

Submission  
No 69

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

**Organisation:** Tamworth Regional Council

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Portfolio Committee No. 4 – Regional NSW  
Via Online Submission

Dear Committee Members

### **INQUIRY INTO THE IMPACT OF RENEWABLE ENERGY ZONES ON RURAL AND REGIONAL COMMUNITIES AND INDUSTRIES IN NEW SOUTH WALES**

Ref: CF/AS/GV/DocSet ID:2542643

Tamworth Regional Council (Council) commends this Inquiry and appreciates the opportunity to provide this submission.

Council is generally supportive of renewable energy initiatives with *Blueprint 100: Our Community Plan 2023-2033* recognising the need to “increase the take up and use of affordable and clean energy across the region”. However, Council recognises that renewable energy projects can also have a significant impact on local communities. This is reflected in Council’s response to the Terms of the Inquiry below.

#### **Cumulative Impacts**

Only a very minor portion of the Tamworth Regional Local Government Area (LGA) is included in the New England Renewable Energy Zone (REZ). However, the Tamworth LGA will host the New England REZ Transmission Project as well as a range of other renewable energy projects, including solar, wind and battery storage. A number of state significant renewable projects *outside* of the New England REZ boundaries are proposed within the LGA and Council is aware of *at least* 30 renewable energy projects that will utilise both state and local roads in the Tamworth region for the movement of renewable energy infrastructure including OSOM (Over Size Over Mass) to enable their projects to proceed. Therefore, a significant volume of heavy vehicle, (in particular, OSOM) traffic is expected through the Tamworth LGA via the New England Highway over a period spanning at minimum the next 10-20 years for both New England REZ and non-REZ renewable energy projects.

Significant cumulative impacts are anticipated to occur within the Tamworth Regional LGA, with particular emphasis on traffic, workforce, housing (discussed below), and construction materials. The concerns with cumulative impacts have been repeatedly raised with the Department of Planning, Industry and Housing (DPHI), EnergyCo and renewable energy proponents; however, no meaningful assessment of cumulative impacts is undertaken as part of the state significant development assessment process. Rather, oversimplified conditions of consent require the preparation of “strategies” that do not provide practical real-world solutions. Furthermore, these strategies are often renewable centric, overlooking cumulative impacts associated with other construction projects and employment generators, such as the significant agricultural manufacturing industry in the Tamworth Regional LGA.

It is recommended that the NSW Government undertake robust, meaningful, and comprehensive region-wide assessments of the cumulative impacts of renewable energy projects as part of the state-significant development assessment process.

## Temporary Workers Accommodation

It is evident that there is a housing crisis in New South Wales, with rental vacancy rates at all-time lows and housing affordability a significant issue for regional communities. In the Tamworth Regional LGA alone, 1,150 households (4.9%) are already in need of affordable housing (*Tamworth Regional Housing Strategy 2024*). Essential worker housing is also of critical importance, with the Legislative Assembly Select Committee on Essential Worker Housing being established to inquire into and report on options for essential worker housing in New South Wales.

It becomes increasingly difficult to address housing supply, when renewable energy projects are approved that directly compete for building resources and contend for limited rental vacancies. The use of short-term accommodation is not a viable solution. Already within the Tamworth Regional LGA, the lack of housing results in motels and other short-term accommodation being occupied for long periods of time for the exclusive use of construction workers and/ or emergency accommodation. This reduction in short-term accommodation directly impacts tourism, and the on-going viability of events tourism, upon which the Tamworth regional economy depends.

From Council's perspective, it appears that although the NSW Government identifies housing and renewable energy as priorities, these are often treated as separate issues, despite their clear interactions and co-dependencies.

## Adequacy of Community Benefits and Voluntary Planning Agreements

There is a clear and valid expectation that renewable energy companies, including proponents of battery energy storage systems and those delivering transmission infrastructure on behalf of the government, ensure that councils and their local communities are appropriately financially recognised and compensated for these impacts.

