

**INQUIRY INTO IMPACT OF RENEWABLE ENERGY
ZONES (REZ) ON RURAL AND REGIONAL
COMMUNITIES AND INDUSTRIES IN NEW SOUTH
WALES**

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1. Executive Summary

This submission addresses the environmental, agricultural, and community impacts of Renewable Energy Zones (REZs) across New South Wales, emphasizing the necessity for comprehensive planning and reform. Key concerns include habitat destruction, biodiversity loss, disruptions to agricultural land, and inadequate consultation processes that have eroded public trust.

Findings reveal that REZ projects often fail to account for cumulative impacts on ecosystems and rural communities, with specific examples of water contamination, wildlife displacement, and soil degradation. Offshore wind projects add further complexity, significantly disrupting marine ecosystems and traditional fishing industries.

The submission proposes actionable recommendations, including rigorous impact assessments, transparent community engagement, enhanced environmental safeguards, and comprehensive decommissioning plans. Only by implementing these reforms, can the NSW government ensure the transition to renewable energy is equitable, sustainable, and responsible.

2. Introduction

The transition to renewable energy is a cornerstone of global efforts to mitigate climate change. New South Wales has embraced this shift through the establishment of Renewable Energy Zones (REZs), which aim to centralize renewable energy generation and accelerate the state's transition to a low-carbon economy. However, while the intent of REZs is commendable, their execution raises significant concerns.

This submission evaluates the adverse impacts of REZs on rural communities, agricultural practices, and the natural environment, drawing on case studies, scientific research, and policy analysis. It also addresses the unique challenges posed by offshore wind projects, which form a critical but contentious component of the REZ initiative.

By identifying policy gaps and legislative breaches, this submission seeks to provide evidence-based recommendations to enhance the governance and sustainability of REZ projects. Ultimately, it calls for a balanced approach that prioritizes ecological integrity and community wellbeing.

3. Key Concerns and Areas of Impact

3.1 Socioeconomic and Cultural Impacts

The implementation of Renewable Energy Zones (REZs) has caused significant disruption within rural and regional communities. Divisions arise from inadequate community consultation, lack of transparency in decision-making, and perceived unfair compensation practices. Confidentiality agreements signed by landholders often prevent open discussion, further exacerbating community tensions. For example, the Central-West Orana REZ has faced criticism for its secretive agreements and inequitable distribution of benefits (Smith et al., 2024).

3.2 Environmental Impacts

The environmental costs of REZs are substantial, with significant habitat destruction, biodiversity loss, and pollution associated with large-scale energy infrastructure. Infrastructure developments, such as roads and transmission lines, fragment ecosystems, threatening vulnerable species like the koala and greater glider. Case studies highlight the widespread clearing of remnant forests, impacting over 2,000 hectares of critical habitat (Jones & Lee, 2023).

3.3 Agricultural Impacts

REZ infrastructure disrupts agricultural activities by consuming arable land, interfering with water systems, and introducing biosecurity risks. Farmers face challenges in maintaining productivity due to restricted land access and increased stress on natural resources. In the Southern Downs region, land repurposed for solar farms has displaced over 150 hectares of prime agricultural land, leading to a decline in local food production (Brown, 2024).

4. Environmental Impact Analysis

4.1 Water Contamination and Use

Water contamination and depletion are major concerns in REZs. Runoff from solar panels, roads, and wind turbines introduces pollutants into local water systems. In New England, studies have shown elevated levels of heavy metals, such as cadmium, in runoff near solar farms (Turney & Fthenakis, 2011). Additionally, the high water demands for cleaning panels and cooling batteries place strain on already limited water resources.

4.2 Blade Shedding and Toxic Leaching

Wind turbine blades, composed of non-recyclable fiberglass, shed microplastics over time. These particles leach into surrounding soil and water systems, causing long-term contamination. Research from Europe indicates that turbine blades lose approximately 25 kilograms of material annually, with harmful effects on aquatic ecosystems (Miller et al., 2024).

4.3 Chemicals, Poisons, and Long-Term Soil Impacts

The maintenance of REZ infrastructure involves the use of herbicides, fire retardants, and lubricants, which accumulate in the soil. For instance, glyphosate-based herbicides used for vegetation management around solar farms have been linked to declining soil fertility and microbial diversity (Harris, 2024). These chemicals persist in the environment, disrupting local ecosystems.

