

REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON STATE DEVELOPMENT

**FEASIBILITY OF UNDERGROUNDING THE TRANSMISSION
INFRASTRUCTURE FOR RENEWABLE ENERGY PROJECTS**

CORRECTED

At Armidale Bowling Club, Armidale, on Thursday 27 July 2023

The Committee met at 10:30.

PRESENT

The Hon. Emily Suvaal (Chair)

Ms Cate Faehrmann

The Hon. Wes Fang

The Hon. Stephen Lawrence

The Hon. Aileen MacDonald

PRESENT VIA VIDEOCONFERENCE

The Hon. Mark Buttigieg

The Hon. Cameron Murphy

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The CHAIR: Welcome to the third hearing of the inquiry of the Standing Committee on State Development into the feasibility of undergrounding the transmission infrastructure for renewable energy projects. I acknowledge the Anaiwan people, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us here today. Today we will hear from a number of stakeholders. I thank everyone for making the time to give evidence to this important inquiry.

Before we commence, I make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, the House has authorised the filming, broadcasting and photography of Committee proceedings by representatives of media organisations from any position in the room, and by any member of the public from any position in the audience. Any person filming or photographing proceedings must take responsibility for the proper use of that material. This is detailed in the broadcasting resolution, a copy of which is available from the secretariat.

While parliamentary privilege applies to witnesses giving evidence today, it does not apply to what witnesses say outside of their evidence at this hearing. I therefore urge witnesses to be careful about comments they may make to the media or to others after they complete their evidence. Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. In that regard, it is important that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily.

All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. If witnesses are unable to answer a question today and want more time to respond, they can take a question on notice. Written answers to questions taken on notice are to be provided within seven days. If witnesses wish to hand up documents, they should do so through the Committee staff. In terms of the audibility of the hearing today, I remind both Committee members and witnesses to speak into the microphone. As we have members attending via videoconference, it may be helpful to identify whom questions are directed to and who is speaking. Finally, would everyone please turn their mobile phones to silent for the duration of the hearing.

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Mr GRANT PIPER, President, Uarbry Tongy Lane Alliance, and Farmer, Coolah District, Central-West Orana Renewable Energy Zone, affirmed and examined

Mr MARK FOGARTY, Director, Bushtricity, and Advisor, Responsible Energy Development for New England [ReD4NE], sworn and examined

Dr JOHN PEATFIELD, Deputy Chairman, Responsible Energy Development for New England, sworn and examined

The CHAIR: I welcome our first witnesses. Would any of you like to start by making a short statement? Please keep it to no more than a couple of minutes.

JOHN PEATFIELD: Thank you. I thank members of the standing committee for coming to Armidale to speak with us. You're the first Government representatives who have come to see us. ReD4NE stands for Responsible Energy Development for New England. It's a community alliance representing 12 community groups, from Nundle in the south to Ben Lomond in the north. The impact of overhead transmission lines cannot be segregated from the holistic picture for New England with cumulative impact.

New England has been allocated eight gigawatts of transmitted energy, which means about 15 gigawatts of wind, solar, battery, pumped hydro and associated transmission lines, hubs and substations. This is significantly greater than any other REZ. The mix, we understand, is 65 per cent wind and 30 per cent solar. This translates to around 1,500 wind towers and roughly 9,000 hectares of solar panels, plus overhead transmission lines and five hubs. Approximately 900 of these towers and much of the transmission lines are in a 50-kilometre radius of Uralla, which is incredible density, all on productive agricultural land.

There has not been a proper cumulative impact study done for the New England REZ, which is what we require. The terms of reference should be environmental, particularly for land clearing and its consequences; agriculture; resources; traffic, remembering that all infrastructure has to come via the New England Highway from Newcastle; social impact; visual impact; rental affordability; waste management and landfill; Indigenous cultural landscape; noise; compliance with wind and solar guidelines; and social licence. This, we believe, should have been done before the designation of the REZ.

Take resources, for example. For wind towers alone—1,500 wind towers—there is a requirement of some 1.6 million tonnes of sand cement aggregate and reinforcement steel, and 135 million litres of water. We simply haven't got these resources. For traffic for the New England Highway, which is the only artery, for wind towers alone—excluding all the other infrastructure—we estimate 18,000 oversized, over-mass vehicle movements, 1.1 million B-double movements, 380,000 semitrailer movements and 1.85 million light vehicle movements. This, we believe, will gridlock the New England and Oxley highways and damage the byroads.

For the environment, we have overwhelming amounts of land clearing and its consequences proposed for overhead transmission lines and the rest of the infrastructure. The corridors proposed cross known koala habitats, particularly in the local area, in the Balala and Boorolong area. We have a very delicate eucalypt environment on the western side of the highway and remnant vegetation only on the eastern side, over which transmission lines cross. Firstly, we need a proper cumulative impact study for the whole of New England with the above terms of reference and, we believe, a reduction in the allocation for New England to some three gigawatts, which we believe we may be able to handle. Thank you.

MARK FOGARTY: I would probably just like to back up a bit what John has covered. We are obviously not energy economists. We don't bring to the table in-depth knowledge of the RET and all of the other methodologies that are employed in considering this major infrastructure. We don't come with the same clarity as the AER in terms of looking at the regulatory side. But what I think is very useful is the opportunity—and I think John started that—to put in context what the situation is up here and in doing so just reflect on where the community sits in relation to the rollout. I didn't have the benefit of looking at the transcript from Tumut but looking at the transcript from Macquarie Street we certainly back up many of the explanations given by Andrea Strong and also Ted Woodley, and Jim Cox from the regulatory side. We acknowledge that expertise.

We are five years into this decentralisation. As John has introduced, ReD4NE is certainly not opposed to decarbonisation. We've got our protocols attached. But our message to the Committee today is that it's not working. The transition has got very much bogged down. That's pretty evident when we read the media and, I guess, very much why you are here and why Andrew Dyer is going to exercise his inquiry going forward. The problem is very much one about speed skating. I think that what we are all looking at now, as this energy transition goes forward, is the haste that was taken by the previous State Government in rolling out the REZs and in rolling out the whole transition.

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What broke down and what let them down was clearly governance, and that was in two ways. Certainly, institutional governments, in terms of the establishment of EnCo—it was a very quick energy company. It was a very quick energy decision that was made. It was primarily resourced with people straight out of Planning. So what we did was we took one, I guess, bureaucratic psychology and put it into EnCo. That has then resulted in a lot of what's been happening because Planning people tend to run very much based on the old wind wars that occurred back in 2014 down in the Southern Highlands. Around that era was a thing called the DAD principle, which was decide, announce and then defend. Ultimately, that's what becomes the principal by which they deal with planning rollout.

The planning Act itself has been around since 1979. It was started by Bob Carr in the Wran Government and it's just been added to. It's basically an old beach shack with lots of little rooms and things that are added, with lots of ISEPPs and lots of things like that. But it's not fit for purpose. It's a development Act; it's not a planning Act. As John alluded to, I do reflect on Andrew Dyer and the transcript from Sydney, where he talked about the fact that we have a lack of top-down planning. We'd say top-down, bottom-up planning was really what was necessary. Nobody looked at place and people, even the ISP that was put out by AEMO that was, obviously, in 2018, 2020 and 2022. Quite evident in that was the fact that AEMO was handing over to the State Government the responsibility for people and place, and that just hasn't happened.

So we've got governance breakdown, and I will quickly summarise that. We still don't have the right technology platform. Solar and wind on its own is not going to be the answer. When we think about the rollout, we don't have sufficient transparency, so we are constantly trying to get answers from EnCo. It reads to me that a similar frustration occurred between HumeLink and also Transgrid. Simple things like "What is social licence?" they can't tell us. What are the assumptions that underline the 32-gigawatt expressions of interest that have been put up?

Without that transparency, which is obviously good governance, communities will continue to push back, so we're not playing on a level playing field.

I'm not going to go into our response to the terms of reference. We're totally in support of undergrounding, the proposition, but the point I guess I'm labouring a little bit is the reason the communities are pushing back on transmission is because of their bad experiences in the planning cycle. What worries us a little bit with above-grounding is that we're just going to get another tsunami of projects development popping up, attaching to hubs, and the process will just continue on, as John just described, without control and without the proper inquiry. Chair and Committee, that's just some opening comments.

GRANT PIPER: Thank you, again, for travelling up, everybody, and seeing us. I've made a written submission on behalf of Uarbry Tongy Lane Alliance, and I've read a few of the other submissions and they're all very good in a technical nature. Like Mark, I don't want to focus on what I've written so much as a couple of case studies regarding undergrounding, where it may be useful. I represent the Uarbry Tongy Lane Alliance, which is a small group outside of Coolah. Coolah is a small town being surrounded by 370 250-metre turbines. One of those projects has been in train for many years. The other one's relatively recent, and then obviously we have the associated transmission, which began with a Transgrid proposal through some prime Merriwa Cassilis plateau, which we managed to defeat with the Merriwa-Cassilis Alliance. Then that moved into—EnergyCo got stood up then once Transgrid were sidelined. Again, like what Mark said, EnergyCo is ill-equipped to do what they've been asked to do and the experience of dealing with them is quite frustrating.