The recent Benefit Sharing Guideline released as part of the Renewable Energy Planning Framework does not provide an adequate level of community compensation. In particular, the provision of direct "neighbourhood benefits" are a private matter between the developer and landowner. These should be established separately by the proponent and be considered as contributing to the overall benefits provided to the broader community via voluntary planning agreements.

The Benefit Sharing Guideline also excludes certain electricity generating and electrical infrastructure development, which have similar community impacts as other renewable projects. These types of development should be required to commit to similar financial compensation.

## Community Engagement and Consultation

Community engagement is an essential component of any project; however, the increasingly common side-effects of this engagement include:

- Significant community division and conflict between supporters and opponents of a renewable project;
- Consultation fatigue due to the large number of projects in the region;
- Heightened community fear, stress and anxiety with uncertainty of projects over a long period of time (the Hills of Gold windfarm proposal was under assessment for in excess of six (6) years);
- Lack of understanding around the decision-making process and the community's ability to influence a project; and
- A cumulative loss of trust in government at all levels.

Some recommended improvements to the community engagement process include:

- Real engagement with landowners rather than just the statutory minimum;
- A mandatory limit on permissible amendments to Development Applications for state-significant renewable energy projects to a maximum of two iterations before final determination by DPHI and/or the Independent Planning Commission; and
- Post-determination actions by the proponent (anonymously if required) to improve community morale damaged through the application process, which should be undertaken immediately and separately from any other benefit sharing arrangement.

## **Decommissioning Bonds**

The current Renewable Energy Planning Framework provides minimal guidance around decommissioning and places the burden on property owners to obtain financial securities from developers. It is not considered good practice to place the ultimate responsibility for decommissioning on property owners. It is recommended that the NSW Government establish best practice guidelines for remediation and require payment of cash bonds by the project owners to the NSW Government, similar to the system used for large mining projects.

## **Other Matters**

### Impact on Prime Agricultural Land

Agricultural land is the backbone of rural and regional communities and supplies essential food and fibre to the Australian population. This is highlighted by Objective 2 of the *New England North West Plan 2024* to protect the viability and integrity of rural land, with the New England and North West region containing some of Australia's most efficient farming land, producing around a fifth of NSW's agricultural output.

Contrary to the NSW Government's commitment to the protection of primary production, renewable energy projects are continually proposed and approved on prime agricultural land resulting in the loss and/or impairment of this finite resource. It is recommended that the NSW Government amend the relevant state legislation to prohibit renewable energy projects on land considered as prime agricultural land as identified on state agricultural land mapping.

### Impact on Council Staff Resources

Council is currently aware of at least thirty renewable energy projects in different stages of project development that are either located within the Tamworth Region or will impact Council infrastructure and communities. Council officers across the organisation are required to provide technical information and strategic level advice covering a significantly broad range of disciplines to the proponents, their consultants, and to state government agencies, in particular the DPHI and Transport for NSW. Council's Development Planners have the greatest involvement, acting as internal 'manager' of the renewable project, which depletes their availability to undertake the assessment of all other Development Applications.

It is recommended that the DPHI allocate qualified, experienced town planners from its departmental ranks to relocate to rural and regional areas to act as the local council Planning officer responsible for the review of all Development Applications for State Significant renewable energy projects, with this initiative funded by the NSW Government.

It is also considered that local government should have the ability to charge the proponent of a state significant development an hourly rate for the considerable time spent providing advice on each and every renewable energy project.

### Expansion of the Renewable Energy Planning Framework to all Renewable Projects

Although Council has concerns with some aspects of the Renewable Energy Planning Framework, the principle of establishing an overarching, consistent approach to the assessment of renewable energy projects is welcomed.

Currently the Renewable Energy Planning Framework only applies to state-significant development, which creates an uneven assessment process for other small-scale renewable projects. It is recommended that the Renewable Energy Planning Framework be expanded, at minimum, to include regionally significant development.



## Conclusion

Should you require any further clarification on the matters raised in this submission please do not hesitate to contact Council's Manager – Future Communities, Andrew Spicer, on .

Yours faithfully

Gina Vereker  
**Director – Liveable Communities**

Contact: Andrew Spicer

31 January 2025