forecasts.

No. Question

AEMO analyses the rates that existing power stations have planned and unplanned outages. AEMO derives assumptions about future performance and publishes these in its Inputs, Assumptions and Scenarios Report, which is available on its website.

13. Eraring and air quality monitoring – Transcript pages 27-28

The Hon. JACQUI MUNRO: In terms of Eraring's extension and air quality and air-quality monitoring, Eraring is a source of sulphur dioxide, of nitrogen dioxide and inhalable particles, generally, at very high levels around the Central Coast and lower Hunter. There is a suggestion in the *Air Quality Monitoring Plan for the Lower Hunter and Central Coast regions 2026-30* about deploying low-cost sensors to provide real-time air-quality information during occasional pollution events. Are you going to commit to rolling out those air-quality monitoring?

The Hon. PENNY SHARPE: I might hand that to Mr Chappel. He'll be able to tell us.

TONY CHAPPEL: I can certainly give you some more information now, if you like.

The Hon. JACQUI MUNRO: Just quickly, are more air-quality sensors going to be rolled out?

TONY CHAPPEL: I'll have to take the specifics and come back, perhaps later this morning, on the proximity to Eraring. We regularly roll out what are called PurpleAir monitors, which are very low cost. People can have them in their own homes. We put them in schools and other areas to give people a real-time snapshot of their immediate air quality. We have a comprehensive network around Lake Macquarie and the Central Coast as well, which consistently shows that air quality there is good.

Answer:

In October 2023, the EPA provided 20 PurpleAir sensors to residents around the Central Coast and Lake Macquarie region to capture data in their locations.

Currently, 17 monitors are being used, with data available through the EPA website at: www.epa.nsw.gov.au/Your-environment/Air/regional-air-quality/lake-macquarie-dust-monitoring-program.

A number of Lake Macquarie and Central Coast schools and residents declined the installation offer as they did not have a practical position to locate the sensors which need to be installed outside with resident-provided power and Wi-Fi for data capture.

PurpleAir sensors are a popular laser-based device that measures real-time airborne particulate matter.

14. Heritage Council and Approvals Committee – Transcript pages 29-30

The Hon. JACQUI MUNRO: Are you concerned that planning reforms that have gone through recently have significantly reduced the assessment and approval role of the Heritage Council?

The Hon. PENNY SHARPE: No.

The Hon. JACQUI MUNRO: This is definitely a concern in the heritage community.

The Hon. PENNY SHARPE: There are a couple of things you need to understand. The Heritage Council deals with State Heritage listed items. That's what they deal with.

No. Question

They are still protected. Any changes that impact on a State Heritage listed site still need to be approved, so there's no change there. The second thing is, in terms of the Housing Delivery Authority, there are going to be heritage people who have input into that process. I think a lot of the concern comes from the local level, where there's a misunderstanding around how the Heritage Act works in New South Wales. A lot of it sits within the EP&A Act and sits under Planning and Local Government. It doesn't sit with the Heritage Council.

The Hon. JACQUI MUNRO: There are also reports that the Approvals Committee, the Heritage Advisory Panel and Technical Advisory Panel are being dissolved. Is that accurate?

The Hon. PENNY SHARPE: I don't believe that's the case. As I said, they may have realigned in terms of what we're doing. They're independent. I'm happy to take it on notice.

The Hon. JACQUI MUNRO: That would be helpful. There's certainly a concern that's emerging.

The Hon. PENNY SHARPE: I know there's some concern, but the thing I really want to inform the Committee of is that we've put more items on the State register than any other government in decades. The approvals have now caught up in terms of the backlog that was there. The council is working really diligently through that. We literally have no backlog now. When I became the Minister, there were literally hundreds of matters that were being dealt with and hadn't — I can probably give you the numbers of how many things we've put on the —

The Hon. JACQUI MUNRO: The question is that if you're comfortable with those technical advisory panels and the Approvals Committee being dissolved, given that there is an increase heritage matters, how is that functionally working?

The Hon. PENNY SHARPE: The first thing is that I meet regularly with the Chair of the Heritage Council. She's doing a fantastic job and they're working through that. I understand that we need to make some appointments. I'm not aware of the issues that you're raising. I'm happy to take it on notice, but I'm actually not concerned. As I have said, since the last election I have dealt with 56 listings on the State Heritage Register and I have made 64 decisions in relation to the matter of these. That is ongoing, but I don't have any concerns. I'm happy to take them on board, but I'm not aware of any. I will just say that the Heritage Council is doing an amazing job, but we need to put a few more people on it.

Answer:

At its February 2026 meeting, the Heritage Council resolved to dissolve the Approvals Committee by the end of the 2025–26 financial year. At the same meeting, the Heritage Council also resolved to dissolve the Technical Advisory Panel and the Heritage Advisory Panel.

A Heritage Specialist Register will be established to incorporate technical heritage expertise previously held in the Approvals Committee, Technical Advisory Panel, and Heritage Advisory Panel. Recruitment for this will commence soon.

No. Question

The structure of the Heritage Council, including the establishment of committees, is a matter for the Heritage Council, per section 21A of the *Heritage Act 1977*.

15. **Date centres and net zero targets** – Transcript page 30

Ms ABIGAIL BOYD: In the supplementary questions for the last budget estimates hearing, I asked the question:

Has the department advised the Minister that uncontrolled data-centre growth could jeopardise NSW's legislated 2035 emissions target?

The answer I got back was yes. Could you tell me when that advice was received?

The Hon. PENNY SHARPE: I would have to take it on notice. Everyone who is raising the data centre issue is asking legitimate questions that we are really grappling with and, I think, all governments are grappling with. I can take on notice exactly when they have given me advice, but it comes in a range of ways. Sometimes I am verbally briefed and sometimes I get formal advice up there. As I was saying, there are a number of things the Government is undertaking. The IDA, which is the planning and expressions of interest in terms of data centres, is really the concierge service. INSW is doing the work on the guidelines and the way that that would operate, and my department is very hooked into that.

Answer:

September 2024.

16. **Net Zero Commission establishment notification** – Transcript pages 33-35

The Hon. TANIA MIHAILUK: Good morning, Minister. Can I just turn your attention to the Net Zero Commission. I just wanted to confirm a couple of things. Obviously you accept that it's a government sector agency.

The Hon. PENNY SHARPE: Yes, but it's independent of direction.

The Hon. TANIA MIHAILUK: Yes, of course. But you're the responsible Minister.

The Hon. PENNY SHARPE: I am. But they don't take direction from me.

The Hon. TANIA MIHAILUK: I understand that. Can I just confirm – under section 2.8 of the Government Sector Finance Act, the Treasurer and Auditor-General must be notified of the establishment of a new government sector agency. Can either you or the commission let me know what date that notification was done?

The Hon. PENNY SHARPE: I'd have to take that on notice. I think the chief commissioner is coming this afternoon.

The Hon. TANIA MIHAILUK: Yes, they're not here yet.

The Hon. PENNY SHARPE: You can ask him.

The Hon. TANIA MIHAILUK: It's got to be done within a month of its creation and I noticed on the last GSF agency list guide of March 2025 it's not listed there.

The Hon. PENNY SHARPE: Okay.

The Hon. TANIA MIHAILUK: I'll just let you note that.

No. Question

The Hon. PENNY SHARPE: I'm not aware of that. If you're asking about why it hasn't —

The Hon. TANIA MIHAILUK: A little bit concerning. I don't want it to be a rogue agency at this point.

The Hon. PENNY SHARPE: Are you asking did it happen or not, or when it was notified?

The Hon. TANIA MIHAILUK: It's not on the last agency list guide.

The Hon. PENNY SHARPE: I appreciate questions where someone actually knows the answer. That's actually helpful.

The Hon. TANIA MIHAILUK: I do. I know it's not there. I'm just hoping that somebody, either yourself or the chair or former chair of the commission, has done the appropriate notification.

The Hon. PENNY SHARPE: Let me find out.

.....

The Hon. TANIA MIHAILUK: — and I'd love to know when they notified the Treasurer and the Auditor-General that they were indeed a government agency.

Answer:

Refer to the answers given to supplementary questions 11 and 12 (a) and (b) for the 24 February 2026 hearing for the Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage.

17. Net Zero Commission financial statements – Transcript page 34

The Hon. TANIA MIHAILUK: You can take that on notice. In the 2024 annual report of the Net Zero Commission, there are zero financial statements, zero governance disclosures and zero expense breakdowns.

The Hon. PENNY SHARPE: Sorry, which annual report?

The Hon. TANIA MIHAILUK: The only annual report that the Net Zero Commission has provided publicly at this stage is the 2024 annual report, and there are zero financial statements, zero expense breakdowns and zero governance disclosures. Does the commission's annual report not want to comply with the Treasury's TPG25-10 Framework for Financial and Annual Reporting?

The Hon. PENNY SHARPE: I don't actually know the reason for that. I think Mr Lean probably does. I suspect it was probably in terms of when its creation was and the way in which the reporting occurs. But I'd have to seek information about that.

The Hon. TANIA MIHAILUK: There's nothing since then that has been provided. To this date are you aware of any public expenditure breakdown that has been provided in respect of the Net Zero Commission?

ANTHONY LEAN: I don't think it's actually a separate financial reporting entity; it's consolidated as part of the department. But I'll have to come back and confirm that.

The Hon. TANIA MIHAILUK: So where is it in the budget papers — just consolidated in the department?

No. Question

ANTHONY LEAN: In the department.

The Hon. TANIA MIHAILUK: Has the Auditor-General audited the financial statements of the Net Zero Commission, Minister?

The Hon. PENNY SHARPE: Not that I'm aware of.

The Hon. TANIA MIHAILUK: You're not aware?

ANTHONY LEAN: That goes back to the issue about whether it's a separate financial reporting entity, so we'll come back to you on that.

The Hon. TANIA MIHAILUK: Do you know how much you're allocating in the budget for the Net Zero Commission for 2025-26?

The Hon. PENNY SHARPE: I'd have to take it on notice.

The Hon. TANIA MIHAILUK: Do you know how many staff there are at the Net Zero Commission, Minister?

The Hon. PENNY SHARPE: I'll have the information there. It's not a huge staff.

The Hon. TANIA MIHAILUK: Do you have any idea?

The Hon. PENNY SHARPE: If you give me a second, I'll get it for you.

The Hon. MARK LATHAM: Where's Nick?

The Hon. TANIA MIHAILUK: I don't know. The chair is not in.

The CHAIR: I think they did give evidence about all of this at the last supplementary estimates, from memory.

The Hon. PENNY SHARPE: It's fine. I would just say that I think the Net Zero Commission is doing an incredible job, and they're set up to provide the frank and fearless advice that means that you can ask me lots of questions about whether we're meeting our emissions targets and how we're doing that — with very eminent people who are working through that and I appreciate their work.

The Hon. TANIA MIHAILUK: I'm not questioning that. I would just love to see some financials —

The Hon. PENNY SHARPE: I'll get it for you.

Answer:

Refer to the answer given later in the hearing, recorded on page 36 of the uncorrected transcript.

18. Container deposit refund value – Transcript page 36

The Hon. TANIA MIHAILUK: On a brighter note, Minister, you might recall that we moved a motion in the Parliament in regard to container deposit refund value, looking at a cost-benefit analysis to a minimum of 20¢. How is that going?

The Hon. PENNY SHARPE: I'm not sure. You probably should ask Mr Chappel in terms of — the EPA are working on that. But I need to say that we're looking at it. There is a big campaign about increasing from 10¢ to 20¢, but my view very much is that, if we're

No. Question

going to do that, that is something that we need to do nationally because of the impact on industry. It's a big change.

The Hon. TANIA MIHAILUK: There is a motion in the House that was passed unanimously that indeed you have to have cost-benefit analysis.