The Central-West Orana REZ is the lead REZ and there are many individuals and community groups fighting individual battles with proponents and EnergyCo. We're trying to set up a whole-of-REZ group to support each other and better organise, but the main thing I want to spend my time on, if we could, is the maps I handed to Stephen earlier. Are they available, please? There are three case studies where undergrounding would be of direct benefit, and I think you could see that. These are just near neighbours of ours and they're not complete. There are many people affected but these are three fundamental ones.

The CHAIR: Sorry, we're just getting them. Continue.

GRANT PIPER: I'll start reading anyway. They're poorly marked up there, but map one, top left-hand corner, this is the Haynes family—a generational farming family, 3,000-odd acres on the Uarbry plain. The house domestic area, as you see, is circled in pink in the centre, inside the green circle and further inside the pink and the pink powerlines surrounding them. Ian's got a pacemaker. His doctor has told him he's not meant to go within 600 metres of powerlines, so it's effectively house arrest. The lines go further across their farming country and so just normal spraying, sowing, checking stock or fixing fences, he's going to be severely constrained about where he can move about his own property. There are alternative routes around this district that would be opened up through undergrounding or moving the above-ground lines, but EnergyCo seems to avoid some landowners everywhere and then pile onto other landowners.

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The second map is labelled number two and this is the Armstrongs'. It's a dual-circuit 330 line that comes out of the Liverpool Range Wind Farm south and then turns west to the Merotherie pub. The two pink circles just below where I've written "330" are their houses, so it goes right through their domestic area—again, why it has to do that. But EnergyCo have been quite difficult—unresponsive, really, to reasonable requests in that case. The nearest house is only 85 metres from the corridor centre line and the second house is about 300-odd metres.

The third map—the hand-drawn one there—is another gentleman's, John Gormley's, 700 acres, and this is the 500-kilovolt main trunk line. It's a duplicate 500-kilovolt line from the Wollar substation that runs north and then west to the Merotherie hub. The easement is 250 metres wide. I've outlined his property in the green. It divides his property. It's going to severely affect what he does there. To the west and to the south are both host landowners of turbines or solar, but the powerline goes through a non-host's land and effectively wrecks the 700 acres. So those are the sorts of things that we scratch our heads about. This property was bought a couple of decades ago as a retirement superannuation property. John is retired. The damage to the value—how would you like your super knocked by 40 or 50 per cent? No-one should have to accept that.

So they're just a sample. I think equity demands that undergrounding should be used where possible, as it is in the cities and within renewable host project boundaries. We think, since Transgrid was sidelined, EnergyCo is being used as a Trojan Horse to push through using statutory authority powers to compulsorily acquire easements. And, being a Government agency, we can't argue on the case of them being a private, profit-driven venture, but then they're going to contract out all the construction. I think this trunk route 500 kVA has already been shortlisted to a Spanish construction company, and then it will be leased out for 25 years to someone to make profits off, after it has been rammed through by EnergyCo.

The delays and frustrations of dealing with the powerlines and EnergyCo I'm proud to say have been caused by a lot of thinking and passionate people. It's disappointing to see all that energy wasted when, if we could get everyone working together on sensible and practical solutions or, better yet, developing their businesses and the State rather than fighting these rearguard actions all the time, we could really achieve something. But we spend all our time fighting stuff like this that we shouldn't even have to think about. I'll close with a quote from the written submission. We should not rush to commit energy suicide, but we really need to engage with people and make good decisions for the longer term. Thank you.

The Hon. WES FANG: I've only got seven minutes, so I'm going to ask really quickfire questions. The first question I've got is around consultation. Obviously these routes that have been put out for consultation now. Can you describe the consultation process by EnergyCo? I want to see how it compares to what we've heard around the consultation from companies like Transgrid on HumeLink. I'll ask Mr Piper first and then I'll come back.

GRANT PIPER: The first thing we got was a letter in the mail of November or December 2021, I think, from EnergyCo, but again it was in the middle of harvest. The routes we weren't sure of. To highlight that, at the moment we're affected by a powerline over the back of one of our properties and there are still three routes in play in that corner. There's the scoping report route, which is on the website. There's the interactive map on the website, which is different, in that location. And then the third one is the one they've sent us a letter on. So which route are we talking about?

The Hon. WES FANG: Just because I've only got a very short amount of time—you've received a letter. Have you been involved in consultation? Have you had the opportunity to provide feedback about the potential impacts to you? If so, what has been the response to that?

GRANT PIPER: Verbally, it's sort of accommodating. Officially, on paper, nothing has been resolved yet.

The Hon. WES FANG: Could I ask the other two witnesses?

MARK FOGARTY: I'll just quickly comment and just expand a little bit on what I was saying before. The style is "DAD": decide, announce, defend. That is the old planning process. A clear example of absolute frustration is in their legislation. It's the word "social licence". Social licence tends to drip off everyone's tongue in government, but it doesn't mean anything. They can't tell us what it means, and they have to apply it in a merit sense.

JOHN PEATFIELD: Firstly, I received a letter, because one of the lines goes over a property of mine. It happens to go over the absolute centre of my driveway and my cattle yards and future house site. The consultation from EnergyCo was, as Mark said, they have held meetings where they have told us what's happening. They have talked at us and have not listened. At our instigation, we had a meeting with them, and we had a good hearing, but absolutely no give at all or response.

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The Hon. WES FANG: Have you been clear as to what your objections are around those impacts to your properties? Have you provided solutions to that—i.e., have you made suggestions around undergrounding? If you have, what has been the response to those alternate suggestions?

JOHN PEATFIELD: As ReD4NE, our overwhelming responsibility to the communities that are so distressed has been to address the cumulative impact issues and the issues with the community. The transmission lines have been incidental and cumulative to that issue.

The Hon. WES FANG: I note that they have spoken about the fact that there will be information sessions that have been, I think, running from June to July recently around this area. Have any of you had the opportunity to attend those information sessions? What has been the style of that information session? Has it been effectively just presenting information as fait accompli, or is it more about seeking feedback from people that would attend?

GRANT PIPER: Yes, we've attended several consultation sessions. Yes, it's more just they stand up and present, but there is no tangible negotiation. I mean, individually dealing with the land acquisition manager, we try and communicate what we think, but that doesn't seem to reach the higher levels or result in a change or even clarification. As I said, they can't even clarify which route are they looking at.

The Hon. WES FANG: I note that in May the energy Minister said that she's commencing consultation around the corridors for these transmission lines. I'm wondering what that has, in effect, meant to affected landholders around what that consultation looks like. Are you being given the opportunity to object, provide alternate solutions, or seek to engage on the impacts that are going to be enforced upon you if these routes are determined to be the ones that they will build on?

MARK FOGARTY: Can I maybe just quickly answer that? I think that, yes, there are some corridors and there are some options on the table, but what we are asking for is, "Okay. What are the assumptions underlying those options? Why is there a hub there? Why is there a hub here? Why is this an option?" So what we want in a transparent way is, "Tell us what your assumptions are," because we know better than they do that some of these projects are just not going to happen. All of sudden, you've got everyone getting a little bit excited about these hubs. These projects may never get out of the planning process.

The Hon. WES FANG: It sounds to me as if the consultation process hasn't been as robust as you might have hoped. What would you hope would be an outcome from this inquiry in relation to consultation about the routes that will impact your land? Do you want to have the opportunity to advocate more strongly for undergrounding? Do you want to have the opportunity to try and discuss where those routes are actually positioned? What is it that you would like to see out of this?

JOHN PEATFIELD: We want a proper, independent cumulative impact study for the whole of the REZ, including routes of the transmission lines, the capacity and undergrounding. You can't dissociate one from the other.

GRANT PIPER: Yes, it is a total thing. I mean, we haven't suggested undergrounding because prior to this inquiry I honestly hadn't looked at it very closely either, but it certainly, I think, has application and would be of benefit, but then the bigger picture is certainly one that needs considering. We're just looking here, but—

The Hon. WES FANG: In relation to the member that had the pacemaker—and you may or may not know this—do you know, if it is an underground line, whether it would have the same impact on a pacemaker, given that if it is underground it would most likely be a DC system as opposed to an AC system? I imagine it would have the same impact.

GRANT PIPER: You've probably heard from more technical people, but from my limited reading on it, it seems to have, especially DC, virtually no—or it's much better shielded than overhead lines. I gather, in that case, it shouldn't be a failure, but I'm not—

The Hon. WES FANG: It may not impact the same person.

GRANT PIPER: Yes, it is better.