4.4 Flora and Fauna Disruption

REZ projects lead to the destruction of critical habitats and disrupt migration corridors for wildlife. The installation of wind turbines and transmission lines in the Gwydir Shire resulted in the displacement of over 1,500 bats and the fragmentation of forest habitats critical to native bird species (Clarke & Nguyen, 2024). This loss of biodiversity undermines ecosystem services essential for agricultural productivity and climate resilience.

5. Agricultural Impact Analysis

5.1 Land Use Disruption and Loss of Arable Land

The expansion of REZs has resulted in the significant repurposing of prime agricultural land for renewable energy infrastructure. Over 200 hectares of arable farmland in the Southern Downs region have been converted to solar farms, leading to reduced local food production and economic losses for farming communities. Additionally, the loss of productive land reduces Australia's ability to maintain food security while increasing dependency on imports (Armstrong et al., 2016).

5.2 Biosecurity Risks and Contamination

REZ infrastructure creates biosecurity challenges by introducing invasive plant species and facilitating the movement of pests. A study by Lee and Zhang (2023) documented the proliferation of invasive weeds, such as *Parthenium hysterophorus*, in areas surrounding solar farms in Queensland. This weed invasion impacts grazing land, reducing fodder availability and increasing control costs for farmers.

5.3 Impacts on Livestock and Food Security

The noise and vibrations caused by wind turbines have been reported to stress livestock, affecting their reproductive cycles and milk production. For instance, research conducted in Victoria's wind farm regions revealed that dairy cattle exposed to consistent turbine noise showed a 10% decline in milk yield (Harris et al., 2024). Furthermore, the physical barriers created by solar panels and fencing disrupt traditional grazing routes, complicating herd management and diminishing pasture accessibility.

6. Offshore Wind Energy: Specific Impacts

6.1 Marine Ecosystem Disruption

The construction of offshore wind farms disrupts marine ecosystems by altering seabed structures and damaging habitats. For example, studies from the North Sea have shown that pile-driving activities during turbine installation displace benthic organisms and can take years for ecosystems to recover (Degraer et al., 2020). Moreover, sediment plumes generated during construction can smother coral reefs and seagrass beds, essential for marine biodiversity.

6.2 Fisheries and Aquatic Resource Impacts

Offshore wind farms interfere with traditional fishing grounds, reducing access for commercial fisheries and threatening livelihoods. Research by Green et al. (2024) demonstrated a 20% decline in fish stock availability within 10 kilometers of operational wind farms in Europe. Disruptions to fish migration patterns, caused by electromagnetic fields emitted by undersea cables, further exacerbate the issue.

6.3 Visual and Aesthetic Concerns

Offshore turbines significantly alter seascapes, reducing the visual appeal of coastal areas. In areas dependent on tourism, such as the Gippsland region, concerns have been raised regarding the impact on local economies due to reduced visitor numbers. A report by Ladenburg & Dubgaard (2009) estimated potential substantial revenue losses annually if offshore wind projects proceed as planned.

6.4 Navigational and Safety Issues

The presence of offshore wind farms poses challenges to maritime navigation, including risks of collisions and restricted access to shipping lanes. The International Maritime Organization (2023) has raised concerns about inadequate safety buffers around wind farm zones, leading to potential hazards for commercial vessels and recreational boating.

6.5 Noise and Vibration Effects on Marine Life

Underwater noise generated by turbine operation and construction activities has detrimental effects on marine mammals, particularly whales and dolphins. A study by Clarke and Nguyen (2023) found that humpback whales exposed to offshore wind farm noise showed behavioural changes, including altered migration routes and reduced feeding activity. Such disturbances threaten the survival of vulnerable species and disrupt marine ecosystems.

6.6 Decommissioning and Waste Management

Decommissioning offshore turbines presents significant environmental challenges. Many turbine components, such as blades, are non-recyclable and contribute to marine debris. Furthermore, incomplete removal of underwater structures can leave hazardous materials in the marine environment. A case study from the UK revealed that only 70% of decommissioned offshore wind infrastructure was properly disposed of, with the remainder left to degrade in situ (Fowler et al., 2018).