The Hon. PENNY SHARPE: You can ask Mr Chappel. I'm sure they're looking at it.

The Hon. TANIA MIHAILUK: So you'll take it on notice or someone is going to respond to me today?

TONY CHAPPEL: I can give some information if you like.

The Hon. TANIA MIHAILUK: Maybe in the afternoon – if you could let me know.

Answer:

The NSW Government is open to considering an increase in the refund, once analysis of the business case for the matter is completed. The 10-cent refund is consistent across Australia. With container deposit schemes now operational in all Australian states and territories, there is a benefit to maintaining harmonisation across borders. The EPA is speaking to its counterparts in other states and territories. This is a significant initiative that requires careful consideration.

The Minister has previously said she would prefer to move in harmony with other states.

19. Net Zero Commission financial statements – Transcript page 36

The Hon. PENNY SHARPE: We've got some updated info on net zero if you want. Mr Lean's got that.

The Hon. TANIA MIHAILUK: Just quickly, yes.

ANTHONY LEAN: It's not a separate reporting entity under the Government Sector Finance Act. It currently has 26 staff and seven commissioners, and its budget for this financial year is \$6.7 million.

The Hon. TANIA MIHAILUK: But you will release some financial statements for the public?

The Hon. PENNY SHARPE: It's not required to.

ANTHONY LEAN: No. It's not a separate reporting entity.

The Hon. TANIA MIHAILUK: You don't have to.

The Hon. PENNY SHARPE: It's the same as the heritage part of DCCEEW. But we're happy to give you the numbers.

Answer:

There is no question taken on notice in this section of the uncorrected transcript.

20. New England REZ projects – Transcript page 37

The Hon. WES FANG: Minister, in relation to the New England REZ, how many approved renewable energy projects does that REZ have?

The Hon. PENNY SHARPE: I will have to get that for you.

No. Question

The Hon. WES FANG: Are you able to also provide the capacity of those projects?

The Hon. PENNY SHARPE: Sure.

The Hon. WES FANG: Thank you. The timeline of construction that's published on the draft ISP indicates that the project will be completed by July 2032. How much generation capacity do you predict you will have in that REZ by the time we get to July 2032 and you complete the transmission line?

The Hon. PENNY SHARPE: Are you talking about completed, operating?

The Hon. WES FANG: Yes.

The Hon. PENNY SHARPE: I'd have to take that on notice because it changes, depending on where the projects are up to.

Answer:

There are five operational large-scale projects within the New England Renewable Energy Zone geographical boundary with 977 megawatts of generation capacity. One of these projects, New England Solar Farm, is currently being expanded to include a 400 megawatt-hour battery energy storage system.

21. Climate Change Fund – Transcript pages 39-40

The Hon. WES FANG: I will continue. Minister, Essential Energy collects levies from regional customers on behalf of the Government, for the Climate Change Fund and emission reductions programs. Is that correct?

The Hon. PENNY SHARPE: Yes. All distributors do.

The Hon. WES FANG: They all do?

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: Even Ausgrid and Endeavour?

The Hon. PENNY SHARPE: Yes.

The Hon. WES FANG: Is it the same levy?

The Hon. PENNY SHARPE: I would need to take that on notice.

The Hon. WES FANG: Do you charge rural and regional customers more than you charge metropolitan customers?

The Hon. PENNY SHARPE: That's not a decision that I – let me just take that on notice, because I'm not sure.

The Hon. WES FANG: If you do charge regional customers more than metropolitan customers, do you think that's fair and equitable?

The Hon. PENNY SHARPE: Let me get the answer first.

The Hon. WES FANG: How have you communicated to consumers that they are paying these levies?

The Hon. PENNY SHARPE: There are requirements around rules for the disclosure on bills, and that is something that is set, I think, through – AER? AEMC, the market

No. Question

provider. I can get you more detail on that.

The Hon. WES FANG: Where are they articulated to consumers?

The Hon. PENNY SHARPE: I will get you more information on that.

The Hon. WES FANG: How much has been received from regional customers so far through Essential Energy?

The Hon. PENNY SHARPE: For what?

The Hon. WES FANG: For the levies for the Climate Change Fund and the emission reductions programs.

The Hon. PENNY SHARPE: Happy to get it for you. I don't have that to hand.

The Hon. WES FANG: What is the itemised projects that these levies fund? How much will they benefit regional communities? Have you got a list of the expenditures?

The Hon. PENNY SHARPE: If you want the work on the Climate Change Fund, which is through that, I'd encourage you to read the annual report that gives you all of the information that you have just asked.

The Hon. WES FANG: Will that tell me how much regional consumers have paid?

The Hon. PENNY SHARPE: Why don't you read it and then tell me?

The Hon. WES FANG: Minister, I'm asking you the question. That's what budget estimates is all about.

The Hon. PENNY SHARPE: I'm directing you to where — there's detailed information about the way in which the —

The Hon. WES FANG: You're the Minister. You should perhaps know. But that's okay. Minister —

The Hon. PENNY SHARPE: You could also read the publicly available information, rather than doing that. But it's fine to provide — we can provide whatever you want. But I will just be directing you to the Climate Change Fund and the annual reports that provide all of the information you've just asked me.

Answer:

The NSW Climate Change Fund (CCF) was established in 2007. Funds have been collected from electricity distributors and periodically from Sydney Water, since FY 2007–08.

Each licensed electricity distributor's liability is determined based on its share of the NSW market by population. A higher population proportion means a higher liability. The Minister requests that no more than 25% of this levy is to be passed through to household customers.

The NSW Government levies Ausgrid, Endeavour and Essential Energy and these amounts are gazetted and included in the Climate Change Fund Annual Report. The amount received by Essential Energy from individual household customers would have to be provided by Essential Energy.

The work funded by the Climate Change Fund is set out in its Annual Report.

No. Question

The Climate Change Fund contribution is included in the supply charge component of an electricity bill.

22. Renewable energy projects and costs to consumers – Transcript page 41

The Hon. WES FANG: Thank you, Minister. I want to turn now to some of the matters of cost of living that have come up in relation to a lot of these issues that we've been discussing. On 18 February The Daily Telegraph published an article that indicated there was almost \$600 million approved for renewable energy projects. How much will this add to —

The Hon. PENNY SHARPE: Sorry, you're going to need to give me more information. Are you talking about the AER determination?

The Hon. WES FANG: The determination that New South Wales households and businesses would be paying up to \$600 million.

The Hon. PENNY SHARPE: Yes, that's the regulated rate. That's right.

The Hon. WES FANG: How much is that going to add to the bills of New South Wales households?

The Hon. PENNY SHARPE: I'd need to take it on notice in relation to overall, but this is part of the way in which the energy system works — which is that when you build new infrastructure it's paid for by consumers. It's gone through that process, through the AER, where they look to minimise the cost for consumers.

Answer:

The Australian Energy Regulator's 2026–27 Electricity Infrastructure Roadmap contribution determination is \$593.16 million. The determination includes a breakdown of the cost between the three distribution networks.

23. Vast Solar, Wellington – Transcript page 43

The Hon. WES FANG: In relation to the Vast Solar site that is out near Wellington that caught fire and has now been abandoned by the developer, obviously —

The Hon. PENNY SHARPE: Sorry, which one are you talking about?

The Hon. WES FANG: The solar farm near Wellington that caught fire just before Christmas.

The Hon. PENNY SHARPE: What's it called, though? There's a few of them, so which one is it?

The Hon. WES FANG: The one that's been abandoned.

The Hon. PENNY SHARPE: What do you mean by "abandoned"?

The Hon. WES FANG: Well, the developers left it. I'm asking whether the EPA is going to be instructed to go and clean it up, given that the developer has effectively walked away.

The Hon. PENNY SHARPE: Let me take that on notice. I'm aware of the fire issue. It was actually a grass fire, it was not — my advice is that it had nothing to do with the solar

No. Question

farm. The actual update of "abandoned", I'm not sure where that is up to. Let me take that advice and then I'll come back to you.

Answer:

The Government (including the EPA) is aware of the site in question.

I understand there are community concerns in relation to this solar site that has not been operational since 2017.

It is important to note it was not a solar farm but a different kind of solar installation (a solar thermal project) and that it was a pilot project.

This is a legacy project approved by Forbes Shire Council over a decade ago. Council is also the regulatory authority responsible for the site. The EPA is providing technical advice to Council regarding cleaning up the site to ensure the site is safe and secure. Council has the ability to issue a clean-up notice if the case warrants it.

There are no existing or proposed solar thermal state significant projects in NSW.

Relevant government agencies, including the EPA, are consulted and provide advice so the impacts of a proposal are properly considered and addressed in conditions of consent.

In relation to the much more common solar photovoltaic technology, the Government is also considering mandatory regulation of solar panels in NSW, which would mean that all panels at the end of their life – whether from roofs or large installations – must be recycled or remanufactured by the brand owner, under law. This would enable circular economy outcomes, create regional jobs, and recover critical minerals. This would only be possible as the Government passed the Product Lifecycle Responsibility Act in 2025.

Additionally, in 2024, DPHI mandated strict decommissioning and rehabilitation conditions for renewable energy projects under the Renewable Energy Planning Framework. Under this framework, decommissioning and rehabilitation conditions form part of the consent conditions for large-scale renewable energy projects. If an applicant or landholder fails to comply with these obligations, DPHI can take enforcement actions under the Environmental Planning and Assessment Act.

24. Waratah Super Battery – Transcript pages 44-45

The Hon. MARK LATHAM: That's the Bill Shorten position, which is fine. With regard to the Waratah Super Battery, when will the other half of capacity come online?

The Hon. PENNY SHARPE: Good question. I can get you the detail on that. There were issues with two of the three transformers. One of them is completely cactus. The other one had some damage to it. I think it will take a little while, but I can get you more detail on that.

Answer:

The delivery of the replacement transformer is scheduled for the third quarter of 2026. The manufacturer, Wilson Transformer Company, has already commenced production, having secured the necessary long lead items required for the build. The battery's full capacity is expected to come online before the end of 2026.

No. Question

25. AER Determinations – Transcript page 45

The Hon. MARK LATHAM: You mentioned earlier on that all the new infrastructure in the transition is paid for by consumers. What's the overall impact of that on household electricity bills?

The Hon. PENNY SHARPE: It sort of comes in different phases. Mr Fang was referring to the AER determination, which for this year is around \$600 million. That's over time.

The Hon. MARK LATHAM: Hang on, here comes the answer. Can you table that?

The Hon. PENNY SHARPE: No.

The Hon. WES FANG: Transparency, huh, Mark?

The CHAIR: Nice try, Mr Latham.

The Hon. PENNY SHARPE: Nice try.

The Hon. MARK LATHAM: Well, that's the answer. Can you take it on notice?

The Hon. PENNY SHARPE: Yes, I can give it to you, but I know for this year it's \$600 million. But they're annual determinations, so I can't actually – I'm not trying to be tricky.

The Hon. MARK LATHAM: No, I know. If we can get 2024, 2025 and 2026 annual determinations of impact on household electricity bills, that would be appreciated.

The Hon. PENNY SHARPE: Yes, I should be able to provide those.

Answer:

All of the past contribution determinations for the Electricity Infrastructure Roadmap are available on the Australian Energy Regulator's website.

26. Transmission projects – Transcript page 45

The Hon. MARK LATHAM: Thank you, Minister. Are there any rollout transition projects in New South Wales that are on time and on budget?

The Hon. PENNY SHARPE: Again, there's a lot of different projects. Yes, there are some that have been delivered on that. There's no doubt there are some that are delayed for a range of reasons: cost, workforce, planning. We've worked very hard to bring down the planning arrangements around that, but I can work that out for you.

The Hon. MARK LATHAM: On notice, if you can give us a breakdown of those that are on time and on budget and those that aren't.