Ms CATE FAEHRMANN: Thank you for appearing today. I also had a question about the pacemaker situation. Was it the energy company that provided official advice to the landholder?

GRANT PIPER: No, that was his doctor.

Ms CATE FAEHRMANN: Have you heard of that being standard kind of advice for people living—it is the first time it has come before this inquiry. It is very important information. We have had an expert provide evidence about EMF as well, in terms of what that means for livestock, potentially, and humans.

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GRANT PIPER: I don't know. I just heard it from the family. A couple of times they've repeated it—that that is what the doctor has said.

Ms CATE FAEHRMANN: Nothing from the energy companies themselves in this regard?

GRANT PIPER: No. There is no data or standards, if you like, that I'm aware of.

Ms CATE FAEHRMANN: Do you find that concerning?

GRANT PIPER: It is. I won't say they are dismissive about it, because you can obviously see the lines skirt his house fairly clearly in map one. But they are sort of dismissive to them about there being any problem about moving about his property or anything. They have skirted his house, so he's got a—you know, he is on a short leash, but that seems okay.

Ms CATE FAEHRMANN: I turn to the maps that you have provided. Map two has that strange kind of bend that you're saying—you've got the marks of the two residential dwellings there. What has the energy company provided as the reason as to why they are doing that? And what has been their response to requests to have it further away from the house, which I'm assuming have been made?

GRANT PIPER: The owner of the property is actually here, but I believe there are terrain considerations, and there's also a travelling stock route reserve that they don't want to transit. This is one of the link 330 lines that goes into one area of the Liverpool Range Wind Farm, and there's a property—I don't know. On the other side is a State forest—on the other side of the Golden Highway. Just below the end, that curve is the Golden Highway running from Newcastle to Dubbo. I'm not sure what the other land constraints are, but this is just following what was the original Tilt route that Tilt was negotiating out of their wind farm to Ulan, and EnergyCo has just picked up their route that they had already started negotiating.

Ms CATE FAEHRMANN: I wanted to ask a question of all of you about bushfire risk as a result of overhead transmission lines. This Committee has heard quite a bit, including yesterday in Tumut. Is that a concern? Has it been raised in meetings, and what has the response been? It is a multi-pronged question.

JOHN PEATFIELD: Yes, very much so, particularly as the route of the proposed new 500 kV line, certainly in New England, running from Bendemeer to Black Mountain, traverses land that has regular fires every summer due to lightning strikes anyway. The much-publicised fires created, we understand, by transmission lines is very much to the fore, but also the ability to fight the regular fires that occur anyway due to the inability of helicopter and fixed-wing access, particularly with the turbines, and now added to by the overhead transmission lines.

MARK FOGARTY: I think the evidence that Ted Woodley and Andrea gave on the first day—I don't know about yesterday, but I think they were fairly spot on in terms of their interpretation of the risk. And you appreciate, flying up here, the proximity to the Oxley Wild Rivers National Park, the Gondwana and the wilderness areas that are very pristine here. There is a major concern as to how the tool of trade now is aerial bombardment. When you've got wind turbines in and you've got overhead transmission then it's almost a no-go zone, particularly on the western side of the New England Highway. We accept the evidence that Black Saturday wasn't all about transmission, but it was certainly one of the causations, so it will be of major concern—and I do notice that at 12 o'clock you've got Jayson McKellar here to talk about that one. So I think it's a big issue for us.

Ms CATE FAEHRMANN: I wanted to talk about compensation as well. That issue has come up, of course, with multiple witnesses. I am aware that this will cross over a little bit in relation to renewable energy projects more broadly, but the compensation seems very unfair. We've heard the compensation is less for landholders that have transmission lines as opposed to renewable energy projects. Is that correct in this part? Has that been raised?

MARK FOGARTY: I think that is a correct assumption, yes. You're really looking at around about 30K per turbine here, in this area, as the going price. Transmission—obviously, a one-off payment then an easement payment annualised will be far less than that. I do note that the Government—last week—talks now about an access fee payable and things like that. So, look, I just think it's going to be—you know, it's certainly inequitable in that sense. And the big issue, of course, with the undergrounding or overgrounding is the devaluation of property. Grant, I think, highlighted it with his practical case study. So it is very inequitable.

Ms CATE FAEHRMANN: With this inquiry, obviously we are focusing on underground transmission not renewable energy projects per se, but what would be some of the recommendations that you would like this Committee to come up with to Government? I'm aware that your organisation, Responsible Energy for New England, has expressed concerns about the planning system more broadly and could probably make a lot of recommendations in that regard.

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MARK FOGARTY: I think, to pick up on John's point, really the key to this whole thing—which should have happened in the first place, instead of the speed skating that happened coming out of then Minister for Energy's office—we should have done some spatial planning. That's what the ISP asked for. An email actually said to the State governments in 2018, "You need to go back on the ground and get an understanding of what goes where and why. What are the socioeconomic issues?" So without this independent cumulative impact statement we can't do a lot.

The second thing I think we really need is for the Government to put a microscope over EnergyCo and find out is that the right institutional model. We don't think it is as it currently sits. Certainly, the planning governance is completely out of whack and inequitable, and produces injustice for communities as it currently sits. It's like a game of snakes and ladders without snakes. The developers just keep going up, ticking the box and it's not what it's supposed to be. And so we would—I think, a review of governance, a review of the institutional frameworks and, certainly, most clearly at the front end, complete transparency on an independent cumulative impact.

The CHAIR: Thank you for your submissions and for coming today. I just wanted to ask you a couple of questions about the consultation process so far. Could you just, in your experience, recount what that's been like? Any suggested improvements or otherwise?

GRANT PIPER: To reiterate, I guess, we got the initial letters. Initially there were letters from Transgrid but then the EnergyCo one, which wasn't very specific, and then there were consultation meetings in Coolah and Dunedoo, which I attended. One was hosted—a couple were hosted by NSW Farmers. But, again, it was just a broadbrush description. It didn't have specific details of where—it didn't talk about routes. I mean, they only talk routes with individual landholders. They never presented routes with the group meetings, the town meetings. When we did try to tie them down, we got blocked or shut down. This was with the whole renewables, not just the powerlines. Many of us were getting quite upset with being stonewalled and not getting any answers, especially when you've asked these questions. The route that was decided, or as it changes—again, there's no background or justification for that. You get the opening letter, like we did in May—

The CHAIR: May of this year?

GRANT PIPER: —and the route is already on the map for acquisition, and then you have to start trying to negotiate from there. The consultation isn't genuine. I know they've got a lot of moving parts that they're trying to juggle, but the person you're talking to isn't in a position to make a decision or isn't authorised to give you answers anyway, so you feel like there's not much point talking to them. You need much higher-level people to find out who is making the decisions or how you can change things or influence the process.

If we could recommend undergrounding in many areas, I think we'd solve many problems. But then, the total picture of the cumulative impact and whether this is the right approach at all still needs to be considered at some level by some people and not left to us to fight. And there needs to be limits on this. Like John says, you build an overhead line and then we see this happening, where everyone will tap into it over the next five, 10 or 20 years. Where is the end point on this? Are we going to be completely covered in panels and surrounded by turbines? What is the end point? If you give us the clarity that this is what we're going to do and it's going to stop here and there are not going to be any more projects, and then they're assessed individually—there needs to be a limit.

JOHN PEATFIELD: Can I put this in context in relation to our communities? We're five years into this. The government policy was prosecuted initially by agents for foreign developers. These guys were coming in and signing up hosts with gag clauses, so the first most of us heard about it was rumour and pub talk.

The CHAIR: John, just to clarify, is this for the renewable energy projects?

JOHN PEATFIELD: Yes. Five years ago this started, and these projects started to pop up without any government consultation whatsoever. Then environmental impact statements were issued and communities started to fight back. We then had a wave of EnCo consultation regarding the REZ zones, where we were told what was going to happen. We didn't appear to have any say. This created tremendous community division and it was no way to prosecute government policy, because it was purely about the dollar for largely foreign investors. EnCo have given us good hearings, at our instigation, but they haven't listened. They have not varied from their line. The third wave was the transmission lines—again, no consultation. As Wes alluded to, it was a fait accompli and we're still at that position. Thankfully, you people are the first to come and have a proper, open hearing with us in five years. This is what we're about.

The Hon. STEPHEN LAWRENCE: Thanks, gentlemen, for coming and talking to us. Mr Piper, in your experience with these processes—I'm interested in your response to some evidence that we heard yesterday. It was to the effect that the community and community organisations are in a difficult position when the

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organisation with the most expertise in transmission is also the organisation that stands to benefit from the projects. I was curious about your comment on whether it has been hard to deal with these issues and deal with the company in circumstances where I assume you don't have their expertise in transmission?

