

## NSW Legislative Council

### Portfolio Committee No. 4 – Regional NSW

## Inquiry into the Impact of Renewable Energy Zones (REZ) on Rural and Regional Communities and Industries in New South Wales

### Supplementary Responses – Riverina and Murray Joint Organisation (RAMJO)

*Submitted by:*

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### Statement of Representation

These responses are provided in my capacity as Chair of the RAMJO Energy Sub-Committee and draw upon regional-level considerations identified through many informal conversations and collaboration across member councils.

However, they do not constitute a formally binding or unanimous position of all constituent councils within the Joint Organisation. They do not represent a mandate gained through a formal report to the RAMJO Board, and subsequent voting leading to resolutions.

Individual councils retain their statutory autonomy and may hold and have expressed differing positions on matters addressed in this submission.

Nothing in this response should be construed as limiting, fettering, or otherwise affecting the legal rights, functions, or discretions of any individual council to make independent representations, advocate for local interests, or lodge separate submissions to this Inquiry or any other statutory or policy process.

***1) Should Joint Organisations be formally embedded in REZ governance legislation?  
If so, how?***

Yes.

Joint Organisations (JOs) represent the only statutory regional governance bodies capable of aggregating **cross-boundary impacts**, infrastructure constraints, and

cumulative socio-economic effects. Their current advisory role is insufficient relative to the scale and pace of REZ development, as is their funding arrangement/s.

***Recommended reform:***

- Amend relevant REZ or EnergyCo enabling legislation to formally recognise JOs as regional coordination authorities.
- Require mandatory consultation and concurrence mechanisms at key decision points (REZ declaration, access rights allocation, transmission corridor planning).
- Provide JOs with **resourcing and statutory standing** to undertake regional infrastructure and cumulative impact assessments.

***2) Should EnergyCo be required to obtain Joint Organisation endorsement before final access rights allocation?***

Yes, with a structured ‘concurrence or escalation’ model.

Without regional endorsement, access rights are being **granted in a fragmented manner** that does not reflect infrastructure capacity or community tolerance.

***Recommended approach:***

- Introduce a requirement for JO endorsement or formal advice before final allocation.
- Where disagreement occurs, a **transparent** escalation pathway to the Minister should be triggered, supported by documented regional evidence.

***3) Should cumulative impacts be assessed region-wide before additional access rights are granted?***

Yes, this is currently the most **critical gap** in the system.

Approvals are being assessed project-by-project, while **impacts (roads, water, housing, workforce, services) are cumulative and regional.**

***Recommended reform:***

- Mandate Regional Cumulative Impact Statements (RCIS) as a precondition to further access rights releases.
- RCIS should cover:
  - Transport networks (including OSOM impacts)
  - Water supply and wastewater

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- Housing and workforce accommodation
- Social infrastructure and services
- Environmental and land-use fragmentation

***4) Should there be a cap on concurrent large-scale renewable construction activity within a single REZ?***

Yes.

Unconstrained concurrency is creating peak-load stress on infrastructure and communities that is neither planned nor funded.

***Recommended reform:***

- Establish a staged delivery framework with:
  - Caps based on infrastructure capacity thresholds
  - Sequencing aligned to infrastructure upgrades
  - Workforce and accommodation capacity modelling

***5) Should developers be required to fund permanent water infrastructure upgrades prior to construction?***

Yes.

Temporary solutions (e.g. carting water) **externalise costs onto local roads** and communities, while permanent infrastructure is often deferred or unfunded.

***Recommended reform:***

- Require ‘infrastructure first’ obligations:
  - Permanent, compliant water supply infrastructure must be delivered prior to construction.
  - **Costs borne by proponents, not councils.**
- Align with a ‘no net burden on local government’ principle.

***6) Should essential service capacity assessments (health, policing, RFS) be mandatory prior to project approval?***

Yes.

Current **approvals do not adequately consider** the surge demand placed on already-constrained regional services.