The Hon. PENNY SHARPE: Yes.

Answer:

Three network projects have proceeded to the delivery stage following authorisation or direction under the *Electricity Infrastructure Investment Act 2020* (EII Act). The budget and schedules for these projects are established and published as part of the authorisation and Australian Energy Regulator's (AER) Revenue Determination process. These are:

No. Question

- Waratah Super Battery (on budget, full operation delayed due to Transformer failure).
- Hunter-Central Coast REZ (on time and on budget).
- Central-West Orana REZ (on time and on budget).

According to the delivery and budget parameters provided to EnergyCo, these projects are considered on time and on budget.

One network project is progressing following a direction under the EII Act. The schedule for this project is established and published as part of the direction. The costs are subject to the AER's Revenue Determination process later this year. This is:

- System Strength Acceleration Project (on schedule, budget yet to be assessed by AER).

Three network projects have proceeded to the delivery stage under the National Electricity Rules. These projects do not fall under the scope of the EII Act and subsequently the NSW Government is not responsible for the delivery of these projects. The budget and schedules for these projects are established and published as part of the AER's Revenue Determination process. For regulated transmission projects, the AER determines the revenue paid to deliver the projects, not whether the project matches the proponent's budget estimates.

27. Community batteries – Transcript pages 45-46

The Hon. MARK LATHAM: And how many community batteries are operating now in New South Wales?

The Hon. PENNY SHARPE: I'd have to take that on notice. A lot. There's a lot more coming, and it depends on what you mean by community batteries.

The Hon. MARK LATHAM: Well, collective, neighbourhood, suburban-type batteries – not just one home.

The Hon. PENNY SHARPE: I'm glad that you asked. I'm holding a graph that shows the battery installations since July to this year. This is the household batteries that are going in. In New South Wales there's over 60,000 households. Those are the household energy batteries. A lot of them are attached to VPPs, so it's a bit hard to do that.

The Hon. MARK LATHAM: But suburban neighbourhood ones?

The Hon. PENNY SHARPE: No, these are just the ones for individual households.

The Hon. MARK LATHAM: Yes, but have you got a slide show for community ones?

The Hon. PENNY SHARPE: I don't have a slide show, but I could probably get you one. I could bring it into Parliament next time.

The Hon. MARK LATHAM: Thank you. I'd love that.

Answer:

According to the Australian Energy Regulator's *Facilitating CER in Australia's two-way energy system – Export services network performance report 2025* there were around 80 community-scale batteries installed in NSW.

No. Question

28. Pumped hydro – Transcript page 46

The Hon. MARK LATHAM: Also, can we get the number of pumped hydro projects in New South Wales that have been approved and operational since the road map was commenced?

The Hon. PENNY SHARPE: There's obviously Snowy. I'll get you the others. There's a few that are around.

The Hon. WES FANG: I think he said "operational".

The Hon. PENNY SHARPE: It's approved and it's being built.

The Hon. MARK LATHAM: I know. On Snowy, has New South Wales got any advice when it will produce its first gigawatt of electricity?

The Hon. PENNY SHARPE: I'd have to take it on notice. Was it 2028?

Answer:

No pumped hydro projects in NSW have received planning approval and become operational since the commencement of the *Electricity Infrastructure Investment Act 2020* in December 2020.

Snowy 2.0 is expected to commence full commercial operations in December 2028.

29. Budget Paper – Performance and Wellbeing Statement – Transcript pages 47-48

The Hon. MARK LATHAM: Minister, I'm sure you're a great supporter of Budget Paper No. 02 Performance and Wellbeing Statement page 9-1 stating that New South Wales is a lot hotter now in temperatures than it was in the period 1961 to 1990.

The Hon. PENNY SHARPE: I'm not a fan of it, but it's true.

The Hon. MARK LATHAM: No, but you support the data.

The Hon. PENNY SHARPE: Yes.

The Hon. MARK LATHAM: What role did you or your department have in developing that data that's in the budget papers?

The Hon. PENNY SHARPE: I would need to take that on notice.

The Hon. MARK LATHAM: Can you table the post-it note?

The Hon. PENNY SHARPE: This is about Kurri Kurri, which is being commissioned in Q1, so it's close. Let me take that on notice. Obviously all of the departments have input into the wellbeing stuff; they work with Treasury on it.

The Hon. MARK LATHAM: Is it comparing apples with apples given that in the post-1990 period, 23 new BOM weather stations have opened, mostly in urban heat areas like Canterbury, Gosford, Holsworthy aerodrome, Maitland, Newcastle University, Penrith, Richmond and on the list goes? What calculations have been made about the impact of the new weather stations measuring in areas that are hotter than anything that was in the pre-1990 period?

The Hon. JOHN RUDDICK: Good question.

No. Question

The Hon. MARK LATHAM: Very good question.

The Hon. PENNY SHARPE: I'll find out.

The Hon. MARK LATHAM: Can you take that on notice?

The Hon. PENNY SHARPE: Yes, very happy to take that.

The Hon. MARK LATHAM: If it's apples against apples, fantastic, it's valid data. If it's apples against oranges —

The Hon. PENNY SHARPE: I think that average heat across a wide range — and there's no doubt that the issue around urban heat in Western Sydney is a huge one and would show different patterns. We know that in any given day, Penrith —

The Hon. MARK LATHAM: Mount Annan near me.

The Hon. PENNY SHARPE: — can be like 10 to 15 degrees hotter than the rest.

The Hon. MARK LATHAM: Yes, we love it hot out there.

The Hon. PENNY SHARPE: Not that hot. No-one likes it at 45.

The Hon. MARK LATHAM: Some days we have aircon. That's also on the notice paper to you.

The Hon. PENNY SHARPE: Okay. We'll get you an answer.

Answer:

The information provided in the NSW Budget 2025–26 Performance and Wellbeing Statement, page 9-1, references temperature data published by the Bureau of Meteorology on its website, under the Climate Change – Time series graphs section.

30. NRC review – Biodiversity conservation reforms – Transcript page 49

The CHAIR: Land clearing — and I'm just in particular referring to the analysis that the Wentworth Group recently did. Is land clearing still a priority for — I know it is for you. Is it a priority for your Government?

The Hon. PENNY SHARPE: Yes.

The CHAIR: So that commitment that we will end runaway land clearing and we'll do everything we can, that is still —

The Hon. PENNY SHARPE: Yes. Obviously that was a key election commitment, and I obviously work closely with Minister Moriarty in relation to that. A lot of the levers come out of the Biodiversity Conservation Act and the way that operates with LLS and working through codes and those kinds of things. Yes, we genuinely think that the land clearing problem is serious and that we need to find a way to curb it for biodiversity, habitat and emissions. The good news is that we now have more tools in the toolbox to support landholders in actually financially supporting them around that, which I think is a big change.

The CHAIR: Will we see more money going to that particular stream of work?

The Hon. PENNY SHARPE: There are a lot more mechanisms. Nature repair, what the Federal Government is doing, ACCUs — there is a whole range of different things, and

No. Question

that's part of it. I'm not apportioning any blame, but previously I think there was a bit of a view that farmers just have to keep this land and then not change it in relation to their businesses. I think there are already a lot of farmers who are doing private land conservation, who have ACCUs and who are doing soil work where they find that they can attract a new income stream by doing that work, and I think we need to think about that. But, more broadly, yes, we are very serious about the land clearing work. You may be aware that the NRC has a bunch of work that's being undertaken. We have farmers and scientists represented on that.

The CHAIR: I know at the last estimates you referred to the work the NRC are doing. Have they got a delivery time frame for that big tranche of work?

The Hon. PENNY SHARPE: Good question. Let me find out. I think they're doing three pieces of work. I just can't remember off the top of my head where all of those are up to. That obviously informs our work, and we'll continue to do that. Again, how we're dealing with the changes to the Biodiversity Conservation Act is another part of that. It is a matter that we do take seriously. The previous Labor Government got that under control and worked through that. It's now been opened up. It is an area that we think is serious enough that we need to work through it.

Answer:

Under the NSW Plan for Nature, the NSW Government asked the Natural Resources Commission (NRC) to provide advice on the protection and restoration of biodiversity, critically endangered ecological communities (CEECs) and non-woody vegetation.

The NRC recently delivered its reports to the NSW Government on policy options to improve outcomes for areas containing exclusively or predominantly non-woody vegetation (grasslands and ground cover) and to strengthen the management and protection of widespread CEECs. The NSW Government is currently considering the detailed options provided in these reports.

The NRC is expected to deliver its report to Government on options to further protect and restore biodiversity and ecosystem functions in regional landscapes, and enhance value and support for landholders, in the first half of 2026.

31. Vast Renewables – Transcript pages 50-51

The Hon. WES FANG: Minister, I may have said "Vast Solar" before; I believe it's Vast Renewables. The Vast Renewables site in Jemalong is the site that has been abandoned.

The Hon. PENNY SHARPE: When you say "abandoned" – sorry, I'm just not across the details.

The Hon. WES FANG: The company has gone into administration. It's been impacted by fire. It's effectively fire impacted and has been left, so there's glass strewn everywhere. There's shattered solar panels. Where you've got a company that's gone into administration, who is responsible for cleaning up the mess?

The Hon. PENNY SHARPE: There'd be requirements in terms of the approvals and those kinds of things. As you would know, it's a bit complicated because there's the host farmer – I know this is a whole issue; this is the conversation about decommission

No. Question

bonds and those kinds of things. I don't want to speculate without knowing the information, so I'm happy to come back to you.

The Hon. WES FANG: In terms of the EPA becoming involved, how long before the EPA would seek to ensure that these impacts —

The Hon. PENNY SHARPE: Let me take it on notice.

Answer:

Refer to the answer given to question on notice 23 for the 24 February 2026 hearing for the Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage.

32. Recreational activities on park – Transcript page 54

The Hon. JACQUI MUNRO: Thank you all for being here. My first question is about national parks and wildlife camping — I guess it is through you — and also the permissible activities that are associated with over 800 national parks sites. I understand that a new activity location condition grid or matrix was released at the end of last year in November, which basically lists all the different types of activities that may be permitted or are not permitted or are not applicable to a site, relating to things like camping, trail running, river sledding, abseiling, and the list goes on. It also includes motorcycle tours and quad biking. I am wondering how often this matrix is released or updated.

ALEX GRAHAM: I will have to take that on notice as to how often it is updated. However, it was appropriate to update it at that time, as we are seeking new leaseholders to carry out various tour operating activities on national parks.

The Hon. JACQUI MUNRO: Is that because every operator is on the same cycle?

ALEX GRAHAM: We are looking to set them on the same cycle for the licence holders.

The Hon. JACQUI MUNRO: For example, on 1 July this year it will be the start of every contract and that contract will run for two years?

ALEX GRAHAM: I'll need to confirm exactly when the start date will be. However, the operators will be given an option of one or three years initially and, by mutual agreement, an option for a further three years.

The Hon. JACQUI MUNRO: I was interested to see the number of sites that were associated with both quad biking and motorcycle tours. From my count, 72 sites across New South Wales were listed as being permissible for quad bike activities and 256 sites for motorcycle tours, which is out of a total 830 sites. I'm curious if that's an increase to the previous number of sites that these activities were applicable to.

ALEX GRAHAM: If it's okay with you, I'll take that on notice.

Answer:

The Parks Eco Pass activity and location conditions spreadsheet (available at www.environment.nsw.gov.au/publications/parks-eco-pass-activity-and-location-conditions) does not list approved activities, recreation or otherwise, in a park reserve.

The National Parks and Wildlife Service (NPWS) program for licensing operators to provide guided tours and non-guided activities in national parks is called the Parks Eco

No. Question

Pass program. Operators require consent from NPWS in the form of a park eco pass licence to legally operate in a national park.