GRANT PIPER: No, I guess we don't. I don't want to belittle EnergyCo, but I'm not sure how much experience they have either, really. You've been hearing from people dealing with Transgrid, Ausgrid or other people. I would suspect they're a lot more expert than EnergyCo is. But we have many skilled people in our community as well. There are retired engineers and other professional people. We're not all just farmers, so we can draw on a lot of expertise. There are a lot of skills there. I'm not a power engineer but I can read technical documents and pick up on things.

I understand the basics of physics and engineering, so it's not that difficult to see when something is plainly silly or wrong or they cut across the corner of your property rather than just going straight into the State forest and turning right rather than zigzagging through your property and then turning right. Why do you have to go between houses? I don't know whether we're at a disadvantage technically because we never get to a technical stage of discussion. It's just sort of strongarm, fait accompli tactics. It's not about engineering; it's about negotiation. Does that help?

The Hon. STEPHEN LAWRENCE: It does. Thank you.

The CHAIR: Thank you, all, for attending this hearing today. Committee members may have additional questions for you after the hearing. The Committee has resolved that the answers to these, along with any answers to questions taken on notice today, be returned within seven days. The secretariat will contact you in relation to any of these questions. Thank you.

(The witnesses withdrew.)

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Mr SAM COUPLAND, Mayor, Armidale Regional Council, affirmed and examined

Mr DANIEL BOYCE, Chief Officer Planning and Activation, Armidale Regional Council, sworn and examined

Mr JON GALLETLY, Councillor, Armidale Regional Council, sworn and examined

Mr ERIC NOAKES, Mayor, Walcha Council, sworn and examined

Ms KATE JESSEP, General Manager, Uralla Shire Council, sworn and examined

Ms TONI AVERAY, Executive Director Infrastructure and Development, Uralla Shire Council, sworn and examined

The CHAIR: I now welcome our next lot of witnesses. Would any of you like to start by making a short statement, just noting if you could keep it to a couple of minutes because it will limit our time for questions?

KATE JESSEP: Yes. Thank you, Madam Chair. I just wanted to perhaps quickly position Uralla Shire Council for the members of the Committee and just make a few comments on part 1 and 4 of the terms of reference. Just briefly on Uralla Shire Council—we are a small rural community, some 6,000 residents spread over a large geographical area of 3,226 kilometres squared, positioned right in the centre of the New England Renewable Energy Zone. Our community, natural environment and infrastructure are inevitably being affected by the REZ development and future operations. We have very limited resources. If I take out our aged- and community care proportion, which are services that council does as a discretionary service, just the core business, we're about 90 full-time equivalent with an annual budget of about \$20 million. We have a huge infrastructure responsibility across 923 kilometres of road, about half of which are unsealed.

We lack the capacity and expertise to enable a comprehensive submission to this parliamentary inquiry. We are awaiting some foreshadowed funding via EnergyCo. I think it's going to be in the order of \$250,000 a year to help us have that capacity. As such, council has not formed a resolved position on this matter. What I'm going to cover today, I would anticipate, is largely on your list already. But we wanted to make sure some representation was here on behalf of the community. So this has been put together by officers only, with Executive Director Toni Averay's input, our civil infrastructure executive manager, Mr Fitzsummons, our interim manager, planning and development, Ms Kate Blackwood, and our manager, environment and waste, Dr Benjamin Kogo.

Just briefly on the cost—again, I don't presume that the Committee haven't already thought of all of these things, but just to touch on a few that have come to our mind, we do think there may be a higher risk of future roadworks and construction and farming with undergrounding. Of course, at least with overhead we know where they are. We assume there will be considerations for really well signed and marked location of any underground lines and excavation exclusion zones and making sure all those details get to not just the council but our farming community.

We are mindful that high voltage overhead may have arcing issues in terms of vehicles working in and around those areas. We assume that easement lines for overhead as well as underground can still be grazed but, in terms of being able to actually do agriculture on top of underground transmission lines, would need to be considered. Of course, we anticipate, if there is a higher cost—we are not experts in this—with undergrounding, that ultimately the taxpayer and consumer are funding that cost. On the benefit side, we consider that, potentially, undergrounding will avoid that permanent disturbance to the landscape that occurs with the overhead lines, especially our areas of high environmental conservation values and sensitivity. We would see a great benefit in undergrounding.

My next three points relate to the easements. We are assuming that there would be narrower easements from undergrounding, which would be a significant benefit in terms of the amount of clearing that could lead to erosion, landscape instability and potential spread of weeds, which is already a big issue to be managed in the regions. There will be less loss of native flora and threatened species if there are narrower easements, and less release of greenhouse gases from that loss of vegetation; reducing and removing potential bushfires that could arise from fallen towers and associated infrastructure; and possibly the reduction of locally quarried material requirements to construct overhead transmission lines. There's already incredible pressure on our local quarrying capacity just to build the REZ components themselves. The visual impacts, of course, I'm sure you have already considered—and that underground lines may be less susceptible to natural disasters.

The final point on this that we think is very important is the reduced interaction with aircraft. This is really important for our agricultural areas. Routine aviation includes fertiliser aerial spraying and often the reliance on firefighting capacity. On the environmental impacts—many of which are considerations for either option and again I am not presuming the Committee has not thought of these things—there is the direct and indirect ecological effects on flora and fauna to be considered; the potential impacts to waterways that can arise during

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construction and post-construction of these proposed transmission lines; the quantities of waste to be generated and the disposal options, considering the current very limited capacity of our waste management within the region; the potential impacts of existing above- and below-ground infrastructure; the effects on human health in terms of exposure to electromagnetic frequencies with high voltage transmission lines; the soil disturbance aspect; and the surface easements needed to quarantine and restrict land use.

ERIC NOAKES: Walcha Council sits at the bottom end of the New England Renewable Energy Zone. It has a population of around 3½ thousand people over an area of nearly 6½ thousand square kilometres. Apparently we have an excellent wind reserve and seem to—as we're the first on the powerlines—be the interest of a lot of companies who wish to go down the wind path. The mandating of the New England Renewable Energy Zone will have major impacts on the social, economic and visual amenities of the community of Walcha. Sitting at the southern end of the REZ, it is envisaged that the routing of around a 500-kV line through our local government area will lead to a concentration of a large number of renewable energy projects, creating a cumulative impact that will industrialise a landscape.

Already we have two of the largest wind farms in Australia being scoped or progressed through the Department of Planning that will encircle our town. The imposition of up to 30 kilometres of 18-metre-high transmission towers, plus the associated smaller lines, has an impact on agriculture, health and our landscape. As a mayor who is passionate about his community, its social cohesion and its ability to carry on business, undergrounding transmission lines would appear to be an excellent outcome. Obviously tempering this with my minimal knowledge of the complications of underground lines are the issues it raises that may have impacts that match or outweigh our overhead lines.

I won't cover the issues that Kate has already covered because many of them apply to Walcha too, so there's not much use in me going over them. Whatever the outcome, communities such as Walcha will be changed forever. Their social cohesion, visual beauty and ability to carry out business will be damaged. I believe we need to find a better way to engage communities early in these processes. The days of calling informing "consultation" need to be over. They are not consulting; we are being informed of what is happening. I know this is late in the process but we need to get better at that.

SAM COUPLAND: I agree with what you've heard from Uralla and Walcha. To me one of the biggest barriers to the effectiveness of the REZ is going to be social licence. Loss of social licence is going to come from two sources. There's going to be the actual developments and then the transmission lines. This inquiry is around transmission lines. What I'm hearing in the Armidale LGA—and I'm sure it'll be elsewhere—is that it is about a sense of fairness. There are hosts that are hosting projects who don't have the burden of the transmission lines. It is these non-hosts that are carrying that burden. One of equity would suggest that if you are hosting a project, where possible, you should be hosting the transmission lines as well. You can either shift transmission lines or put them underground. That won't solve your social licence issue but it will certainly go a long way towards it.

The Hon. WES FANG: I appreciate everyone appearing today and especially your opening statements. I think each of them in and of themselves was interesting. Ms Jessep, yours was a fantastic, succinct way of describing a lot of the issues that we've been facing throughout this inquiry. Councillor Noakes, your opening statement around the way that you talked about the impacts on your community and the way it's going to change forever is clearly something we've been hearing as a theme throughout this inquiry. Councillor Coupland, I think the way that you talked about equity was again another theme. I want to go to that first in the questioning.

It seems to me that there's a lack of equity, particularly in transmission lines, because, one, as you said, not the people that are hosting the projects are being lumbered with the transmission lines. The transmission lines are in effect there to move power from those projects to people in larger metropolitan areas because, obviously, that's where most of the power is needed. We've heard from the regulator that, in effect, the cheapest way of transmitting that power is the favoured one because, ultimately, it's the bills of the end user that will be impacted if we are to adopt a more expensive option, such as undergrounding. Therefore, they prefer the cheaper option. Do you have a view about what your community thinks is the impact of having something like 70-odd-metre tall, 500-kVA or 330-kVA powerlines imposed on them to provide cheaper power bills to city dwellers?