***Recommended reform:***

- Mandatory Essential Services Impact Assessments (ESIA), including:
  - Health system capacity
  - Emergency services (RFS, SES, Fire & Rescue)
  - Policing and community safety
- Binding commitments for developer contributions to service uplift where impacts are identified.

***7) Should host communities receive guaranteed discounted energy pricing?***

Yes.

**Host communities currently bear disproportionate impacts** without commensurate long-term benefits.

***Recommended reform:***

- Introduce a legislated ‘host community tariff’:
  - Discounted electricity pricing for residents and businesses within REZ host LGAs.
- This would materially improve social licence and regional equity.

***8) Should distributed energy and community batteries be prioritised within REZ host communities?***

Yes.

REZ regions should not remain energy exporters with **limited local benefit**.

***Recommended reform:***

- Mandate a proportion of REZ investment into:
  - Community batteries
  - Local distributed generation
  - Grid resilience improvements
- Prioritise local energy reliability and affordability outcomes.

***9) Should transmission costs be structured to prevent disproportionate impacts on regional consumers?***

Yes.

Regional consumers should **not face higher costs to host infrastructure** that primarily benefits metropolitan demand.

***Recommended reform:***

- Implement equitable cost allocation models:
  - Avoid **locational price penalties** for host regions
  - Consider socialisation of transmission costs at a broader network level

***10) Should large industrial energy users contribute directly to transmission infrastructure funding?***

Yes.

Large-scale industrial users are primary beneficiaries of increased generation capacity.

***Recommended reform:***

- Introduce a beneficiary-pays model:
  - Contributions from large energy users toward transmission infrastructure
  - **Reduce reliance on generalised cost recovery from smaller consumers**

***11) What single legislative reform would most improve fairness and accountability in the REZ rollout?***

***Recommended reform:***

Mandating Regional Cumulative Impact Statements (RCIS) as a statutory prerequisite to access rights allocation.

This reform would:

- Align approvals with real infrastructure capacity
- Provide transparency
- Enable evidence-based sequencing of development
- **Prevent cost-shifting to local government** and communities

***12) What should be the minimum enforceable community benefit for large renewable energy projects?***

A legislated, standardised Community Benefit Framework, including:

- Per-megawatt annual contributions to a regional fund (as well as the current localised yield)
- Direct funding for:
  - Local infrastructure upgrades
  - Workforce housing
  - Community services
- Transparent governance, with JO involvement

Importantly, benefits must be:

- Enforceable (**not voluntary**)
- Consistent across proponents
- In addition to impact mitigation obligations

***13) Should a temporary pause on new access rights be considered until cumulative impacts are resolved?***

Yes.

A **short, targeted pause** may be warranted to restore planning integrity.

***Rationale:***

- Current trajectory risks long-term infrastructure deficits
- Enables completion of regional impact assessments
- Allows alignment of infrastructure funding and sequencing

***14) Should the project modification process be tightened to prevent substantial post-approval changes without a new EIS?***

Yes.

The current modification pathway is being used to introduce material changes that were not originally assessed.

***Recommended reform:***

- Define clear thresholds for ‘substantially different development’
- Require a new Environmental Impact Statement (EIS) where **thresholds are exceeded**

- Strengthen **transparency** and community consultation requirements

**15) Should non-disclosure agreements in neighbour agreements be regulated or prohibited statewide?**

Yes, regulated at a minimum, with strong consideration for prohibition.

**NDA's are undermining transparency and community trust.**

**Recommended reform:**

- Prohibit NDAs that:
  - Prevent disclosure of environmental, health, or amenity impacts
- Alternatively:
  - Standardise agreements
  - Require independent legal oversight
  - **Ensure minimum rights and protections for landholders**

## Closing Statement

The REZ program represents a once-in-a-generation economic and energy transition opportunity. However, in its current form, it is placing **disproportionate strain** on rural and regional communities, infrastructure systems, and local governments.

The consistent theme across these responses is the need to shift from:

- **Project-by-project approvals**  
to
- **Regionally coordinated, infrastructure-led planning**

Without this shift, the risk is clear: long-term financial, social, and infrastructure liabilities will be borne by communities least able to absorb them.

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