The spreadsheet referred to indicates potential activities and locations (and relevant conditions) that may be considered under the program, but it does not provide automatic consent. NPWS assesses each application on a case-by-case basis and consent is subject to stringent criteria and conditions being met to ensure high quality services that are compatible with the specific natural and cultural values of a reserve.

I can advise:

- quad bike tours are licensed in only one park (Worimi Conservation Lands)
- motorcycle tours are licensed in only 40 parks
- the number of parks in which quad bike or motorcycle tours may be permissible has not changed since October 2022
- the spreadsheet is updated regularly (quarterly)
- applications can be made any time and, if consent is granted, licences may be valid for one, three, five, six or 10 years.

There are currently 394 licensed operators, of which 32 are Aboriginal-owned businesses, providing optional services that help visitors and families access nature, learn new skills, hire equipment and stay safe.

33. State of the Environment reporting – native mammals – Transcript page 57

The Hon. JACQUI MUNRO: On the State of the Environment report, the native mammals population and distribution indicator for information reliability is listed as limited. I was curious about what is being done to address this.

ANTHONY LEAN: Is this the metric for —

The Hon. JACQUI MUNRO: It's the metric for native mammals population and distribution indicator. I can get you a page.

ANTHONY LEAN: We might take that on notice and come back to you with some more detail. But I would imagine that getting accurate estimates of populations right across the whole State is something that will take some time. Obviously, we've made huge advances with the monitoring that we've done with GKMP [sic], with other surveys that we do, but to get that right across the whole State will take time. Hence I think it's probably ranked as limited.

Answer:

As part of continual improvement for State of the Environment reporting, the EPA is reviewing measures where available data is limited and is exploring options to enhance data reliability in future reports.

34. Ken Henry review – Transcript page 57

The Hon. JACQUI MUNRO: How many of the 58 recommendations of the Ken Henry review have been enacted?

No. Question

ANTHONY LEAN: Which review?

The Hon. JACQUI MUNRO: The Ken Henry review.

ANTHONY LEAN: The Government published the plan for nature in 2024., and it outlined a range of actions to respond to the Henry review. We'll come back to you with a specific number on how many were accepted, but there's a large number being implemented at the moment.

The Hon. JACQUI MUNRO: Do you have a way to track that? Have you got a public document or a private document that —

ANTHONY LEAN: I thought it was published as part of the plan for nature.

The Hon. JACQUI MUNRO: Yes. But, obviously, we're in 2026 now. So I'm just curious about how you monitor the implementation of those.

ALISON PEPPER: I can add to what Mr Lean said. There were 22 actions that were part of the New South Wales Government's plan for nature. Our department is responsible for 20 of those. Two of those, Local Land Services is leading on. We have set up an internal-to-the-department sort of steering committee that oversees that. We meet monthly, and we track progress against those. I'll have to come back to you — and I can do it in this session — in terms of the number that have been completed versus the ones that are underway. For example, in Mr Bruce's area, there's an action that's been completed, regarding the Biodiversity Offsets Scheme. But I can come back to you in this session in terms of the exact number that have been completed versus those that are underway.

The Hon. JACQUI MUNRO: Thank you.

Answer:

Refer to the answer given later in the hearing, recorded on page 89 of the uncorrected transcript.

35. Circular economy – Productivity Commission report – Transcript page 58

The Hon. MARK LATHAM: The prosecution rests at that point, but you're, obviously, spending a lot of money on the so-called circular economy. Where does it come from? How much are you spending?

TONY CHAPPEL: I think enabling a safe circular economy — and the Productivity Commission itself has inquired into these matters —

The Hon. MARK LATHAM: Which one? National or State?

TONY CHAPPEL: The Commonwealth Productivity Commission published a recent report on opportunities to improve productivity in the economy through the circular economy. It's been a longstanding priority for government, going back at least 15 years for the New South Wales Government, as it has been for the EPA. Certainly, the current strategic priorities, which include enabling safe circular economy, were adopted by the EPA board, I think, three years ago, but they predate that priority as well.

The Hon. MARK LATHAM: Predate it to when?

No. Question

TONY CHAPPEL: At least 15 years back. I'm happy to take on notice when the EPA first started—

Answer:

From 2012 to June 2022, the former NSW Government invested \$802 million to deliver its waste and recycling programs under the *Waste Less, Recycle More* initiative.

In 2021, it approved an additional funding package of \$356 million over five years, starting 1 July 2022, to support programs under its Waste and Sustainable Materials Strategy.

36. Circular economy expenditure and economic modelling – Transcript page 58

The Hon. MARK LATHAM: Doesn't give me a lot of comfort. How much are you spending on the so-called circular economy initiatives?

TONY CHAPPEL: In terms of grants or—

The Hon. MARK LATHAM: Yes. Annually.

TONY CHAPPEL: I'll have to get the detail, because there's a whole series of government programs that run over particular time periods—

The Hon. MARK LATHAM: I know there are.

TONY CHAPPEL: — for infrastructure for recycling and so on. So I just have to take that on notice.

The Hon. MARK LATHAM: What economic modelling was ever undertaken as to the viability of this, rather than as an ideological indulgence?

TONY CHAPPEL: All initiatives are underpinned by comprehensive benefit-cost analysis and economic modelling.

The Hon. MARK LATHAM: Where have they been published?

TONY CHAPPEL: Again, I'll have to take that on notice. We do release much of those pieces of work through various stages of regulatory impact statements and other assessments, but I'll take that on notice.

Answer:

The former government approved the Waste and Sustainable Materials Strategy 2041, along with a funding package of \$356 million over five years starting 1 July 2022.

Economic modelling formed part of government deliberations on the strategy and associated funding decisions.

37. Circular economy – Consumer surveys and economic modelling – Transcript pages 58-59

The Hon. MARK LATHAM: I know it's all well intentioned, but I've got my questions and my priorities, and these are it. Consumer attitudes surveys?

TONY CHAPPEL: We do publish consultation papers and then take significant amounts of feedback. And often that is in the many thousands. But I—

No. Question

The Hon. MARK LATHAM: You can take that on notice, too?

TONY CHAPPEL: I'll happily take that one as well.

The Hon. MARK LATHAM: Who's your economic modeller of choice? I did give you a rap by saying we all love your intentions.

The Hon. Dr SARAH KAINE: I appreciate it. Thank you, Mr Latham.

The Hon. MARK LATHAM: I'm not hostile.

The Hon. Dr SARAH KAINE: I understand.

The Hon. MARK LATHAM: I'm just trying to get to the facts. Who's your economic modeller of choice in this space?

TONY CHAPPEL: I wouldn't say we have one provider of choice, but various professional services firms that are on the Government panel.

The Hon. MARK LATHAM: So if you can take all that on notice and provide to the Committee the relevant information to justify the expenditure, whatever the total might be.

TONY CHAPPEL: Sure.

Answer:

The EPA engages consultants in accordance with the NSW Government Procurement Policy Framework. Details of consultancies are disclosed in EPA annual reports.

38. Global emissions and net zero – Transcript pages 60-61

The Hon. JOHN RUDDICK: What about the world temperature?

NICHOLAS ROWLEY: Australia itself makes a contribution in terms of global emissions probably just below 1.5 per cent of global emissions. That's quite a small number. The United Kingdom was slightly higher. It now is slightly lower. One can look at that sort of data and state, "Well, we're just small. We don't make very much of a contribution." Just yesterday I was meeting with the current scientific adviser to Chris Wright, who is the energy secretary under the current US administration. Steve Koonin has also done excellent work on these matters when he worked with Steven Chu, who was the energy secretary under the Obama administration. His perspective is very much that we are all small. Any contribution we make is negligible.

The Hon. MARK LATHAM: Not if you're China, India or the Americas.

NICHOLAS ROWLEY: Steve Koonin is only in this part of the world for a very short period of time —

The Hon. MARK LATHAM: The answer to my question is —

NICHOLAS ROWLEY: Let me finish.

The Hon. MARK LATHAM: I'm sure you talk to lots of people.

NICHOLAS ROWLEY: Then you can come back and I'll give you as much data as you can stomach. I'm just seeking now to respond to your question in terms of the principles

No. Question

that lie behind the question that you ask and why you ask it. Can you give me the floor to do that?

The Hon. MARK LATHAM: I'm running out of time. Nick, as head of the commission you must know the impact because it's the reason we're doing it.

NICHOLAS ROWLEY: All I'd say is—

The Hon. MARK LATHAM: You must have a number written up on your wall in big red letters.

NICHOLAS ROWLEY: We would be far more sophisticated given the quality of the staff that we employ at the Net Zero Commission. We wouldn't have such crude numbers pinned up on walls. But I would say that when one looks at any of the contributions that we might make to externalities and negative externalities, Steve Koonin is not walking down the street just throwing rubbish everywhere because he'll just turn around and say, "I'm but small and I can make no difference in terms of quite what happens in this part of the world with regard to all of the waste that is generated, because I'm only here for a week and I'm just one person. So I just don't need to do very much at all."

The Hon. MARK LATHAM: I understand the prisoner's dilemma underpinning of what you're saying, but what is the impact of New South Wales going to net zero on global surface temperatures? It's a very simple question which you've taken three minutes now to skirt around.

NICHOLAS ROWLEY: I actually think on one level it's quite an interesting question. In order to answer that question you'd have to undertake such an enormous piece of work, right, that would come up with a number that could be questioned from any perspective in terms of it actually describing the impact we might have.

The Hon. WES FANG: So much for the science being settled.

The Hon. JOHN RUDDICK: It's negligible.

NICHOLAS ROWLEY: But in principle if you reduce the emissions that are helping lead to the global climate problem, whether that is contributing to 1 per cent of emissions, or in the case of Australia 1.5 per cent, or anywhere else, one is still making a measurable contribution to reducing climate risk.

The Hon. MARK LATHAM: What is that measure? There's pensioners out there who can't afford to put their electricity on in the winter and are freezing, okay, because of these policies. You better come up with something that's measurable, justifiable and important to verify the fact that a lot of people are suffering here because of the cost impacts of more expensive electricity. So what is that number?

NICHOLAS ROWLEY: Can I just ask in response to that question—

The Hon. MARK LATHAM: What's that number? You must lie awake yourself in your own air conditioned house and think, "Well, other people are suffering. We better be doing something important here for surface temperatures."

The Hon. Dr SARAH KAINE: Point of order—

The CHAIR: I'll hear the point of order.

No. Question

The Hon. MARK LATHAM: I've been patient about getting an answer that's obviously not forthcoming.

The Hon. JOHN RUDDICK: He's embarrassed to answer.

The Hon. Dr SARAH KAINE: My point of order is just a reminder for everyone in the room about the procedural fairness resolution – making sure that we afford witnesses appropriate space to answer.

NICHOLAS ROWLEY: If you're serious about the question, can I ask for a reverse brief, whereby you clearly write down the question and I'm quite happy to take that on notice. I can give you the correct answer.

Answer:

Refer to the answer given to supplementary question 70 for the 24 February 2026 hearing for the Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage.

39. Koala translocation – Transcript page 62

The CHAIR: Mr Lean, can I ask you about the koala translocation and the report? The Minister mentioned it and said we would explore this a little bit more with yourself. When is the report due, or the review report?

ANTHONY LEAN: We've received the report. The response to the recommendations in that report will be finalised and it'll be released shortly after that.

The CHAIR: That's very good, but is that soon?

ANTHONY LEAN: I don't have a specific date for you, but I expect it will be very soon.

The CHAIR: Who's been responsible for undertaking that review? Who are those people?

ANTHONY LEAN: I might actually get Alex Graham to just talk that through.

ALEX GRAHAM: National Parks and Wildlife Service conducted the review and we have sought three independent peer reviews of that review report.

The CHAIR: Who are the independent reviewers?

ALEX GRAHAM: I will come back to you with that information.