SAM COUPLAND: It's probably a bit of a loaded question but—

The Hon. WES FANG: It absolutely is a loaded question. It's basically me throwing the ball up and letting you hit it.

SAM COUPLAND: Thank you very much for that. Yes, it certainly does go to equity, and this has been bandied around a lot—why do the regions have to take all of the burden for the vast city population? In terms of cost, done properly you wouldn't be amortising this over a 20-year period. Done properly, this will be a harbour bridge that's done 90 years now. So spend the money, do it properly and build infrastructure the way infrastructure

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should be built—built to last, not with planned obsolescence, so amortise this over a hundred years. I think the impact on cost of power—sure, the transmission is one component of it. But it's certainly not the largest component of the price that we pay at the end of the day.

JON GALLETLY: Further to what Councillor Coupland said, we're not looking at a quick fix here. As far as electricity bills go for whoever it is, I believe that doesn't come into it, as Sam has said. We do the job properly. We do it once and then it can be recommissioned and recommissioned to suit whatever it is that is in the future. This isn't looking into the future, which is what we as councillors and runners of towns have to do. We look into the future. And we're not worrying about just tomorrow. We're worried about 20, 30, 40 years down. If this is the big solution—if it's now wind, solar and hydro that's going to bring the price of power down by a significant amount because of the cost savings in the long term, I don't think this necessarily comes into it, as far as the Freddy Flintstone wires that the birds sit on. Also, when you look at the way that we have been going, just in any of your subdivisions, whether it's industrial or housing or whatever, what is the preference there? It's to go underground. So I can't see why we're making a bigger footprint with all these new lines that are going through. I think we're barking up the wrong tree with trying to do it as a bandaid situation.

The Hon. WES FANG: Could I invite some of the other witnesses to provide some feedback about equity of the rural and regional areas bearing the brunt of these projects in order to provide cheaper bills to city dwellers but also what opportunity you might have had to provide some feedback on these plans and perhaps advocate for a different solution, i.e. undergrounding?

ERIC NOAKES: I guess from Walcha's point of view, we're really struggling because we are looking at the amount of wind towers coming into town too. This is only a thing that our community has known about for a month or more. That's what comes back to this part about not consulting with us; they're telling us what's going on. We should've been involved in this discussion a long time ago. We have people who are having wind towers really upset that they're having transmission lines through their place—which really amazes me, that they do that. Our community is up in arms over all of it, the power lines coming through. It comes back to this whole aerial thing and all of that. Our community—I don't say they've researched, because the engineering job of putting power lines underground is not something that most of us understand the risks of. They haven't even been put to us, in a lot of ways. It's certainly something that we would prefer not to see run through our community. As I said, we haven't engaged the community really heavily because they're still trying to determine what's happening with wind towers.

The Hon. WES FANG: Maybe I will rephrase the question in a slightly different way then. Given that perhaps you haven't had the chance to advocate for a different solution like undergrounding because perhaps you haven't got the technical expertise to say what you might do, have different solutions been presented to you and your community? Have they just said, "The project is to move power from one location to another. Here are some solutions. What does the community want in relation to this?" Have they provided you any opportunity?

ERIC NOAKES: No. That comes back to my final comment in the opening thing, that this is informing and not engaging or not consulting. All that we have seen are really maps, the maps of where they are going to run with in a one-kilometre corridor. If you're in that one-kilometre corridor, they might move another 50 metres, 100 metres or 200 metres from your house, but it's still within that corridor. There has been no consultation.

The Hon. WES FANG: With that in mind, there's a requirement that these projects are consulted with the community. Could you give me your views as to how you feel the consultation around a lot of these projects has occurred of late? What do you think could be done in a different way to have the community have more buy-in and have the community's views reflected in the final solutions that are put forward to have power transmitted in and out of the REZ?

ERIC NOAKES: With our initial wind project being 20 years in the making and being hidden from the community for the first 15 years of that, it's the attitude of some of these development companies that have no intention of engaging the community because they know the reaction. Quite often the company that scopes it then sells it on to another company and it's their job then to write the EIS, and that's when the community becomes involved. They're a bit like Teflon; everything just slips off them. If they don't want to engage, you can't engage them. There is no way that you can engage a company. They will get all their engagement people and they'll come and visit you and they'll shake your hand and do all these things. It's the same, in a way, with energy companies. As I said, this has been very late coming to us. The REZ was very late coming to us. It was developed in—

The Hon. WES FANG: It feels like more of a box-ticking exercise. Is that fair?

ERIC NOAKES: I think so. A lot of it is. A lot of it we are finding is just a box-ticking exercise.

The Hon. WES FANG: In relation to approval of these projects or transmission lines et cetera, given that you're all representing councils, either through councillors or through the head office-type arrangements, how

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much engagement has occurred at the council level with these projects? How much opportunity do you have to provide feedback on the plans and to have some approval or, not approval, control over what's put forward?

SAM COUPLAND: With the projects being State significant development, council has been sidelined. It wasn't really until in the New England that our five councils got together and laid out a statement of expectations, which is really geared towards the generators as a set of ground rules on how we would like you to behave. We've now increased that group—we call it the CoREM group, the Coalition of Renewable Energy Mayors—to bring in the Central-West Orana REZ and the Hunter. Members of the Hunter are joining us as well. That has come about due to the, I guess, sense of emasculation that the whole REZ has caused for us.

Now it's not until we've come together as a group that we have been able to have some input. I realise that your question was back to the individual developers. As a result of the noise that we made and a consistent approach—certainly within New England to start—now the developers are far more likely to engage with us. But we've had to push that. We've had to spread that word throughout the community as well, certainly to host landholders. If you're talking to someone, you'd better make sure they're coming to talk to us. Now, the level of our ability to shape an individual project I think has been somewhat limited though.

Ms CATE FAEHRMANN: Strangely, Wes asked a lot of the questions that I had down, word for word almost. Wes, very strange. So we'll continue on this. The guidelines that you said had been developed, would the Committee be able to receive those guidelines, firstly? They're just guidelines.

SAM COUPLAND: It's a statement of expectations, so guidelines-ish. If you are developing a project in our region, this is how we expect you to behave. This is what we expect you to do. So we're talking about planning agreements there, biodiversity offsets.

Ms CATE FAEHRMANN: At a State level, what's been the Department of Planning's involvement in those guidelines—their willingness to assist? Because you would think that something like that would have been ideal at the beginning of the process around the very development of these renewable energy zones—bringing the community and agencies and local government together. Did anything happen like that at the beginning? What has been the Department of Planning's response and engagement?

SAM COUPLAND: I think it would be fair to say that the reason that we had to put the group together was the vacuum of ideas there. Now it's not until this CoREM group—and hats off to my friend, Councillor Noakes from Walcha, who really was the impetus for that. It wasn't until we had that CoREM group together that we've been able to have meaningful engagement with the Department of Planning. Prior to that it was, I think, scant at best. Now, as you're probably aware, the wind guidelines are in the process of being updated and, to the extent that I'm willing to share, I think a lot of what we have been able to put forward as a CoREM group is probably in the draft. Whether it's in the final remains to be seen, but that's going to be important.

Ms CATE FAEHRMANN: Others jump in if you need to on these questions as well, please. Is there any mention or consideration of underground transmission in anything that you've been doing, and have you been advocating for that outside of today's forum?

SAM COUPLAND: The short answer is no. It has, to date, been focused on the actual projects, not the transmission line. I'd probably just like to clear up, when I was talking about the social friction, that is a big thing. We are seeing it a lot in Walcha at the moment, but that social dislocation of our communities is really important. When I was talking about hosts versus non-hosts, I am talking about the hosts of projects. They get a lot of financial upside; they should be wearing the social burden. If powerlines or transmission lines are going to be above ground, stick it on host land as best you can; underground it through non-host land. That will go a long way to ameliorating the friction.

JON GALLETLY: Just going back three or four years—I'll give you a bit about why the community and everyone were very whip shy about anything that comes up in relation to the REZ. Well and truly before the REZ was put together, there were proponents that were coming here and setting stuff up before the REZ. When the road map came out probably about two years ago for the REZ, the bird had already flown, as far as any trust had gone, because it was very under the table stuff, and you don't speak to your neighbour. Admittedly, with the transmission lines, in those people's minds, I believe, it's following the same thing. It's "We'll just go in and do it because we know what's best". That's why they're so whip-shy about it now, and that's why it's going to be a lot harder for us to give them any confidence that they're doing the right thing and we're doing the right thing—because there is no trust there.

Ms CATE FAEHRMANN: Can I also ask a question about the financial benefits that will or may arise from those renewable energy projects? Clearly the landholders who have turbines and what have you get compensation. What about the councils?