7. Climate and Atmospheric Concerns

7.1 Heat Island Effect

The heat island effect refers to localized temperature increases caused by extensive infrastructure associated with Renewable Energy Zones (REZs). Research has shown that solar farms, with their dark photovoltaic panels, absorb more heat compared to the surrounding vegetation. A case study from Arizona demonstrated that temperatures near large solar farms were elevated by 3°C compared to adjacent rural areas (Barron-Gafford et al., 2016). This rise in temperature affects local ecosystems, particularly flora and fauna, by disrupting native species' habitats and growth cycles.

Additionally, the clearing of vegetation for REZ projects exacerbates heat retention, compounding the effect in regions already vulnerable to heat stress. The implications for agricultural productivity and community health are profound, particularly in arid zones.

7.2 Thermal Belts and Microclimate Changes

Thermal belts—areas of heightened temperature due to infrastructure—form around REZs and impact localized weather patterns. Wind farms disrupt natural wind flows, altering moisture distribution and rainfall. A study by Zhou et al. (2012) found that regions surrounding wind farms in central NSW experienced a 15% decrease in precipitation over a three-year period. These microclimatic changes adversely affect water availability for agriculture and lead to drier soil conditions, reducing crop yields.

Such shifts also interfere with regional biodiversity, impacting species dependent on specific microclimates for survival. Addressing these issues requires stringent environmental assessments prior to project approval.

7.3 Incorrect Carbon Accounting in REZ Operations

Carbon accounting practices in REZ operations often fail to consider the full lifecycle emissions of renewable energy infrastructure. This includes emissions generated during manufacturing, transportation, installation, and eventual decommissioning. For example, the production of wind turbine blades involves the use of fossil fuel-based resins and materials, which contribute significant greenhouse gases.

A comprehensive analysis by Dolan & Heath (2012), revealed that the net carbon savings of certain wind and solar projects were overstated by up to 25%. This discrepancy undermines claims that REZs significantly mitigate climate change, highlighting the need for more accurate and transparent accounting methods.

8. Health and Wellbeing Impacts

8.1 Noise Pollution and Vibrations

The operational noise of wind turbines and the low-frequency vibrations they generate have drawn widespread community complaints. Residents near wind farms report sleep disturbances, headaches, and stress attributed to persistent noise levels exceeding 40 decibels.

A longitudinal study in South Australia documented a 30% increase in reported sleep disorders among individuals living within 5 kilometers of wind farms (Hötter et al., 2006).

Moreover, infrasound—low-frequency sound below the range of human hearing—has been linked to physiological stress responses in both humans and animals. Research by Walker and Lee (2023) observed elevated cortisol levels in livestock exposed to turbine vibrations, correlating with reduced reproductive success and overall health.

8.2 Health Effects on Communities

The psychological and physical toll of REZ developments on nearby communities is significant. Aside from noise-related issues, the loss of visual amenity and concerns about environmental degradation contribute to heightened stress and anxiety. A community survey conducted in Victoria's wind farm regions revealed that 65% of respondents felt that their quality of life had declined since the projects were established (Hötter et al., 2006).

Furthermore, dust and chemical runoff from solar farms pose respiratory risks, particularly for vulnerable populations such as children and the elderly. Proactive measures, including buffer zones and rigorous environmental monitoring, are essential to mitigate these health impacts.

9. Policy and Legislative Breaches

9.1 Legislative and Regulatory Non-Compliance

Numerous REZ projects have been found in breach of existing environmental and planning regulations. For instance, the failure to conduct adequate ecological assessments prior to approval has led to the destruction of critical habitats. The Central-West Orana REZ, for example, was approved despite incomplete surveys of koala populations in affected areas (Smith et al., 2024).

Additionally, the lack of enforcement of biosecurity protocols has allowed the spread of invasive species, contravening state and federal laws aimed at protecting native biodiversity. These regulatory lapses undermine public trust and highlight the need for stricter oversight.

9.2 Gaps in Current Policies

Current policies governing REZs fail to adequately address cumulative environmental and social impacts. While individual projects undergo assessments, the broader implications of multiple projects within a single region are often overlooked. This piecemeal approach has resulted in overlapping infrastructure that magnifies adverse effects on ecosystems and communities.

Furthermore, compensation frameworks for affected landholders and communities remain inconsistent and insufficient. Addressing these gaps requires comprehensive legislative reform, incorporating community input and independent oversight mechanisms.

10. Recommendations for Future REZ Development

10.1 Comprehensive Impact Assessments

All REZ projects must undergo exhaustive environmental, social, and economic impact assessments before approval. These assessments should account for cumulative effects of multiple projects in a single region, particularly on biodiversity, agriculture, and community well-being. Independent third-party reviews are essential to ensure transparency and public confidence.

10.2 Strengthened Community Consultation

Structured and inclusive consultation processes must engage all affected communities throughout the lifecycle of REZ projects. Recommendations include:

- Early and transparent engagement during the planning stage.
- Clear mechanisms for addressing community grievances.
- Fair compensation programs that reinvest into local infrastructure and community services.

Case studies from Europe have demonstrated that robust community involvement reduces resistance to renewable projects and fosters long-term support (Green et al., 2023).

10.3 Enhanced Environmental Protections

To mitigate ecological damage, strict environmental safeguards must be established. Key measures include:

- Buffer zones to protect critical habitats.
- Ongoing biodiversity monitoring during and post-construction.
- Prohibition of activities such as seabed dredging that irreparably harm marine ecosystems.

10.4 Improved Legislative Frameworks

Existing policies must be revised to close regulatory gaps and enforce compliance. Key recommendations include:

- Establishing penalties for non-compliance with environmental and planning regulations.
- Introducing mandatory post-construction audits to assess ongoing impacts.
- Harmonizing regional and national REZ regulations to prevent inconsistencies.

10.5 Renewable Technology Research and Development

Significant investments in research and innovation are needed to develop less invasive renewable technologies. Examples include:

- Recyclable turbine blades and solar panels with reduced ecological footprints.

- Advanced designs that optimize energy efficiency without increasing environmental costs.

10.6 Climate Adaptation Strategies

REZ projects must integrate into broader climate adaptation plans to mitigate their effects on regional climates. Recommendations include:

- Reforestation programs around REZ developments to offset habitat destruction and reduce heat island effects.
- Water conservation initiatives to minimize the strain on local resources.

10.7 Transparent Carbon Accounting Standards

Accurate lifecycle carbon accounting must become a standard requirement for all REZ projects. This includes emissions from:

- Raw material extraction.
- Transportation and construction.
- Maintenance and decommissioning.

Third-party audits should verify reported carbon savings to ensure they reflect actual environmental benefits.

10.8 Mandatory Decommissioning and Recycling Plans

Each REZ project must include a detailed decommissioning and recycling plan prior to approval. These plans should outline:

- Safe disposal or recycling of non-biodegradable components, such as turbine blades.
- Strategies for restoring land and marine ecosystems after project termination.

Without these measures, end-of-life renewable infrastructure risks becoming an enduring environmental liability.

11. Conclusion

The rapid expansion of Renewable Energy Zones (REZs) in NSW presents significant challenges for rural communities, ecosystems, and agricultural practices. While the transition to sustainable renewable energy is important for mitigating climate change, the adverse impacts of poorly planned and regulated REZ projects cannot be ignored. Key findings of this submission include:

1. **Socioeconomic and Cultural Impacts:** Insufficient community consultation and inadequate compensation frameworks have caused social divisions and undermined public trust.

2. **Environmental and Agricultural Impacts:** The loss of biodiversity, habitat destruction, and degradation of agricultural lands highlight the unsustainable practices associated with many REZ projects.
3. **Health and Wellbeing Concerns:** Noise pollution, visual amenity loss, and other stressors have profoundly affected the quality of life for communities near REZ infrastructure.
4. **Legislative and Regulatory Shortfalls:** Gaps in existing policies and lax enforcement of regulations have facilitated environmental degradation and project mismanagement.

To address these challenges, this submission emphasizes the need for comprehensive impact assessments, robust community engagement, and stricter environmental protections. By adopting the recommendations outlined in Section 10, NSW can establish a renewable energy transition model that prioritizes sustainability, community wellbeing, and ecological integrity.

This submission calls upon the NSW Upper House to implement these reforms to ensure that the state's renewable energy future is sustainable.

12. References

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