Answer:

Please refer to the answer given later in the hearing, recorded on page 89 of the uncorrected transcript.

40. Climate Change Fund and power bills – Transcript pages 63-64

The Hon. WES FANG: Mr Lean, I wanted to come back to the levies that we are charging residential power users that the Minister indicated were published, but it turns out are hidden in the network costs. In terms of those charges, when did we start collecting them?

No. Question

ANTHONY LEAN: The scheme under the Climate Change Fund has been around since at least 2011, probably a number of years before then.

The Hon. WES FANG: Accepting that scheme has been around for a period of time, how long have we been deducting levies for the Climate Change Fund and also for the emissions reductions programs?

ANTHONY LEAN: I think we'll have to take that on notice to give you precise detail. The Climate Change Fund has funded a range of different things over time. Which particular emissions reduction activities are you referring to, specifically?

The Hon. WES FANG: The ones that you're taking out of residential power bills that are driving up the cost in a cost-of-living crisis. Those ones.

ANTHONY LEAN: I think if you have a look at the Climate Change Fund annual report, you'll see the details of what those programs are and maybe you could —

The Hon. WES FANG: Yes, the Minister said the same thing. However, it would appear that on checking, we can't see any reference to how much is taken out of residential power bills to fund the Climate Change Fund.

ANTHONY LEAN: Sorry, I was asking which programs, and then I was referring you to the report to identify which programs.

The Hon. WES FANG: What I'm asking you is how much are residential households funding the Climate Change Fund, and also for the emissions reduction programs out of their bills?

ANTHONY LEAN: This is where I'm getting a bit confused, because what are you actually referring to when you're talking about emissions reduction programs? I mean, they're all programs funded out of the Climate Change Fund. There's a mix of programs there around adaptation.

The Hon. WES FANG: Let me make it simple for you. How much are you taking out of people's —

ANTHONY LEAN: Happy to come back to you with that number.

Answer:

The Department estimates an average household contribution to the Climate Change Fund of \$19 per year between 2025-2035.

41. Climate Change Fund and population statistics – Transcript page 64

The Hon. WES FANG: Let's dive into that a little bit more. How do you work out what each levy will be on each of the distribution networks?

ANTHONY LEAN: It's allocated on the basis of population and market share as I understand it.

The Hon. WES FANG: In those circumstances, what is the levy for each of the three distribution networks?

ANTHONY LEAN: For Ausgrid, it's \$139.5 million; for Endeavour Energy, it's \$96.6 million; and for Essential, it's \$61.25 million.

No. Question

The Hon. WES FANG: What was Endeavour?

ANTHONY LEAN: Endeavour is 99.6.

The Hon. WES FANG: And Essential?

ANTHONY LEAN: It is 61.25.

The Hon. WES FANG: In terms of the way that those numbers are achieved, you said it's based on population in that network area. Is that correct?

ANTHONY LEAN: It's determined based on its share of the New South Wales market by population.

The Hon. WES FANG: What are the population figures that you're using to generate that number?

ANTHONY LEAN: My understanding is that we derive it from ABS statistics.

The Hon. WES FANG: Are you able to provide me that? The reason I'm asking is I just want to divide the amount of money by the people that you're using. I want to know whether you use the same figure across the board or whether there is a differential between what Essential customers are paying on a per head basis versus Endeavour or Ausgrid.

ANTHONY LEAN: The other point to remember with this is that distributors have been asked not to recover more than 25 per cent of those costs from household customers. You would need to factor that into your calculations when you divide by the population.

The Hon. WES FANG: And the population figures are?

ANTHONY LEAN: Off the top of my head, I don't know them. We'll take them on notice.

Answer:

The estimated population in each network area (based on Australian Bureau of Statistics population estimates for 2021–22) is as follows:

- **Ausgrid:** 3,830,740
- **Endeavour Energy:** 2,653,105
- **Essential Energy:** 1,681,886.

42. DCCEEW employee numbers – Transcript page 68

The Hon. JOHN RUDDICK: My question is to Mr Anthony Lean, Secretary of the Department of Climate Change, Energy, the Environment and Water. How many employees does your department have in total?

ANTHONY LEAN: I can get you the precise number. It's around 7,000 FTEs.

Answer:

Information about head count and full time equivalent employees is reported in the Department and agency annual reports. Published annual reports can be accessed via the Department and agency websites.

No. Question

43. DCCEEW employees and political activities – Transcript pages 69-70

The Hon. JOHN RUDDICK: Your executive director has helped raised funds alongside a sitting Federal MP for an organisation run by a former Greens senator which is aiming to stop a Federal Labor Minister from approving a mine. Is that impartial and apolitical, sir?

NICHOLAS ROWLEY: I think you might be stretching the bow a little far there. With all due respect to Will, whom I have deep respect for, I don't think there were too many more people, other than possibly friends and a few members of family, who may have attended that event to listen to what he might have said on a platform in relation to his perspective on conservation or climate change or whatever else he may well be talking about.

The Hon. JOHN RUDDICK: You did tell us at the last estimates that none of your employees at the Net Zero Commission is anti-mining. It does sound to me like Mr Will Rayward-Smith is anti-mining.

NICHOLAS ROWLEY: You may say that, but I don't know why you would conclude that.

The Hon. JOHN RUDDICK: Do you think he needs to be spoken to in any way to see that he doesn't attend political events? He's welcome to attend political events and fundraise, but not while he's an employee of your organisation.

ANTHONY LEAN: Could I just raise a question?

The CHAIR: Of course.

ANTHONY LEAN: Mr Rayward-Smith isn't here to respond to these criticisms.

The Hon. JOHN RUDDICK: His boss is.

ANTHONY LEAN: Is it appropriate? I think the appropriate thing is for this to be referred to the department to consider.

The Hon. JOHN RUDDICK: Budget estimates is here to have this discussion and to raise these questions. The code does say "must not act in ways that cast doubt on your ability, or the ability of your agency, to act impartially, apolitically and professionally".

ANTHONY LEAN: The code also says you can participate in public debate on political and social issues in a private capacity. There are certain measures you have to put in place. I think it's something that deserves a closer look by the department.

The CHAIR: If somebody wants to take it on notice or respond in a way, then the Committee obviously is very open to that. Mr Rowley?

NICHOLAS ROWLEY: I am – and working together with Anthony – quite happy to take it on notice. My understanding is that this was an event in relation to conservation matters in Tasmania. It actually didn't have anything to do with New South Wales. In that way, I don't think that Will attending that in any way was his association with the political party. I don't believe that the Bob Brown Foundation is a political party. I think it's an advocacy organisation.

No. Question

Answer:

The Secretary has discussed the circumstances of this matter with the Executive Director and no further action is necessary.

44. Shark management – Sydney beaches – Transcript pages 72-73

The Hon. JACQUI MUNRO: Thank you. The Minister wasn't quite sure about who had responsibility for sharks. I'm wondering if anybody else can put any specificity around who is responsible for shark management in Sydney Harbour.

ANTHONY LEAN: I haven't got anything to add to the Minister's answer. My understanding is it's Fisheries within DPIRD.

The Hon. JACQUI MUNRO: They said that it wasn't them. DPI said it was councils. Councils said, "No, it's not us." I'm just wondering if there is –

ANTHONY LEAN: I think it might depend on precisely what you're actually talking about. DPI, obviously, and Fisheries runs the shark-meshing program. I'm not sure who takes responsibility for issuing warnings on individual beaches. That might be where some of the confusion comes in. But the one thing I am certain of is it's not DCCEEW.

The Hon. JACQUI MUNRO: That's good. Certainty is good. Thank you.

Answer:

Refer to the answer given later in the hearing, recorded on page 89 of the uncorrected transcript.

45. DCCEEW annual report – insurance claims – Transcript page 73

The Hon. JACQUI MUNRO: There's a section in the budget relating to insurance in terms of claims. I was wondering about the property line. This is from the annual report of the department. There are 134 claims on property. The sum of net incurred costs is \$34.5 million. Only \$763,000 have been paid, with the sum of the latest estimate being almost \$34 million. I was just wondering how you're budgeting for that. What does that represent – those claims – and how do you account for that?

ANTHONY LEAN: Claims in the property space would generally come from two areas. We have responsibility in the Water Group of the department for the Hunter Valley Flood Mitigation Scheme, and that incurred some significant damage recently. And then a number of claims arise from damage caused by severe weather events in the national park estate. It takes time for the claims to be processed. We might have an initial assessment but it will take some time for the works to be completed and for the moneys to be paid to us. We manage that through carried-forwards et cetera, within the standard budget process, so it's not a big issue for us.

The Hon. JACQUI MUNRO: Do you expect that all of that is paid, those claims?

ANTHONY LEAN: I'd have to take that level of detail on notice.

Answer:

Not all claims are expected to be paid, with the estimates on claims disclosed as part of the FY 2024–25 annual report reflective of the expected sum of what the insurer

No. Question

foresees the claim could cost. Amounts paid will depend on the ongoing investigation and future assessment as part of the claims process and may increase or reduce depending on the scope of work and evidence.

Most property claims during FY 2024–25 were made by National Parks and Wildlife Service and related to bushfires and accidents/incidents.

46. DCCEEW annual report – data privacy breaches – Transcript page 73

The Hon. JACQUI MUNRO: Okay. If you could provide that detail for each line item there, which is referred to in table 20 in the annual report, that would be helpful. It's motor vehicle, property, miscellaneous, liability and workers compensation. There were also reports of data privacy breaches that occurred, two which ended up being considered notifiable, although there were 14 notifications. The report noted:

... recommendations were made to review and amend internal processes and policies to minimise the likelihood of similar incidents occurring again.

Could you please explain what those processes were?

ANTHONY LEAN: The complaints or the processes?

The Hon. JACQUI MUNRO: The recommendations made to review and amend internal processes and policies to minimise the likelihood of similar incidents occurring again.

ANTHONY LEAN: I'll have to take that on notice and get some more detail about the two specific reportable matters.

Answer:

The two data breaches identified in the Annual Report were assessed, and recommendations were made to strengthen controls where appropriate. The recommendations made to review and amend internal processes and policies to minimise the likelihood of similar incidents occurring again included:

- audits by the relevant business area of shared team files to identify and remove personal and health information of staff
- privacy training provided to relevant business areas
- review of staff offboarding processes to prevent private information from being retained by the Department
- review of IT and HR policies, accompanied by staff awareness and education, to clarify the requirements regarding use of departmental systems to store and share personal information.

47. DCCEEW annual report – sale of good and services – Transcript pages 73-74

The Hon. JACQUI MUNRO: Back to the budget or the annual report, there was a \$200 million shortfall in actual sale of goods and services from contracts with customers. I was wondering what that was attributable to.

ANTHONY LEAN: I'll take that one on notice.

No. Question

The Hon. JACQUI MUNRO: Thank you. Further, there was \$10 million additional to what was expected – so \$3 million was expected and \$13 million gathered – from retained taxes, fees and fines. I was also wondering –

ANTHONY LEAN: We'll take those on notice.

Answer:

The quoted shortfall figure of \$200 million should include Personnel Services Revenue of \$137 million. The remaining shortfall relates to budgeted Biodiversity offset credit revenue that did not go to market. There is a corresponding reduction in Biodiversity offset expenses.

The majority of the additional \$10 million revenue in the retained taxes, fees and fines category relates to water trading in water markets for environmental outcomes. This amount will fluctuate from year to year.

48. Essential Energy power outage – Transcript page 75

The Hon. JACQUI MUNRO: I'm just trying to understand how everything fits together, and the data centre strategy, what its purpose will be. Is it to guide decision-making through the IDA? Is it to provide information to you and your department about the priorities of energy, or how agreements should be made with data centre operators?