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KATE JESSEP: At this point in time, that is going to be pretty wholly reliant on planning agreements. That's the very clear number one item in the Coalition of Regional Energy Mayors' statement of expectations—the 1.5 per cent on capital investment value as an annual payment. However, we're yet to really lock that in and actually get any money to start flowing. But on top of that, what we've found is the proponents have wanted to have a lot of control and say over what they'll get for that. They're seeing that as marketing money and "We'll keep the community happy" money; we see it as absolutely critical social licence money to fund social and community outcomes that we already do not have enough funding for, so our library services, our parks and gardens, our halls—all the things that actually generate community wellbeing.

As a tiny, very proud council that has fought very hard to maintain its independence, we are just getting squeezed from every direction. We cannot make one plus one equal three; we need actual cash. That goes to my very first point: We couldn't even put a submission into this because we do not have the capacity. We can't ask our council to make an informed decision when we do not have the technical know-how or the hours in the day to actually properly understand a matter and put it before it, and our council has to be very mindful that this is not for them to be torn apart politically over. They represent the whole of the community. There are people and community elements that are happy and are benefiting; there are those that are very unhappy. So it's a very difficult position that the council that are elected representatives of the whole of the community have been placed in at quite short notice.

Ms CATE FAEHRMANN: Where is that up to, in terms of that ask, within Government? What has the response been? What is the reception like? Where is it up to in terms of consideration?

SAM COUPLAND: If I could jump in on that, it was certainly something that we lobbied for as a group of councils. It's been endorsed, for want of a better term, by EnCo. They can understand now why that is happening, and I suspect the updated wind guidelines will have a component in there that kind of matches where we're at. Again, this is something that has happened because we as a community have fought for it; it wasn't something that was offered. So we're probably there. In terms of the community benefit funding that might flow from Energy Corporation, that's very nebulous at the moment. We've been told, effectively, "Don't you worry your pretty little heads; it'll happen".

ERIC NOAKES: Could I just make another comment on that? It comes to what Kate said about resourcing. On top of this, we're trying to draw up our infrastructure agreements so that our roads aren't wrecked, and it's the same thing—we do not have the capacity to do that. We've got 80 kays of council road involved in the first project that's coming to Walcha. We do not have the capacity to analyse those roads, see what the long-term damage to them can be, and then the project may not go ahead. I think probably EnCo and the department are doing the best they can under the circumstances. They're very good at talking to us. But we need—as our chair, Sam, said—some really good, stiff guidelines around this so that we don't have to be doing it.

KATE JESSEP: If I could also just add, the other thinking with the CoREM is around actually being able to accrue a reasonable amount of money to do some genuine legacy projects such as virtual power networks or power-sharing agreements for our community so we can, with this, actually grow jobs, grow the economy and not potentially live in one of the biggest energy-generating areas with brownouts.

The Hon. STEPHEN LAWRENCE: Thanks to all the witnesses for coming. We've heard extensive evidence in the last couple of days of hearings about the regulatory framework on energy effectively requiring transmission operators to choose the cheapest possible option—that's a bit of a generalisation, but a regulatory structure that does not allow them, in effect, to take into account a range of social harms and costs. In the context of the potential undergrounding of the HumeLink project, we even had a man with great expertise in transmission accept that the regulator would not have approved undergrounding of HumeLink—and he is very much in favour of undergrounding. I'm curious to ask the two mayors what's your view on a regulatory framework that seems to be premised on the cheapest possible options and not taking into account a range of other social and community harms and costs? Secondly, is that an issue in terms of reform of the national energy framework that you might take up in your local government advocacy role?

ERIC NOAKES: I guess small communities, if you live in them, are different probably to large communities. If they're putting a highway through Western Sydney it has its effects, but in a small community it tears a community apart, what is going on here. We've got families that aren't talking anymore, and historically that's happened with these sorts of projects, too. I think a view of the social side has not been looked at. Our community will never be the same again. Even if all this is scrapped now, the damage that it's done—we don't have a transmission line in our community yet our community is torn apart. Some of those will never heal. I don't think there is enough put into it, and a conversation around amortising stuff over a hundred years doesn't seem to come into it. It is purely a cost thing. It's a cost to the dollar to the companies, but it's the cost of our community to our community.

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SAM COUPLAND: To build on what Councillor Noakes said, I think if you are going for the lowest cost and that is above ground, come out and be honest with it and charge ahead. You're effectively going to be doing compulsory acquisition so cut the dance. I think we need certainty. You're not going to buy social licence through discussion.

ERIC NOAKES: If I could just add one more thing to that, I haven't been on the council for a long time—I've only got seven years' experience—but one thing I've learnt is that every time we try to do a project quickly and cheaply it has ended badly.

The Hon. STEPHEN LAWRENCE: There was a representative—a general manager, in fact—from a regional council who spoke to us yesterday and said that a comparative lack of expertise in this complex issue of transmission has been a real problem for his council. He gave that evidence in the context of some discussion that we were having about barriers for community groups and individuals in engaging with Transgrid. I am curious—maybe from you, Kate, given that you have raised it as well—if you see a role for some form of entity or organisation with relevant expertise in these complex issues to play some sort of independent ombudsman-type role in relation to the rollout of what are obviously huge projects that have a massive effect on regional communities?

KATE JESSEP: Some sort of independent ombudsman certainly would be valued. Perhaps another option that would be even more valued by the local community would be the funding to embed appropriate experts in at least one of our councils within the region but working across the whole CoREM. From my experience, there's a big difference when someone's got the badge on.

JON GALLETTY: As I think you're probably aware, after everything we've been through in the last few years we haven't got money flowing out of our pockets and we're very short on staff—all councils. We're really battling to keep our heads above ground. Putting staff on jobs that they shouldn't be doing is not a preference for us, that's for sure.

The CHAIR: Acknowledging that this inquiry has largely been set up to inquire into the feasibility of undergrounding these transmission lines connected to renewable energy projects, I wanted to get your thoughts on the consultation process so far and any comments you might have. Something we've heard about extensively over the past 24 hours is about the consultation. I wanted to know what your thoughts would be on suggested improvements as a way forward or anything else.

JON GALLETTY: Communication in this is the big thing, I believe, and it's a money-saving process we can do. If we have proper communications with this, it can fast track things a lot quicker than coming up against brick walls all the time. If there is honesty through the two parties—and that is proper communication between the groups, for a start, and trust—we can get to the nitty-gritty a lot quicker than beating around the bush, I believe.

ERIC NOAKES: I think the trouble is when there is a void. There has been a void, even in the transmission lines, for a few years. We know it has been coming. There has been a void of information, and that void is then always filled with rumour and innuendo. That has been our problem. The consultation, even in little bits when they didn't know where it was going, should have happened earlier. It's too late when it comes to us as a big map with a big grey line on it saying, "This is where it's going." Originally, it's really hard to pick even where that line is going if you own a house near it. Like all these projects, the consultation period is far too late.

The CHAIR: If you don't mind me asking, when has this consultation commenced with your particular shire?

ERIC NOAKES: We came to a meeting here, I would say, in May. That was the first we saw of maps that actually had the Hunter link, or whatever they're calling it, on it. That was when we first knew that one leg was going to come into Walcha and where it was going to run. I guess the assumption was always there that it would follow the current path, but it hasn't in a lot of areas. So there are a lot of people that haven't realised it was coming and didn't realise until they walked into a town hall or a community hall somewhere and saw a map. They think, "There's a 1-kilometre-wide path through my place and no consultation. What can I do?" And then they turn to council and we would have loved to help, but we were as—not useless but as uninformed as they are.

The CHAIR: How long has the REZ been in progress? Was it five years?

KATE JESSEP: The REZ was gazetted, I think, about two years ago. In late 2020, more just because of the State significant projects that were starting, Uralla Shire Council actually passed a motion to host a joint forum, which we did with our colleagues here and a couple of other councils. We did get some participation from the State Government but that was before there was a terms of reference for the REZ or anything like that. Mayor Noakes and then subsequently Mayor Coupland's efforts started us on that journey. We have done our best to try

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to stay ahead of things that we could see were coming at us but, largely, at each step of the way we have been feeling a lack of information. Certainly, in regard to the transmission lines specifically, it's really only been information available in the last couple of months. As I mentioned earlier, our council has got a very balanced role to play so we have been very careful to send people to the source of truth because we are not experts in this area.

ERIC NOAKES: And you've got to remember, the REZ that came to us in 2020 started in 2015. It was five years. That was five years before. I remember talking to a girl in the department who said, "I can't wait for this meeting because it's been five years in the making." I said, "Pity you haven't told us at some stage that this was coming."

The CHAIR: That is the conclusion of my time for questions. I thank you all for coming to the hearing today. Committee member may have additional questions for you after the hearing. The Committee has resolved that, along with answers to any additional questions, any answers to questions taken on notice today are returned to us within seven days. The secretariat will contact you in relation to any of those questions.

(The witnesses withdrew.)