ANTHONY LEAN: I'm limited in what I can say because it is sort of a Cabinet-in-confidence process, but it is looking at some of the challenges that a large influx of data centres would present. But it is also thinking about how New South Wales can put its best foot forward to attract data centre investment. I think the policy development process that we're going through at the moment is trying to work out the best way to balance those two things. From our perspective, energy issues, water issues as well. On the other side, Infrastructure NSW and Investment NSW, which is part of the Premier's Department, are keen to get the investment in. We're all participating in that policy development process.

The Hon. JACQUI MUNRO: Fundamentally, I don't want to see that social licence is lost in a similar way to what we've seen in some regional communities with the energy rollout. Fundamentally, anything that can provide certainty and clarity is helpful in transparency. On a different issue, which was brought to my attention by Tanya Thompson, the member for Myall Lakes, about a planned power outage which occurred during active bushfires at Bulahdelah, apparently the decision was made by Essential Energy to continue the planned power outage during the bushfire. I'm wondering if this has come across anybody's desk to investigate.

ANTHONY LEAN: It's not something that I'm specifically aware of. Kim?

KIM CURTAIN: Not that specific instance.

The Hon. JACQUI MUNRO: Basically constituents were, reportedly to me, but I understand that Ms Thompson has spoken to these constituents directly, that they were left without internet, phones, the ability to pump water and basically were left bereft of any ability to use their energy systems. Is this something you would raise with Essential Energy directly?

No. Question

ANTHONY LEAN: We're happy to take it on notice and we can come back to you with a response.

Answer:

The community's concerns have been raised with the CEO of Essential Energy.

Customer complaints from residents and small businesses can be made to the NSW Energy and Water Ombudsman (EWON). EWON is the NSW Government-approved independent dispute resolution body for electricity and gas customers in NSW. EWON works with the customer and the energy business to resolve the customer's complaint. EWON can be contacted through the online form at ewon.com.au or by phone at 1800 246 545.

49. Greater glider den tree surveys – Transcript page 76

The CHAIR: Are you also aware of, in both Badja State Forest and Glenbog, the massive disparity between the greater glider den trees that the community found and the greater glider den trees that Forestry Corporation found? Are you undertaking any investigation to what appears to be, once again, a substantial failure in Forestry's den tree survey methodology?

STEPHEN BEAMAN: I think we'd be happy to take that one on notice, on the specifics of Badja and Glenbog.

TONY CHAPPEL: Certainly we communicate to the corporation any of those findings when we're satisfied and we receive them. But, yes, we'll take that on notice and give you a detailed answer.

Answer:

The EPA has received search and survey plans and post-survey search and survey completion reports for the following operations:

1. Glenbog
 - a. Compartments 2312A, 2313A, 2314A, 2315A
 - b. Compartments 2350A, 2351A, 2354A
 - c. Compartments 2336A, 2337A, 2338A
2. Badja
 - a. Compartment 2014A
 - b. Compartments 2017A, 2018A*

**The EPA has not received a search and survey completion report for this operation.*

The EPA has no information suggesting non-compliance with the Greater Glider Site-specific biodiversity condition for operations in planning, being undertaken or paused in Glenbog and Badja state forests.

50. Biodiversity offset scheme credits – Transcript pages 77-78

The CHAIR: Can I please ask about the current Biodiversity Offsets Scheme – I think that might be you, Mr Bruce. There are a bunch of threatened ecological communities,

No. Question

so what I am curious about is the credit discharge obligation. Obviously, the new changes under the law required that you had to purchase the credits, but we know those credits aren't available, or for many of them. Obviously, the ones I'm talking about are Southern Highlands Shale Woodland, the Robertson Basalt Tall Open-forest ecological community, Upland Basalt Eucalypt Forests community, the Illawarra — there's a few there. Warkworth Sands as well. Have credits been purchased for those difficult, threatened ecological communities?

BRENDAN BRUCE: Are you referring to payments made into the Biodiversity Conservation Fund?

The CHAIR: Yes, the fund.

BRENDAN BRUCE: I might ask Dr Giuliani to come up and speak to that as well.

ERIN GIULIANI: Thank you, Chair, for your question. I'd have to take those specific credit types on notice. I'm happy to take it on notice, and we can find out that information for you. You referred to the time frame by which the Biodiversity Conservation Trust must apply moneys paid into the fund to secure those credits, and now there's a new statutory requirement that that is three years. If we are unable to do that within those three years, we must make an agreement with the Minister.

We have now published on our website an agreement with the Minister to make sure that for any credits that are older than three years as at the end of 2025 and 2026 we have a plan in place to do that. This is the second time we've published that agreement. We are 99 per cent through the first agreement. We made an agreement with the Minister for securing credits that were above three years as at December 2025, and we are almost complete with that agreement. We are substantially through the second agreement with the Minister as well. We can provide that detail on notice, but I'd have to take the specific trading groups on notice.

The CHAIR: I'll give you a list of those TECs. Are you finding that you are actually finding the credits, or are you having to allocate the moneys to other projects?

ERIN GIULIANI: If we're unable to find the credits, we are able to use the offset hierarchy per the legislation, which has a number of steps available to the Biodiversity Conservation Trust.

The CHAIR: But in terms of money in the fund, have you been allocating that to other things rather than the credits unavailable?

ERIN GIULIANI: If we weren't able to find a credit, because it wasn't value for money or it wasn't available, and we were able to use a variation rule, we would be purchasing a credit within those variation rules or we would be establishing a conservation action project. There are certain credits where, if we are unable to find a like-for-like credit, we must go straight to a conservation action, and generally that's under the EPBC Act.

The CHAIR: With those conservation actions, are they visible on the website? Is that what you're saying in terms of the agreement? Can people see?

ERIN GIULIANI: The agreement is our plan for how we will deal with the credits that are older than three years. I'd have to check on notice, but I don't think it specifies —

The CHAIR: No, I don't think it does.

No. Question

ERIN GIULIANI: It specifies the type of credit, but in our annual report we do publish — and this was one of the recommendations from the Auditor-General's report in 2022 — how we are anticipating to apply variation rules or conservation actions in a forward-looking sense. We can come to you on notice with some information in that respect.

Answer:

The conservation actions are available on the NSW Biodiversity Conservation Trust website at: www.nsw.gov.au/departments-and-agencies/dcceew/nsw-biodiversity-conservation-trust/news/biodiversity-offsets-fund-20-million-critical-conservation-projects.

Refer to the answer given to supplementary questions 145 to 154 for the 24 February 2026 hearing for the Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage.

51. **Blueberry testing** – Transcript pages 78-79

Ms CATE FAEHRMANN: I just wanted to turn to questions about blueberries and the statement that the EPA issued with the NSW Food Authority on 3 October 2025, which stated:

The NSW Government has confirmed there is no evidence that blueberries from northern NSW are unsafe to eat.

Mr Chappel, should I direct this to you?

TONY CHAPPEL: Yes, and I might refer it to one of my colleagues with some more detail, but absolutely.

Ms CATE FAEHRMANN: Are you aware of the basis on which the Government made that assertion in terms of the tests undertaken?

TONY CHAPPEL: I might refer this one to my colleague, Mr Beaman.

STEPHEN BEAMAN: Thanks for the question, Ms Faehrmann. When the labs get the samples for testing, they do a pesticide scan, so you can see a chemical signature for each of the samples that were tested. There were samples taken through that period, and we were able to historically go back and get the labs to pull those scans out. We didn't detect those pesticides that were identified in the ABC media.

Ms CATE FAEHRMANN: Who provided the testing? Who did FreshTest provide the data to from that?

STEPHEN BEAMAN: FreshTest?

Ms CATE FAEHRMANN: Yes. That's the industry testing provider.

STEPHEN BEAMAN: They do their own testing. They take it to their accredited labs, and we ask the labs for the data.

Ms CATE FAEHRMANN: So that was from the provider FreshTest from the industry at the same period, and the statement says that there was no evidence of thiometon residue on any berries tested?

STEPHEN BEAMAN: Correct.

No. Question

Ms CATE FAEHRMANN: Was thiometon tested for?

STEPHEN BEAMAN: It was in the pesticide scan, yes.

Ms CATE FAEHRMANN: I would assume FreshTest wouldn't normally test for thiometon because it's not legally available — as in it's illegal to use.

STEPHEN BEAMAN: The lab does a test for a whole range. I think the labs we ask to do it can do up to 600 or 700 different pesticides, and so we can go back through the historical scans and get an assessment done on that data.

Ms CATE FAEHRMANN: The EPA was critical of the test undertaken by the researcher at the SCU, and I think that the methodology and analysis used were not accredited for testing fresh fruit such as berries. Why is that important?

STEPHEN BEAMAN: We were trying to be very careful not to be critical of other people's work, but there are standard test methods that need to be used, and the test methods that were used weren't the standard test methods.

Ms CATE FAEHRMANN: A scientist, though, undertaking environmental investigation — the assertion that I've read is that in fact they tested for even smaller traces than what FreshTest would have. That's correct?

STEPHEN BEAMAN: No. We can't rely on those test methods because we're not sure what the preservation techniques were and what material was tested, the fruit or the skin. There are standards to test against, and they're the standards we all need to rely on, and those standards weren't used.

Ms CATE FAEHRMANN: But the lab results showed that the thiometon was present.

STEPHEN BEAMAN: It may have been a contamination issue in that lab because we can't guarantee that the process and the preservation techniques were the appropriate ones. Just because you take a sample doesn't make it accurate.

Ms CATE FAEHRMANN: We've also asked some questions of the EPA around the various testing that has been undertaken, the sampling in the Mid North Coast areas. You've got that compliance blitz that has been happening. One of the supplementary questions to the last budget estimates I asked was whether blueberries were tested for dimethoate and, if so, what the results were. The answer provided was:

Yes. Dimethoate was detected on samples obtained by the EPA. However, there were no indications of unlawful use of Dimethoate.

We've asked for specifics. The results of the tests, in other words, was the question that we asked, and whether the blueberry samples were within the legal residue limits for dimethoate. I think that's the question. As we know, the AVPMA has recently increased the kind of risk threshold or application.

STEPHEN BEAMAN: The withholding period time, for 14 days.

TONY CHAPPEL: We can certainly take it on notice and get you the detail. It might have been an environmental sample, but let us just confirm.

Answer:

The EPA undertook fresh produce sampling at several farms in November 2025 as part of a broader compliance campaign. As the samples were collected on-farm prior to

No. Question

sale, it was not appropriate to compare results against the maximum residue levels (MRLs), which apply at the point of sale once any relevant withholding periods have elapsed.

Dimethoate residues were detected in five of the nine blueberry samples collected. All detections were below the applicable MRL. Dimethoate was not detected in the two blackberry samples collected

Separately, the NSW Food Authority conducted a retail sampling program in November 2025, testing 80 blueberry and 20 raspberry samples available for sale. All residues detected in those retail samples were below the relevant MRL. A summary of the NSW Food Authority's findings is available at: www.foodauthority.nsw.gov.au/news/general-news/science-shows-nsw-berries-safe-eat.

52. Broken Hill mining air quality incident – Transcript pages 79-80

Ms CATE FAEHRMANN: I don't have much more time left so I want to go to another issue, of an underground mine fire that took place at Perilya's silver, lead and zinc mine in Broken Hill in January last year. I have evidence in front of me that the EPA didn't undertake any air monitoring that whole time. Is that correct?

STEPHEN BEAMAN: That's correct.

Ms CATE FAEHRMANN: Why is that?

STEPHEN BEAMAN: That would have been a decision for the incident management team that attended that incident. The primary regulator in that air space is the Resources Regulator.

Ms CATE FAEHRMANN: Residents were complaining. I've seen ABC Broken Hill followed this up a few times with the Minister's office. Residents and workers complained of a bad taste in their mouth and toxic smell. In fact, Fire and Rescue advised residents to stay indoors. So when does the EPA step in, to say, "Maybe we should test what's going on"?