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Mr JAYSON McKELLAR, Director Area Operations (Northern), Assistant Commissioner, Rural Fire Service, affirmed and examined

The CHAIR: I now welcome our next witness. Would you like to start by making a short statement of no more than a couple of minutes?

JAYSON McKELLAR: I'm here on behalf of the New South Wales Rural Fire Service on the understanding to answer questions predominantly about firefighting tactics and strategies within and around powerlines.

The Hon. AILEEN MacDONALD: I will just ask the one question, and thank you for coming today. I'm not sure if you were able to listen to RN Breakfast this morning. Do you think the recent public commentary on the cost of undergrounding—for example, comments from the Australian Energy Market Operator CEO Daniel Westerman on ABC RN Breakfast this morning—takes into account the cost of rebuilding after disasters, such as, say, in 2018 the Tathra bushfire where evidence was given to the coronial inquest that the fire may have been started by powerlines coming into contact with vegetation?

JAYSON McKELLAR: No, I'm sorry, I didn't hear the RN Breakfast. I'm happy to take it on notice and have a listen and come back to you, if you like.

The Hon. WES FANG: Thank you very much for appearing today. We've heard a lot about the way in which firefighting assets will be used in and around powerlines and some of the issues that are presented when we are facing a fire that is either on the other side of a powerline or approaching a powerline and the difficulties around fighting those fires. In relation to something like a 330 kVA tower or, you know, some of the ones that we're looking at with HumeLink, for example, which are the 500 kVA towers, 75 metres, there's been a lot of discussion around how the energy companies will disable the line in order to provide safety for firefighters and the assets around them to fight those fires. Could you explain to us what the process is in relation to requesting, confirming and then re-energising those powerlines in the event of a fire?

JAYSON McKELLAR: I think from our perspective, if there is a fire in and around a powerline, particularly a high voltage powerline, obviously our number one priority is the safety of our firefighters on the ground and we'll make an assessment of how close do we need to get to the powerlines to try and combat the fire. If the answer to that is we need to get very close, we would go back to our control room and they would make contact with the relevant authority and ask that those lines be isolated. Then that would be up to the authority. I'm not sure exactly how long that takes or the exact procedure, but that would be the request. When we got advice back from that power company that they were, in fact, isolated, we would give our troops the okay to work in and around that area.

The Hon. WES FANG: Have you had cause to actually request a shutdown of a powerline for a fire incident?

JAYSON McKELLAR: Yes, I have.

The Hon. WES FANG: Have you ever had that request denied?

JAYSON McKELLAR: Not in my experience, no. I couldn't quote a time where I haven't, and that would extend to rail corridors as well as power corridors, but usually they will work within us. We obviously have a relationship with all landholders in the rural fire area. We meet with them regularly through our bushfire management committees, and we would discuss these sorts of processes before a fire actually happens. So our local district managers, who are also the executive officers of our bushfire management committees, would have an understanding of how that works, who to contact and those sorts of things.

The Hon. WES FANG: Yesterday we had raised with us concerns that, for example, where there are large transmission lines like the 330-kVA transmission lines in and around the Tumut area, during the Black Summer bushfires of 2019 and 2020 that we had, particularly around the Dunns Road fire, there appeared to be a reluctance to de-energise some of the lines. Can you provide some feedback on if you've been made aware of those sort of situations happening before? Because it seemed a very unusual circumstance to us that an energy company might put the supply of power, even if it is to a large population base, ahead of safety of on-the-ground communities. I'm just trying to get my head around if you know if it may have happened and in what circumstances that might occur.

JAYSON McKELLAR: During the Dunns Road fire I was actually working in the northern half of the State, so I don't know the exact example. But I have no doubt there was probably a discussion, but it would be brief, and I would assume that they would follow the advice of the fire services and the incident management team that was working down there to isolate those lines as quickly as they could.

CORRECTED

The Hon. WES FANG: When you're working with aerial assets to try to suppress fires and you are presented with those large, high voltage powerlines, can you provide a little bit of insight as to what restrictions they might place on those aerial assets being deployed—for example, helicopters or even a large 737 tanker or anything in between? What considerations are required to be put in place because of those powerlines that you wouldn't necessarily have in flat country?

JAYSON McKELLAR: Obviously the larger powerlines are an obstruction, as are other towers, transmission towers and whatnot. When our aerial assets are at work, the pilot in command is the person in charge and they have the final say. We would form an air group. We would have an air attack supervisor, which is a fire person—a person with fire qualifications—and they would take a lead role in finding obstacles and advising the rest of the aircraft working in that area. The role of an air attack supervisor has somewhat of a controlling effect over the fire, so they would be talking to all of the aerial assets there. They would make them aware of the obstruction, whatever it may be, and they would amend strategies to compensate for those. They're certainly not going to take a high level of risk and fly close to them. They will amend their strategy and work around the obstruction.

The Hon. WES FANG: With the visibility aspects and the difficulties posed by smoke, dust and the like, do you find that there is a larger reluctance to tackle fires with aerial assets around those lines? Or is it something that is just accepted? Has it been a handbrake on a deployment of an asset at any stage, in your experience?

JAYSON McKELLAR: I would say not the actual deployment. I would say when—we would deploy an aerial asset to a fire. Fires can cover a large area, but it would be a problem if the fire was directly adjacent to whatever the structure was. In low visibility—whether it's smoke, dust, rain, whatever the case may be—again, the pilot would have the ultimate say. The air attack supervisor would be advising all the pilots in the area. We also have access, obviously, to weather radar, to the Bureau of Meteorology, to all of those sorts of things. So we have a lot of information coming in. But, where there is a concern for visibility, we would cease operation in that area.

The Hon. WES FANG: In relation to the different way you would tackle perhaps a fire that is emerging near an underground powerline as opposed to an overhead powerline, do you imagine that it would be a different scenario? Do you imagine that underground power assets would be an easier infrastructure to defend? Also, do you think that, in your experience, the overhead assets are more likely to perhaps be the cause of fire through arcing et cetera? Have you experienced that? Do you think that that would change the way that you would approach a fire that was perhaps in the vicinity of an underground?

JAYSON McKELLAR: I guess, firstly, obviously there are instances of powerlines creating fire. I think we can provide pretty accurate statistics on those sorts of things for you. The first part of the question, sorry, was—

The Hon. WES FANG: The difference in the way you would tackle—

JAYSON McKELLAR: Sorry, yes. Obviously, in an initial attack of a fire, whether it's ground or air, you are going to see the obstacle, being the stanchion or the powerline, whereas underground, I would think people—obviously if the powerline is buried, it would just be like any other portion of bush. I assume that there would be an easement, so we would be able to identify it, but it would be less restrictive, obviously, for particularly an aircraft. I suppose from ground-based firefighting in vehicles or on foot, we have a large network of fire trails across the State that we invest pretty heavily in. Most powerlines, or all powerlines, I assume, have an easement beneath them, which could—not always but could—form part of that network.

The Hon. WES FANG: Just in the minute I think I've got left, would it be a fair summary for me to suggest that overhead powerlines potentially can cause fires through arcing in extreme weather, that the overhead powerlines provide some restrictions and some extra considerations required to fighting fires in and around them, and that perhaps undergrounding the asset might make it less restrictive and slightly easier in planning an execution of fighting fire than the overhead powerline situations?

JAYSON McKELLAR: I think, yes. We would have to understand, from a firefighting perspective, what infrastructure goes into undergrounding. I think there are kiosks, or whatever they're referred to, at certain points—the easements that are available. It is acknowledged that powerlines have certainly started fires in the past; however, the vast majority of fires in a season like 2019-20 were caused by natural causes, which were lightning strikes. Again, there are accurate statistics available that we can provide, if you need those.

The Hon. WES FANG: I would say my time is pretty much expired. Thank you very much for providing some insight today.

CORRECTED

Ms CATE FAEHRMANN: I just wanted to take you to some of the evidence provided by Transgrid last week in relation to fires. There has been quite a lot of discussion on this Committee about the risk of overhead transmission lines with fire and the limitations it can cause in terms of fighting those fires. Transgrid gave evidence—Mr Brett Redman—saying that in Australia, for example, we can't find any instance of a bushfire started by any transmission line more than 66 kV. We're talking about a 100 kV line. Is that your experience?

JAYSON McKELLAR: No.

Ms CATE FAEHRMANN: A lot of the lines around here would be 330 kV.

JAYSON McKELLAR: I would have to have my team do some research on that. We looked at some statistics, but it wasn't the actual voltage of the lines. There are certainly coronial reports and whatnot that talk about known fires that were caused by powerlines, but I would have to refer back to those to see what the actual size or capacity of those were.

Ms CATE FAEHRMANN: Yes, that would be useful. I'm sorry to give you some homework, but it's critical evidence, I think. How do powerlines start fires?

JAYSON McKELLAR: Broadly speaking, there are examples there where in high-wind type scenarios part of a tree branch or a bough would fall across a powerline and damage a conductor that would fall to the ground and ignite the vegetation. I think there are examples, too, of powerlines in a high-wind scenario that would come together.

Ms CATE FAEHRMANN: We heard about one of those.

JAYSON McKELLAR: But I know the authorities have over recent—or quite some time—put considerable effort into putting spacers on lines so that powerlines can't touch. They also have requirement under the bushfire management committees and whatnot to maintain the easements underneath powerlines so that they are maintained—so there's not an abundance of fuel there. They're trimmed so trees don't come in contact with them—that's obviously high powerlines that run through wilderness-type areas. But we also have powerlines everywhere, and you will know, if you drive down the street, you will see trees that are trimmed around powerlines for the same sort of principle.

Ms CATE FAEHRMANN: We have heard a lot in this Committee about transmission lines arcing. We have heard from people who are part of their rural fire brigades saying that they've witnessed that. This is particularly in Tumut in terms of the Dunns Road fire. What does transmission lines arcing mean?

JAYSON McKELLAR: I think that's a broad term for something that has come in contact with it, whether it is vegetation or debris that has flown into it. I think, in a lot of these scenarios, it is obviously high wind and there is a lot of debris around. It can also be in a very smoky environment when there's lots of particulate matter in the air. The electricity actually can arc through that sort of atmosphere to the ground. And I suppose the other one would be wildlife—animals, birds.

Ms CATE FAEHRMANN: What is your view, then, in terms of the overall wisdom of putting in place a lot of overhead transmission lines in a regional area such as this, given what I'm sure you're aware of in terms of the increased risk of greater numbers of more severe fires in the coming decades? As a firefighter, what is your view as to the wisdom of putting in place these overhead transmission lines? Are you advocating for those to go underground?

JAYSON McKELLAR: In my position and role, I'm not advocating. I certainly would offer that some of the fires that we combat start in the most remote areas and burn into urban areas, such as—the Tathra fire was an example that was mentioned. I think it's quite obvious that if power was put underground it does reduce that risk. It reduces an obstruction risk. But I'm certainly not educated enough in the subject matter to talk about the benefits from a power point of view and how that would work, or cost effectiveness.

Ms CATE FAEHRMANN: Can I also ask about access to water on firefighting days? We also heard that some of the transmission lines being proposed—these massive, big new transmission lines—will be cutting across and interfering with the ability to access some of the water in dams and what have you that's used in emergencies. How important is that, in terms of being able to access that water? Do you see that as potentially something to also consider because it will limit the ability for aerial firefighting to access that water?

JAYSON McKELLAR: I would go back to the earlier answer that any line or stanchion tower we would treat as an obstruction, particularly for our aircraft. Yes, if a powerline was strung across a dam or a river, or whatever the watercourse is, we would avoid it.

Ms CATE FAEHRMANN: Or near to it, I assume, as well?

CORRECTED

JAYSON McKELLAR: Yes, we're certainly not going to place our aircraft or people at risk to sneak in or get close. So if there is a powerline that would affect the operation of the aircraft, we would certainly avoid it and find another water source. Obviously, we're in Australia; there is not an abundance of water sources everywhere. But that is part of the process, particularly for aerial operations—that they need to find a suitable water source—but also for our vehicles on the ground that have a water tank on board. Once they exhaust that water, they have to find another source to top up. A fire truck can pull up to a dam and drop a pump in it and fill the tank. Depending on what the powerline is that's above them, again, they would have to make a risk assessment on the day, at the specific location, as to whether they would do that or not.

Ms CATE FAHRMANN: Is the RFS consulted when it comes to the location of transmission lines?

JAYSON McKELLAR: I would have to take that on notice.

The Hon. STEPHEN LAWRENCE: Thanks for coming along, Mr McKellar. Are you able to give us any specific examples by reference to your experience and expertise where high voltage transmission lines have interfered in fighting a fire, and where that's had a significant impact on the impact of the fire?

JAYSON McKELLAR: I think in recent times—we've already spoken about the Tathra example. In my time—I did come through the aviation side, so I did a lot of flying—there were numerous times when I would amend the strategy based on where a powerline was strung. From a risk point of view, I was not going to fly a helicopter or an aeroplane under or in the vicinity of a powerline, particularly when there is a visibility issue. To set the scene a little bit, they're not flying on a clear, beautiful summer's day.

The Hon. STEPHEN LAWRENCE: I assume there is smoke around?

JAYSON McKELLAR: Smoke, dust. It's usually windy. We're certainly not risk averse, but we're very careful in what we do. To the question, yes, I have had times in my career where I've had to amend a strategy because of a powerline.

The Hon. STEPHEN LAWRENCE: And has that included circumstances where the fire has materially worsened because you couldn't adopt a strategy that, but for the transmission line, you would have?

JAYSON McKELLAR: I couldn't give you an example of a time where I think a fire has actually escaped beyond a smaller area or where we've had to fall back to another containment line. I'd have to go back and look at records, but I couldn't give you an example of one that has absolutely got away. It may have extended a little bit. From a safety point of view, I'll fall back to the next road as my containment line. But I couldn't give you an example of one that has actually got away, in my memory.

The Hon. STEPHEN LAWRENCE: I'm going to ask you a question now that is quite general. If it's not possible to answer, I'm sure you'll tell me. In your opinion and expertise, will the installation above ground of these quite lengthy high voltage transmission lines, like HumeLink and the New England link, lead to more bushfires?

JAYSON McKELLAR: I couldn't say that, no. There are so many variables to that question. An easement creates an access. More people could get in there. That could cause any number of fires. So, no, I couldn't give you—

The Hon. STEPHEN LAWRENCE: Are you able to say whether the installation above ground of lengthy high voltage transmission lines, like HumeLink and the New England link, will mean that fires that will happen will be worse over a certain forward period?

JAYSON McKELLAR: No, I don't think so. If we go back to your original question, just to clarify, from my perspective as a fire manager I would look at the area and the fact that there are more powerlines in there—there are more stanchions, there is more infrastructure—would be a consideration to the risk levels in there. Now, that might work both ways. We may well use the access trails as part of our fire trail network or as a firebreak. Just by virtue of having infrastructure out there, it would come into the risk equation of what we would do to mitigate a fire, and it would also pose some limitations to how we would do that.

The CHAIR: Thanks, Mr McKellar, for your time today. Are you able to remark briefly on the consultation that occurs through major projects such as this? It has been a key theme throughout our hearing and the evidence yesterday and again today. You have already taken on notice a question from Ms Faehrmann about that, but if you could just speak more generally—

JAYSON McKELLAR: About consultation?

The CHAIR: Yes, in these significant projects.

CORRECTED

JAYSON McKELLAR: From a very, very broad perspective, the RFS has about 75,000 members and we affect a lot more people than that. In my experience, you consult, you consult and you consult some more. And when you think you've done enough, you go back and engage some more. If I can use an example, a project I have been working on the last couple of years is better levels of engagement with our farming communities. I remember sitting in this very room, on the stage, during a town hall. It got to a point where it wasn't that great, but we worked on it and worked on it and worked on it. A couple of years later, we're making some really good inroads and we're working pretty tightly with New South Wales farmers and landholders across the place. But it takes a lot of work, and you have to continually consult. Like I said, when you think you've done enough, do a bit more.

The CHAIR: You commented on the easements and the fact that there is somewhat of an opportunity there. Are you aware of whether that opportunity would exist similarly with the undergrounding of transmission infrastructure?

JAYSON McKELLAR: I had a quick read of some of it. I tried to get a broad cross-section. I understand that the easements for undergrounded power would still be there, but they would be a smaller width as opposed to the high voltage powerlines, which can be up to a couple of hundred metres wide. We maintain a lot of asset protection zones around infrastructure around urban interface. We would look at anything that's 20 or 30 metres wide and we would use it as a protection zone or to our advantage in firefighting. If you look around most urban areas of New South Wales now that interface with the bush, you will see that there's an asset protection zone behind the buildings. That is a buffer zone that we maintain or the landholder maintains where firefighters can get in there and gain opportunity in a safe, cleared area to combat the fire that's coming through the bush. A powerline easement without a powerline over the top would be something that we would certainly factor into our networks and utilise.

The CHAIR: How big a role does the size of the easement play in terms of establishing that firebreak or better access?

JAYSON McKELLAR: It very much depends on the type of vegetation that the fire would be burning through—how thick it is, what is the run from the previous break and the fuel levels on the ground. But around urban areas, I think an average is probably about 30 metres.

The CHAIR: Thank you very much for attending the hearing today. Committee members may have additional questions for you after the hearing. The Committee has resolved that the answers to these, along with any answers to questions you took on notice today, be returned within seven days. Our secretariat will contact you in relation to these questions.

(The witness withdrew.)

The Committee adjourned at 12:30.