STEPHEN BEAMAN: We work as part of the incident management team. Whoever had the lead on that – either the Resources Regulator or Fire and Rescue – we give them advice at the time and there would have been a discussion at that point. But Fire and Rescue's standard advice for people when there is a major fire is "Close your windows and doors and stay inside until the smoke passes".

Ms CATE FAEHRMANN: Any issue when they've still got a bad taste in their mouth a week later?

STEPHEN BEAMAN: I don't know. I wasn't told that.

Ms CATE FAEHRMANN: Mr Chappel?

TONY CHAPPEL: I'm listening to you carefully, because this certainly is not a fire that I have been directly aware of. We can go back and check, but I'm not aware that we've had those concerns raised with us by the community.

Ms CATE FAEHRMANN: So either Fire and Rescue or the Resources Regulator says to the EPA, "You're not required." Is that how it works? The EPA doesn't say, "No, I think

No. Question

we should be going and testing. We want to make sure everything's okay in terms of air quality"?

STEPHEN BEAMAN: It's a pretty a pretty collaborative discussion, in the way that operates. Fire and Rescue have a lot of their own air-testing equipment that they use and they can deploy.

Ms CATE FAEHRMANN: They didn't do that, though.

STEPHEN BEAMAN: But they do have that equipment also.

Ms CATE FAEHRMANN: So no-one tested?

TONY CHAPPEL: We can confirm that.

Ms CATE FAEHRMANN: Can you follow up on that?

TONY CHAPPEL: Yes.

STEPHEN BEAMAN: Yes.

Answer:

During the fire that occurred in the underground workings at Perilya Southern Operations in Broken Hill, in January 2025, the EPA liaised with NSW Fire and Rescue, who were monitoring the air quality and providing advice to the community.

In the week following the fire, the EPA worked with the licensee in reviewing their air quality monitoring, which continued to be taken at the ventilation shaft.

53. DCCEEW staff code of conduct – Transcript pages 80-81

The Hon. WES FANG: Mr Rowley, I have two questions for you. The first question is do you ever provide short answers?

NICHOLAS ROWLEY: I'll leave that for you to judge, but I try.

The Hon. WES FANG: If I was to judge it, I'd suggest not, but that's the reason I asked the question.

Ms CATE FAEHRMANN: Says Wes Fang.

The Hon. WES FANG: I do appreciate the irony. I was just curious, given that I think Hansard is going to run out of ink publishing your responses to some of the questions. The other question that I had for you is in relation to an answer you gave to the deputy chair around the questions that he was asking. I believe you indicated that in terms of whether the code needed to be followed or not – and I'm paraphrasing – given that there was only the attendees that were listed, plus maybe one or two others, it didn't really matter. Is it the case that the New South Wales Government's employee code is relevant depending on how many people attend? Or is it the case that it applies in all circumstances, no matter how many people might attend an event?

NICHOLAS ROWLEY: I would do one of either two things. What I'm going to do first is I can take that on notice, because it's a detailed question in relation to a code which I have a familiarity with, but it's not as if I've got it sitting in front of me that I can comment on. I may ask Anthony if he has any reflections on that, given his position.

No. Question

ANTHONY LEAN: I was going to say for the benefit of the Committee that I'm actually the employer of the staff of the Net Zero Commission; the chair isn't the employer. This is the first I've heard of this matter today. I'm not going to express a view today, but I'll take it on notice.

The Hon. WES FANG: That's fair enough. I accept that, Mr Rowley. I was just curious as to the bracketing and what the extremities were of the response — at what point do you actually think it was appropriate or not. Perhaps on notice we can get an answer to that.

Answer:

Refer to the answer given to question on notice 43 for the 24 February 2026 hearing for the Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage.

54. Transgrid synchronous condensers – Transcript pages 81-83

The Hon. WES FANG: Mr Lean, I did question the Minister previously about the issue of synchronous condensers and the direction that the Minister gave to Transgrid in relation to the purchase of five synchronous condensers. I note that the Minister came back to me with a response that in part answered some of the components of the question that I asked. But I would contend that the answer that she then provided gave cause for me to ask further questions. In the response that she gave me, she indicated that the ministerial direction, as published in the Government Gazette that I tabled, and the Minister signed on 12 September 2025, was not the whole picture. If that Government Gazette doesn't contain the whole picture, where can we find the whole picture around the direction to Transgrid around the purchase of synchronous condensers?

ANTHONY LEAN: I don't recall the Minister saying earlier today that that wasn't the whole picture. I think she said, in my recollection, was there may be some ambiguity in the direction. Certainly, what I can tell you is the tender sought to procure a minimum of 950 MVA fault level contribution at the point of connection at each of the five locations. Each point of connection at each site will have two synchronous condensers. That provides a 950 MVA fault level, it provides at least 1,500 megawatts of inertia and delivers continuous reactive power capability equal to 40 per cent of its MVA rating.

The Hon. WES FANG: That definition as you've provided to me is different to what is in the Government Gazette, which talks about a single unit having no less than.

ANTHONY LEAN: I think this is the point about the ambiguity, and we're happy to clarify that. I think where you were going with this was because it's 10 syncons, it must be more expensive. It's worth pointing out that these were procured as part of a procurement process. This proposal that was accepted by Transgrid — I actually had to approve the contract as well — was the best when you weighted price and non-price criteria.

The Hon. WES FANG: Acknowledging that, the definition that you've read from is different to what is in the Government Gazette. When was that definition produced?

ANTHONY LEAN: Sorry, these are the notes that have been provided to me for the purposes of today's hearing. When you look at the direction, there's some complexity

No. Question

with the way different provisions interact. That's the ambiguity that I think is being referred to.

The Hon. WES FANG: You said "procurement" and I think you talked about a tender. Where are those documents available for us to peruse?

ANTHONY LEAN: I'll need to take that on notice. It was a joint activity where my team was involved in that along with Transgrid as well. I'm not sure whether we hold the documents and make them publicly available given that it's commercial in confidence.

The Hon. WES FANG: Is it fair to say that by Transgrid's own admission in the release that I tabled, which had the number two in the top right-hand corner, which was the article or news release that talked about their ability to secure from GE a number of smaller synchronous condensers two years earlier — I believe that was around October; it might've been later October — the original documents that were provided to Transgrid were mirroring the Government Gazette documents and that Transgrid came back to you with a proposal to vary it to be two smaller synchronous condensers instead of one at each location? Is that the history of where we are?

ANTHONY LEAN: I can confirm that on notice, but my understanding is that the tender provided for that flexibility. We wanted to get the best solution from price and non-price criteria. There are a lot of advantages with smaller syncons. There are less logistical challenges and potentially more flexibility in terms of operation as well. That flexibility was in the tender, and that particular proposal to go with the 10 from one of the suppliers was the one that was preferred.

The Hon. WES FANG: In terms of the answer you have just provided, can I glean that they provided two proposals to you — one that satisfied the requirement for five synchronous condensers of a minimum of 1,500 somethings, as per the document that was published in the Government Gazette, and the alternate, which was 10 smaller units that they thought they could procure earlier? Is that a fair assumption?

ANTHONY LEAN: I'll have to take that away. I'll take that on notice and get the specifics for you. What I would say is it is not unusual, when you run tender processes, to have a detailed specification but to also give bidders the option to bid an alternate, which may, in fact, meet your overall objectives in a far more effective and better way. Whether that's what happened here, I'll have to confirm that.

The Hon. WES FANG: I'm sure you can remember though. We're only talking about four months ago. It's not like it's something that's —

ANTHONY LEAN: I wasn't part of the tender process. I approved the ultimate thing.

The Hon. WES FANG: Now I'm confused. I'm pretty sure you indicated that you approved —

ANTHONY LEAN: I approved the contract, yes.

The Hon. WES FANG: I'm assuming that if there were variations to the proposal that were asked for by the Minister, you would need to know about that and indicate that. You've also indicated that you had to balance issues such as cost, availability and seeking to meet the guidelines or the task at hand.

ANTHONY LEAN: I didn't say any of that part that you just said at the end.

No. Question

The Hon. WES FANG: You did say that there were balances around cost and availability and the like. Then you talked about how the proponent could perhaps provide a better solution, so I assume you're balancing things around whether it provides a better solution or not. In that circumstance where you're balancing issues, one might presume that you have a number of proposals in front of you, not just one.

ANTHONY LEAN: Can I just clarify that? What I said was I will need to come back to you on the specifics of this proposal. It's not unusual, when large tenders like this are run, that you'll have a very clear specification but then the option of bidding an alternative proposal that meets the objectives. That's what I said. I will come back to you and confirm exactly what the situation was.

The Hon. WES FANG: In that circumstance, could you take on notice — given that I could keep going down this path but might as well ask you to provide it to me on notice — the number of proposals that were put forward by Transgrid, whether they had pricing for the five synchronous condensers as specified and the additional 10 that were smaller, whether they provided you the pricing for those units and the delivery times? I'm trying to understand now at what point did we commit to these synchronous condensers, knowing that we were going to have to keep Eraring open.

ANTHONY LEAN: I'm not sure what the connection is there, but I'll take that on notice.

The Hon. WES FANG: I can explain to you what the connection is. The connection is that we are now having to pay for these synchronous condensers, even though Eraring will remain open until at least 2029. In those circumstances, as we've indicated with the \$600 million that consumers are having to pay for in relation to renewable energy projects, we are now going to be hit with these synchronous condensers that are effectively not required because we are continuing to keep Eraring open until at least 2029. I want to know what this is costing us — this little experiment where we keep ordering stuff and keep trying to patch holes and have the consumer pay for it.

ANTHONY LEAN: I think it's a mistake to assume that it's one or the other — that you can keep Eraring open and therefore you will never need synchronous condensers. This is an issue where we need to plan for synchronous condensers within the renewable energy zones as well. At some point, all of the coal-fired power stations are going to go, and synchronous condensers are an important part of a modern renewable grid. There are other technologies emerging, which AEMO and Transgrid are working through at the moment —

The Hon. WES FANG: Grid-forming batteries.

ANTHONY LEAN: — but I don't think it's right to suggest that we could just ditch the synchronous condensers because Eraring is potentially going to stay open for another two years. They could still theoretically close before the nominated closure date of April 2029.

The Hon. WES FANG: Mr Lean, you could well be right. However, in circumstances where we are potentially paying over and above what we needed to to have these 10 synchronous condensers arrive earlier than the five that were specified, as per the article from Transgrid, how much extra are we paying for those synchronous condensers to arrive early when, ultimately, Eraring remaining open will provide that grid stability? That's effectively what it does in its operation.

No. Question

ANTHONY LEAN: There's effectively a two- to three-year lead time to secure synchronous condensers at the moment. It is a very tight supply chain. To be frank, we don't have the luxury of waiting. We need to take the steps now. That's what the Government has done and made those decisions based on where they were at at the time. Previously, it was understood that Eraring was shutting, when this agreement was entered into, in April 2027.

The Hon. WES FANG: Mr Lean, again, you could well be right. Maybe that is the priority of the Government. However, the Government's priority means that New South Wales energy consumers may be — and I don't know; this is why I'm asking the question about how much we've paid — having to pay for the failed rollout from this Government and the continued rush and scramble around issues like synchronous condensers. When I ask these questions, they are asked with intent. They are asked with a specificity in mind. The fact that you've had to take on notice a contract that was settled maybe four or five months ago, because you apparently can't remember, seems to me to be somewhat problematic.

ANTHONY LEAN: No.

The Hon. WES FANG: Anyway, we'll wait for the answers to come back on notice. That's okay.

ANTHONY LEAN: You're asking me very detailed questions, which I'm not comfortable answering on the spot. I am happy to take them on notice.

Answer:

The procurement of synchronous condensers for the System Strength project was a closed tender process administered by Transgrid and overseen by the Department of Climate Change, Energy, the Environment and Water. The procurement report on the outcomes of this tender is commercial-in-confidence.

The tender documentation sets out the technical specifications related to system strength. The performance requirement was for a minimum of 950 MVA fault level contribution at the point of connection at each of the five locations.

Bidders were invited to provide proposals that could meet the performance specifications. These proposals were then competitively assessed by an evaluation committee, with representation by the Department, and according to an evaluation plan approved by the Department. This evaluation plan included non-price and price criteria.

The evaluation committee recommended GE Vernova as its proposal had the highest overall score. GE Vernova's proposal also had the highest score for price criteria. This proposal met the required performance specification by supplying 10 synchronous condensers, with two units at each of the five locations.

The Australian Energy Regulator made staff available to observe the tender and has determined the competitive tender process was genuine and appropriate.

55. Coal ash – Transcript page 84

Ms ABIGAIL BOYD: Good afternoon. I start by asking about my favourite topic: coal ash. It's probably a question for you, Mr Chappel. What has the EPA done so far in relation to

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all of the actions that were assigned to it in relation to the Government's response to the coal ash inquiry from back in 2019-20?

TONY CHAPPEL: All the EPA's actions are complete. I think the NSW Health-led study, which I mentioned earlier this morning, is not yet finalised. But we expect that to be finalised this year as well.

Ms ABIGAIL BOYD: What about the independent assessment and environmental impacts?

TONY CHAPPEL: I'm almost certain all the EPA's actions are complete, but perhaps I can get you some more detail on notice on that specific one.

Ms ABIGAIL BOYD: Yes, I haven't seen it published. If I could see it, that would be excellent.

Answer:

The assessment report for the Lake Macquarie study is complete and can be found on the EPA website.

56. Energy Security Corporation – Transcript page 84

Ms ABIGAIL BOYD: Probably back to you, Mr Lean, and the \$1 billion of the Energy Security Corporation. Has any of it been spent as yet?

ANTHONY LEAN: My understanding is that they are in discussions with a number of potential projects, but they haven't yet closed a deal at this point.

Ms ABIGAIL BOYD: So not yet.

ANTHONY LEAN: They only started officially on 1 July last year, so the board was only appointed then. They do have a period of time to ramp up.

Ms ABIGAIL BOYD: The \$1 billion was assigned to the corporation before it was established. We've been following it for a number of years.

ANTHONY LEAN: It is spread over a couple of years.

Ms ABIGAIL BOYD: But no money has been spent. Where does that \$1 billion live at the moment? In terms of the budget, where does it sit?

ANTHONY LEAN: Can I take that one on notice?

Ms ABIGAIL BOYD: Yes. I'm just curious. Is it in a fund somewhere? Is it earning money? What's happening with it? Is it a notional \$1 billion?

ANTHONY LEAN: It's held in a special purpose account that Treasury oversees.

Answer:

The \$1 billion funding for the Energy Security Corporation (ESC) is currently invested in a dedicated investment trust in the NSW Government OneFund and is generating returns for Government. The OneFund is managed by NSW Treasury and TCorp.

As of 6 March 2026, only \$20.9 million has been drawn down into the ESC Operational Fund to establish an operating balance and to fund current and prior year expenses.

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57. Gas decarbonisation roadmap – Transcript page 84

Ms ABIGAIL BOYD: In relation to the gas decarbonisation road map, why is the industrial sector, namely small to medium industries, not included within the scope of the gas decarbonisation road map?

ANTHONY LEAN: I'm not sure. I might see if my colleague Ms Curtin is able to answer that.

KIM CURTAIN: What was the question? Who's not included, did you say?

Ms ABIGAIL BOYD: Yes. The small to medium industries are not included within gas decarbonisation within the road map.

KIM CURTAIN: I'll double-check with the team. I don't think it's right that they're not included. There's a number of different elements to the decarbonisation road map. We've got three stages that we're working through. The first stage is really looking at providing clarity of the role of gas in New South Wales during the transition and looking at key challenges around managing gas adequacy. Stage two is focusing on households and businesses, in particular, to reduce reliance on gas through electrification and energy efficiency. That would bring in smaller businesses as well. Stage three is looking at the broader issues of transition, like the issues around declining gas customer base, how we'll be following completion of the stage two reforms, and how we work through those issues that arise.

Ms ABIGAIL BOYD: That doesn't accord with my understanding that the road map will only include gas decarbonisation pathways for households and small businesses but will exclude small to medium industries such as food, beverage, leather and paper, which predominantly use gas for heat processing, which is about 12 per cent of New South Wales's gas total use. Are they included?

KIM CURTAIN: We do have a number of programs focused on that area. Maybe I'll take on notice – I can give you the specifics. But there are a number of programs that do provide support for that part of the market. I'll take it on notice and give you the specifics.

Answer:

The roadmap will include small to medium industries.

58. Coal ash and Eraring – Transcript pages 84-85

Ms ABIGAIL BOYD: Just back on coal ash – probably for you again, Mr Chappel – with the announcement that Eraring is going to stay open a couple of years later, what consideration has been given to the additional amounts of fly-ash that we're going to have coming out of that station? Do we think that the existing dam – they had that extension a couple of years back that the Government half paid for. Do we think that that is now going to be sufficient and the extent of how much ash dam storage they'll need?

TONY CHAPPEL: Our current understanding is it will be. I think a large proportion of that new ash is being re-used directly. But let me give you a detailed answer on notice.

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Ms ABIGAIL BOYD: Perhaps also on notice — I've been very keen to follow what's happening with the wall safety at Eraring. I understand that a lot of the risk and the focus has gone away because there's no longer the Myuna Bay rec centre sitting in the path of where the coal ash would come if there was to be an accident. Has there been any more recent reports from the dams safety commission or anything else that can give us an indication of what that's looking like at the moment?

TONY CHAPPEL: I'm very happy to take that on notice.

Answer:

Origin Energy is required to ensure coal ash generated at the Eraring Power Station is managed appropriately through to its planned closure in 2029. Origin's Long Term Ash Management Strategy includes measures to minimise ash accumulation, such as maximising ash reuse, selecting suitable coal feedstock and completing the construction of a new ash recycling facility to ensure there is adequate storage during its operations.

Under the EPA's regulatory oversight, Origin is required to report regularly on coal-ash production and the volumes recovered for beneficial reuse. In 2024–25, Origin reported that approximately 61% of ash produced at Eraring was recycled, with Origin remaining the largest recycler of coal ash in NSW.

The Eraring Ash Dam is a declared dam under the *Dams Safety Act 2015*. Questions about dam integrity and safety should be referred to the Minister for Water.

59. EPA realignment – Transcript page 85

The CHAIR: Can I ask Mr Chappel about the EPA staffing issues, to the extent you can assist the Committee. What's the actual cost savings of the initial restructure to the labour employee cap?

TONY CHAPPEL: I may have to take the specific numbers on notice, Chair. I'll just see if I have —

The CHAIR: That's no problem. Another similar one is: What is the actual cost savings of the finalised restructure to the labour employee cap?

TONY CHAPPEL: Sure.

Answer:

The new EPA structure will be implemented in late April 2026. Labour employee cap figures will form part of our annual financial statements in the 2026–27 Annual Report.

60. Horse management – Transcript pages 87-88

The Hon. WES FANG: I've got two questions, which I reckon I can get off in two minutes. How many brumbies have we shot?

ANTHONY LEAN: I'll have to take that on notice. There hasn't been — the only activity that's been happening is in the removal zones. It's only been occurring as part of a broader pest control program. So there's been no removals in the —

The Hon. WES FANG: When you say "removals", do you mean live removals or not?

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ANTHONY LEAN: No horses have been aerially shot in —

The Hon. WES FANG: Thank you.

ANTHONY LEAN: I can actually give you a number if you just give me a moment. Alex has got the number.

ALEX GRAHAM: Are you referring specifically to Kosciuszko?

The Hon. WES FANG: Yes. Why? Where else have you shot brumbies?

ALEX GRAHAM: We have programs in other parks.

The Hon. WES FANG: That's fine.

ALEX GRAHAM: We've removed 9,198 horses from KNP.

The Hon. WES FANG: And that's since —

ALEX GRAHAM: I'll have to take that on notice.

The Hon. WES FANG: No worries.

ANTHONY LEAN: The number you're specifically interested in is since —

The Hon. WES FANG: Since we repealed the wild horse heritage bill.

Answer:

Five horses have been ground shot and killed as a part of wild horse control operations since the Kosciuszko Wild Horse Heritage Repeal Bill 2025 was passed by NSW Parliament on 27 November 2025.

9,198 horses were removed since the adoption of the Kosciuszko National Park Wild Horse Heritage Management Plan in November 2021 to 1 February 2026.

61. Land clearing on crown land – Transcript page 88

The Hon. WES FANG: Thank you.

The CHAIR: Mr Chappel, I'm just going to go back in particular to alleged unlawful land clearing in the Narromine-Dubbo area, particularly on public land. I think we've had a previous discussion quite a while ago about it. I'm just curious, has the EPA undertaken any investigative work about land clearing on public lands in those Narromine and Dubbo areas?

TONY CHAPPEL: The EPA regulates Crown forestry and State forests, and then private native forestry on private land, but we're not the appropriate regulatory authority for land clearing on public land outside forestry operations.

The CHAIR: Does the EPA ever receive complaints about it?

TONY CHAPPEL: We certainly would, but we'd share them with the relevant colleagues in the department who are probably the appropriate regulator. I'm happy to take any other specifics on notice.

Answer:

The EPA does receive occasional complaints regarding land clearing, which are triaged and assessed to determine if the EPA is the relevant regulator (such as in cases

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involving a forestry operation). These matters are then referred to the appropriate regulatory authority, such as Crown Lands or the Biodiversity and Heritage Regulator at the Department of Climate Change, Energy, the Environment and Water, and the informant is advised about who the matter has been referred to.

62. EPA complaint referrals to DCCEEW – land clearing – Transcript page 88

The CHAIR: Mr Lean, are you aware of any complaints that you've received from the EPA through their environment line that they've referred onto you, about clearing of Crown lands, travelling stock routes, and so forth?

ANTHONY LEAN: I'm not aware of any specific complaints, but I'll defer to my colleague, Mr Bruce.

BRENDAN BRUCE: We'll have to take that one on notice. I'm not aware of anything.

The CHAIR: I'm very interested to know if specific allegations of land clearing from the financial year starting 2023 to now, whether you have received any referrals of complaints and concerns from the EPA, or direct from the public, particularly in that Narromine local government area, and, if so, whether there's been any investigations around that.

BRENDAN BRUCE: Yes, we can take that on notice.

Answer:

Since FY 2023–24, five reports of land clearing have been received in the Narromine Local Government Area. Three of those reports were about the same alleged clearing event, with two of those made by the EPA. The Department investigated all matters.

63. State of the Environment reporting - native mammals – Transcript page 89

ANTHONY LEAN: That was that. Just on sharks, just to clarify, as well as councils having a role in providing warnings and assisting with public safety, National Parks would also have a role in that, which went to Ms Munro's question. She also asked what did "limited" mean in terms of the information reliability standard for native mammal population and distribution, in that SOE report. The limited indicator reliability is used where the data coverage is patchy and uneven in quality, or there may be some inconsistencies in the supporting information, so caution is needed in considering the ratings and interpretations. That's actually in the SOE report.

The Hon. JACQUI MUNRO: My question, just to be clear though, wasn't about what it meant; it was whether there were any measures or policies that were being undertaken to address that it was limited.

ANTHONY LEAN: Okay. We'll come back to you on that one.

Answer:

Refer to the answer given to question on notice 33 for the 24 February 2026 hearing for the Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage.