

PORTFOLIO COMMITTEE NO. 7 - PLANNING AND ENVIRONMENT

Thursday 4 December 2025

Examination of proposed expenditure for the portfolio area

PLANNING AND ENVIRONMENT

CORRECTED

The Committee met at 9:15.

MEMBERS

Ms Sue Higginson (Chair)
The Hon. Scott Barrett
Ms Abigail Boyd
The Hon. Anthony D'Adam
Ms Cate Faehrmann
The Hon. Wes Fang
The Hon. Scott Farlow
The Hon. Jacqui Munro
The Hon. Peter Primrose
The Hon. Emily Suvaal
The Hon. John Ruddick (Deputy Chair)

MEMBERS VIA VIDEOCONFERENCE

Dr Amanda Cohn

**EVIDENCE OMITTED ON PAGES 44 AND 45 OF THE TRANSCRIPT BY
RESOLUTION OF THE COMMITTEE 4 DECEMBER 2025.**

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

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The CHAIR: Welcome to the third hearing of the Portfolio Committee No. 7 – Planning and Environment inquiry into budget estimates 2025-26. I acknowledge the Gadigal people of the Eora nation, 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 today. My name is Sue Higginson. I am the Chair of the Committee.

Today the Committee will examine the proposed expenditure for the portfolios of Planning and the Environment. I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures. All witnesses will be sworn in prior to giving evidence. I remind Ms Fishburn and Ms Gibson that you have already been sworn in before this Committee during this inquiry and do not need to be sworn again.

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Ms KIERSTEN FISHBURN, Secretary, Department of Planning, Housing and Infrastructure, on former affirmation

Ms MONICA GIBSON, Deputy Secretary, Planning, Land Use Strategy, Housing and Infrastructure, Department of Planning, Housing and Infrastructure, on former affirmation

Mr DAVID McNAMARA, Acting Deputy Secretary, Development Assessment and Sustainability, Department of Planning, Housing and Infrastructure, sworn and examined

The CHAIR: Welcome and thank you for making time to give evidence today. Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We're joined by departmental witnesses for the Planning portfolio for the morning session, from 9.15 a.m. until 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon we'll hear from departmental witnesses for the Environment portfolio from 2.00 p.m. to 5.30 p.m., with a 15-minute break at 3.30 p.m. During these sessions there will be questions from the Opposition and crossbench members only, and then 15 minutes is allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will begin with questions from the Opposition.

The Hon. SCOTT FARLOW: Thank you very much for being here today for another estimates session. I want to kick off with questions about the Housing and Productivity Contribution. Am I correct in saying that it has raised \$6,019,000 from 1 August 2023 to 30 June 2024, and then \$32,955,000 from 1 July 2024 to 30 June 2025?

KIERSTEN FISHBURN: I'll ask Ms Gibson to take those questions.

MONICA GIBSON: I don't have the numbers down to the last dollar, but the numbers that I do have suggest about \$6 million in 2023-24 and \$33 million in 2024-25. There's been more that's come in in this financial year of 2025-26, so the uncommitted balance as of 8 November is around \$56 million.

The Hon. SCOTT FARLOW: Am I correct in saying that in the 2023-24 financial year, the discount that was applied was 50 per cent?

MONICA GIBSON: That's right. There was a discount in the first two years of the operation of—

The Hon. SCOTT FARLOW: So 50 per cent in the first year, and was it 25 per cent then in the second year?

MONICA GIBSON: That's right.

The Hon. SCOTT FARLOW: And the discount has now come to an end.

MONICA GIBSON: As of 1 July.

The Hon. SCOTT FARLOW: How many individual payers of the contribution were there in 2023-24 and 2024-25?

MONICA GIBSON: That's a really good question for which I don't have the detail in front of me. I'm happy to take that on notice and to get that information from our system.

The Hon. SCOTT FARLOW: Does the Housing and Productivity Contribution fund also include the transport infrastructure component and the strategic biodiversity component?

MONICA GIBSON: That's right.

The Hon. SCOTT FARLOW: It includes funds not just levied for residential development, but also for commercial development and industrial development. Is that correct?

MONICA GIBSON: That's correct.

The Hon. SCOTT FARLOW: Would it be possible also to get a breakdown of the funds that are collected as part of the Housing and Productivity Contribution, the transport project component and the strategic biodiversity component?

MONICA GIBSON: I'm happy to get that information and provide that as a response to questions on notice.

The Hon. SCOTT FARLOW: With respect to the funds collected, is it also possible to get a breakdown of the funds collected from residential subdivision, medium- or high-density development, commercial development and industrial development?

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MONICA GIBSON: We will be able to do a little bit of analysis around that, as best we can, on the development type that that contribution has been collected on, so we can provide that.

The Hon. SCOTT FARLOW: As part of the passage of the legislation, the Government indicated that \$1 billion would be paid to local government over 10 years for what were deemed to be "regionally significant facilities like sporting complexes and open spaces". Is that still the commitment of the Government?

MONICA GIBSON: That remains the commitment, yes.

The Hon. SCOTT FARLOW: How much has the Government paid local government from the fund so far?

MONICA GIBSON: There hasn't been a grant program from the Housing and Productivity Fund since it commenced in October 2023.

The Hon. SCOTT FARLOW: When is that intended to be stood up?

MONICA GIBSON: There is some work that is being done for community infrastructure that is underway and in preparation, and that is for the TOD accelerated precinct areas.

The Hon. SCOTT FARLOW: Is that grant funding only going to be for the TOD accelerated precincts?

MONICA GIBSON: That's the funding that has been announced, so that's part of the \$520 million that's been announced from the Housing and Productivity Fund to go to the TOD accelerated precinct areas.

The Hon. SCOTT FARLOW: And that's the only fund that's been announced for local government out of the Housing and Productivity Fund?

MONICA GIBSON: That's correct.

The Hon. SCOTT FARLOW: So that will be the only mechanism for local government, at this stage, to be able to apply for funding from the Housing and Productivity Fund?

MONICA GIBSON: That's the only one that's been announced at this point in time, though we are doing work—and we will keep doing work—on the other grants for councils in line with the commitment that's been made.

The Hon. SCOTT FARLOW: When the bill was passed in 2023, the Government claimed that it would secure \$1 billion over the forward estimates through the Housing and Productivity Fund. At that time they were for the fiscal years of 2023-24, 2024-25, 2025-26 and 2026-27. Given that the fund has only raised \$38.974 million halfway through—or \$50-odd million, as you've outlined as of today—do you anticipate that the fund will still raise \$1 billion over the next two fiscal years?

MONICA GIBSON: The forecasts in terms of the Housing and Productivity Fund and the amounts that were forecast to be collected are matters for Treasury. They administer the fund. In terms of the work that the department is doing, because we've had \$520 million allocated to us for the TOD accelerated precinct work, we are acting on that.

The Hon. SCOTT FARLOW: Of that \$520 million, how much came from the Feds?

MONICA GIBSON: The \$520 million is an allocation from the Housing and Productivity Fund, so, yes—

The Hon. SCOTT FARLOW: Because I believe in the last budget estimates, the Minister indicated that \$300 million of Federal funding was in there as well.

MONICA GIBSON: That's right. Some of the funds have been supported by funding that's come from the Commonwealth, but it is a commitment—

The Hon. SCOTT FARLOW: Has that funding then gone into the Housing and Productivity Fund, or how does that work?

KIERSTEN FISHBURN: I think those are questions for Treasury, Mr Farlow. They determine where they allocate the particular funding. As Ms Gibson detailed, our responsibility is to get the programs out the door.

The Hon. SCOTT FARLOW: Sorry, Ms Gibson, for interrupting.

MONICA GIBSON: No, that's okay. The \$520 million has been allocated to the Housing and Productivity Fund, and we're working to deliver the infrastructure associated with that, a combination of both grants to councils through the community infrastructure program and the parks that will be delivered—the new open spaces that will be delivered at the TOD accelerated precinct locations.

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The Hon. SCOTT FARLOW: The ones that were indicated in terms of that funding so far announced were Kellyville, Bella Vista and Bankstown. Is that correct?

MONICA GIBSON: That's correct.

The Hon. SCOTT FARLOW: Are there any others that have been announced since?

MONICA GIBSON: No, there haven't been any others announced.

The Hon. SCOTT FARLOW: Why has the Housing and Productivity Fund yielded so few receipts to date?

MONICA GIBSON: There's a lovely long story that goes with this, so if you've got a little bit of patience—

The Hon. SCOTT FARLOW: We've got 13 minutes at least.

MONICA GIBSON: That's great. The Housing and Productivity Contribution came in in October 2023. The way that that contribution is applied is that it is added to a development that is lodged after that date and assessed and approved after that date. The contribution is then paid at the time that the development starts construction, so there's a bit of a lead-in time between October 2023 and when that contribution will be paid. The numbers and the funds that have been coming through are coming through from developments that have been lodged after that date, assessed and approved and commenced construction.

That typically is smaller scale developments—smaller scale residential or industrial development and the less complex types of development. The discount also means that for the first year they were paying only half of that contribution and, up until recently, less than the full amount. It's only been a handful of applications that have been paying the full amount since July this year, but it doesn't mean that we haven't been investing in infrastructure and infrastructure delivery. From the department, on average, every day we're spending about \$700,000 in grants to councils for open space for roads and development-enabling infrastructure. So while the Housing and—

The Hon. SCOTT FARLOW: Where's that funding coming from, then?

MONICA GIBSON: It's coming from other contributions that have been made. The Housing and Productivity Contribution—

The Hon. SCOTT FARLOW: Is that the old Special Infrastructure Contribution?

MONICA GIBSON: That's right, as well as VPAs and the State VPAs. It's also coming from other allocations that have been sought from the department and through metropolitan green space programs and other open space programs that have come from other funding sources—not all developer funded or developer contributions.

The Hon. SCOTT FARLOW: I take your commentary in terms of the requirements to qualify for the Housing and Productivity Contribution. It needs to be lodged after the date that that came into effect and assessed during that period. But even working on an apartment—and we do have the breakdown from each region so it gives us an idea. If we were to take that lower level, from my reckoning—and I know you probably wouldn't want to trust me on this, so I'm happy to see your figures on notice—there would only be 2,004 properties that were levied in 2023-24, taking into consideration the discount, and 5,897 in 2024-25. Is that around about how many would have actually gone through? I suspect that this is probably a generous figure, because it's not necessarily taking into account residential subdivisions that would be levied at the higher rate.

MONICA GIBSON: Yes, when we provide the answers on notice, we'll be able to go into that detail about how many applications for what type. A knockdown rebuild of a single dwelling is not paying a contribution. Again, this is small-scale additional development. Even a subdivision, and quite large subdivisions, that have been levied with the new Housing and Productivity Contribution would be rolling out in stages. If you have a 500-lot subdivision, you might have only released a stage of 25 or 50 lots in that period of time. You're not paying for the full 500 of those new housing lots, but only the number that have been subdivided in that stage.

The Hon. SCOTT FARLOW: You were talking about the Special Infrastructure Contribution and some of the funds that were dispensed from that. How do the funds that are being levied by the Housing and Productivity Contribution compare to those that were formerly levied by the Special Infrastructure Contributions? What sort of analysis have you done in terms of what was being raised from the former Special Infrastructure Contributions in comparison?

MONICA GIBSON: The Special Infrastructure Contributions applied in a patchwork fashion around the State, whereas the Housing and Productivity Contribution is applying to nearly all areas of Sydney—there's a little bit in Western Sydney, in the aerotropolis, where it's not yet applying—but also in the Illawarra Shoalhaven,

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the lower Hunter and the Central Coast. That means that it's a consistent and more equitable development contribution that's coming. In terms of the Special Infrastructure Contribution, I can provide some detail about how much was collected in 2023-24 and 2024-25. It was about \$51 million from the Special Infrastructure Contribution in 2023-24 and \$47 million in 2024-25.

The majority of that has been allocated and expended, and there is an uncommitted balance of less than \$20 million in the special infrastructure funds at the moment. The State voluntary planning agreement—so this is more on a site-by-site basis, rather than for precincts—has also been collecting funds for those places. In 2023-24 it was \$75 million, and \$42 million last financial year. Again, the majority of that has been expended. We also are keeping information and tracking and monitoring the information about local government's development contributions—so the local contributions. At the moment it looks like there may be close to \$4 billion in local contributions that are sitting with councils.

The Hon. SCOTT FARLOW: That's unspent at this moment.

MONICA GIBSON: That is in bank accounts and not on the ground.

The Hon. SCOTT FARLOW: With respect to the spending of it, as well, when do we expect to see the infrastructure opportunities plan?

MONICA GIBSON: I would really like to have been able to show you an infrastructure opportunities plan.

The Hon. SCOTT FARLOW: I was hoping for an announcement today.

MONICA GIBSON: I would really like to have shown you because you have asked me a couple of times now about that.

The Hon. SCOTT FARLOW: Since about 2023.

MONICA GIBSON: It is proving more complicated than we had initially anticipated. It is a very challenging task. We had to start from a place where there was no single list of infrastructure that was needed to support housing, so we've needed to collate information from previous SIC lists, from State infrastructure strategies and from agency plans. We've also been seeking and have been reviewing the reports that industry has produced about the infrastructure that's required. That's given us—

The Hon. SCOTT FARLOW: This is all through the Urban Development Program, is it?

MONICA GIBSON: That's right. It's given us a long list of several hundred infrastructure items. Conservatively, it's about 700 infrastructure items that have been in lists. Some of them are more than 15 or nearly 20 years old, some of those lists. It's been an exercise in going through auditing and validating those infrastructure items. Many have been completed and delivered or are under construction now, but there still remain a lot on that list that we've needed to confirm whether they are still relevant and still support housing in the places where our housing targets are, and where the development industry is indicating that growth is occurring and will occur over the next five years.

There's been a lot of work in matching back that information that we've had from a range of sources into that work. We are getting very close to having that work completed, but I think it will be in 2026 and not 2025 when we will see an infrastructure opportunities plan and, with that, the works-in-kind guideline that will also help industry to deliver on items from that infrastructure opportunities list. We've exhibited that guideline and received some really useful feedback that we've been contemplating and making some adjustments to the guidelines. We'll produce those guidelines with the infrastructure opportunities plan next year.

The Hon. SCOTT FARLOW: That infrastructure opportunities plan is needed to be able to expend any funding from the Housing and Productivity Fund, isn't it? Is that a requirement?

MONICA GIBSON: It will help us do that. But the \$520 million allocation for the TOD accelerated precincts is—

The Hon. SCOTT FARLOW: A way to do it without it.

MONICA GIBSON: Yes.

The Hon. SCOTT FARLOW: While I asked you for the update in terms of the status of the fund, which you kindly provided, has there been any update in terms of expenditure from the fund? Has anything been spent from the fund as of yet?

MONICA GIBSON: So \$520 million has been allocated to us.

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The Hon. SCOTT FARLOW: But nothing has gone from the fund at this stage.

MONICA GIBSON: We have been spending from the \$520 million allocation that's been given as part of the parks delivery for the TOD accelerated precincts.

The Hon. SCOTT FARLOW: But that is separate to the Housing and Productivity Fund. I know these might be questions for Treasury but, looking at what sits in the Housing and Productivity Fund at the moment—at least in what was published—nothing has been expended from that fund to date. While there might have been funding on the TOD accelerated precincts, that might have come separate to that.

MONICA GIBSON: Yes, I think they are matters for Treasury about how that accounting will occur. But we are certainly—

The Hon. SCOTT FARLOW: I know you have many skills, Ms Gibson, but I didn't want to make you an accountant as well.

MONICA GIBSON: Thank you.

KIERSTEN FISHBURN: Mr Farlow, just for clarity, as Ms Gibson said, we have been expending SIC and VPA funding throughout the department, so it's not that there has been a gap in infrastructure funding.

The Hon. SCOTT FARLOW: Ms Gibson, do the works-in-kind agreements require the infrastructure opportunities plan to be finalised?

MONICA GIBSON: That's right. For works in kind to be assessed against a Housing and Productivity Contribution, we need the WIK guideline in place. We are still entering into works-in-kind arrangements and agreements with development applications that have a State Infrastructure Contribution or a SIC contribution associated with it or for one who has a State VPA associated with it. So there are still some works-in-kind agreements that are being struck.

The Hon. SCOTT FARLOW: But they can't be used at this stage to alleviate the Housing and Productivity Contribution.

MONICA GIBSON: That's right.

The Hon. SCOTT FARLOW: Also, with respect to the works-in-kind guideline and, to be somewhat specific, in terms of the exposure or the consultation, at 4.1.1 there's a reference to what is government planned development and also unplanned development. I'm interested in what is government planned development and what is unplanned development under those guidelines.

MONICA GIBSON: I'm guessing that's a reference to a point inside the works-in-kind document that was released. I don't have that in front of me. But, in terms of what we mean by "planned" and "unplanned", there are areas that we are sequencing development to occur in the Urban Development Program. There will be some situations where bringing forward some additional land beyond what was planned might be possible, where the infrastructure funding could be sought from a range of new sources, including from developer-funded works. So there will be some situations where a works-in-kind agreement might make sense to bring forward some additional land beyond what was sequenced in the Urban Development Program.

The Hon. SCOTT FARLOW: There have been some calls—I note them in the paper today—from the UDIA in terms of uncapped works in kind. Is that something the department is looking at, at all?

MONICA GIBSON: I am not entirely sure what the UDIA are referring to as uncapped works in kind. That's something where I'd want to find out a little bit more from them about what their proposal is. They did make a submission to the guideline, and we've been reviewing and assessing for that.

The Hon. SCOTT FARLOW: What will be the process for finalising the infrastructure opportunities plan that's released in 2026? I imagine you will be going out for some sort of public exhibition and feedback?

MONICA GIBSON: That's right. We will be seeking feedback, and then we'll be seeking to finalise. They are fairly normal steps that we would take for any strategic plan or policy that we prepare and release for feedback, and then accept those submissions, review that feedback, make adjustments and finalise.

The Hon. SCOTT FARLOW: Would you be accepting works-in-kind agreements while there's a draft infrastructure opportunities plan available, or not?

MONICA GIBSON: We may do.

The CHAIR: Secretary, I would love to have an update following the planning reforms on how the Housing Delivery Authority is going and how it's performing. Could you provide the Committee with some

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information—what you can provide us—in relation to the use of AI? Obviously, I know there's been some controversy in the media, but if we could just get an update. The Committee respects all the sensitivities that you need to ensure, in terms of your team. But if you could talk to the technicalities of that, we would be very grateful.

KIERSTEN FISHBURN: Quite a few questions there, Chair, so I'll just make a few general comments first. Firstly, I appreciate the sensitivity of the Committee to matters that have been prosecuted in the media. As I think you all know, it is my general position and the position of the department that we don't comment on individual staff matters, and I will continue that practice. Thank you, Chair, for your support in that. What we're going to do—because I appreciate there probably will be a few questions on the topic of the HDA—is to walk the Committee through the HDA process, and then I'll ask Mr McNamara to talk specifically about AI, and then we can take any further questions from there, if that's useful.

Here are a few clarifying statements. The HDA, as you're aware, has been established as an optional pathway for the development industry. The optional pathway is an important consideration because proponents may choose to submit an expression of interest, or they may choose to continue to go down a council pathway. It does not make approvals. The HDA is not an approval-making authority. It evaluates the expressions of interest for housing projects against publicly available criteria. The HDA then makes recommendations to the Minister as to whether a project should be considered State significant development and as to whether any concurrent development controls should be looked at as well. Any project declared SSD—and this is not exclusive to the HDA; it is any SSD project in the State—must go through a full and thorough merit assessment, and that applies to these projects as well. I'll hand to Mr McNamara now to talk you through the step-by-step mechanics and then answer the question in relation to AI generally.

DAVID McNAMARA: As Kiersten has outlined, the purpose of the HDA and the panel is to make decisions, evaluate expressions of interest and make recommendations to the Minister as to whether a project is considered State or regionally significant and should be declared as State significant development. That process is an evaluative process of the published criteria of the HDA. The real task of assessment then begins, and the State significant assessment process will start. An applicant, once they have received a declaration for a project site, would then need to apply to the department for the secretary's environmental assessment requirements, which is the standard process.

Once that has occurred, SEARs are issued. We're encouraging those SEARs to be acted on quickly in order to meet the objective of the program, which is to speed up the delivery of much-needed housing. Once SEARs have been issued, the proponent prepares an environmental impact statement, and that's when the genuine assessment task occurs. There have been some references to assessment occurring at the front of the process, and AI undertaking assessment. That's not the case, and I'll come to that in a moment. The State significant assessment process is where the full merit assessment of each of these projects will be undertaken and recommendations will be made to the Minister, or their delegate, as the decision-maker.

More specifically, in relation to AI and the use of software, there was the use of software. The software in question was used to collate information in a really standard, simple way, and it was more an administrative, automation task. It was only used within the remit of the team that was responsible for the evaluation of the expressions of interest. It has not been used in any way for any assessment or any detailed evaluation of information. It was not used to generate any recommendations provided to the HDA and, on the information I've been provided with to date, there's no indication of any errors or inaccuracies in the summaries and information that have been provided to the panel through the course of this year.

The CHAIR: How many proponents have taken up the optional pathway, in terms of a percentage of the of the expressions or the proponents that are approaching the department?

DAVID McNAMARA: I've got some statistics around that. As of 24 November, we'd received 943 expressions of interest. To date, we've been able to consider 584 of those. Working down, of the 584, 289 have been declared SSD by the Minister. Again, working down from that number, to date, we've received a request for SEARs for 122 of those 289 projects. That number has probably gone up since 24 November. To date, we have received 13 applications lodged. Obviously, there is a lead time between a project being declared and a proponent preparing their request for SEARs, and then they have to prepare all the detailed plans, studies and information. We are anticipating that those numbers will escalate quite quickly through 2026 in terms of the conversion rate from declarations to SEARs and then to lodged applications.

The CHAIR: If there were 943 exercising the optional pathway, what is the number, if any, for—let's call it the other, ordinary pathway or approach?

KIERSTEN FISHBURN: I understand your question there, Chair. We would have to take that on notice. We can get that data out of the Planning Portal. It would be developments over this scale that are currently

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being assessed by councils or going through planning panels. We can get that for you; I just don't have it on hand. It's not apples to apples—

The CHAIR: No, I realise that.

KIERSTEN FISHBURN: —because the HDA has obviously stimulated interest. We're in a phase where we are seeing more development interest than we have normally experienced.

The CHAIR: Do I take that as an assessment that the HDA is a working product, for want of a better term, in terms of that stimulation? Are we seeing that it's potentially another step? Are you assessing at this point that it is an effective mechanism to attract more applicants?

KIERSTEN FISHBURN: There are two ways I would measure that, and one is quantitative. We are seeing significantly more development applications coming through over the HDA—and there are still some remaining with council—than we have normally experienced of this scale. I would argue that the option to be able to be State assessed is something that the development industry has demonstrated, using any quantitative measure, responded to. That is a real measure of success, as far as I'm concerned. Qualitatively, yes, the development industry have said that they greatly appreciate the pathway into the State. I don't want that to be interpreted as a criticism of councils.

I've always said that one of the benefits for the development industry is a level of certainty. We do the same thing the same way all the time. We are one department. There are 128 councils, who naturally have different ways of doing things. So that certainty, in an area and an environment where feasibility is challenging, is something the development industry has reported as a benefit to me. The other area that is also demonstrating that a little bit of healthy competition can work is where developers are telling me that councils are proactively going to them and saying, "We'd like to be the assessment authority. Can we give you time frame guarantees the same as the State is providing?" So there's a level of councils stepping up, as well, and being proactive in trying to make sure that they're undertaking assessment—obviously full merit assessment—but doing it in a way that responds to the need for housing at this point in time.

The CHAIR: Of the 943, as at 24 November, is there a concentration in terms of areas that these applications are coming from?

KIERSTEN FISHBURN: Yes, there certainly have been some areas where there has been particular interest. What we are seeing is that proponents are responding to the fact that things need to be well located. You could pretty much map them against rail lines, and certainly that is one of the criteria that we are looking at. But there have been some areas where we have been really pleased to see that the HDA seems to have stimulated development interest. I can get Ms Gibson to talk to those from a strategic context but, off the top of my head, Leppington has been one that has really stood out, and we're very excited to see that.

MONICA GIBSON: Yes, absolutely. Leppington, which has been an area that has been planned to grow in the Camden and Liverpool side of the Leppington area, has had a train station that's been delivered for some time and planning controls that are currently under review. The interest that's coming from the development sector and new development interest as well—in my meeting yesterday with Camden Council, they pointed out that they are largely new development interests coming into their LGA, and they see that as a positive thing to see some additional investment. That's been one where I've been to HDA meetings to provide advice about the planning work that we're doing at the moment in reviewing planning controls, as well as planning for some really significant infrastructure upgrades there, both for schools as well as for roads, and how that fits with the EOIs that are coming through. That's one of a number of examples where we're providing that strategic planning context and working together with the indications from the development industry about where they see potential for more housing to be delivered in the short term.

The CHAIR: Are there any particular regions that you have noticed in terms of applicants?

KIERSTEN FISHBURN: It's kind of everywhere.

MONICA GIBSON: Yes. That might be both in the eastern part of the city or around Chatswood or North Sydney. There has been interest in Macquarie Park. There has been interest in the Hills area.

The CHAIR: Anything in terms of actual regional New South Wales?

KIERSTEN FISHBURN: Do you have the data, David?

DAVID McNAMARA: I've got broad statistics. Of the 289 projects that have been declared by the Minister, there are a total of 42 applications in regional New South Wales and, with the indicative capacity of dwellings, around 9,600 dwellings at this stage.

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The CHAIR: Is it spread in terms of the regions?

DAVID McNAMARA: It's very spread in terms of the regions.

The CHAIR: Any concentration where you're seeing more growth than others?

DAVID McNAMARA: We could provide more detailed information to you on the geographical dispersion across the regions.

The CHAIR: That would be great. I saw very recently—and you may have seen it—that Mayor Chris Cherry from Tweed posted a broadcast that was really concerning a couple of weeks ago in relation to the new planning reforms. She said the New South Wales Government is removing local planning powers by stopping New South Wales councillors from voting on DAs. Basically, she made clear that she felt that this was very much an ambush move and that councils hadn't been consulted on this particular aspect of the planning reforms. She said that she met with the planning Minister and raised this issue, hoping to see that it could be reversed. She notes that very few development decisions are in fact made by elected councillors and that it's mostly delegated staff.

I'm just curious about whether you can provide any foresight to the Committee about what you think is the intention in terms of that planning reform that does take away, for want of a better term, councils' DA decision-making powers. Sorry, I know this is longwinded. In conversations that I have had and words that I have seen from the department, it seems like the modus operandi is to let councils do the strategic stuff and move development decisions away from councils, in line with ICAC considerations. Can you elaborate in terms of where the department is heading and what councils can expect into the future?

KIERSTEN FISHBURN: I'll let Ms Gibson go into a little bit more detail, but I have a few framing comments here. Firstly, yes, I can confirm that the mayor did express her concerns to both myself and the Minister. We've absolutely heard that. As you—probably more than anyone else—will be aware, Chair, we essentially have two types of systems that operate in New South Wales, with councillors no longer involved in planning decisions in the metropolitan area since 2019. That has been in response to a number of recommendations from the ICAC. We've been operating under two different systems, one in the regions and one in the State. Obviously, a desire to harmonise the systems is something that I think we would all agree is good. Some of the planning reforms have been taking that into consideration.

We are in the process of working through the implementation of the reforms. As you know, the Act just enables you to undertake things. There is still a significant amount of work to do there. One of the pieces of work will be consultation with regional councils about which way they want to proceed. I think it would be premature of me to pre-empt the outcome of those consultations. In fact, in the Local Government NSW annual conference when I got asked that question, I said, "I can't actually answer that question", because part of doing consultation is listening and then coming up with a response. That's really the phase we're in at the moment. Ms Gibson, is there anything you want to add in terms of our plans for consultation?

MONICA GIBSON: That they will be in the new year. We know that there are a lot of things on councils' plate leading up to Christmas and the last of their council meetings happening over the next week or two, so the consultation will happen in the new year. We know that a number of councils in regional New South Wales are interested in establishing a local planning panel where they haven't had that before, and to assist with the thorough and expert assessment of development applications. That's really good practice. That's been very good practice that has been in Sydney for some time, and in a number of other councils around Sydney. But in terms of the regional planning panels, we will continue to operate regional planning panels until such time as a local planning panel is in place for those councils, like Tweed and others. Like I said, we will be engaging with councils in the new year about the time frame and their preference for when they want to transition to a local planning council.

The CHAIR: I'm just picking up on the language here, and I could be wrong, but you're saying it's a matter of when, not really a matter of "if". Is that the case? Is that the direction?

MONICA GIBSON: The planning reforms talk about removing the pathway for regionally significant development applications.

The CHAIR: They do, yes.

MONICA GIBSON: While there will be transitional arrangements for applications that are in the system, there will come a point in time when no new regionally significant development applications will be accepted. That pathway will reduce to either being a local development application or a State significant development application, so that pathway will change.

CORRECTED

The CHAIR: In relation to a local development decision that is not considered a regionally significant development, is there going to be an option for councillors to maintain their capacity to make development decisions in the future, or are you saying that that is definitely going to go because of the planning reforms that Parliament has passed? Will some of those councils, through the consultation process, be able to nominate that they still want to be able to have certain developments escalated or nominated to be decisions made on development by the elected body?

MONICA GIBSON: They're the things that we'll be consulting with council on.

The CHAIR: So it is an option for them to maintain that decision-making power?

MONICA GIBSON: We'll be consulting with them on that and what their preferences are. At the moment, as I'm sure you know, the vast majority of development applications are determined by delegation by the professional planning staff and matters are escalating into council chambers for determination by councillors where there are certain thresholds met. That might be because there's been a very large value of that application, a number of community issues or submissions or simply because council set procedures where they ask for those applications to come into the chamber. They all take longer to assess and determine than applications that are determined by council's planning staff.

The CHAIR: Is the alternative that they would go to a local planning panel? Do you see what I'm saying? Will there be, through the consultation process, an option for councils to come back to the department and say, "There will be a local panel that is established, but there will also be an ability for the councillors, the collegiate mind and body of elected representatives, to still consider any DAs"?

KIERSTEN FISHBURN: I think this is the purpose of the consultation: to understand what councils would be asking for. I think somewhat your question is pre-empting the consultation that we want to undertake. There are some mechanical matters that would need to be looked at as well, because of the way the Act currently operates in relation to the panels, but we will be openly consulting with both metro and regional councils on the those matters.

The CHAIR: Thank you. I'll come back to it—there's just one more thing I want to finish on that.

The Hon. SCOTT BARRETT: Good morning and thank you, everyone. A special welcome to all our viewers at home.

KIERSTEN FISHBURN: That's about maybe 50 department staff.

The Hon. SCOTT BARRETT: I think it might be. Secretary, how many wind turbines in New South Wales have asbestos in them?

KIERSTEN FISHBURN: I don't have data on that to hand. I would have to take that on notice.

The Hon. SCOTT BARRETT: Is the inclusion of harmful materials such as asbestos part of the proposal process or planning process?

KIERSTEN FISHBURN: Mr McNamara, do you have any information on that? I understand that this has recently been subject to media reports. I'm not trying to avoid your question. I literally don't have any information on hand that I can give you at this point in time.

The Hon. SCOTT BARRETT: When they're putting in proposals for wind turbines—and other structures, I guess—is it not a requirement to identify harmful materials that would be part of that?

KIERSTEN FISHBURN: Sorry, I'm not avoiding your question. Obviously we undertake an assessment of environmental factors, and that would include materials. I do not have my subject matter experts here today. Mr McNamara, is there anything you can add to what materials are assessed as part of the assessment requirement?

DAVID McNAMARA: I think what I can do is take that on notice and get some information from the team and come back to you later today.

The Hon. SCOTT BARRETT: Okay. What would then be the ramifications if that was to be declared or if they weren't declared in that process? What would be the consequences of that process?

KIERSTEN FISHBURN: We'll take it on notice and do what we can. I think you're also referring to matters that we would generally refer to the EPA. If they had been outside of the assessment process and if they were identified by our compliance officers or by others, that would be the appropriate agency.

CORRECTED

The Hon. SCOTT BARRETT: This might be something that you don't have the specifics on. I'm guessing, in putting forward a proposal, if they were to include harmful materials, there would have to be a clause or some sort of "what we are going to do with those materials at the end of life"—if that could be included in that.

KIERSTEN FISHBURN: We'll come back to you with further information.

The Hon. SCOTT BARRETT: I'm still on wind turbines, believe it or not. The birds that we've heard so much about recently that were orphaned, and no doubt many were killed, as part of the tree clearing that happened at Merotherie Road—are we across any numbers of how many birds we're talking there?

KIERSTEN FISHBURN: I don't suspect we've got that level of detail, although I do want to say the department—like, I'm sure, yourself—find that very distressing. We are in the process of compliance investigations. Mr McNamara, can you talk that through?

DAVID McNAMARA: We don't have any specific numbers at the moment. The compliance team are actually out there today, undertaking an inspection, and have reached out to the constructor and EnergyCo for further information on what has been reported in the media. We need to gather a lot more information and ensure due process to understand what actually occurred there. There are approvals in place for clearing of vegetation. There are some very strict requirements, in terms of biodiversity management plans, which have been approved and which are meant to manage and mitigate against impacts. Part of our focus on that investigation will be looking to ensure all those requirements—how they've been met, how they've been looked at and is there any issue there. We don't have any specific numbers as yet. We haven't been reached out to formally from any party yet around the matter, other than the media reporting earlier this week.

The Hon. SCOTT BARRETT: If they haven't followed the process, who has the stick? Is it Planning, EPA or some other organisation?

DAVID McNAMARA: Under the consent, we have a compliance function to ensure that the conditions of the approval have been met. We have investigative powers and powers to take action under the consent. In this situation, being a biodiversity matter, it would fall to ourselves and DCCEEW to manage that investigation and any findings.

The Hon. SCOTT BARRETT: ACEREZ have said that these trees were cleared:

... in accordance with the project's environmental impact statement, planning approval and biodiversity management plan.

Is there any reason to disbelieve that statement?

DAVID McNAMARA: I couldn't speculate at this stage. That will be the subject of the investigation—to understand what has actually occurred and how that aligns or misaligns with the requirements of the approvals and the management plans.

The Hon. SCOTT BARRETT: A lot of people, including the people that live on that road, have spoken about the alternative option that was suggested, I think on many occasions, quite strongly—to move the road inland. Are we aware of that request coming forward formally?

DAVID McNAMARA: I'd have to take that on notice.

The Hon. SCOTT BARRETT: Once a project is approved, like this one—and these works are approved—is it "You've ticked it off, so it's out of my hands now" from Planning, or is there continual oversight?

KIERSTEN FISHBURN: No, we have a compliance role.

DAVID McNAMARA: No, that's right. There's an onus on the holder of the consent to meet those conditions of approval. Our role is to undertake compliance activities, both proactive and reactive, to ensure that is the case. We investigate any complaints from the community. Also, through the consent, there are requirements for audit reporting and so forth to report on the performance of the constructor and the applicant in terms of have they met the requirements that they've taken on—the burdens that they've taken on—by accepting the consent. That's an ongoing process. We've undertaken a number of inspections for this particular project. I think we've undertaken at least six inspections to date. We're out there again today. As that project moves further into the construction and delivery phase, we'll be undertaking numerous regular inspections, both proactive and reactive.

The Hon. SCOTT BARRETT: In relation to this specific incident—the clearing of these trees—you say you're investigating that. When are you expecting some sort of outcome from that investigation?

DAVID McNAMARA: It's probably difficult to give a precise time frame to it at this stage. It'll depend on the level of information we have to gather and the ability for EnCo and the constructor to respond to those. There are certain investigative steps we need to go through to ensure due process is provided to all parties.

CORRECTED

The Hon. SCOTT BARRETT: I'm sort of speaking on behalf of people who I've spoken to out there. The criticism of a lot of these projects is that consultation is not up to scratch. To me, this provides an example of that, where they have provided feedback to avoid this incident occurring—move the road and probably don't knock them down when bird eggs are hatching their nest. Has any of that feedback been considered for this project in the consultation process?

DAVID McNAMARA: All submissions that were received during the exhibition process were considered through the assessment and determination of the project. I can't comment on the specificity of that particular issue. I would be happy to take it on notice and get further feedback.

KIERSTEN FISHBURN: We're happy to review the submissions report.

The Hon. SCOTT BARRETT: Are we aware of any other similar incidents? Is this a one-off or have there been other occasions where critical environmental areas have been damaged, either legitimately or otherwise, as a result of this wind turbine rollout?

KIERSTEN FISHBURN: Nothing has been brought to my attention as secretary. As I said, we have a compliance role and we make sure that we undertake both proactive and reactive compliance. There may be matters that have occurred as a consequence of researching that compliance activity, but we don't have anything on hand.

The Hon. SCOTT BARRETT: There is opportunity for people to provide feedback through call-back lines and an email that is provided for each individual project. Does the department of planning have oversight of those complaints lines?

DAVID McNAMARA: If you're speaking about the project constructor and proponent, they'd have their own contact information. The department's compliance branch also has contact information on our website. There's a phone number and an email address, where people can reach out directly to us if they feel there is activity that's occurring that may not be consistent with the requirements of the consent. We'd encourage people to raise those issues directly with us in addition to how they may be raising it directly with onsite contractors.

The Hon. SCOTT BARRETT: Are there regular reports on what's coming through there? Do you get informed, Secretary, as to the themes that are coming through those lines?

KIERSTEN FISHBURN: Yes, I get updates on the number of compliance matters that have been brought to the department's attention. They're pretty variable because we have compliance across a whole range of different asset classes. It's not just wind farms; it's solar and it's mining. We also have, as conditions of consent—not on all projects but on some projects—community consultative committees as well. They can raise matters too, as does local government. Having the Office of Local Government in my department, I'm able to get information through OLG that councils might've provided to them as well. There are a number of pathways that areas of concern can be raised with the department.

DAVID McNAMARA: If I could add further, the requirement of proponents—the hotlines and addresses that they maintain—they're required to report the complaints they receive through those numbers back through to the department as part of that ongoing audit reporting that they have to provide back to us.

The Hon. SCOTT BARRETT: Through either of those processes, are we aware of concerns that were raised around the clearing of this vegetation?

DAVID McNAMARA: I'd have to take that on notice and talk to the team.

KIERSTEN FISHBURN: We'll take that on notice.

The Hon. SCOTT BARRETT: In the last hearing we had, we spent a bit of time on land values. Mr Gainsford informed me—and I'm paraphrasing; I can provide the quote if you want. Essentially, we were asking about the impact of solar and wind farms on neighbouring property values. It was informed to me that there have been studies, although not by the department in recent times. Studies haven't identified a decrease in land values, and the actual quote that I've pulled out of there is "In fact, in some cases, the studies have actually talked about an increase in land values". Again, having spoken to people, if there are two people looking to buy a property and one of those people pulls out because they're concerned about wind turbines going up on the farm next door, isn't that going to reduce the value of that land?

KIERSTEN FISHBURN: You're asking me to answer a hypothetical. I should have prepared for this, Mr Barrett, because I remember you asked these questions last time. The Valuer General has recently released land valuations across New South Wales. It's another part of my portfolio, so I haven't read it recently, but I can gather some data for you during the break from the Valuer General's reports on land values. I can only recall metropolitan Sydney at this point, but if there's some regional material in there, I'll get it for you.

CORRECTED

The Hon. SCOTT BARRETT: There is one in particular near Orange—the case of Mr Robert Green, who lives on the Mitchell Highway near Orange. He had his valuation done in July 2024, which was above \$8 million for his property. This is relatively close to town, where there could be housing potential there. In September this year that property value is now \$3 million, and the explanation for that points directly to an industrial solar complex with a project life of 35 years. Do we still stand by the position that solar and wind installations are not going to have an impact on neighbouring properties?

KIERSTEN FISHBURN: I don't think we've ever made that position. I think what we have said is that there may be a negative impact and there may be a positive impact. I would rather look at the broader data across what we're able to get out of Value NSW to see what land values have been affected. There will always be individual cases, and I obviously have some empathy for landowners if their properties have gone down in value. That happens across valuations across a whole range of asset classes.

The Hon. SCOTT BARRETT: What is his case for compensation when his property has dropped by more than half its value? What are his avenues from there?

KIERSTEN FISHBURN: That's a question I don't have the answer to. It's not something that would be in the remit of my department.

The Hon. SCOTT BARRETT: Does the department consider the impact that that will have on surrounding land values when approving such projects?

KIERSTEN FISHBURN: Mr McNamara?

DAVID McNAMARA: In terms of the issue of land values, I'm aware that the Land and Environment Court has ruled on several occasions that the assessment of the impacts of projects on individual property values is not generally a relevant consideration under the EP&A Act. It would only be where a project would have really significant and widespread economic impacts across a region or a locality where we could actually take that into account lawfully. We could actually misstep if we made a planning decision that sought to take account of localised impacts in terms of land values, notwithstanding the challenge of understanding what the actual impact would be.

KIERSTEN FISHBURN: And that has applicability to, say, residential development as well.

DAVID McNAMARA: Yes, it's not just in the case of renewables projects. That would be any class of development in New South Wales.

The Hon. SCOTT BARRETT: When you're talking about the localised nature of this, this is one neighbour we're talking about here. There are obviously several neighbours directly impacted and then others decreasingly, I presume, as you move further away. Does that not come into that?

DAVID McNAMARA: I don't want to speculate on the point of the court's interpretation of at what point does it become regionally significant and at what point would you consider. It's probably a legal question. I might stay clear of trying to answer those today.

The CHAIR: I feel like I've given that legal advice so many times in my life.

KIERSTEN FISHBURN: Chair, we're happy for you to help us answer the question.

The CHAIR: Sorry to interrupt, Mr Barrett.

The Hon. SCOTT BARRETT: That is okay at this point. Can I move to the Hills of Gold Wind Farm at Nundle. I believe the original proposal was put in for 97 turbines. The department then came back and said 47. That was then overruled. So the department said 47 because of the impacts that it would have on threatened or endangered ecological communities, and that was then overruled by the Independent Planning Commission, and now 62 turbines are allowed from that. The reason given was to make it economically viable. Is it the case now that for these projects we can override the environmental and community impact purely to make it economically viable?

KIERSTEN FISHBURN: There are two things I'll say while Mr McNamara looks through his papers. He has been acting in the job for two weeks, so he's doing exceptionally well as a consequence. Firstly, as I always say, the "I" in IPC is the giveaway. They are an independent decision-maker. The department does make recommendations to the IPC, but they're not obligated to accept our recommendations. The second thing I will say is that economics is one of the considerations that is in the EP&A Act, and so the IPC would look at economics as one of their considerations, as they would look at environment and a number of other factors as well. But in relation to how they chose to make that decision, that's a question we can't answer. We're not members of the IPC. Is there anything further to add?

CORRECTED

DAVID McNAMARA: Just specifically, I understand that the Hills of Gold matter might be before the court in some way, shape or form.

The Hon. SCOTT BARRETT: I'll ask a more generic question. Again, I suspect this might be outside your remit. Do other industries have that ability? Can a farmer, for instance, say, "I need to clear 100 hectares", and someone says, "No, you can only clear 50 hectares because of the environmental impact," and they say, "Well, if I do that, it's not economically viable, so I need to clear 80 hectares"? Are other industries—

KIERSTEN FISHBURN: We can only talk to matters that would come into the planning system. In the planning system, we do consider a number of things in the objects of the Act. In fact, the Minister and Parliament have recently updated the objects of the Act. Economics is one of them, but it is absolutely not the only factor. You would also look at environmental impacts. You would look at, for example, climate adaption, now that's come into the objects of the Act, and all those considerations need to be weighed up. It is one of the reasons why planners are experts in their area. They have to find that balance and they have to find that proportionality. But in terms of a farmer getting permission to clear his land, that would be a consent that doesn't come through my department.

The Hon. SCOTT BARRETT: I note that we're getting towards the end of a few things. To update some facts and figures for me, how many renewable projects have been approved—and I appreciate you may take this on notice—in each of the different REZs, and what's their breakdown as far as wind versus solar?

KIERSTEN FISHBURN: We're just checking.

DAVID McNAMARA: I've got general.

KIERSTEN FISHBURN: Can we give you general numbers and then give the breakdown and any other detail you need on notice?

The Hon. SCOTT BARRETT: Absolutely.

DAVID McNAMARA: In terms of energy generation and storage projects since March 2023, I've got statistics on the number of projects. Would you like just the approved projects or—

The Hon. SCOTT BARRETT: In the first instance, yes.

DAVID McNAMARA: The number of approved projects across the State: seven wind farms, 15 solar farms, also 15 battery projects, no hydro projects approved—a number under assessment—and two transmission projects. So a total of 39 projects, with an estimated value of around \$30 billion, have been approved. We can also provide you with more detailed statistics around which ones are under construction, or also which ones are under assessment, if you'd like?

The Hon. SCOTT BARRETT: Let's just start on them. Out of those, let's look at the wind and solar installations. How many of them are within a REZ and how many are outside a REZ?

DAVID McNAMARA: Within and outside a REZ—I might have to come back to you on that. I've only got the more global State numbers at the moment, but we'll come back.

The Hon. SCOTT BARRETT: If we can get that breakdown within the REZ and outside?

KIERSTEN FISHBURN: Yes, we hold that data.

The CHAIR: I just want to quickly go to the ACERESZ project and the one that you're having a look at now. There were 670 trees removed. On all accounts, that does seem incredibly unfortunate, excessive, but it does seem like that's the planning system working somewhat as designed. I realise that Minister Scully signed off on the critical State infrastructure approval mid-last year. Slight biodiversity offset reforms were passed at the end of last year. The main part of those reforms was entrenching the hierarchy—avoid, mitigate, offset—into law. Do you anticipate that the planning approval for the EnergyCo ACERESZ project may have taken a slightly different turn under the new biodiversity offset system? Is that something that you would have any oversight of?

KIERSTEN FISHBURN: I think that would be pure speculation. We undertake assessment at a given point in time and we assess against what is available at a given point in time.

The CHAIR: Have you considered, or would you consider, after this awful event—and it does appear to be that, in terms of social licence. We all know it's fundamental that the renewable transition happens in New South Wales; it's a Government priority. We're obligated to transition the grid to renewables, and that's what we're doing. In order to have social licence, obviously, EnergyCo has now received various approvals for REZ developments. Do you think there is any benefit in the department reviewing any of the approvals that EnergyCo

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has been granted, given the biodiversity impacts? Do you think there is any scope to review any of those approvals in light of what we've just experienced?

KIERSTEN FISHBURN: It wouldn't generally be the position of a department to re-prosecute an approval that had already been given. That would seem counter to the way the planning system is meant to work, which is certainty of the approval. However—and I'm prefacing this by saying however—we are looking at it. Our compliance officers are literally out onsite today, and I don't want to prejudge anything that might come out of that by making a statement about what we will or won't do.

The CHAIR: Given that I understand how the system works, I wouldn't ordinarily suggest something like this, except that EnergyCo is a State owned corporation. There is that capacity. It's not a private proponent, as such. There is a massive public interest in getting this right and not causing such social harm and deficit of trust in the system as we do these projects. When I looked at the critical State infrastructure approval, I groaned. It was done mid-last year, and I know we have seen some small improvements to the system. That's the only reason I'm suggesting it might be something to do.

KIERSTEN FISHBURN: I think this is probably something that would warrant having a discussion with EnergyCo, Chair, as the Committee.

The CHAIR: We will be, this afternoon.

KIERSTEN FISHBURN: I know you've got Environment this afternoon—that's right. Ultimately, we have undertaken our assessments under the policies of the time, and we stand by that. I think EnergyCo may want to have further discussion about that.

The CHAIR: Has the department considered or are there already any particular standard conditions for data centres in New South Wales?

KIERSTEN FISHBURN: The SEARs for data centres are—

DAVID McNAMARA: Yes, we do have industry SEARs for data centres, which can be used as a starting point. That's not always going to be the most appropriate set of SEARs for a project; you might want to make it a little bit more specific to the location and particular issues. In terms of conditions, we would have in-house general standard conditions as a starting point.

The CHAIR: Are you looking, in particular, at the—I know this is happening across the world, and it's certainly happening in other jurisdictions in Australia—unbelievable water use? Are you looking at that in a very forward-thinking way, or are we still just reacting?

KIERSTEN FISHBURN: Yes. I can confirm that water and energy use are two areas that the department is very aware of and that those form part of our considerations in relation to assessment. Data centres are fantastic for the economy as well. I think everybody would agree with that general statement. But we want to make sure that they are in the right place and that their use of resources is suitably managed.

The CHAIR: Are you looking at anything in terms of reticulated or self-sustained water systems per units? Is that something that you're looking at in a fast way?

KIERSTEN FISHBURN: Yes.

DAVID McNAMARA: I can speak to that. It's not just a department issue, in terms of the water and energy consumption of data centres; it's an across-government issue. It's certainly an issue that's getting more attention in the media. The issues of energy and water consumption in particular have been looked at in detail by the departments, in discussions across government with Infrastructure NSW and DCCEEW Energy, on what some of the potential solutions are and on what some of the potential signals that we need to send to industry will be around water and energy consumption. My understanding is data centres, whilst they all perform the same function, come in many different specifications, which can greatly influence the water and/or energy consumption—generally being the more of one, the less of another—so we do need to do some more detailed work to understand what will be the requirements. Also, locationally, across Sydney in particular, there's a lot of different profiles in terms of availability of water and energy. The potential impacts of a large data centre going into a particular location will differ from parts of south-west Sydney to, say, areas around Macquarie Park.

The CHAIR: Are you considering at all, or have you considered, just having threshold limits—i.e. if the intention is to use more than a certain amount of water, given it'll be taken from residential uses and everything else, then you would have a cap on that capacity, and that anything above that, then the proponent has to generate entirely their own water source?

CORRECTED

DAVID McNAMARA: A range of scenarios and situations like that are being considered across government. It's not being led by the department. We are inputting into that work, but that's—

The CHAIR: Who's leading the work? Is it Water?

DAVID McNAMARA: Infrastructure NSW are leading a policy piece of work. They are obviously liaising with all the relevant water and energy authorities, the department and other parts of government to help formulate that thinking.

The CHAIR: It's not going to end up like coalmines, is it, where they just say as long as the proponent can show a thing, then they get approval. And then when we run out of water—which is what's happened—farmers can't farm, irrigators can't grow food but coalminers keep mining coal.

KIERSTEN FISHBURN: I think we'll take those as comments, Chair.

The CHAIR: Thank you very much. It's a serious issue, and people are really freaking out about the idea of having to choose between drinking water and pressing enter and send. That notion is quite frightening to people. I don't think there's much public visibility of the Government or the department taking leadership in terms of setting the constraints and the parameters around that. So if there is a bit of public work you can do, I would suggest to do it and to do it fast.

KIERSTEN FISHBURN: I have spoken publicly about data centres and the challenges, but also the opportunities, on a number of occasions. In relation to our strategic planning as well, we're very alive to, again, both opportunities and challenges. I kind of feel I can't talk about data centres more, but I will take as 2026 to be out and discussing it even further in public.

The CHAIR: I think it is about receiving input. There's a lot of good people out there with great expertise that are very familiar with the planning system and the constraints, controls and opportunities within it. Giving those people an opportunity to have input is so valuable.

KIERSTEN FISHBURN: We're very open to that, as well as to industry input. As you know, this is a fairly new industry. It has only really been since 2019 that they've been State-considered developments, because prior to that they were at a scale where it was just sitting with local councils. We really want to get on top of data centres so that we're able to help them contribute to the economy, but to do it in a way that is environmentally sustainable.

The CHAIR: Are you in a position to give an update—along with any advice to the IPC and compliance with the MACH Energy case decision—as to where the department is up to in relation to the consideration of localised climate impacts?

KIERSTEN FISHBURN: Mr McNamara, do you want to take that question? You were speaking with our lawyers this morning.

DAVID McNAMARA: Obviously, you're well aware of the background and history of the case, so I won't go through that specifically. There's been a request to the High Court for a hearing. We're still waiting to hear the outcome of that request. In the interim, we've taken a number of steps. The Court of Appeal finding that scope 3 emissions should be considered at a local level—we're applying that to other existing projects that are on the books, so to speak, in terms of assessment. Specifically with the MACH Energy project, we're in consultation with them around what the implications could be depending on the outcome of the High Court request. Also they do have, obviously, a consent that still applies to the site, and we're in conversations with them around ensuring that they are operating within the requirements of that consent.

The CHAIR: When you say you're applying the considerations to existing projects in the pipeline or those under consideration, what does that look like? What are you considering in terms of those questions that—I think when we last met at budget estimates, we said some of these things are still at large, i.e. the definitions and the meanings of what is localised and what are we considering. Have you made some determinations around that? Is there some transparency around what the public can understand that means?

DAVID McNAMARA: We're still working through the precise details of that. We are seeking and working with proponents for projects to have them address it. It's still an emerging area, would be my comment. For example, we don't have a policy position on it at this stage.

The CHAIR: Does that mean that for any projects that are in the system right now pending or waiting approval or being assessed, that there is a bit of a pause on that in light of this whilst this development is happening, in terms of the policy work?

CORRECTED

DAVID McNAMARA: No, I think consistent with Mr Gainsford when he spoke at the previous hearing, there is not a pause or a moratorium as such, but we're just, I guess, moving carefully through that process and working to understand what's necessary to meet the requirements of the Court of Appeal decision, making the assumption that is the rule of the day. So we're stepping through that carefully. It's not a pause or a moratorium as such.

The CHAIR: Is there any insight as to how you apply the court's ruling? I mean, I know how I would, but obviously I'm not the department. How do you apply consideration or require proponents to apply consideration to the localised impacts of climate change of their development?

DAVID McNAMARA: I'd probably want to take that on notice and see what information we could provide to you.

The CHAIR: That would be great. I think people are just looking for what that consideration is. It's a public interest consideration, obviously, now. The court has provided some guidance, but, as usual, left the rest to you guys to work it out.

DAVID McNAMARA: Yes.

KIERSTEN FISHBURN: I think you've put your finger on it there. It is complicated. My relevant deputy general counsel will stress how complicated it is, and often these things are worked out over time through different court appeals or different court mechanisms. I can give you our assurance, though, we are taking it, obviously, very seriously, as of course we would, and we are working collaboratively with the IPC as well so that, when we do get to a finalised position, there is some consistency.

The CHAIR: I want to quickly go to one of the Housing Development Authority concerns. This was raised quite intensively by one of the other crossbenchers in the Parliament at the last estimates hearing. But I've received some correspondence in relation to the issue around the developer Billbergia and—for want of a better term—that error that took place in terms of landholder consent. It reminds me of the days when we used to literally bring proceedings where consents had been approved and we went back through the document and there was no landholder approval on the actual document. It was always something we took so seriously.

KIERSTEN FISHBURN: We have certainly corrected for that by having landowners consent at point of submission.

The CHAIR: Yes, which I think is a relief to hear. In terms of that probity process that was promised, I'm hearing from relevant stakeholders that that probity process is perhaps not what was originally promised by the Minister in budget estimates. The question really is will the external probity review be made public? Will that be released, and if so, when?

KIERSTEN FISHBURN: The probity review was commissioned—requested—by the Minister. Obviously I'm the commissioner of anything in the department so it would be the decision of the Minister as to whether to release it or not. But the department does have, obviously, access to it. It has been completed.

The CHAIR: So it's there and being done. Do you have any view on the fact that there are people that are feeling that the probity that was promised was not the review that took place—that the terms of that review were much more narrow than what the Minister had proposed in estimates?

KIERSTEN FISHBURN: All I can answer to that is that I received some correspondence yesterday raising those particular matters. Obviously, having received it yesterday, I haven't been able to review it. But to answer your question, yes, I am aware that some people have made that representation through that correspondence.

The CHAIR: Would you be suggesting to the Minister that perhaps making the probity review that has been undertaken public would assist in dealing with those concerns?

KIERSTEN FISHBURN: That's ultimately a question for the Minister, and he and I haven't discussed whether he intends to make that particular review public.

The CHAIR: Following the litigation around the Bowdens lead mine, as we're all aware, the Court of Appeal overturned the decision from the IPC. How many meetings has your department had with Bowdens or its representatives since the Court of Appeal overturned its approval?

DAVID McNAMARA: I've been advised that we've met with the proponent approximately 14 times since the judgement, which was on 16 August 2024.

The CHAIR: Have you got minutes and records of those meetings?

CORRECTED

DAVID McNAMARA: Not in front of me, but we would be able to provide those.

The CHAIR: Is that something that you could provide to the Committee?

KIERSTEN FISHBURN: Can I say I want to take advice from my general counsel before I answer yes or no.

DAVID McNAMARA: I'm not sure who attended those meetings so it'd—

The CHAIR: Okay. Are you aware, though, that members of the community actually put in a GIPAA request, and it appears from the response to that GIPAA request that there are no records of the meetings or phone calls with Bowdens after the Court of Appeal? Is that something you've been aware of?

KIERSTEN FISHBURN: I'm made aware of all the GIPAA requests in the department so I was aware of that GIPAA request, but I don't have the details as to the outcome of it. Again, I'd need to seek advice from my general counsel as to what I answer here.

The CHAIR: The proposition is that those 14 meetings that have taken place, and possibly more phone calls—that, according to the GIPAA, no documents have been returned, as if they don't exist. Would you please clarify for this Committee whether that is the case and, if there are no minutes, why there would be no records or minutes of those particular 14 meetings and any additional phone calls that have happened?

DAVID McNAMARA: We can do that, but what I would note is that the 14 meetings would have been in relation to the broader Bowdens project. The specific GIPAA request could have been narrower than that. It may only have sought documents in relation to a particular issue related to the project. We can take that on notice.

KIERSTEN FISHBURN: Let's not speculate on that. We will have an answer for you; I'm just not able to provide it at this point in time.

The CHAIR: Is it your understanding that Bowdens' lawyers gave you or your department any suggestions on how to clear the development pathway for the project, as Bowdens have put it? What submissions or suggestions did your department receive from Bowdens' lawyers?

KIERSTEN FISHBURN: I think we're just going to have to take that on notice.

The CHAIR: I'm very interested in whether Bowdens' particular submissions to you—whether it be legal advice or verbal advice or suggestions—did, in fact, influence the suggested insertion of section 4.38 (4A) into the Environmental Planning and Assessment Act. Again, in 2025, whether it was Bowdens' or their lawyers' suggestion for the insertion of section 65A into the regulations. Is that something you would take on notice?

KIERSTEN FISHBURN: I'm unpacking your question a little bit here. I'm more than happy to have the department look through the correspondence that we received from Bowdens' lawyers, but I don't want—from the way you framed the questions and anything else—to make an automatic assumption that that has led to any changes in the Act. I certainly, as secretary, have had no direct representation from Bowdens in relation to that. The two things don't necessarily join up together. Just because they ask for something doesn't mean there was a direct line to that being the end result.

The CHAIR: I understand. In relation to Bowdens—if I can just stick on that—the current departmental website for Bowdens' project does not specify the route for the transmission line. We know the transmission line was problematic. What information do you, as the department, have about the transmission line route?

DAVID McNAMARA: If it's specific information, I'd want to take it on notice. We have requested various additional information from them. We've had partial submission of information from them, specifically in relation to updates on statutory considerations. We're still waiting on further information around other environmental matters. But in terms of—are you looking for spatial information around the route for the transmission line?

The CHAIR: Yes.

DAVID McNAMARA: We'll take that on notice and see if we are able to provide any information at this point in time.

The CHAIR: Is there any possible way you can give an undertaking that there will be no publication on the department's advice on the Bowdens reconsideration this year or two days before Christmas, like it was last time?

DAVID McNAMARA: Having not received all the information we've requested, and it being 4 December, I would be happy to make that undertaking that our advice will not be finalised let alone published before the end of the year.

CORRECTED

The CHAIR: Thank you. I very much appreciate that. I've been told winemakers in Mudgee are coming into vintage season, and people are going away. It's a thing, apparently. Let's give the winemakers of the State a break before this Christmas.

KIERSTEN FISHBURN: I'm very fond of the winemakers of the State.

The CHAIR: I'm sure. I just wanted to raise, in my last 40 seconds, Tacking Point preschool in Port Macquarie. Are you aware of that? It's being considered as complying development and, frankly, I cannot imagine in what universe it is in fact a complying development. Is it something that has come across your table yet?

KIERSTEN FISHBURN: Absolutely no. We're all looking at each other. Just so we can check in the department for you, is it a public preschool?

The CHAIR: It absolutely is. Minister Houssos is—it's one of those preschool priority programs. It's very controversial in the local area, as one that's not actually considered in the—

MONICA GIBSON: It's a matter for schools.

KIERSTEN FISHBURN: Yes.

The CHAIR: But it is clearing koala habitat, with koalas in the very trees that it's clearing. It's happening right now.

KIERSTEN FISHBURN: School Infrastructure would be relying on their part 5 powers, so it's a question for them. It doesn't come through the department.

The CHAIR: Would you have a look at it, though, because they are saying it's complying development? That's what concerns me.

MONICA GIBSON: It's a matter for School Infrastructure to make a determination about what pathway they would take for the assessment of that application.

The CHAIR: What if they got it wrong?

MONICA GIBSON: That's a matter for School Infrastructure.

The Hon. SCOTT FARLOW: Where is the Rosehill-Camellia Place Strategy up to at the moment?

MONICA GIBSON: The place strategy was completed some time ago, but I suspect that you're referring to how our investigations are going for a State-led rezoning. That continues to be underway. There are a number of very difficult planning issues affecting that area: flooding, contamination and also the loss of industrial land. How all of those things come together in our planning assessment is a matter that the team is currently working on.

The Hon. SCOTT FARLOW: Is there any expected finalisation date for that?

MONICA GIBSON: No.

The Hon. SCOTT FARLOW: If I can turn now to some of the other priority growth areas and precincts, are they still alive by the department, so to speak?

MONICA GIBSON: There are, I think, more than 40 State-led rezonings that we have underway. We would call them State-led rezonings or State-assessed rezonings these days. I have a list, but maybe, if there are some that you wanted to check with me on how they're progressing?

The Hon. SCOTT FARLOW: Let's turn to Seven Hills, then, as the first one. This was one that was being undertaken with Blacktown council. I'm interested in its status and whether it's currently being pursued or not at this stage.

MONICA GIBSON: Seven Hills is currently sitting with Blacktown council as the lead for that rezoning work. I know that there have been some matters about transport and connections with the train station, but also the local road network, that we've been supporting council on. But they are leading on the planning work at Seven Hills.

The Hon. SCOTT FARLOW: There's no current work that's being undertaken by the department at this stage with respect to that?

MONICA GIBSON: Not at Seven Hills.

CORRECTED

The Hon. SCOTT FARLOW: After the Homebush TOD was finalised, is there anything further on the Burwood, Strathfield and Homebush former priority precinct, or is that all completed now as part of the Homebush TOD?

MONICA GIBSON: The Homebush TOD is complete. We are doing some work in Burwood North, and they're the precincts. There will be different matters that could come through and requests for additional area there for State rezoning. But at the moment the work is completed with the Homebush TOD, and we're looking at Burwood North to have some more exhibited planning controls next year.

The CHAIR: We now have Government time.

The Hon. EMILY SUVAAL: We're very happy with the answers, Chair. We've got no questions.

The Hon. PETER PRIMROSE: Happy with the answers, but I'll just ask if any of the witnesses have anything at this stage they wish to add.

KIERSTEN FISHBURN: No, I don't think so.

The CHAIR: That means that we will break a little bit early and come back at 11.15 a.m.

(Short adjournment)

The CHAIR: Welcome back. It's over to the Opposition.

The Hon. SCOTT FARLOW: Ms Fishburn, I know you've previously made some comments with respect to the reports in terms of the use of an unauthorised AI tool. Returning to that subject, when did you first become aware of the use of that tool?

KIERSTEN FISHBURN: It would have been approximately two weeks ago.

The Hon. SCOTT FARLOW: What were the circumstances that led you to first become aware of that tool?

KIERSTEN FISHBURN: I was contacted by two of my executive team, who asked for a meeting with me, and then they took me through what we knew at that point in time. That's when I was made aware.

The Hon. SCOTT FARLOW: How did they become aware of the use of that tool?

KIERSTEN FISHBURN: There was a report made to the department. They then undertook their due diligence to make sure that the report was accurate and find out some more information, and then they brought it to my attention.

The Hon. SCOTT FARLOW: Reports have suggested—and I think this was attributed to a department spokesperson—that the tool was "only used to collate publicly available information". What was the information that was inputted into the tool?

KIERSTEN FISHBURN: That's correct, but I'll get Mr McNamara to go through the details of it.

DAVID McNAMARA: The tool was utilised to collate factual information from the EOI submissions and then transfer that into a template report. The tool was also able to match property addresses to publicly available spatial information around planning matters and pull that information into a report template. That was the extent of the use of the tool. It did not—or was not able to—undertake any evaluative or assessment work. As I mentioned earlier today, it was very much a type of administrative automation-related AI tool.

The Hon. SCOTT FARLOW: Did it draw any information from the Planning Portal?

DAVID McNAMARA: I'd have to take on notice where exactly it could draw information from, other than that it was publicly available information.

KIERSTEN FISHBURN: I struggle to think how it could, but we'll find out the answer for you.

The Hon. SCOTT FARLOW: Becoming aware of it only two weeks ago, I take it that there was never a process that was undertaken seeking to use the tool or notify the department of the use of the tool?

KIERSTEN FISHBURN: That's part of the examination that the department is currently undertaking. To our knowledge, it was unauthorised software. Certainly my IT department were not aware of it. That's what we want to look at: What was the implication into the system and how was unauthorised software brought into the department.

CORRECTED

The Hon. SCOTT FARLOW: With respect to authorised software in the department, what are the authorised AI tools that exist within the department of planning?

KIERSTEN FISHBURN: Mr McNamara, can you talk through those?

DAVID McNAMARA: Yes.

KIERSTEN FISHBURN: This is in his substantive position.

DAVID McNAMARA: There is an authorised tool, which is Microsoft Copilot. It's not the web version of Copilot; the department has a version which effectively, in layman's terms, ring fences and protects the information that we put into that version of Copilot so it doesn't go outside the department. That's the authorised tool. We are providing grant money to councils to undertake trials into the use of AI in the pre-lodgement phase of projects. That has gone through all the relevant digital assurance processes that are required to be gone through. We are also currently progressing through a tender process—so I can't go into too much detail—around looking for applications of AI into the State significant development assessment process. Again, that process is going through all the New South Wales government tender requirements, as well as all the digital assurance processes that apply. I could speak to those processes in more detail if you'd like.

The Hon. SCOTT FARLOW: If you wouldn't mind, that'd be good.

DAVID McNAMARA: Absolutely. The Government, broadly, has a structured approach to ensuring safe and responsible use of AI. Governance and oversight, risk management and mitigation, ethics, and capability are all important. Assurance of AI is now embedded into the New South Wales Digital Assurance Framework, which is managed by DCS. What this means is that any agency project with a budget exceeding \$5 million would be guided through the process of ensuring compliance with the New South Wales mandate to use the Artificial Intelligence Ethics Policy and the Artificial Intelligence Assessment Framework. There are circulars on both those topics.

Projects under \$5 million that intend to use AI are required to submit projects using an AI assessment framework, which is also covered by a circular, and that would be submitted to the relevant agency that is looking to undertake that work. DPHI has dedicated roles in our digital space to review and support those submissions. I've been advised we have conducted around 14 reviews since that mandate was introduced. We are also required to submit completed AI assurance framework self-assessment to DCS to a review committee. If there is consideration that the residual risk remains high following us going through the framework ourselves—if there's residual risks that could be high, we pass that on to DCS for further analysis before proceeding with use of the tool.

The Hon. SCOTT FARLOW: Now with respect to that RFP that was put out, the NSW Planning Portal Artificial Intelligence Solution for State Significant Development that I think was published on 1 September with a closing date of 25 September and an estimated decision date of 13 October, did the unauthorised tool that was used in any way, shape or form feature as a submission to that RFP?

DAVID McNAMARA: No.

The Hon. SCOTT FARLOW: How many tenders were submitted in response to that RFP?

DAVID McNAMARA: We do have that information but I'll take that on notice.

KIERSTEN FISHBURN: We haven't finalised it, so I want to check that we can release that information.

The Hon. SCOTT FARLOW: When is a decision expected to be made? I take it 13 October has passed, so it wasn't made at that time. When is a decision expected to be made in terms of the procurement?

DAVID McNAMARA: As soon as we can move through that process appropriately and properly. It is well advanced. I don't think I would want to speculate today on a specific date. We could look to maybe get some advice, but we certainly need to move through the complete process very carefully. So we will take it on notice if we can give you any advice on that.

The Hon. SCOTT FARLOW: Addendum 1 included a response to a question with respect to conflicts of interest if a potential supplier has clients actively participating in the HDA pathway or SSD application. The response from the department to that was that the department doesn't automatically consider it to be a conflict of interest. I'm just interested in why that is the case, that people could be submitting AI tools that are used for an HDA application or a State significant development application and that same tool could be used by the department in order to make an assessment as to their suitability for such pathways.

CORRECTED

KIERSTEN FISHBURN: The predominant reason is you're looking at two completely separate pieces of work. The recent tender that you're alluding to has been designed predominantly to look at the IDA work and that's where we receive the funding from. It hasn't been designed for the HDA work. The software that we've been discussing in relation to the HDA is a much less sophisticated system to the one that we've gone out for tender for. They're not doing the same things together if that makes sense. Nonetheless, of course, we are alive to potential conflicts of interest, and that is something we would expect to be declared and we would look at whether there was mitigation that could be put in place.

The Hon. SCOTT FARLOW: Thank you for that clarification. With respect to the conflicts of interest, has the department had concerns with respect to that senior planning official and the conflicts of interest with her husband developing that tool? Has that been something you may have referred to an investigative agency like ICAC, for instance?

KIERSTEN FISHBURN: Mr Farlow, I think I said right at the start, and I know you are a very respectful person so you're not trying to do this, but I don't want to talk about individual staffing matters while we're in the process of the examination. That wouldn't be procedural fairness. What I can say, though, is that I am aware of my reporting requirements as the secretary.

The Hon. SCOTT FARLOW: Thank you. I will take that in the nature it's been given. Just with respect to the proposals that were assessed under that tool, do you have any information as to how many proposals went through that tool?

KIERSTEN FISHBURN: In relation to being assessed? Zero, because the tool has—

The Hon. SCOTT FARLOW: Sorry, not assessed, but proposals that were entered into that tool, so to speak.

KIERSTEN FISHBURN: It would be the majority of those. But part of our examination of that is when the tool was operationalised.

The Hon. SCOTT FARLOW: So the majority of the proposals that have gone before the HDA to date.

KIERSTEN FISHBURN: That's my understanding at present, but I don't want to give a definitive answer because we are currently undertaking that assessment and examination in the department.

The Hon. SCOTT FARLOW: What has that meant in terms of assessments or the status of the projects that went through that process? Have they been put on pause at all or are they continuing to be assessed in the usual manner, where SEARs have been issued and responses are coming back into the department?

KIERSTEN FISHBURN: There's been no change to the status of the project because the tool itself had no role in providing a recommendation to the HDA. There is not a nexus between the two things. The HDA still relies on professional planning advice. I'm happy for Ms Gibson to talk you through the depth of advice that is given by the department, if that is useful, Mr Farlow. For the abundance of caution, though, obviously the tool has now been turned off from the system. We're no longer using it. For HDAs that were coming down the line, the EOIs have been redeveloped and presented for when we go into the next HDA meetings. I'm happy for us to provide information on the level of planning advice that it has received and where it comes from.

MONICA GIBSON: I might pick it up from the point after which the administrative work is done. That EOI is then distributed to a number of planners within my area to have a look at the strategic land use plans in place. They check for the current planning controls, and what's being proposed as planning controls, so that that's clear and documented to go into the report. Then they also do checks on other information that we have from the Urban Development Program about infrastructure, availability and capacity. That information goes into a report, which is then submitted to the HDA for one of their panel meetings.

There is a briefing session that happens at the beginning of those panel meetings, where myself and the deputy secretary for development, assessment and sustainability are there to help answer any questions that come up from the HDA members about specifics in that report. We have very senior people providing information and analysis of the EOI and many eyes—many different planners and planning teams—have a look at the information that's there in order to prepare a report that goes to the HDA members. So there's a lot of work that happens after the administrative piece to look at that from a planning perspective and to provide that planning information.

The Hon. SCOTT FARLOW: We'll go to the broader HDA questions now. The HDA criteria is, of course, still active in terms of the consideration of applications by the HDA.

KIERSTEN FISHBURN: Yes.

CORRECTED

The Hon. SCOTT FARLOW: In terms of that tool, were those criteria inputted at all in terms of its summary, so to speak, in compliance with those tools?

KIERSTEN FISHBURN: Yes. And "summaries" is the correct word, or "collation", I would also describe it as. David, I am happy for you to describe it.

DAVID McNAMARA: To clarify the question, do you mean the publicly available criteria within the system, the tool?

The Hon. SCOTT FARLOW: The unauthorised tool, yes.

DAVID McNAMARA: I might take that on notice. My understanding was that the completed expression of interest form was uploaded into the tool and then relevant data was taken out of that—or "scraped", is the term—and then transferred into a report template. It was literally cut and paste, you might say.

The Hon. SCOTT FARLOW: So it wasn't necessarily going through and saying, "Do an analysis in comparison to the published criteria."

DAVID McNAMARA: No. It was cut and paste in relation to that information.

The Hon. SCOTT FARLOW: I am interested in some of the decisions before the HDA, particularly with respect to recently finalised zoning controls in the TOD areas. There are a couple of examples as well where, largely, these areas have been rezoned, in some cases, in a matter of months or in the last 12 months or so. There has been an application before the HDA that has sought to exceed that in particular. One, for instance, is at Mawson Avenue in Bella Vista. In this one it was a proposal for 900 dwellings in four towers of up to 40 storeys. The original zoning control in the area was much less than that. I am interested in why applications are being taken in areas that have recently had rezonings that are then seeking very clear exceedance in terms of those controls that exist.

KIERSTEN FISHBURN: I'd have to take on notice, unless Ms Gibson can recall, the information provided by the department. Considering we've had over 500 of them, I wouldn't expect her to. I can make some general statements, though. There is no prohibition on any part of the State from people submitting HDA applications. We did have some questions, I think, in previous budget estimates about whether we would rule in or out certain council areas, but that has not occurred. Likewise, we haven't ruled in or out certain areas that might have had recent rezonings. It may be a matter that we want to look at.

We are undertaking a 12-month review. We will be doing that over the next few months. That is certainly something that I would like to raise, as a panel member. I am speaking as a panel member and not as a secretary at this point in time. That will be something that will be taken into consideration. We do get, as Ms Gibson detailed, pretty comprehensive advice from her strategic planning area. In general, the decisions are made to retain TOD controls or, if they are going to be modified, it will be fairly minor or around the edges. That's the way the panels make decisions. But I will have to take that specific instance on notice.

The Hon. SCOTT FARLOW: There are a few of them. I have listed here 1 North Terrace in Bankstown, where there was one—and I am happy to provide these on notice as well—35-41 Chandos St in St Leonards, 601 Pacific Highway in St Leonards or Crows Nest, 66 Pacific Highway, and in Macquarie Park on Epping Road as well, and then in Bella Vista the 301 Samantha Riley Drive one and the 9-11 Mawson Avenue one. There are a few that have gone through.

KIERSTEN FISHBURN: Happy to take those on notice.

The Hon. SCOTT FARLOW: I take it that, in a sense, part of it is that, in terms of the criteria, it probably does not fall foul of the criteria, even though it is recently rezoned, and so therefore it would be—

KIERSTEN FISHBURN: I think you have actually answered the question there. To reiterate, obviously, the work really happens once these are issued and then a merit assessment occurs. Just because a proponent has asked for something doesn't mean the proponent will necessarily end up getting that when something is determined.

The Hon. SCOTT FARLOW: In these areas, largely, most of them would qualify for a State significant pathway anyway.

KIERSTEN FISHBURN: Correct.

The Hon. SCOTT FARLOW: The changes in these are the concurrent rezonings that are sought. I note that on some of the HDA decisions there is a determination where there will be notes of consideration of the TOD controls that are in place as well.

CORRECTED

KIERSTEN FISHBURN: Correct.

The Hon. SCOTT FARLOW: I think I have seen those apply more to the affordable housing requirements than anything else.

KIERSTEN FISHBURN: Again, these will all be matters that, as a panel member, I will ask the department to look at in terms of our 12-month review. We did receive some feedback from industry, and I think it might have even come out in budget estimates, about providing a little bit more context for the briefings. Clearly, you are a strong fan who is watching. You will be aware that I've been trying to provide some more contextual information as we go. I think that's an area where we can continue to improve.

The Hon. SCOTT FARLOW: On that point, though, as an incidental, I've noticed that some the heights are dropping off as well. It might say it's a 900-unit development but isn't saying how many storeys it might be. Is that a conscious change?

KIERSTEN FISHBURN: I'm not conscious of it. I'll have a look.

The Hon. SCOTT FARLOW: I'll add that to the notes because it's something that I have noticed happening more commonly.

KIERSTEN FISHBURN: Please.

The Hon. SCOTT FARLOW: In terms of the review that is being undertaken with respect to the unauthorised AI tool, who is conducting that review?

KIERSTEN FISHBURN: There are two pieces of work that are occurring in the department. One is what I would probably characterise as a systems examination: How did this tool get into the department and what were the implications in terms of other activities in the department? That is fairly well advanced. To shut the tool down, we needed to understand those things. That will obviously also look at staffing matters. Then the Minister has requested an independent process review, which is really just to make sure that line from the scraping that the tool does to the decision has the integrity, and I think you've heard from us where we see that occurring. That's being undertaken by Peter Duncan.

The Hon. SCOTT FARLOW: Will that review be made public?

KIERSTEN FISHBURN: That's a question for the Minister.

The Hon. SCOTT FARLOW: When do you anticipate that that review will be completed?

KIERSTEN FISHBURN: Peter Duncan commenced at the start of this week, I think. I'm just trying to recall—he interviewed both Monica and I on the first day. He's fairly well advanced in that. I don't want to prejudge, because it is an independent review and it's not for me to dictate to an independent reviewer, but we're hoping around mid-month.

Ms ABIGAIL BOYD: I want to come back to data centres. New South Wales is already home to about 90 data centres, and this year it has approved or received State significant development applications for 22 more data centres with a combined capacity of 3.67 gigawatts, which I understand is enough to power 1.1 million homes. How does the department ensure that data centres don't trigger costly network upgrades that are then socialised to energy consumers?

KIERSTEN FISHBURN: This is a very live discussion at the moment. As David detailed prior to the break, Infrastructure NSW are leading a piece of work around data centres in New South Wales generally. We obviously take access to electricity as one of the considerations in the planning system. We are aware that data centres—at least the ones that have been submitted; I'm not talking about determined at this point in time—are certainly growing in scale. We're looking forward to working with Infrastructure NSW, with EnergyCo, who are aware of these as well, and with our colleagues in DCCEEW to look at ensuring that while we don't lose all the benefits of data centres, we don't have an unintended consequence in another area of our economy as well.

Ms ABIGAIL BOYD: That 3.67 gigawatts is the figure that's been quoted for the 22 applications that are currently in process. Have you got the data for how much combined capacity is already being demanded by the data centres that have been approved?

KIERSTEN FISHBURN: We'd have to take that on notice. Again, I probably think it wouldn't be 100 per cent.

DAVID McNAMARA: We would have information for those data centres that have been subject to approval by the department as State significant development. But noting you mentioned the 90 data centres in New South Wales, a significant number of those would have been smaller data centres approved by local council.

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We'd have to take that on notice. It could be information that would sit across both. Some information we have; other information would be held by the energy providers or DCCEEW Energy. We'll see what we can provide.

KIERSTEN FISHBURN: The other challenge, of course, is we would understand what the data centre had submitted at the point of the development application, but often the take-up isn't up to that point. They've got an approval up to a certain point. They may be using less. I'm just concerned any figure we gave you would be pretty murky. We'll give it our best try.

Ms ABIGAIL BOYD: Has the department considered requiring those hyper-scaled data centres to be directly transmission connected, instead of coming off of the local networks?

DAVID McNAMARA: That would be a consideration for the Government, not just the department. We outlined earlier there's a significant amount of work being led by Infrastructure NSW around data centres to understand those cross-government issues—water, energy use—and provide the Government with some options to adopt a position on that. It's not purely a department of planning issue.

Ms ABIGAIL BOYD: Given recent reports that we might end up with Eraring Power Station remaining open even longer than it had been previously scheduled to remain open, and given that the department has been approving or councils have been approving significant large-scale developments which are really drawing on the existing supply, that's going to have quite a significant impact not only on our emissions but also on electricity bills, and long-term impacts on the renewable energy rollout. People are very concerned that it looks like the Government is on the back foot when it comes to making sure that these data centres are paying their fair share of that load.

KIERSTEN FISHBURN: I'm not trying to be disingenuous in my answer to this, but I do think these are questions that should be better put to DCCEEW this afternoon. In relation to the planning system, these are obviously considerations for us. We are required to assess any development application that comes into the department, so that is what we're doing in relation to data centres. We will certainly be guided by the direction that INSW presents on a whole-of-government decision.

Ms ABIGAIL BOYD: The rules that you're currently working under, are they requiring you to look at things on a DA-specific basis as opposed to a cumulative basis? Do you have the power to look at things on that cumulative basis?

KIERSTEN FISHBURN: That could be a piece of strategic work that the department would be party to, but I don't see that we would be the lead agency in undertaking that.

Ms ABIGAIL BOYD: Given that there is not currently a framework for data centre approvals or guardrails in place—we are now, of course, fast-tracking these proposals through the newly established IDA. What is the interaction between Planning and the IDA? How do we ensure that you still have your independence in order to make merit-based approvals?

KIERSTEN FISHBURN: I'm a panel member of the IDA. The department of planning is represented on the IDA. We also provide expert advice into the IDA recommendations. I'm going to get Mr McNamara to talk about that, but first can I just clarify that fast-tracking is not quite an accurate description of what the IDA is intended to do. Things still go through a full merit assessment in my department. We are actually pretty fast now; we're pretty speedy. The full merit process gets done, whether it's an IDA project or not. It still goes on public exhibition. It's still required to have SEARs. The normal process occurs. The role of the IDA is predominantly to facilitate where there are complexities—it might be with another agency, or it might be something that my own department is unable to resolve, because that's not our role as the planning department—and to act as a concierge, for want of a better word, for projects that have benefit to the State's economy.

Ms ABIGAIL BOYD: Before you throw to Mr McNamara, I'm just looking at the Investment Delivery Authority website. It says:

The Investment Delivery Authority (IDA) will support and fast-track major investment projects in NSW—

KIERSTEN FISHBURN: I think by "fast-track" it's making sure that those barriers can be overcome. There is no change to the way the department would assess a project, except that it would be very helpful for us. Sometimes when there are issues—where there might be a decision that needs to be made by another department—that will help us. That will speed up our own assessment, but there is no change in the way we would undertake an SSD or an SSI assessment for these projects.

Ms ABIGAIL BOYD: Does that then mean that you don't have projects that are in both streams? Are there any data centre applications that have already been made that are also being made under the IDA to see which one they can get? You're nodding.

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KIERSTEN FISHBURN: No.

Ms ABIGAIL BOYD: No, you're shaking your head.

KIERSTEN FISHBURN: It's no different from an assessment process. Something that is being managed by the IDA would still be an SSD or an SSI project.

DAVID McNAMARA: I can talk to that a little bit further. The role of the IDA is to look to where there may be non-planning support or planning support to assist a project. With these projects, it's not just the planning approval process that is required; it's around the post-approval and getting the project delivered. That can be getting permissions for connections to the grid or getting access to water. The IDA's role is to look beyond just the planning process to see what other relevant government support might be provided to a project or projects to help work through some of those cross-government issues and challenges that proponents have in bringing their projects into existence.

The IDA has received around 48 requests through the first round. They're still under assessment. There are no projects at this point in time which have been announced as having support from the IDA. The support that will be provided to projects, given my involvement in the evaluation to date, would vary from project to project. There will be some projects where there will be non-government support needed to help with other approvals outside the planning approvals. Obviously, the planning department's State significant development or State significant infrastructure process will run, but we'll ensure there's close oversight and liaison with the people at Investment NSW around the various planning and non-planning support.

Ms ABIGAIL BOYD: My apologies, but I've got limited time, so I might come back. When you've got these large data centres that are drawing off the same energy network—they're drawing off water sources and everything else—how does the IDA and the department ensure that there are still sufficient resources to fuel the boom we hope to see in housing development and all the rest of it?

KIERSTEN FISHBURN: This is a terrific example of why the IDA has been established. There are multiple data centres coming into the State. The IDA, with expertise from a number of different departments and senior secretaries, can actually have oversight of that and can start to set some policy framing around it.

Ms CATE FAEHRMANN: Good morning. I also want to ask some questions about the Bowdens issue. Was it 14 meetings or 12? I caught some of this morning.

DAVID McNAMARA: I can clarify that. With proponents, it was 14 meetings. With community groups, there had been seven meetings during that same period since 16 August 2024.

Ms CATE FAEHRMANN: When you say "with community groups", specifically regarding this project—the Bowdens Silver Project?

DAVID McNAMARA: That's my understanding. That's the information I have before me.

Ms CATE FAEHRMANN: In the discussions and meetings with Bowdens, have they been speaking to you about the development of their Air Quality and Greenhouse Gas Management Plan?

DAVID McNAMARA: As I have not been present at any of those meetings, I'll take that on notice and get information from the team.

Ms CATE FAEHRMANN: Have you been in those meetings, Ms Fishburn?

KIERSTEN FISHBURN: No, I haven't.

Ms CATE FAEHRMANN: The original conditions of consent required the Planning secretary to sign off on the same plan—the air quality and greenhouse gas plan. Are you aware of that?

KIERSTEN FISHBURN: Of the requirements?

Ms CATE FAEHRMANN: Yes.

KIERSTEN FISHBURN: Yes.

Ms CATE FAEHRMANN: In relation to that and the conditions of consent, the conditions of consent specifically say that that plan has to include real-time monitoring of lead particles in dust at representative locations. It also has to include a trigger action response protocol. In terms of the trigger action response protocol, who's developing that trigger in terms of lead?

KIERSTEN FISHBURN: I don't have the conditions of consent in front of me.

Ms CATE FAEHRMANN: It's not in the conditions of consent, just to be clear, because there isn't one.

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KIERSTEN FISHBURN: I'll have to take that on notice.

Ms CATE FAEHRMANN: In terms of the real-time monitoring—

KIERSTEN FISHBURN: That would be the responsibility of the proponent.

Ms CATE FAEHRMANN: —there have been discussions and emails between the NSW EPA and Bowdens Silver that, in fact, Bowdens Silver is pushing back against the requirement for real-time monitoring. These are documents that my office obtained under Standing Order 52. The NSW EPA have been communicating with Bowdens. They make the point that the conditions of consent and the EPL intend that a network of real-time monitoring equipment for metals will be included within the conditions. Bowdens has indicated that they are only going to do this on a quarterly basis. There have been a couple of emails in relation to that. They have come back and said that they will be monitoring air in relation to a pollution monitoring requirement—a very general requirement of the EPA—not in relation to its condition of consent. My question is, with the new situation, will this be opened up again? Will this issue be revisited?

I know it's in relation to the transmission lines, but a lot has happened over the past, say, six years in this area. Will that particular issue be reopened?

KIERSTEN FISHBURN: In the absence of having the conditions of consent on me, I would struggle to answer that question. I just need to see how they are framed and what they relate to. The outstanding Bowdens matter is in relation to transmission, and there isn't necessarily a nexus between those conditions of consent and what would be put on transmission, but I really feel I'm speculating here. The EPA has not raised this matter with me. I'm sure they probably have with the departmental staff, so I just don't feel I'm in a position to answer.

Ms CATE FAEHRMANN: Yes, because if you say that there have been seven meetings with the community, this is one of the key issues. Something that has come out in the last budget estimates with the EPA was the suppression of a report, the Mark Taylor report. The Government suppressed that for five years during the process of assessment for Bowdens, a lead, zinc and silver mine—let's be clear, open-cut. That report highlighted very clearly that lead emission, pollution in Broken Hill, is leading to very high lead levels in the majority of Broken Hill's children. That was suppressed. That has come out in the meantime. What does the community have to do to get that now looked at and the whole issue of emissions from that mine revisited because there was a deliberate suppression of the information of what active lead mining is doing in this State, which is poisoning the kids in Broken Hill? How do we get there, Ms Fishburn? How can we get that reassessed in this process?

KIERSTEN FISHBURN: Firstly, you're referring to a report from the EPA, so I was not party to any decision as to when that was released, just to make that clear.

Ms CATE FAEHRMANN: Sure. I'm not blaming you personally for that release.

KIERSTEN FISHBURN: I am very aware of the community's concerns. They correspond with the department on a regular basis. We certainly have heard the community. The team has met with the community. I'm not trying to avoid answering your question, but the assessment of a transmission line doesn't necessarily allow for the re-prosecution of things that currently exist. What I want to do is to get a better understanding from the EPA, and I'm sure you will ask them this afternoon, as to any concerns they've had with a failure to meet the conditions of consent. I'm just looking to Mr McNamara.

Ms CATE FAEHRMANN: I also made a very detailed submission, if you like. I wrote to the planning Minister in relation to this issue and the fact that the information that the various so-called experts provided in the planning process—such as Enrinks, which did the human health and risk assessment—didn't reference this report and didn't even reference anything in terms of lead pollution in Broken Hill and what it's doing to children is absolutely extraordinary because it has been documented and peer reviewed for many decades. It is as though for some reason that was not adequately considered or deemed an issue by every agency.

This is an opportunity, given how much has moved in that time and what has been released, to ensure that it's reassessed or at least examined in terms of the air quality issue, because it hasn't been. It is a failure of the planning process, isn't it? This is an opportunity to revisit it for the community. The Government has not been able to get lead under control in Broken Hill in terms of existing mines. I suppose the question is how will you be able to control lead in the Bowdens open-cut mine if you can't do it in Broken Hill? What's going to change?

KIERSTEN FISHBURN: I think there's a number of questions there that actually aren't for me to answer as the Planning secretary, and I know you are speaking to DCCEEW.

Ms CATE FAEHRMANN: But you will approve the air quality and greenhouse gas management plan, just to be clear.

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KIERSTEN FISHBURN: What I can say at this point in time is that the EPA may well have raised these matters with my department, but it hasn't been escalated to me. I can personally commit to you that I will speak to Tony over the next week to try and get a better understanding. Beyond that, I'm not prepared to comment on anything without having full information in front of me.

Ms CATE FAEHRMANN: I really appreciate that. One other thing the community is asking for in this instance is for that management plan to be released and approved beforehand. The mine needs to demonstrate that it can mine lead, zinc and silver safely within certain triggers and standards. The issue is, of course, that there isn't—and that's why I asked the question about the trigger. A trigger hasn't been set. If you look at all of those documents together, it just beggars belief that it's been approved in the way that it's been approved. I put it to you that that's because a suite of very important documents in relation to lead pollution poisoning humans, particularly children, wasn't considered in the assessment process.

KIERSTEN FISHBURN: I will take that as a comment, but I give you my full assurance that I will speak to the EPA personally. I will let Tony enjoy his afternoon with the Committee, but we will speak within a week.

Ms CATE FAEHRMANN: Thank you, Ms Fishburn.

The Hon. SCOTT BARRETT: Can I head back to the birds and the trees, please? It's been put to me that because of the nature of the trees and the habitat they provided, this would have to be approved by the EPBC Act. Would Planning have to confirm that prior to giving approval?

KIERSTEN FISHBURN: If there's a Commonwealth approval that's required, yes. The approval does not exist until the Commonwealth has made that approval, unless I'm grossly misinterpreting.

DAVID McNAMARA: No, that's a correct interpretation.

The Hon. SCOTT BARRETT: Do we know if that approval was granted?

KIERSTEN FISHBURN: We'll take that on notice, but my working assumption would be yes or else the consent wouldn't have been made.

The Hon. SCOTT BARRETT: Sorry, I guess my question was whether that was required as part of this.

KIERSTEN FISHBURN: We'll have to check that in relation to this specific project, but there are many instances when it is required. Do you have the details?

DAVID McNAMARA: Speaking generally, if it's a controlled action, New South Wales is able to undertake an assessment on behalf of the Commonwealth. Once New South Wales makes a decision, it then refers it to the Commonwealth Government to make its decision under the EPBC legislation. Without both approvals, projects couldn't proceed. But we'll get information about the status of any controlled action related to this project.

KIERSTEN FISHBURN: I recall we did send this one, but let's check in case I'm mistaken.

The Hon. SCOTT BARRETT: Can we also check, if that's okay—and I appreciate this very much—whether this is a general approval for the broader project or the works along that road?

DAVID McNAMARA: We'll check that.

KIERSTEN FISHBURN: We'll check the detail for you, but it was critical State significant infrastructure, so it would have been a linear—

DAVID McNAMARA: A general approval.

The Hon. SCOTT BARRETT: Since this incident has come to light, has anything been put in place to ensure that this isn't going to happen again? I appreciate that there's an investigation going on. But in the meantime, was anything put in place?

DAVID McNAMARA: Beyond the conditions of the approval since the report came out on Tuesday? No, we wouldn't have had an opportunity to consider whether anything else can or should be put in place.

The Hon. SCOTT BARRETT: If we can travel north this time, up to the New England REZ transmission line, when did EnergyCo tell Planning it would be updating the study route for the New England REZ transmission project?

KIERSTEN FISHBURN: We'd have to take that on notice, sorry.

The Hon. SCOTT BARRETT: It's going to make it hard, then.

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KIERSTEN FISHBURN: We're happy for you to put some questions, and we'll provide the answers when we're able to.

The Hon. SCOTT BARRETT: Was there advice then provided from Planning back to EnergyCo about that proposed route?

KIERSTEN FISHBURN: We would just be speculating. I'm sorry, I don't have a note on it. I wasn't privy to the discussions and it's not Mr McNamara's normal area of business.

DAVID McNAMARA: It's not in the notes.

The Hon. SCOTT BARRETT: Fair enough. I guess, along similar lines—

KIERSTEN FISHBURN: What I can say is that obviously we work very collaboratively with EnergyCo, and there are constant discussions between my department and EnergyCo on a whole range of matters. I can just give you that as a general statement.

The Hon. SCOTT BARRETT: Okay, I'll throw into the mix of those questions: When was the Minister advised about this updated route?

KIERSTEN FISHBURN: That would be something I would definitely have to take on notice.

The Hon. WES FANG: In relation to that—and part of the reason I'm here is that I want some clarity around this—how much work was done on the previous proposed route that EnergyCo had been consulting on for approximately the past two years?

KIERSTEN FISHBURN: Work in the department?

The Hon. WES FANG: Yes.

KIERSTEN FISHBURN: I think the majority of the work would have been done by EnergyCo, and they can be asked that question this afternoon. Again, I'll have to take that on notice.

The Hon. WES FANG: So, the department hadn't started any planning work on the original route?

DAVID McNAMARA: No. We can take on notice what specifically had occurred.

The Hon. WES FANG: In terms of the new route that's being proposed by EnergyCo, presuming that they have a similar consultation phase to the one they had for the existing route, what do you think the timeline for approval would be for any route that EnergyCo may wish to submit?

KIERSTEN FISHBURN: We would purely be speculating. We don't have the information in front of us to be able to provide that answer.

The Hon. WES FANG: So at this stage there is no department work happening in relation to a New England transmission line—from the New England REZ down—from EnergyCo?

KIERSTEN FISHBURN: I'm not trying to avoid your questions, Mr Fang, I just do not have the information in front of me. I'm trying to get you some information on that.

The Hon. WES FANG: Thank you. That was all I had.

The Hon. SCOTT BARRETT: What advice has the planning department provided to either Minister Scully or the Premier regarding the compulsory acquisition of land for the Hunter Gas Pipeline?

KIERSTEN FISHBURN: I personally, as secretary, have provided no advice to the Minister or Premier on that, but it's not something that I would necessarily be asked for advice on. Sorry, did you say the gas line?

The Hon. SCOTT BARRETT: Yes.

KIERSTEN FISHBURN: That's a question for DPIRD. They are managing that relationship. We don't have the relationship with Santos in that one.

The Hon. SCOTT BARRETT: Who would have the final sign-off on compulsory acquisitions for that?

KIERSTEN FISHBURN: I am not sure who has compulsory acquisition powers in DPIRD. I'm sorry, that would be a question for them.

The Hon. SCOTT BARRETT: It's definitely within DPIRD, not Planning?

KIERSTEN FISHBURN: DPIRD have the relationship with Santos and responsibility for gas policy. We would simply be an assessment agency. In fact, I think our assessment powers in relation to gas pipelines are

CORRECTED

somewhat limited. I would have to take that on notice. But we're not privy to the discussions with Santos in relation to compulsory acquisition or not.

The Hon. SCOTT BARRETT: Are there other scenarios where your department is involved with compulsory acquisitions?

KIERSTEN FISHBURN: Yes, absolutely, all the time. We would be involved through the Office of Strategic Lands, who acts as an agent, essentially, for the rest of government when land is needed to be acquired for a public purpose.

The Hon. SCOTT BARRETT: In your experience in dealing with those compulsory acquisitions, have there been other occurrences where the Premier has got involved and come out threatening compulsory acquisitions in terms of those projects?

KIERSTEN FISHBURN: In terms of projects that my department might be using our compulsory acquisition powers for?

The Hon. SCOTT BARRETT: Yes.

KIERSTEN FISHBURN: I certainly can't recall any, and it strikes me as unlikely. The type of thing that we would be doing is acquiring some land for a public park for a council, for example. They would be things that have been identified in the strategic planning documents that Ms Gibson's area has responsibility for. We have acquired some land for the Bradfield area to extend out the roads there. They're not things that generally attract a lot of public interest and I would be, frankly, surprised if the Premier was aware of the grand majority of them. He's a very bright man, but we're not talking enormous projects that would happen through OSL.

The Hon. SCOTT BARRETT: Would it be fair then that the normal procedure is to go through the private acquisition process first and not even be talking compulsory acquisitions until that had run its course?

KIERSTEN FISHBURN: Yes, ideally. This is actually a matter for the Minister who administers the just terms Act, which is Minister Kamper. But nonetheless, speaking to it because OSL sits under Minister Scully, yes, ideally you want to be able to come to a negotiated agreement with a party rather than move down a compulsory acquisition pathway. It saves time for everybody. It's less stressful for both parties and, ideally, we would prefer not to go to compulsory acquisition. However, there are times when that occurs and then we undertake our activities via the requirements of the just terms Act.

The Hon. SCOTT BARRETT: You mentioned before, and it just caught my ear, that there have been 16 meetings with Bowdens Silver mine since that ruling.

KIERSTEN FISHBURN: Fourteen, sorry.

The Hon. SCOTT BARRETT: On a similar sort of thing, how many visits have there been from the department to Sunny Corner or Oberon?

KIERSTEN FISHBURN: We may not have that at our fingertips, but I'll let Mr McNamara check.

DAVID McNAMARA: I don't recall seeing that level of detail of the project.

KIERSTEN FISHBURN: No, we'll have to take that one on notice.

The Hon. SCOTT BARRETT: Have any of those visits been accompanied by the Minister? An answer to that would also be appreciated.

KIERSTEN FISHBURN: In relation to the gas pipes that you were asking about previously, I said I wasn't sure which Minister had those compulsory acquisition powers. Just for your clarification, it's Minister Sharpe who has those compulsory acquisition powers for that particular area of business.

The Hon. SCOTT BARRETT: Of the approved projects we mentioned before—and I think 39 projects approved was the number you gave me before, Mr McNamara—how many have been subject to further intervention from the IPC or the courts following the initial approval or decision from Planning?

KIERSTEN FISHBURN: We might have to take that on notice, but I can definitely say the great majority of these projects have been determined by the IPC.

The Hon. SCOTT BARRETT: So Planning makes a decision or a recommendation.

KIERSTEN FISHBURN: Recommendation.

The Hon. SCOTT BARRETT: And then that is generally not followed?

CORRECTED

KIERSTEN FISHBURN: No, the IPC are not required to follow our recommendation but, in general, they do. Again, the "I" is for independent. They generally take the department's advice, but they also undertake their own independent assessment. There are times when they come to a different decision to the one that the department has recommended.

DAVID McNAMARA: What I would just add in terms of those 39 projects—it would be predominantly the wind and solar projects which end up going through to the IPC for determination. Yes, they're not bound to follow our recommendation. Some of the battery projects may have, but they're less likely to have gone to the IPC.

The Hon. SCOTT BARRETT: In relation to the Hampton Park solar out near Dubbo, where are we up to with that as far as approvals?

KIERSTEN FISHBURN: We'll take that on notice, but we should be able to get back to you fairly quickly. We just need to check into the department.

The Hon. SCOTT BARRETT: I want to talk more broadly around the community support for this project. Even within the scoping plan, there was community feedback that showed very little support for this project. How would the department recommend support for a project which 91 per cent of respondents to the internal survey oppose, including 85 per cent who strongly oppose that project?

DAVID McNAMARA: In undertaking a merit assessment of a project, we consider any issues raised. Whether it's raised by one person or 100 people, it's the merit of the issue that they're raising that we consider in our assessment under the requirements of the Act. It's not about the weight, necessarily. It comes down to the merit of the project and whether the project is in the broader public interest. Ms Higginson would be well aware of some of the tests and requirements that the department is required to consider. Ultimately, if the project is referred to the IPC, as the consent authority, it's required to make a decision on it.

KIERSTEN FISHBURN: If I can just interrupt you for a second, because I have the information you asked for. The SEARs for Hampton Park were issued on 21 November 2025, so it's very early stages, and no EIS has been provided back to the department yet. If they could do it that quickly, I'd be remarkably surprised.

DAVID McNAMARA: And concerned. It'll be some time well into next year, I think, before you would expect that project to come back to us to consider whether it's adequate to go on assessment.

The Hon. SCOTT BARRETT: You talked about the weighting there. How much weighting is put on community concern?

DAVID McNAMARA: The issues that the community raise are all looked at on their merit, same as every other technical issue.

The Hon. SCOTT BARRETT: The council, too, have resolved to recommend that the project doesn't proceed. Does that count for anything?

KIERSTEN FISHBURN: It will ensure that it goes to the IPC. We will also look at council's reasons for objection, and they will form part of the merit assessment as well. But the council position will mean that it will be guaranteed to be determined by the IPC.

The Hon. SCOTT BARRETT: Certainly one of the concerns the community raised, including council in their submission, was the impact on land values. Something like 92 or 93 per cent raised that as one of their major concerns. Given the example of what we've seen in Orange, when a property more than halved in value due to a solar complex, wouldn't you share the same concerns around this project—that it's going to have significant impact on land value, causing a massive hit to property values? It's going to impact their borrowing capacity, their ability to run their farms if they have small farms on there and their super—for a lot of people this would be their super. Surely that should come into consideration when approving or otherwise this project.

KIERSTEN FISHBURN: I think Mr McNamara's already described that we need to be careful about what exists in law in terms of how we look at economic impact. Economic impact can be positive as well. However, obviously council has raised this, and I'm sure when it's on exhibition it will come up as a matter for consideration. We will look at it from a merit perspective and in relation to relevant case law as well.

The Hon. SCOTT BARRETT: I don't know how you can answer this, but when there's that much community opposition to this project, including the council and 91 per cent of those surveyed, clearly the community is not behind this project. What chance have they got of having any input into whether this goes ahead or not?

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KIERSTEN FISHBURN: You're really asking us to speculate. We don't even have anything on exhibition at this particular point in time. But the proponent submitted an EIS that will go on public exhibition and with public consultation behind it as well.

The Hon. SCOTT BARRETT: What's the department's current position on the impact of transmission lines when it comes to firefighting capacity?

DAVID McNAMARA: I might come back on that if you've got another question.

The Hon. SCOTT BARRETT: It sort of depends on that. We heard in the last discussions around these installations having very minimal impact, yet one of the reasons that's been given for the shifting of the New England transmission line is to reduce the risk of bushfires and improve firefighting capacity. I just wonder if those two things correlate.

KIERSTEN FISHBURN: Bushfire and fire risk is obviously a consideration in the planning assessment.

DAVID McNAMARA: We consult RFS on the bushfire risk relating to wind turbines. You look to mitigate that risk as much as is reasonable and possible, and that may well be what has led to a change in approach and location—trying to find a location that might have a lower level of risk or consequence. But the key is that we do consult with RFS, who are the experts in terms of bushfire risk and bushfire management.

The Hon. SCOTT BARRETT: The previous Crown lands Minister undertook a program to start negotiating with local councils about freeing up some Crown land for housing developments in places like North Tuncurry, Tamworth, Greta and Wagga. Is anyone at the table across that project and where that might be up to?

KIERSTEN FISHBURN: That is a matter for Crown Lands—noting that they are in my department—but, in general, work is continuing in that space.

The Hon. SCOTT BARRETT: Continuing to what extent? Are we getting closer to having anything?

KIERSTEN FISHBURN: There have been a number of parcels of Crown land looking at being utilised for residential housing in the regions, but, again, it's a matter for the Crown lands Minister to talk through.

The Hon. SCOTT BARRETT: Can I talk specifically about the North Tuncurry one and whether—because I'm presuming at some point Planning will need to be very heavily involved in this.

KIERSTEN FISHBURN: Yes, we can actually talk specifically about North Tuncurry because Planning is heavily involved in that. Ms Gibson, are you able to talk through that? We're quite progressed.

MONICA GIBSON: Yes, there were some questions about that. The site was zoned not that long ago, in the last couple of years, through quite a lengthy rezoning process to consider some really significant environmental impacts on that site and flooding impacts on that site. But you might have some other questions about what's happening next. Is that where you're headed?

The Hon. SCOTT BARRETT: Sure. What's happening next?

MONICA GIBSON: The land's zoned. I understand that that enables a development application to be lodged. I don't have any information in front of me at the moment about whether a development application has been lodged, but as part of the development of that site, there would need to be a development application sought for subdivision of land. With that, there would need to be some infrastructure upgrades as well as management of environmental issues—like I said, significant vegetation on the site that was carefully considered, with biodiversity certification granted across that site—and some planning controls in place to manage for both flooding matters—it's reasonably low lying in parts—and also for visual impacts. That area there is a part of the entrance into Tuncurry and a visually significant site.

The Hon. SCOTT BARRETT: Is it the most advanced of those projects? Are there others at similar stages—Tamworth, for instance?

MONICA GIBSON: I can't speak across the rest of the program, but because you asked some questions about how Planning is involved, I can talk to you about how Planning has been involved in the North Tuncurry site.

The Hon. SCOTT BARRETT: Is Planning also involved in any of the other ones, that you're aware of—Tamworth or Wagga, for instance?

MONICA GIBSON: No, we don't have any active State rezonings over those so I can't give you an update on any planning work that we're doing on the other site.

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KIERSTEN FISHBURN: They would be council-led applications.

The CHAIR: I'm going to ask about the strategic renewable energy zone-wide cumulative impact assessment. Is that something that the department has the lead on?

KIERSTEN FISHBURN: There is a working group of very senior staff—deputy secretary level—across government who look at a range of matters in relation to the renewable energy zones, including cumulative impact. My department obviously provides inputs into that work.

The CHAIR: Is there an assessment report that is being promised or that is going to happen? Or is it, at this point, incremental advice that's being given?

DAVID McNAMARA: There are a number of studies being undertaken at the moment. EnergyCo, DCCEEW and DPHI are working on those studies. There are discussions with the relevant Ministers around the next steps for those studies. Some studies are close to completion. Others are still having work undertaken as to what the next steps will be. That's under active consideration.

The CHAIR: When you say studies—the cumulative impact of the renewable energy zones, as they're all going to exist, we know where they are and we know what's the nature of them. But is there an overarching cumulative impact study that will be developed so that we can understand those broader cumulative impacts?

DAVID McNAMARA: Certainly I can confirm there are specific studies for the Central-West Orana REZ and the New England REZ.

The CHAIR: I see. So at the moment there's an impact study for each of them, but the nature of cumulative impacts is that we bunch them together and understand them, isn't it? Or am I misunderstanding the intention?

KIERSTEN FISHBURN: The intention is to understand the impacts within a specific community area. It sounds ridiculous; it sounds like I'm just reversing your words. To my knowledge—and I say "to my knowledge"; it might be a question to DCCEEW and EnergyCo—there isn't an intention to essentially consolidate them all into a statewide position. What we want to understand is how does this impact on the good people in Dubbo—positively or negatively—or how does this impact on the people in New England, so that then we're able to either mitigate against or take advantage of the benefits or issues that may arise as a consequence of the renewable energy transition.

The CHAIR: I understand now. So in terms of each of those cumulative impact assessment studies, is there a time frame of when they might be completed? Or are they a bit open ended at this point?

DAVID McNAMARA: No, a substantial amount of work has been completed on them. I made reference to there being active consideration with relevant Ministers, hence we're closer to than further away from when they'll be completed. Just building on Ms Fishburn's comments, there are obviously some themes that would apply in each of the REZs. The findings of the individual cumulative impact studies, if there is a theme, may influence government thinking on policy around that particular theme.

The CHAIR: In terms of each of those approvals within the REZs and looking at the broader REZ approvals, how much do the strategic offset delivery agreements that have been developed come into play? Is that something that is central to your consideration when approving the REZ projects overall?

DAVID McNAMARA: It's a relevant consideration, yes.

The CHAIR: I'm just wondering what we can do in terms of the birds and the bees and the trees problem. It seems like the rest of the world is finally waking up to something The Greens have been talking about for the past 20 years. Unfortunately, it seems people are waking up around the renewable energy delivery rather than the massive coal projects that we've delivered for decades. But I'm just looking for ways that we can try to improve before we carry on. I'm just wondering where the best point is. The department, ultimately, is the final tick-off, given that most of these projects are critical State significant infrastructure projects. If it is just saying the department of environment has approved this through the offset delivery and therefore we'll just now go ahead, where can we get better in terms of this? Do you think the cumulative impact studies will help? Will they feed into the future approvals of REZs, or has the work finished and we'll just expect bad impacts?

KIERSTEN FISHBURN: I think there has been continuous improvement in this area. I'm sure my colleagues are looking forward to this afternoon, because I would encourage you to speak to EnergyCo, who really have been responsible for leading the work with community consultation and engagement. My observation—and I'm coming from my position of responsibility for local government—is that there have been significant improvements, and people are really listening a lot more. That, of course, then feeds into the department's work because we get representations from councils and we get representations from the community, and the better

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people are able to understand what they're seeing in their local area the better they're able to respond to us. We then look at that as part of our merit assessment as well. I certainly wouldn't say it is fixed in stone. In fact, I would never say anything in the planning space is fixed in stone. We should always be learning from things, and we should always be considering the current environment in which we're operating. That has materially changed over the past three or four years as more renewable projects come into play.

DAVID McNAMARA: Yes, and just to your point about the cumulative impact studies, our position would be that we would like to see them and expect them to help confirm the scale and timing of potential cumulative impacts and provide an evidence base and some recommendations for government to be able to look at to address those issues—or specific government agencies to address those issues—not necessarily within the planning system itself but across government.

The CHAIR: Great. We're all going to be lining up with EnergyCo this afternoon. Can I just ask about a couple of projects? The Moore Point proposed development at Liverpool—

KIERSTEN FISHBURN: That's Ms Gibson.

The CHAIR: Could you give us an update on where that's at? I'm particularly interested in how it got through the gateway after so long of not being at the gateway.

KIERSTEN FISHBURN: I'm going to ask Ms Gibson to answer that question, but I just want to have on record that I have a direct conflict of interest in relation to that project. It was first brought into council when I was the chief executive. Just so I'm really clear about that, in case you—just direct all questions there.

The CHAIR: Ms Gibson? Block your ears, Ms Fishburn.

MONICA GIBSON: Moore Point is going through a rezoning. That planning proposal was initiated by Liverpool council, and a gateway was given in about March 2023, if memory serves me correctly. Since that time Liverpool council has been working through the matters in the gateway determination. There are a number of conditions on that gateway, given the size of the site, the proposed conversion of that from industrial land to high-density residential, and the nature of that site—its location within an area where there was known flooding. The proposal has been under assessment and looking at those conditions on the gateway. It has been publicly exhibited by Liverpool council. So it's in this phase that we would call post-exhibition and going through the assessment of the submissions and some matters that are still being worked through from the gateway conditions, particularly flooding, but also some traffic impacts and how that infrastructure might need to be upgraded to support the growth that's happening in that area.

The CHAIR: My understanding is it didn't get through the gateway for a long period of time. But what was the main change in terms of flooding and contamination? And I think there were specific SES concerns about this development, as well, and the evacuation routes and so forth.

MONICA GIBSON: I can really only speak to it from 2023, when I was aware of it and involved with issuing the gateway at that time. And there are gateway conditions that require very detailed flooding and evacuation matters to be assessed. Normally we don't have proposals that are two or three years in a rezoning stage unless they are incredibly complex. So I do consider this to be one of the most complex rezonings that we are doing in New South Wales at this point in time.

The CHAIR: Can I ask whether you or anyone you know, within the department, has been lobbied by Morris Iemma or anyone from Iemma Patterson Premier Advisory in relation to this particular project?

MONICA GIBSON: I will check for our notes. But I've never had a meeting with IPPA—is that who they are?

The CHAIR: Yes.

MONICA GIBSON: In relation to this site. But I'm happy to check our records and provide an answer.

The CHAIR: And has anybody else that you're aware of or that you know or you work with been approached by IPPA or had a meeting with them?

MONICA GIBSON: That's what I will check—and provide that. All meetings with IPPA as registered lobbyists are recorded very specifically on the department's website, under our registered lobbyist register.

KIERSTEN FISHBURN: Registry of registered lobbyists.

MONICA GIBSON: Those details—that's publicly accessible information.

The CHAIR: And I would be very interested, if you have a look at that, if there's any meetings that you may be aware of, that are not on that register, as well, if you could, because, apparently, that happens: meetings

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in corridors and things like that. I'm asking, as well, when you turn your mind to that register, if you can think of any instances and you don't see them there. That would be very helpful to the Committee, as well.

KIERSTEN FISHBURN: There's an SO 52 in relation to lobbying, and I'm sure you'll be able to get some answers from that as well.

The CHAIR: Thank you very much. I'm just curious about whether anyone in the department, at the senior level here, is aware of, again, another—it's the Department of Education's concerns regarding a proposed development in Byron Bay. It's a very well known site. It was the site of a previous place, called Cheeky Monkey's. It's a quite a controversial site. But—

KIERSTEN FISHBURN: Trust me. We would remember that name.

The CHAIR: That's what it was called. It was a nightclub site. But currently the Department of Education is really concerned about the proposed development because it relates to a venue that would serve alcohol all day and it's just metres away from the primary school there. And my primary concern at this point is whether you or anyone that you know has—again, I understand the register—been lobbied by Merivale or Hemmes Property in relation to this particular development.

KIERSTEN FISHBURN: I recall the development now but only because I've seen it in the paper. No-one has made contact with me or my office. It's a council development application in my understanding, I think. We'll check for you. It might meet the SSD threshold. But, in answer to your question, to my knowledge, the answer is no.

The CHAIR: I understand the register, but could you also confirm whether you or anyone you know has discussed this particular development with, again, Morris Iemma or anyone from IPPA?

KIERSTEN FISHBURN: I can speak for myself and the answer is no. As I said, there is an SO 52 in relation to lobbyists. We'll have to take it on notice because I don't have any other information. However, my staff do understand very clearly their responsibility to record meetings with lobbyists, and we do put it on our website.

The CHAIR: The other thing I'm interested in is the Marsden Park development. Again, I accept the SO 52. This is the Marsden Park North West Growth Area and, as I understand it, flood risks were identified but now it seems that something has changed. Now the area is being considered for the 960 homes on 60 hectares of flood lands. I think there are also employment lands there. Is this something that you're aware of?

KIERSTEN FISHBURN: Ms Gibson can talk to that as State-led rezoning.

MONICA GIBSON: A State planning process has been happening in Marsden Park North for quite some time, going back many years before I could answer. A planning process for Marsden Park North with a significant residential outcome was brought in front of a flood panel back in 2022-23, and the decision was made not to proceed with that proposal. Subsequent to that, there has been a further investigation of the site to look at a combination of employment uses and some potential residential uses, and that proposal is currently on public exhibition. It commenced on 17 November. It's on exhibition through to 30 January. Speaking with the team yesterday, they have held a number of community consultation events and information sessions to outline what's proposed on that site and the studies that have informed the proposed controls there. That has meant quite a lot of flood evacuation investigations, as well as other urban design studies and traffic studies, as we would normally do.

The CHAIR: The Minister issued a direction to councils about flood and so forth after the big 2022 floods. How is the department working in relation to putting housing developments on exhibition that have significant flood issues? Ultimately, is it not a matter of saying that we shouldn't be putting housing in significantly problematic areas that flood? It seems that the department is allowing these ones through to exhibition.

MONICA GIBSON: I would respectfully reject that we are putting something on exhibition that's not compliant with our flood risk assessment. We take that matter very seriously. The Minister's issuing of directions, as well as the policy setting in this space, are things that we carefully take into consideration, particularly in high-hazard areas around the Hawkesbury-Nepean flood valley. We don't do any work there without the input and expertise of the SES, the Reconstruction Authority and DCCEEW. We do specific studies in those areas and are constantly looking at the revised flood information that's coming through for those areas.

The shift with a couple of sites to be more employment land than residential land is a reflection of our concerns about the suitability of areas for residential development, particularly around the evacuation that would need to occur in major flood events. I could speak for a long time about flood evacuation and our flood approach, but the shift towards more employment land rather than residential land, with the West Schofields area in particular, has been to reflect that evacuation piece. I might leave it at that.

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The CHAIR: Can I ask if you could check whether there was ever any approach from Morris Iemma and the IPPA—whether that Marsden Park North in the North West Growth Area was part of any lobby attempt in relation to that particular development as well.

MONICA GIBSON: I will point you to our registered lobbyists on our website and that's where we'll draw the information from. The IPPA do represent a client who is one of the landowners in the Marsden Park North area.

The CHAIR: Can I ask whether there is any work that is being undertaken to monitor the 60-day short stay cap in the Byron shire—whether there is any monitoring about the positive impacts or the impact that it's having on long-term rental supply?

KIERSTEN FISHBURN: STRA is the responsibility of the Minister for Housing, but I am aware that council obviously has an interest. Let me take that one on notice for you.

The Hon. SCOTT FARLOW: This will continue on with the Morris Iemma theme in this segue. Of the 25 meetings with Mr Iemma since 25 March 2023, which are on the lobbyist register, how many of those meetings were referred to the department by the Minister's office?

KIERSTEN FISHBURN: I have absolutely no idea of the answer to that question—

The Hon. SCOTT FARLOW: Take that on notice?

KIERSTEN FISHBURN: —and the answer may well be none.

The Hon. SCOTT FARLOW: With respect in particular to the Appin and North Appin proposals with the HDA, what meetings were conducted with Mr Iemma with respect to the interests of the Ingham Property Group?

KIERSTEN FISHBURN: I would refer you back to the lobbyist register in relation to that. I can tell you that in my case there were none.

The Hon. SCOTT FARLOW: But other planning officials, though?

KIERSTEN FISHBURN: I would have to check the register but not to my knowledge.

MONICA GIBSON: I can say that I have had none.

KIERSTEN FISHBURN: I would suspect if it was not myself or Monica, it was no-one.

The Hon. SCOTT FARLOW: In August the Housing Delivery Authority recommended the approval of the full 2,499 dwellings in the Appin precinct. Why was that decision then revisited at a subsequent meeting of the Housing Delivery Authority?

KIERSTEN FISHBURN: I am going to ask Ms Gibson first to just briefly explain the cap because it makes contextual sense as to the further discussions. Ms Gibson, if you can explain the cap?

MONICA GIBSON: Going back on a history lesson here—

The Hon. SCOTT FARLOW: We had some discussions on this last time as well.

MONICA GIBSON: The Greater Macarthur area including the precinct that we would call Appin has been in a planning process for maybe 20 years. A rezoning was completed on the Appin Park precinct, which is a piece that is owned by Walker Corporation, in June 2023. At that point in time, there was some information about infrastructure known—water, sewer, roads—but not complete information. There were requirements on the rezoning for further investigations to take place before development applications could be lodged. That work has been underway since 2023. That process has identified that there would be specific infrastructure required to connect to water and sewer and to upgrade roads.

As a result of that, and also another rezoning that had commenced but hadn't progressed to a gateway determination in the North Appin area which is owned by Ingham Property Group, I briefed the Minister about the need to apply a cap to that area. That cap would limit development applications beyond 2,499 homes so that it would provide some time for additional infrastructure to be provided to that area. That cap of 2,499 was introduced as an LEP amendment in the middle of this year. I will check to see if I know the exact date of when that happened. I feel like it was in around September, but I don't know the exact date. If that's important, I'm happy to get that information provided through the answer.

The Hon. SCOTT FARLOW: If it was September, that cap would have been implemented after the 2,499 dwellings were approved by the HDA, which I suspect probably wouldn't have been the case, as the application referenced it.

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MONICA GIBSON: That's why I want to check exactly when that came in. I'm looking for the answer to that. It was 8 September when we were exhibiting that cap. It came into effect—oh, hold on. It came into effect on 5 September—my apologies.

The CHAIR: I have two quick ones. Is there any progress—I haven't had a chance to look—on the sustainable building SEPP? My understanding is that there was a scheduled review. Is that correct?

KIERSTEN FISHBURN: Yes, there is a scheduled review, and it is underway in the department.

The CHAIR: Could you briefly give an indication of whether there will be any targeted consultation, or will it just be broad? When is that expected to occur? I've got people scratching to be part of it.

KIERSTEN FISHBURN: I'll see if we've got that at hand. Otherwise, we're happy to take that on notice. It's just a different part of the department.

DAVID McNAMARA: We don't have it on hand, but we can take on notice the indication that people would like targeted consultation.

The CHAIR: The question I have is whether there will be targeted consultation. Realistically, there are stakeholders out there that would like to be consulted, particularly sustainability interested people. When is the consultation expected to occur and what does your timeline for completion look like?

DAVID McNAMARA: Okay.

The CHAIR: I just have one more, and that is about dear and fabulous Uncle Reg Craig from Coffs Harbour. I know that we've talked about this a lot. I'm not sure if you're aware but, very interestingly, just last week Coffs council passed a motion supporting Uncle Reg Craig's invitation to the planning Minister and other Ministers and yourself—again, I know you've been and I know you've met—

KIERSTEN FISHBURN: I'm only interjecting here because you'll be very pleased to hear the news. This Monday, the Minister for Planning, the Minister for Lands and Property and myself all went and met with Uncle Reg, along with the CEO and chair of the local Aboriginal land council and other representatives from the Elders group within Coffs Harbour. It was a really nice meeting actually. As you know, I've spent a lot of time up in that community working on things way outside of the jetty, like working on other aspirations that the LALC have. It was a really good opportunity for us to sit and listen. I can speak on behalf of my Ministers to say that they seemed to really enjoy the experience as well. Just to let you know, we went up the first time we could when Parliament had ceased to sit.

The CHAIR: Thank you. I'm so pleased to hear that.

KIERSTEN FISHBURN: Uncle Reg is a lovely man. Everyone is really nice up there.

The CHAIR: Exactly, but Uncle Reg has been trying so hard. The final question on that one is did Minister Scully and Minister Kamper drive together and have a good time? I only say that because it was what Minister Scully said at the last estimates—I was reviewing the transcript this morning.

KIERSTEN FISHBURN: They didn't drive in the same cars, but they had lunch together and they were smiling when they walked out of it.

The CHAIR: Fantastic.

The Hon. SCOTT FARLOW: Yasmin's driver wasn't there, thank goodness.

The CHAIR: It was Minister Scully being his normal self, offering to drive up and have a great time with Minister Kamper. I'm pleased to hear that. In terms of the Coffs jetty foreshore, where is that project up to at the moment and what can the community expect in terms of time frames?

KIERSTEN FISHBURN: I think we're up to response to submissions preparation. Is that correct, Ms Gibson?

MONICA GIBSON: From a Planning perspective, we've asked for the proponent—in this case, Property and Development NSW—to answer the matters that came through in the submissions. They're working through that. When that's received, we'll be able to assess those and determine where to go from there.

The CHAIR: We are in Government time now.

The Hon. EMILY SUVAAL: We are very happy with the answers. No questions from us.

KIERSTEN FISHBURN: We would just like to take a moment, if that's okay, to correct the record. Minister Scully does own the STRA policy, but that 60-day cap is monitored by Byron Bay council. We're trying

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to get some information out of them. I know they have written to us. We've got a few other things to clarify, I think, almost all for you, Mr Barrett.

DAVID McNAMARA: Yes, a couple of things to clarify. Mr Barrett, earlier you asked about details around harmful materials, including asbestos, and wind farms. Asbestos importation has actually been illegal in Australia since 2003, but Goldwind did state publicly that they had found asbestos through some proactive testing at a wind farm in Tasmania. SafeWork NSW would be responsible for coordinating a response to any investigations in New South Wales, and SafeWork have advised it's not a matter for the department of planning but a matter for them.

Jumping to the HDA projects declared in regional locations, some broad stats—you may not be surprised that Wollongong and Newcastle are the highest, with nine and eight respectively. There are six on the Central Coast and then two each across Byron, Coffs Harbour, Lake Macquarie, Shoalhaven and Tweed. Then there are a number of other areas around the State where there has been a single declaration. We also have some information, Mr Barrett, if you wanted some specific information around the number of approvals since 23 March within the specific REZ zones. In the Central-West Orana, there are a total of nine approvals. I can break that down if you would like.

The Hon. SCOTT BARRETT: Yes, please.

DAVID McNAMARA: Two wind, one transmission, two solar and four battery storage. The Hunter-Central Coast has a total of six projects—one wind, one solar and four battery storage. There are two projects in the New England REZ, being one wind and one solar, and also two in the South West REZ, being two wind projects. We'll also provide more detail about the total number of projects approved over time preceding 2023 as well. We'll provide that through to you on notice.

KIERSTEN FISHBURN: We'll just need to take some time to get that information.

The Hon. SCOTT BARRETT: Was there a number of approvals outside those designated REZs?

DAVID McNAMARA: We've got data for approvals outside the REZ that goes back all time, so to speak. A total of 89 projects over time approved outside of REZ zones—20 wind, four transmission, 50 solar, two hydro and 13 battery storage projects. Some of those would date back a significant amount of time.

KIERSTEN FISHBURN: Prior to the REZs.

DAVID McNAMARA: Yes, prior to the REZs, particularly the wind and, to a lesser extent, the solar.

KIERSTEN FISHBURN: Ms Gibson, you have one thing you wanted to correct.

MONICA GIBSON: Just to clarify, in relation to my last comments about Coffs jetty, we have received the response to submissions back from PDNSW. We are currently reviewing that. My apologies. We are at that part of our assessment. We're expecting our assessment to be complete in the first half of 2026.

The CHAIR: Just to confirm, nothing will get uploaded to the website in terms of that this year—or do you think it could?

MONICA GIBSON: Not before Christmas.

The CHAIR: That's helpful. That's it?

KIERSTEN FISHBURN: I think that's it.

The CHAIR: Fantastic.

The Hon. SCOTT FARLOW: Merry Christmas.

KIERSTEN FISHBURN: Merry Christmas. Can I just, as always, thank you, Chair and Committee. There were a couple of sensitive matters, so thank you for treating my department with respect and respecting my request there. I really appreciate that, and my staff will appreciate the fact that they know that this is a place where their interests will be looked after as well.

The CHAIR: Thank you for appearing. That has concluded our morning session. We will resume at 2.00 p.m.

(The witnesses withdrew.)

(Luncheon adjournment)

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Mr NICHOLAS ROWLEY, Chair, Net Zero Commission, affirmed and examined

Ms HANNAH McCAUGHEY, Chief Executive Officer, Energy Corporation of NSW, on former affirmation

Mr DOUGLAS PARRIS, Executive Project Director (New England Renewable Energy Zone), Energy Corporation of NSW, affirmed and examined

Ms KIM CURTAIN, Acting Secretary, and Deputy Secretary, Energy, Climate Change and Sustainability, Department of Climate Change, Energy, the Environment and Water, on former affirmation

Mr BRENDAN BRUCE, Deputy Secretary, Conservation Programs, Heritage and Regulation, Department of Climate Change, Energy, the Environment and Water, on former affirmation

Mr TONY CHAPPEL, Chief Executive Officer, NSW Environment Protection Authority, on former oath

Mr STEPHEN BEAMAN, Executive Director, Regulatory Practice and Services, NSW Environment Protection Authority, on former oath

Ms ALEXANDRA GEDDES, Executive Director, Programs and Innovation, NSW Environment Protection Authority, sworn and examined

The CHAIR: Welcome, and thank you for making time to give evidence. All witnesses will be sworn prior to giving evidence. Witnesses who have already been sworn before this Committee during this inquiry do not need to be sworn again. Just to remind everybody, we do questions in the alternate. We go with the Opposition first, then the crossbench.

The Hon. JACQUI MUNRO: Thank you, everybody, for appearing today. I appreciate it and know your time is valuable. I wanted to kick off on data centres and the work that anybody has been asked to conduct on modelling for data centres in a couple of areas. The first one is in energy. I'm wondering if Minister Sharpe has asked for modelling on data centre electricity consumption. I'm not sure who is the best person to ask.

KIM CURTAIN: Probably me. I'm not sure there's been a specific request for data centre modelling, but modelling around the energy use of data centres is certainly taken into account by AEMO when they do their forecast for the electricity sector. It's certainly something that's taken into account in terms of working out what the future demand is expected to be.

The Hon. JACQUI MUNRO: So no Minister has come to you asking for specific project modelling or overall modelling that might predict future use for a pipeline of projects, for example?

KIM CURTAIN: I'll double-check and take on notice if there's a specific request, but I know it's incorporated within modelling that is generally done, because obviously they're going to be big users and are big users of electricity, and as we get more data centres that will continue. I will take on notice whether there has been a specific request for specific modelling.

The Hon. JACQUI MUNRO: Okay, so generally you're relying on AEMO to provide some expectation of how much energy is expected to be consumed by data centres?

KIM CURTAIN: Yes. There is a lot of detailed modelling that AEMO does every year in their electricity statement of opportunities report. It comes up with a forecast of what the actual expected usage will be and then there's obviously different scenarios that they model, but they have a very detailed modelling team who do some of that, and we have a data team who also work with them on what some of those scenarios are. I know there's a lot of modelling done, but I'll take on notice if there's a specific request within our department.

The Hon. JACQUI MUNRO: Is there any work that's being done with any other departments—planning, for example, or Treasury—to understand how individual projects will impact the energy grid in New South Wales?

KIM CURTAIN: There's certainly a number of conversations happening in groups working on what is the impact on data centres and what is the policy going forward. In terms of energy modelling, that would sit with our team, specifically, but others would be involved in some of those conversations.

The Hon. JACQUI MUNRO: When you say you're having conversations, what is that? Is that specific meetings about particular projects, or is it actually saying that this is something that will be important to New South Wales, so we're going to develop a strategy or a plan? What are those conversations?

KIM CURTAIN: There's a cross-agency group that is led by Infrastructure NSW. They're doing some work around what the position should be for New South Wales on data centres, which a number of different

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agencies are a part of, including ours. Also, the Investment Delivery Authority—data centres is one of the potential proponents coming into that program, which is led by the Premier's Department. Sorry, my team have just told me the department does undertake some of our own modelling on wholesale price impacts. As far as we know, no specific requests for data centre modelling, but we do take it into account in the work we do on wholesale price impacts.

The Hon. JACQUI MUNRO: Infrastructure NSW is leading a team that is looking into how data centres will impact a number of different areas of policy, whether it's energy consumption—does that include prices in that conversation as well, or is it just energy as a metric?

KIM CURTAIN: The input they're getting from our team is around what energy impacts that might have. There are different types of data centres out there that have different amounts of use of water and use of electricity. They're working on what policies we should have if there are going to be a lot of data centres coming in. From an energy perspective, we need to be careful with where they go into the grid, at what time, whether there's capacity and what that means for the grid as a whole. Our team provides that input. Other agencies provide the input from other perspectives as well. INSW is trying to pull all that together.

The Hon. JACQUI MUNRO: What has the department been advising Infrastructure NSW, in that case, in those conversations?

KIM CURTAIN: I'll have to take on notice the specifics of what we've provided in, but certainly data centres are big users of electricity. With the number of data centres wanting to come into New South Wales—how many of them actually will come in, we're not sure. But if all of them came in, that would be a big challenge for our electricity grid. We're providing advice on how we can move forward. The advice hasn't been pulled together yet, in terms of the final INSW advice.

The Hon. JACQUI MUNRO: Has the Minister asked for that advice, or is this something that the department is doing on its own?

KIM CURTAIN: The Infrastructure NSW work is a whole-of-government piece of work. They're leading that and we're providing some input from the electricity perspective.

The Hon. JACQUI MUNRO: Does the department expect that data centres will impact wholesale prices?

KIM CURTAIN: There's a lot of variables. It could if we had a lot of data centres coming in. Yes, it would—

The Hon. JACQUI MUNRO: How many data centres?

KIM CURTAIN: The challenge is they're all of different sizes. How many and when—

The Hon. JACQUI MUNRO: But there must be a point at which energy use hits a certain number and then it starts impacting wholesale prices, if that's the way you're calculating. What is that figure?

KIM CURTAIN: I'll take on notice what we can bring back on that. There's a lot of variables here. In terms of what impacts wholesale prices, it's never just one thing on its own. But I'll take on notice what we've got in terms of specifics.

The Hon. JACQUI MUNRO: If you need energy then that takes energy out of the grid, and that will make a difference to how much energy everybody else has to access. Are there any requirements that data centres are the generators or producers of their own energy needs?

KIM CURTAIN: That's certainly one of the things we're looking at—what the requirements should be.

The Hon. JACQUI MUNRO: What is that conversation? What does that look like?

KIM CURTAIN: We don't have an outcome from it yet. It would be a decision for the Government on what they wanted to put in. We're certainly looking at what else has happened around the world, as well, and other examples, and providing some analysis in terms of what we think is reasonable to bring in. As you said, the grid is not even. There are some places in New South Wales where you could put a data centre and there would be sufficient capacity; in others that are constrained, you wouldn't. It's never a simple answer, unfortunately.

The Hon. JACQUI MUNRO: There's no strategy around data centres at this point. Have you been preparing—

KIM CURTAIN: The work is still underway. Modelling is still happening now. We haven't got the outputs of that yet.

CORRECTED

The Hon. JACQUI MUNRO: Will that be made public? Is that a strategy that is going to be public that people can read and invest through?

KIM CURTAIN: It's being led by Infrastructure NSW, but I can take it on notice. I'm not sure of the answer to that.

The Hon. JACQUI MUNRO: I guess this goes back to my question before. What's the limit at the moment of data centre capacity that can be brought onto the grid in the next one to five years that will have an impact on power prices?

KIM CURTAIN: Again, there's no one answer. It also depends on how many electricity projects come on and how quickly projects that are already in the pipeline get built and connected. It's very much an "it depends" answer.

The Hon. JACQUI MUNRO: There was a report earlier this week that suggested that New South Wales has this year approved or received State significant development applications for more than 22 data centres, with a combined capacity of 3.67 gigawatts—enough to power more than 1.1 million homes, which is based on a Climate Council estimate of about one megawatt per 300 households. Would you say that's a fair calculation?

KIM CURTAIN: I'd have to get back to the team. I haven't got the detailed calculations here. If all of the data centres that are applying to New South Wales actually get built, then, yes, it's a very large number, which that is.

The Hon. JACQUI MUNRO: In terms of requirements for data centres to generate new power, what kind of pathways could that be? What are you looking at?

KIM CURTAIN: That's currently the analysis that the team is doing, so I don't have an answer to that yet.

The Hon. JACQUI MUNRO: When did you start on this work with Infrastructure NSW?

KIM CURTAIN: Some months ago. I would have to take on notice exactly when that was.

The Hon. JACQUI MUNRO: In Q1 or Q2?

KIM CURTAIN: I'll have to take it on notice. I'm not sure of the exact timing.

The Hon. JACQUI MUNRO: It's a little bit concerning that there isn't more specific information provided on this, given how important it is.

KIM CURTAIN: The challenge is that the work is still being done and the Government hasn't made a decision on the way forward yet.

The Hon. JACQUI MUNRO: How many data centre projects are you looking at through the Investment Delivery Authority?

KIM CURTAIN: I'm not part of the Investment Delivery Authority. That's led by the Premier's Department.

The Hon. JACQUI MUNRO: Is your department being asked to look at projects through the IDA at all?

KIM CURTAIN: We're advising on this data centre strategy and what the broader plan is. We're not looking at individual projects necessarily but providing advice in terms of what the impact on the electricity grid is on the whole, I guess.

The Hon. JACQUI MUNRO: So at this point you're not being asked to model energy consumption for individual IDA projects?

KIM CURTAIN: I don't believe so. I can take it on notice, but I don't believe so.

The Hon. JACQUI MUNRO: Just on that, is anyone able to answer whether, on the environmental impact side, you're being asked to do any investigation into IDA projects?

TONY CHAPPEL: The EPA is part of the Infrastructure NSW strategy and feeding into that. In terms of environmental impacts, there is water use and potentially air quality issues from back-up generation, if that is in the form of diesel. There are potentially noise implications. We're working through all of those issues. Any particular project would have to comply with the clean air regulation and other regulatory standards. That would inform our advice. I think most of these projects aren't at the point of finalising those parameters.

The Hon. JACQUI MUNRO: So nothing has come across your desk that is a specific IDA project?

CORRECTED

TONY CHAPPEL: I will have to check that. I don't have anything that I can recall specifically in terms of an individual project, but I'm happy to take that on notice and come back to the Committee.

The Hon. JACQUI MUNRO: At this point, there's no particular way that any of you are interacting with specific IDA projects outside of the normal, for example, State significant development process or any other process that exists within government?

TONY CHAPPEL: I think that's broadly right, but certainly EPA has had a number of meetings with various proponents or advisers around more systemic ways to mitigate some of the negative impacts and maximise the positive impacts. All of that thinking is being fed into the Infrastructure NSW strategy.

KIM CURTAIN: My understanding is the IDA is still currently going through its expression of interest process, and we are being asked to provide some input into that analysis, but I'll have to take on notice exactly what we're being asked for on that.

The Hon. JACQUI MUNRO: That would be helpful. Is there a structure or some sort of taskforce within your department that deals with the IDA? Are there staff put aside to interact specifically or have some role responsibility around the IDA?

KIM CURTAIN: Not dedicated staff, but there are certainly the experts we have, particularly in the energy infrastructure team and also in our data and analytics team, who provide advice to the IDA on specific energy requests that they have.

The Hon. JACQUI MUNRO: Just to clarify, is the IDA actually asking specific questions of your department about specific projects?

KIM CURTAIN: I believe so, but I'll take that on notice. I don't have the specifics.

The Hon. JACQUI MUNRO: What modelling has been done on the power price impact of Tomago staying online?

KIM CURTAIN: That obviously is one of the scenarios that we review along with a number of other scenarios because obviously that is still a question mark and it's certainly a live issue. I can take on notice the exact specifics, but that is one of the scenarios that we are considering.

The Hon. JACQUI MUNRO: At the moment, is there enough renewable capacity and other generation, whether it's gas or coal as well, to—I can't ask your opinion on this.

The CHAIR: You can try.

The Hon. JACQUI MUNRO: I can try.

KIM CURTAIN: That's true. You can ask whatever you like.

The Hon. JACQUI MUNRO: But I suspect you'll be wise to that.

The Hon. WES FANG: They will be now.

The Hon. JACQUI MUNRO: I wouldn't want to earn the ire of my colleagues. I'm just trying to really understand how your department, as the department of energy, is giving advice to government about data centres and the capability that our network has to actually take on the huge compute power that is being proposed. It sounds like it's pretty vague at the moment and nothing's really being asked. There's potentially a data centre strategy being developed. Is that right? There is a data centre strategy being developed?

KIM CURTAIN: I'm not sure if that's the title it has, but certainly the Infrastructure NSW piece is bringing together, I would say, a strategy for the State.

The Hon. JACQUI MUNRO: What is the deadline on actually having that released?

KIM CURTAIN: I'll have to take it on notice. It's not our report. But I'd say more generally, as we've said before, there's a lot of variables in the market, so the number of data centres that come in—as I said, AEMO has modelled the number of data centres into the future. The question is: Is it enough? Is it—

The Hon. JACQUI MUNRO: It doesn't seem to be quite at the level that's really being—

KIM CURTAIN: And that's the thing—different people have different assumptions on how much is coming in. We are certainly assuming more data centres will come in; it's just a matter of how many. As you said, Tomago might come out. There is a lot of big variables here.

The Hon. JACQUI MUNRO: Has the IDA given you the amount of power required should all of the expressions of interest that have been made to the IDA come online to be approved?

CORRECTED

KIM CURTAIN: I believe they may have to our energy team, who has been providing the advice, but I don't have those specifics. We'd have to refer that to the IDA.

The Hon. JACQUI MUNRO: Could you please take on notice if your team has been asked to model the full suite of IDA projects related to data centres—

KIM CURTAIN: Sure.

The Hon. JACQUI MUNRO: —and also what that number actually was, how much power they would be using, and also if there is any advice around whether that will impact wholesale prices in New South Wales and how?

KIM CURTAIN: Sure, we'll take it on notice.

The Hon. JACQUI MUNRO: On synchronous condensers—I know we brought this up last budget estimates—my understanding is that AEMO has been warning about the need for synchronous condensers since 2021. I'm wondering why they had only been ordered this year.

KIM CURTAIN: I'd have to go back for the history. I can take on notice the history, but there was a lot of work done to try to accelerate the purchase of synchronous condensers, which, as you know, needed some legislation change and a direction to Transgrid. That's all on track now. Certainly, everything we would have liked to have done faster, but I'll have to take on notice the history.

The Hon. JACQUI MUNRO: Who actually has responsibility for ordering those synchronous condensers?

KIM CURTAIN: Transgrid.

The Hon. JACQUI MUNRO: Did the department at any point speak to Transgrid to say, "Can we ensure that this happens before the year 2025?"

KIM CURTAIN: The way that the process works is that for Transgrid to be able to purchase another synchronous condenser they'd need a determination from the regulator to allow them to add that to their asset base. The challenge was that in terms of the way the market was working, they couldn't get that or make the case for that, which is why we sought a direction from the Minister to allow that to happen faster than what would have otherwise happened in the market.

The Hon. JACQUI MUNRO: Did they commence that process in 2021?

KIM CURTAIN: Again, I wasn't around then, so I'll have to take on notice the history.

The Hon. JACQUI MUNRO: Finally, is the department going to update the electricity road map given the changes to things like synchronous condensers and to data centres specifically, and potentially other issues as well?

KIM CURTAIN: Do you mean the EII Act or the—

The Hon. JACQUI MUNRO: The energy road map—the actual road map that is determining how people are investing and where, and what they should be looking at.

KIM CURTAIN: The way in which the road map is being delivered is changing all the time with different timing of different projects. I'm not sure if the road map itself needs to be updated. I can take that on notice and go back and have a look. But certainly it's a moving thing, as we don't control all of the projects in the market. It's something we have to constantly be adapting to.

The Hon. JOHN RUDDICK: My question is to Mr Nicholas Rowley in his capacity as chair of the Net Zero Commission. Thanks for joining us. The Net Zero Commission was legislated in December 2023, and I think it came into effect on 1 July the following year. Its mission is to provide independent advice on how to monitor, review and promote advice and recommendations on progress towards an emissions reduction target. Does that all sound correct, sir? That's your purpose?

NICHOLAS ROWLEY: I believe the legislation went through on 23 November, not December.¹

¹ In [correspondence](#) to the committee dated 15 December 2025, Mr Nicholas Rowley, Chair, Net Zero Commission, clarified their evidence.

CORRECTED

The Hon. JOHN RUDDICK: So you've had a full financial year. Can you tell us what the annual budget is of the Net Zero Commission?

NICHOLAS ROWLEY: Our budget comes from the Climate Change Fund, and there will be a report on all the moneys in the Climate Change Fund released prior to the end of this year.

The Hon. JOHN RUDDICK: We're pretty close to the end of the year. Can you give us a ballpark figure? Is it \$1 million a year? Is it \$100 million a year? How much are the taxpayers putting into the Net Zero Commission?

NICHOLAS ROWLEY: The report is currently being drafted, so I would be remiss to give you a number—

The Hon. WES FANG: Surely you must know.

NICHOLAS ROWLEY: —but I can guarantee it's well below \$100 million.

The Hon. JOHN RUDDICK: What I'm fearful of, Mr Rowley, is that it has become a taxpayer-funded activist group. I want to go through some of your key staff. I'm hoping that you can tell me that the understanding that I have is incorrect. You have [OMITTED], a senior adviser at the Net Zero Commission, who has publicly stated:

... significant known fossil fuel reserves must be left in the ground and that this will require reducing their supply ...

[OMITTED] also argued that to meet Australia's emission targets, the first step is:

... an immediate moratorium on approvals for all new fossil fuel projects, followed by legislated and enforced targets for phasing out fossil fuel exports.

You have [OMITTED], who is also a senior adviser, and who has been a member of the Climate Council since 2019. Last year, [OMITTED] posted on LinkedIn that "every new coal, oil or gas development endangers us all." [OMITTED] a former lawyer at the Environmental Defenders Office, now works at the Net Zero Commission. She has used her position as vice-president of the National Environmental Law Association to lobby the New South Wales Government for legislative change to drive more aggressive climate action. [OMITTED] has also previously posted online congratulations to those opposed to previous New South Wales coalmine developments, and has also appeared at events to train activists in letter writing campaigns against fossil fuels.

[OMITTED] also works at the Net Zero Commission. She was formerly a Federal policy fellow at the Sierra Club, where in 2011 she authored a report calling on governments to "Move Beyond Coal, Now!", concluding it with a section titled "Fighting Coal Around the World". The Net Zero Commission's executive director, [OMITTED], recently stated in a social media post, "Planning policy is climate policy. If our planning system doesn't actually integrate these legislated climate goals, we risk approving developments that work against them, locking in emissions and exposing communities to climate risks." Mr Rowley, these people sound like they are pretty serious activists, not sober-minded, independent public policy experts. Am I wrong?

The Hon. EMILY SUVAAL: Point of order: A number of individuals were named who aren't here to have a right of reply.

The Hon. JOHN RUDDICK: Their boss is here. They are all public servants.

The Hon. EMILY SUVAAL: Yes, that's fine, but there is a procedural fairness element to what you've just popped on the record there.

The Hon. JOHN RUDDICK: I've just quoted their public statements, so their boss will know about it.

The CHAIR: Absolutely. I'm not going to rule the question out of order, but it is a genuine reality that when we're talking about people who hold positions and they aren't here to have any right of reply, any explanation—

The Hon. JOHN RUDDICK: Well, their boss is here.

The Hon. WES FANG: To the point of order: The Hon. John Ruddick is quite within his right to frame the question in the way that he wants to. I'm sure that if Mr Rowley believes that there is balance on the board or within the staff of the Net Zero Commission, he'll provide that answer.

The Hon. JOHN RUDDICK: I'm eager to hear your response, Mr Rowley.

The CHAIR: There is no point of order. Carry on. We'll let Mr Rowley answer the question. They all sound like highly qualified people.

CORRECTED

NICHOLAS ROWLEY: Thank you very much, Chair, and thank you very much for the question, as well, Deputy Chair. Just to be clear, though, you concluded your remarks with "Am I not wrong?" Do you want me to tell you whether you're right or whether you're wrong?

The Hon. JOHN RUDDICK: My claim is that this is a taxpayer-funded activist group. I want to know what your response is to that claim.

The CHAIR: I can take you and show you some activists. Sorry, Mr Ruddick.

The Hon. JOHN RUDDICK: You seem to be struggling to answer, Mr Rowley. Do you have anybody on staff who is—

NICHOLAS ROWLEY: No, I understand the question. I understand the question, okay? Let's have some space so that I can attempt an answer. The first point I would make is this: I only commenced my role as chair of the Net Zero Commission in early September, and I've made an absolute priority of working as closely as possible through that time with our outstanding executive director, [OMITTED], and members of staff. I will not comment on individuals, but I will make the point that, having worked on climate policy response for much of my career, internationally, here in Australia and in the United Kingdom, I've worked with some of the most impressive public servants and policy professionals anywhere. My view of the people who currently work for the Net Zero Commission is that they are absolutely up there with some of the very best people who I have worked with.

The Hon. JOHN RUDDICK: You haven't answered my question, which is are they activists?

NICHOLAS ROWLEY: I haven't finished. You asked me a question. I am actually very impressed by the quality of the research that you've done. On the basis of that research, with regard to the staff who currently work at the commission, with regard to any of the activities that you mentioned, were any of those activities—which are absolutely fine, in my view—undertaken at a time when they were employed under the Government Sector Management Act 2013, which is how members of our staff are employed?

The Hon. JOHN RUDDICK: No, I never made that claim. Is there anybody on staff who is not an anti-coal activist?

NICHOLAS ROWLEY: I think all of our staff.

The Hon. JOHN RUDDICK: I've just quoted from all your senior staff; they hate coal. Anyway, let's cut to the chase, Mr Rowley. Does the Net Zero Commission recommend opposing all future coalmine extensions in New South Wales—yes or no?

NICHOLAS ROWLEY: No.

The Hon. JOHN RUDDICK: Great. Well, that's contrary to what a lot of your senior staff are saying. But, anyway, I'm pleased that you've got that on the record—that you will not necessarily be opposed to future coalmine extensions. Correct?

NICHOLAS ROWLEY: Yes.

The Hon. JOHN RUDDICK: We've talked about the staff, but you also have these net zero commissioners. There is Oliver Costello, who used to work for GetUp and the Nature Conservation Council. Katerina Kimmorley is still the head of commercial and investments at Boundless, a company heavily supported by renewable energy investor Mike Cannon-Brookes. Meg McDonald is the chair of a venture capital firm focused on fast-tracking commercialisation of clean energy technology. Maria Atkinson is on the board of Holcim Foundation, a venture capital firm focused on investing for impacts into decarbonisation and low-emission projects. In your view, do those commissioners have a commercial conflict of interest? With one job they are out there making money out of the so-called renewable rollout; on the other hand, they're serving as commissioners on a body that's advising the Government. You don't see a conflict of interest here, sir?

NICHOLAS ROWLEY: I think it's an utterly legitimate question that you ask, and I don't see that there's any conflict of interest at all. These are people who have made an enormous contribution to our understanding as to how we most effectively respond to and manage the risks of climate change.

The Hon. JOHN RUDDICK: They're giving advice to the Government and, if the Government takes that advice, their commercial investments pay off. That's true, isn't it?

NICHOLAS ROWLEY: You're clearly wanting us to go down a road which kind of, in my mind, makes absolutely no sense.

The Hon. JOHN RUDDICK: There should be Chinese walls.

CORRECTED

NICHOLAS ROWLEY: There are rules in relation to what it is that any member of the Net Zero Commission needs to declare in terms of any conflicts of interest, where the full record of that—prior to every single commission meeting, if there are any changes to those declarations of interest, they need to be shared with the full commission.

The CHAIR: Mr Chappel, the EPA has done a large body of work on what the State needs to do in terms of regulating the high-emitting industry sector. There's been quite a few documents and plans around emissions reduction frameworks. Can you update us on how we're going? Are the sectors that you regulate complying? Are we getting into order? What needs to happen, otherwise?

TONY CHAPPEL: There are a series of regulatory proposals currently out for consultation. One of those proposals pertains to all environment protection licence holders across the sectors that we regulate, which is roughly about 60 per cent of the State's scope 1 and 2 emissions. Other proposals pertain to the mining sector, particularly the coalmining sector, with proposals for onsite abatement of coal methane, particularly in underground mines and pre-drainage, and the use of low-carbon fuels. This is work that is quite well progressed. We've had a number of detailed workshops with different participants in the supply chains for various sectors—including with input from colleagues in other parts of government—just to add sufficient rigour to any final proposals that we expect to make in the new year.

These measures aim to ensure significant onsite abatement occurs on New South Wales facilities, which is likely to also comply with safeguard obligations. But, in contrast to those applications, it would require some actual onsite activity. That's one element of our climate change policy and action plan. I think it's fair to say that there are a number of other sectors. The Government's highlighted that also, including transport, the built environment and others, where I think further change and progress will likely be required to ensure we get to a sustainable, low-carbon future in the time frames that we're working towards.

The CHAIR: Am I right to say that you are seeing work happening in those other sectors—transport and so on—in terms of the comprehensive picture? We've got 2030 targets. We've got to get to 50 per cent reduction. From where you sit, do you think that we are on target?

TONY CHAPPEL: The modelling and the latest emissions estimates from the department—whom I defer to on the specific numbers here—indicate more work is required to ensure we do achieve those targets. There's significant work underway across the New South Wales government and obviously at the Commonwealth government level, including consideration of those various sectors and how that comes together into an efficient road map to get to those outcomes.

The CHAIR: From where you're sitting as the head regulator, are you seeing any problem areas? Can you identify those in terms of—obviously not in a controversial way, but where you think we should be encouraging more effort and more work at this point? Because we're trying to get there together, across the sectors. What are you identifying at this point as some of the more problematic or more difficult areas?

TONY CHAPPEL: There are really two elements to that. In terms of prospective areas and real opportunities where we can both add significant economic value and achieve lower pollution levels, the transport sector and the built environment sector offer very strong opportunities, as does the agricultural sector. The regulatory response there will need to be very different to be efficient and effective. In terms of particular challenges, it's widely accepted that methane as a greenhouse gas is highly potent, and so if you look over the next 10 years, the estimate is over 100 times more heat trapping than CO₂ and some other greenhouse gases. Anything we can achieve in that time horizon to reduce our methane emissions is going to be particularly valuable to buy the time and the space to then address some of these other, harder to abate sectors, where technologies are on the horizon but not yet before us—for example, blast furnace type operations.

The CHAIR: Regarding the EPA's public feedback on the proposed methane requirements, have you been receiving pressure or pushback from the mining or fossil fuel industry?

TONY CHAPPEL: We've had a variety of submissions, which we are now working through, and we've dived deeper into some of those elements with workshops with the resources sector and various supply chain participants, both on low-carbon fuels and on ventilation methane technology and methane abatement opportunities. There's certainly a broad range of views. There are a number of projects that are keen to progress development and verification of the technology early. There are still regulatory and safety hurdles that need to be demonstrably solved because, whilst this technology does work today in other jurisdictions in North America and Asia, and I understand in a very similar context it is now progressing in Wales at a coalmine there, it doesn't currently operate in New South Wales.

We're working closely with our colleagues in the Resources Regulator to ensure we can continue to have safe workplaces with any adjustments to the technology used for dealing with methane. Then, obviously, the

CORRECTED

particulars of each mine do vary—so the cost will vary and the opportunity will vary—and I don't think it'll be a one-size-fits-all solution. Perhaps the high-level criticism from the industry is that the EPA is attempting to be too prescriptive. We're engaging with the industry on that to ensure that we're focused on outcomes and the most efficient and flexible ways to achieve those outcomes, but that's work that's currently underway.

The CHAIR: Are you concerned about the fugitive or unaccounted-for emissions, particularly in methane? Is there a way around that? Do we understand what we're talking about?

TONY CHAPPEL: One of our proposals, actually, is for the air quality monitoring network to expand to monitor greenhouse gases of that kind and give us a much more accurate picture through the operating life of these facilities and post-closure. There are a number of mines, either in care and maintenance or closed, which are significant sources of methane as well. We need to look at the whole system and look for the most cost-effective moves to make first, and then work through the problem like that. But verifiable data and rigorous compliance are essential, as they are in other domains for industries we regulate. That's another major effort that's been underway—that we're working now with our colleagues in the department who operate the air-monitoring networks.

The CHAIR: Do you think more capacity is needed in the monitoring networks?

TONY CHAPPEL: We don't currently monitor. We've done a number of studies with CSIRO and some universities on different technologies for monitoring. We've been engaging with experts on that and we've got some proposals that we're consulting on, but we don't currently monitor in that way. There are estimation methodologies that are used, but we don't monitor in the way we monitor other emissions.

The CHAIR: Is the proposal to start that?

TONY CHAPPEL: Yes.

The CHAIR: And what happens in other States?

TONY CHAPPEL: We're working closely with our colleagues in the Victorian EPA, the South Australian EPA and with the Queensland Government to be aligned in the methodologies that we use. I don't think any of those jurisdictions currently have a significant monitoring network, but we're all looking at the issue together. We expect to start implementing that technology in the next 12 months.

The CHAIR: Very quickly—and I'll come back to it, because obviously we're so limited in time—I want to indicate that there are some serious concerns about the EPA's restructuring. I know that it's all happening right now. I'm sure I'm not the only crossbencher, but there's a lot of concern. We've been receiving outreach from various people who are really concerned about what the EPA is doing in terms of the restructure. One of the things is how the EPA can justify the cuts that are being made to staff—it seems that the senior executive level is staying relatively static, but the jobs otherwise are the ones that are being cut. Is there anything that you can say broadly around the EPA cuts?

TONY CHAPPEL: Yes, absolutely. Following a month of consultation, we finalised our updated structure just yesterday. I think the concern about senior executive ranks somehow not being part of the effort to get to a sustainable financial position, which, frankly, is needed across government—we all work for the community and we have to deliver best value for the community. It's just not accurate to suggest that senior executives are not part of that change. We have made an 18 per cent reduction in our senior executive staff. That alone, given our relatively small size, requires very significant rearrangement of leadership and accountabilities. If you compare the EPA to other government agencies, you'd be hard-pressed to find another agency that had a more efficient ratio of senior executives to staff.

I think our ratio is one of the leanest across government. Six senior executive positions have been deleted as a result of this change. We've gone from 33 to 27. In terms of the other reductions, I think it's 57 full-time equivalent roles, none of which are going to impact our frontline operation. In fact, the other component of this change is a very significant rebuilding of our specialist and high-risk field regulatory capabilities in various domains like radiation, dangerous goods, contaminated land and forestry. For many years, the EPA has required generalist regulatory work from our people. Also, our regulatory teams have been required to do many other important but not frontline tasks, such as industry assessments and licence reviews and so on.

We're centralising a number of those functions to take them off the plates of the frontline regulators to free them up, and we're rebuilding specialist capability to ensure we can acquit our role as the State's independent environmental regulator more effectively. There are staff reductions across the board, but in our operations area it's a very small number of manager roles and administrative staff positions that won't be continuing. Our frontline regulatory capability is very much intact and, in fact, will be enhanced through this change.

CORRECTED

The CHAIR: Thank you. I will come back to it.

The Hon. WES FANG: This question is for Ms Curtain and Ms McCaughey. Are you concerned that projects like HumeLink and Snowy 2.0 will be constrained in moving power to the Sydney centre because of a lack of the Sydney Ring South project being completed?

HANNAH McCAUGHEY: I think at the moment the system is able to accommodate HumeLink and Snowy, but that's to say that the Sydney Southern Ring is a project that has been discussed for some time. It is being reviewed by AEMO currently, I understand, so I would be looking out for the draft ISP because that's where it will come through.

The Hon. WES FANG: So it's your testimony to this supplementary budget estimates that it can currently handle both the projected Snowy 2.0 and HumeLink projects existing without the Sydney Ring South project being constructed.

HANNAH McCAUGHEY: Just to make sure I understand the question, and just to make sure we're being very specific on the question—

The Hon. WES FANG: Let me rephrase it. My understanding is that, at the moment, around the Yass district, we have quite a number of wind farms. When it's the circumstance that we are generating a lot of wind power from those wind farms, we cannot actually move the power to Sydney, where we might have a deficit because it's a cloudy day and the solar is not producing. We have to send that power to Victoria. If the sun is shining and the wind is blowing down in Victoria and they are at negative pricing for power, we are paying to send that power to Victoria and also paying to put it into their grid because we can't actually move the existing renewable energy power into Sydney because of the lack of Sydney Ring South. Is that correct?

HANNAH McCAUGHEY: EnergyCo is responsible for the renewable energy zones, and Yass is not within a renewable energy zone.

The Hon. WES FANG: No, it's not, but it's got a lot of renewable energy projects, hasn't it? That's another topic for another day. It's got a lot of renewable energy projects despite it not being in a REZ.

HANNAH McCAUGHEY: Yes—

The Hon. WES FANG: I've raised that with the Minister a number of times. Ms Curtin, are you able to provide some insight into this?

KIM CURTAIN: I don't have specifics on that one. I can take it on notice.

The Hon. WES FANG: Are you aware that Transgrid has described it as urgent to the NSW Transmission Planning Review?

KIM CURTAIN: I don't have specifics on what Transgrid has said, but certainly I understand that that project is an important one, and it's being considered as part of the ISP.

The Hon. WES FANG: We've got the department here, and we've got EnergyCo. My understanding is that AEMO has said it's, effectively, vital for the transmission of power. I think there was an understanding that it was going to go under the EII Act, but the New South Wales Government expects it's going to go under the RIT-T process. For some reason, this project, which is so vital to actually moving power around and is costing consumers huge amounts of money because the wholesale price of electricity in Sydney is particularly high when we can't move power into the biggest centre, being Sydney, from the south—and it seems nobody's got ownership of this problem. Tell me that somebody here knows what I'm talking about.

HANNAH McCAUGHEY: Just so we're really clear, the roles and responsibilities within the system are that, currently, the decision for whether Sydney Southern Ring would become an—sits with AEMO. That's who decides when the project would come into—currently it's not an EII Act project because it's still in the process of AEMO. That's why I suggested that we wait to see what comes out of the draft ISP.

The Hon. WES FANG: Has AEMO ever suggested that it should go under the EII Act? Has the New South Wales Government ever suggested that that might be a better way for it to be constructed quickly?

HANNAH McCAUGHEY: I would have to take on notice whether that has ever happened, but I think that it is an important project which has been reviewed by AEMO on numerous—

The Hon. WES FANG: We'll come back to this in February because this is absolutely extraordinary. I want to get to the New England REZ. The now-abandoned preferred corridor study was published in July 2024. Is that correct?

CORRECTED

DOUGLAS PARRIS: We published our scoping report—if that's the document we're referring to—in July 2024. That's correct.

The Hon. WES FANG: After the two years of assessment? Is that correct?

DOUGLAS PARRIS: It's a little bit before my time, but we've been doing corridor and route selection work for probably in the order of two years, give or take.

The Hon. WES FANG: How did this mistake occur?

DOUGLAS PARRIS: I don't see it as a mistake. If I can characterise it as—this is design development, and this is how we develop projects. We look at what we know from a desktop perspective. We do some assessment of corridors, route selections across a range of criteria. We call them planning pillars for us. But that's looking at a range of criteria: technical, people, environmental, obviously strategic as well.

The Hon. WES FANG: Let me rephrase it, then. Why did it take so long for you to identify the issues?

DOUGLAS PARRIS: There's a journey to go on in a design development process. You start at a fairly strategic planning level. You need to zoom in a little bit closer as you go down to corridor selection. Once you've got a preferred corridor, which we released in 2023, we need to engage with the community, with landowners, with other agencies and the like—stakeholders—to gather more information and go and do technical studies as well.

The Hon. WES FANG: You'd be aware of this document, correct?

DOUGLAS PARRIS: I can't see it.

The Hon. WES FANG: It's your July 2024 document, effectively. The alternate route that you've put forward now for consideration—why was it rejected initially?

HANNAH McCAUGHEY: Just so we can clarify that, there was a review done of the travelling stock route, but that is not the same as the current study corridor. The travelling stock route would have been much closer to residential dwellings. It was looked at. But the new study corridor, which is now there for consultation, does take advantage of some of the flatter and safer terrain that is close to the travelling stock route, but it is distinct and different from the travelling stock route.

The Hon. WES FANG: Let me rephrase the question, then. Why did you choose the original route, as published in July 2024?

HANNAH McCAUGHEY: The original route did have many advantages, from a desktop perspective, in this initial view. And one of those was that it was co-located with Transgrid transmission lines. And that was a view that that would be a good position to take initially because it would reduce the community impacts and reduce the infrastructure footprint. What we found—and this does take time, to do this technical analysis—when we went and actually looked at the easements that existed for the Transgrid existing route, is they were only 60 metres wide. And, in many instances, they had taken the flattest route that went along the valleys or on the peaks. If you seek to build alongside those easements, actually you would be in an area which was steep because it was coming up from the bottom of the valley or it was off the top of the side of the hill. So what is something that might have looked good on an initial, when you get down and do those technical studies and take time and you go through the terrain and you have to work through that detail—we came to the conclusion that actually it would be safer not to be aligned with that Transgrid—

The Hon. WES FANG: And are you doing that same ground testing of the route at the moment, with the proposed alternate route?

HANNAH McCAUGHEY: Yes. The team has been able to work very diligently with detailed LiDAR that goes down to half a metre, I believe. And they were very conscious, having learnt from the detailed technical work of the previous corridor, that they could apply that to the new corridor. So we have actually managed to parallel-track a lot of those activities. And the land which we're now consulting on is generally flatter and would have better access tracks and less spoil. So I think there is—we feel fairly confident, with this current route, that we would be able to work within the three kilometres.

The Hon. WES FANG: What are you expecting this to cost?

HANNAH McCAUGHEY: We are currently in the live procurement process with three consortia to find the new network operator. So that's currently a commercial-in-confidence discussion.

The Hon. WES FANG: There are those words. I'm going to address some issues a little bit later about the way that the costs of all these projects are not being given to the public, but why aren't you providing these

CORRECTED

costs publicly? Ultimately, for transmission, anyway, these costs are borne by the consumer through their power bills. Transmission costs are directly borne by the consumer. When I'm asking you how much this project is going to cost, I'm asking on behalf of consumers who want to know how much is going to be added to their bills for this. Every time I hear commercial in confidence, that means that you're not telling the public how much they're going to be paying for this project. How much is the public going to pay on their bills for this project?

HANNAH McCAUGHEY: In relation to the New England REZ, because it is still under development, we're still working through the cost and EnergyCo is—

The Hon. WES FANG: Let me ask, what are we going to pay for Central-West Orana?

HANNAH McCAUGHEY: Last time we were at budget estimates, we went through the AER determination. We worked through the service payments that are paid for Central-West Orana, and those are highlighted now within the CWO AER determination.

The Hon. WES FANG: How much is it going to add to a consumer's residential power bill?

HANNAH McCAUGHEY: I think the department is responsible for the overall consumer cost.

The Hon. WES FANG: This is *Yes Minister* stuff: "I've got to defer to this person and that person." Can we get a straight answer?

The Hon. EMILY SUVAAL: Point of order—

The CHAIR: A point of order has been taken. I would note that there are no Ministers here.

The Hon. WES FANG: I know. It's worse than that.

The Hon. EMILY SUVAAL: Mr Fang continues to interrupt the witness when she is answering the question. She has just handed it to her colleague.

The Hon. WES FANG: They're not answering the question, Emily.

The CHAIR: Mr Fang, don't.

The Hon. EMILY SUVAAL: She is attempting to answer the question whilst being interrupted, as was just exhibited.

The CHAIR: It is fair. There's a healthy amount of banter going on, to and from, and it's rigorous.

The Hon. WES FANG: I get it. It is frustration more than anything.

The CHAIR: But it is important to let the answer be given.

The Hon. WES FANG: Ms Curtain, can I get an answer as to how much the New England REZ and the Central-West Orana REZ are going to put onto the price of residential power bills for consumers?

KIM CURTAIN: As Ms McCaughey said, the full cost of CWO REZ is public. That has been published in the AER determination.

The Hon. WES FANG: What is it?

KIM CURTAIN: I don't have the number in front of me, but we'll pull it out.

HANNAH McCAUGHEY: I'll help. The capex number is 5.6. That's what's in the AER.

The Hon. WES FANG: It's 5.6 what? Billion? Million?

The Hon. ANTHONY D'ADAM: Point of order—

The CHAIR: Another point of order has been taken. I have to hear that.

The Hon. ANTHONY D'ADAM: These are senior public servants. They are here to do a job. They are deserving of respect. The tone and nature of how Mr Fang is asking his questions is disrespectful of the witnesses. He should take that into account and at least show a degree of respect. He is dealing with professionals who should be accorded appropriate respect in the nature of his questions.

The Hon. WES FANG: Don't waste my time, Anthony. To the point of order: These are senior public servants, as the member rightly points out, who should know the answers to simple questions—

The Hon. ANTHONY D'ADAM: There's a way to ask the question.

CORRECTED

The Hon. WES FANG: —and shouldn't be taking everything on notice like this. It is absolutely ridiculous.

The Hon. ANTHONY D'ADAM: Your conduct is disgraceful.

The CHAIR: I hear the point of order. Take a deep breath. The point of order is valid. We've had a fabulous hearing all day. I give respect all round. Great answers have been given, and there has been lots of information flow. The answer was given. Let's carry on.

The Hon. WES FANG: Can I get an answer as to what this is going to put on the price of consumer's bills, or are you going to take it on notice?

HANNAH McCAUGHEY: We will take it on notice.

The Hon. WES FANG: In relation to the 5.6 figure that you said, is that billion? B for billion?

HANNAH McCAUGHEY: Yes. I've got the number here. I've just gone through it. The AER number published in August 2025 is the NER-equivalent of 5.526 billion.

The Hon. WES FANG: That is for New England or Central-West Orana?

HANNAH McCAUGHEY: That's Central-West Orana.

The Hon. WES FANG: What is New England?

HANNAH McCAUGHEY: New England hasn't gone through its AER determination yet because it's still in the design phase. Once we procure with the network operator, we will submit an AER determination which will ultimately determine the number.

The Hon. WES FANG: By leave: I table some photos.

Document tabled.

The Hon. WES FANG: Ms Curtain, you'd be aware of the issues that were published in *The Daily Telegraph* in relation to the birds that had their habitat destroyed. I might note that also covered here is the cost of \$1,200 extra to consumers when we were told we'd be saving \$275, but I'll leave that issue for the moment. These are additional photos that I received from that work that ACERERZ had done where mature trees were chopped down and a number of live birds nests et cetera were all damaged. I think a number of animal welfare issues were identified. The department of planning this morning confirmed that they are investigating the compliance of the project. Given that the photos have been published here and I'm now providing you additional ones showing eggs and nests that are also destroyed, has all ACERERZ's work on the transmission project stopped until the matters are fully investigated and finalised?

KIM CURTAIN: This project is managed by EnergyCo, so Ms McCaughey has a response to that one.

HANNAH McCAUGHEY: Currently, the activities that have been carried out are, as of all the information we have today—they are compliant with the EIS. As my colleagues from the department of planning highlighted this morning, they have sent some of their staff out onsite to make sure this is the case. We are currently reviewing critical path items to address impacts on fauna. We do seek to avoid and mitigate impacts on fauna. We are actively reviewing how to improve this going forward.

The Hon. WES FANG: So let me get this straight. Despite the photos that show nests, small birds and their habitat being destroyed by this project and the animal welfare issues that it raises, you are telling me that there are no issues that have been identified? You were fully compliant with the EIS and you haven't asked ACERERZ to stop work, noting that Planning said they have actually sent inspectors there today?

HANNAH McCAUGHEY: Maybe I will just clarify and break that down into—

The Hon. WES FANG: I would appreciate that.

HANNAH McCAUGHEY: Here to work this through. In terms of the overall tree clearing, the tree clearing is in line with the environmental impact statement and we do have staff from the department out there reviewing that. In terms of work in specifically cutting down trees—

The Hon. WES FANG: Trees with nests and birds and—

HANNAH McCAUGHEY: There has been a pause and we are looking to make sure we use all reasonable endeavours to make sure that further tree clearing that is within our EIS and within the project scope, as this tree clearing was within the project scope—and we can do it with reduced impact to fauna going forward. We are taking that—

CORRECTED

The Hon. WES FANG: So the EIS said that if there is a nest in the tree with birds, with eggs, baby birds et cetera, as the case was, it's okay to chop it down? "Don't worry about it. We'll just let them die." Is that explicitly outlined in the EIS? Or is some common sense going to be applied to this project?

HANNAH McCAUGHEY: I think just to go through a process, the EIS sets out what trees can be cleared in line with the project. It is ACEREZ who is responsible for carrying this out but there were licensed ecologists onsite—

The Hon. WES FANG: Where were they when these trees went down and the birds were killed?

HANNAH McCAUGHEY: There is actually a process that was taken on to reduce impact. We have learned lessons. We do want to strive to do better. We are in a continuous improvement.

The Hon. WES FANG: Noting that you've learned lessons, why is ACEREZ still continuing to work? Why haven't you put a stop to this until everything is re-examined and we have got at least a process to ensure this does not happen again?

HANNAH McCAUGHEY: Just to go over the facts, we have paused the current tree clearing on the easements that was in relation to the fauna. There is a review going on as to how to improve that going forward so we can reduce the impact. We've heard the community concerns. We acknowledge those. There is a pause to make sure that with all reasonable endeavours these sorts of impacts can be avoided.

The Hon. WES FANG: It was recently reported that Chris Uhlmann had an FOI rejected due to Cabinet-in-confidence issues. Ms Curtain, who made that determination that the modelling was Cabinet in confidence? Was that the department or the Minister?

KIM CURTAIN: I will try to get that answer for you. I don't have that here but I will get it for you before the—

The Hon. WES FANG: Before the end of the hearing?

KIM CURTAIN: Yes.

The Hon. WES FANG: How is modelling actually considered to be Cabinet in confidence?

KIM CURTAIN: It depends on what the modelling is and what the scenario was, what information is involved. It's hard to answer as a general—

The Hon. WES FANG: Isn't it the case that only documents that are used for the determination of Cabinet matters can be considered Cabinet in confidence? Modelling isn't really anything that provides the ability to make a decision on anything?

KIM CURTAIN: It depends on what the modelling is. If it was modelling the different scenarios put to Cabinet to make a decision—

The Hon. WES FANG: That is the exact answer I wanted you to give me.

KIM CURTAIN: I'm guessing, though, Mr Fang, because I don't know the specifics of exactly what you're asking me. It can be.

The Hon. WES FANG: The only reason modelling could be considered Cabinet in confidence is if there were multiple different methodologies that were being tested. By saying that they are Cabinet in confidence, you're effectively hiding the costs from the public. We don't know what the modelling projects were or what they cost. Again, much like when I raised the issue around what Central-West Orana and New England REZs are costing us, by not releasing it, it's effectively covering it up, is it not?

KIM CURTAIN: I wouldn't say that.

The Hon. EMILY SUVAAL: Point of order—

The CHAIR: Should we just take that as an Inspector Clouseau conclusion?

The Hon. WES FANG: It was a statement. I just got it in at the end. The bell was there and I thought I'd just go for it.

The CHAIR: You got your big gotcha. It's wonderful to see how—

KIM CURTAIN: I just want to be clear, though, that that's not what I said.

The CHAIR: Clearly.

KIM CURTAIN: I do not agree with the statement.

CORRECTED

The Hon. WES FANG: That's certainly how I interpreted it.

The CHAIR: Thank you, Ms Curtain. We hear that. It's certainly wonderful to finally see the Nats so concerned about tree clearing.

The Hon. WES FANG: If you're going to do it, do it properly. We can probably show you. We wouldn't leave birds dead on the ground, that's for sure.

The Hon. JOHN RUDDICK: My question is again to Mr Nicholas Rowley, the chair of the Net Zero Commission. Mr Rowley, what industry in New South Wales over the last two decades has cut the most amount of carbon emissions?

NICHOLAS ROWLEY: That's a really good question. I will take that on notice because I don't know.

The Hon. JOHN RUDDICK: I am really surprised. Your job is to get out of bed every morning and think about carbon emissions, and you are not aware which industry is reducing it the most. Can you have a guess?

NICHOLAS ROWLEY: I could have a guess, yes.

The Hon. JOHN RUDDICK: Well, we're ready.

NICHOLAS ROWLEY: But I won't have a guess.

The Hon. JOHN RUDDICK: I'm going to inform you of something you absolutely should know, sir. The New South Wales mining industry has cut their carbon emissions by 34 per cent since 2005. Does that sound right to you?

NICHOLAS ROWLEY: It certainly sounds interesting. I'm really keen to get to the heart of what lies behind the number that you quote.

The Hon. JOHN RUDDICK: They've been heavily persecuted by buildings like this and they've been forced, via coercion, to reduce their carbon emissions. They've reduced them by 34 per cent. I would have thought that you would have thought that this is the leading industry. I want to put on the record that I don't think carbon emissions are important—I think it's hocus-pocus science—but the majority of this building does and you do, so I am disappointed that you're not aware that the mining industry has been leading the way in New South Wales. What percentage of carbon emissions in New South Wales do you think are produced by the mining industry?

NICHOLAS ROWLEY: Again, that's a very good question. When I get up in the morning, I often think about the climate problem. I also think about other things related to my work, but also my life a bit more broadly.

The Hon. JOHN RUDDICK: Is chairman of the Net Zero Commission your full-time job?

NICHOLAS ROWLEY: Yes, and I start that job when I get into a professional context. I'm saying that I think about other things when I wake up, just as a point to make.

The Hon. JOHN RUDDICK: I'm assuming you're well paid. These are two fairly elemental facts. The New South Wales mining industry, sir—

NICHOLAS ROWLEY: But I haven't answered your question. I'm not being flippant, because it's an important question. In the work that we've done—and, indeed, this is pretty well known—if you look at the resources sector within New South Wales, it accounts for around about 12 per cent of the emissions from our economy. That's not insignificant. That's the resources sector. If we then look at the role that mining plays within that, it's quite a high number. We're talking about over 90 per cent of 12 per cent. So it's quite significant. The abatement potential going forward within this sector may be quite significant and something that's really worth exploring. Of course, my colleagues in the EPA do that not just by sitting in this room, but there are very good people who are out there who are doing that in other places. The question you put forward in relation to the role that mining may play—it's potentially quite significant.

The Hon. JOHN RUDDICK: So 88 per cent of New South Wales carbon emissions are not related to the mining industry—you've just agreed with that—and they're reducing their emissions very rapidly. So it seems odd. This is like the stellar industry for your thing, your pet project.

NICHOLAS ROWLEY: Just so that we're clear, my point was on the resources sector, of which mining is part. It's not only mining.

The Hon. JOHN RUDDICK: I have been told that almost all coalmining in New South Wales is already regulated to reach net zero emissions under the Commonwealth's safeguard mechanism. They're already on track to achieve what you want.

CORRECTED

NICHOLAS ROWLEY: We can have a lengthy conversation about the safeguard mechanism, if you like. Should we do that? Should we talk about the adequacies or otherwise of a Federal Government policy driver? If you want to, I'm happy to do that.

The Hon. JOHN RUDDICK: Give us the short version. They have plans in place. They are already cutting emissions significantly and they are abiding by this Commonwealth safeguard mechanism. I wonder why we actually need another body to tell them what to do. Why are the taxpayers, since they are already—

NICHOLAS ROWLEY: You're using quite broad, euphemistic terms. What other body are you referring to?

The Hon. JOHN RUDDICK: The Commonwealth safeguard mechanism.

NICHOLAS ROWLEY: Yes, but you said, "We don't need another body to tell them what to do."

The Hon. JOHN RUDDICK: You. Your Net Zero Commission.

NICHOLAS ROWLEY: We are currently undertaking work on coal and what the capacity is for the mining sector to make a further contribution to the emissions reduction, which is legislated in New South Wales.

The Hon. JOHN RUDDICK: Mr Rowley, we've been through some of your senior staff and we've been through some of your commissioners. It does look like an anti-coalmining activist group that's funded by the taxpayer. That's what it very much looks like to us. About 88 per cent of emissions have nothing to do with the mining industry. Why are we singling out this industry?

NICHOLAS ROWLEY: You used the word "us". I thought it was you. Or is it the Committee or is it you and others? I'm not quite sure what the position is. Is it you or is it us?

The Hon. ANTHONY D'ADAM: I'd like some clarification on that.

The Hon. JOHN RUDDICK: I need clarification on what you're seeking clarification on.

The Hon. ANTHONY D'ADAM: You referred to "us". Are you referring to us as the Committee in your question?

The Hon. JOHN RUDDICK: Remind me, in what capacity did I say "us"?

The Hon. WES FANG: That's what we're asking.

The Hon. ANTHONY D'ADAM: That's what we're trying to find out.

The Hon. WES FANG: I think you mean the consumers in New South Wales.

The Hon. JOHN RUDDICK: Your taxpayer funded group—the Net Zero Commission.

The CHAIR: For clarity, the Parliament established it. It's not Mr Rowley's group. The Parliament established the Net Zero Commission.

The Hon. JOHN RUDDICK: Taxpayers are funding it.

The CHAIR: It's in legislation.

The Hon. ANTHONY D'ADAM: In reference to that, you said, "It appears to us", and that creates some confusion because it doesn't appear to me that way. It may appear to you.

The CHAIR: Do you mean it appears to you, Mr Ruddick?

The Hon. JOHN RUDDICK: It appears to me.

The CHAIR: Thank you. Perfect.

The Hon. JOHN RUDDICK: It appears to me that New South Wales taxpayers are funding a group which is obsessively anti the coal mining industry, which is a huge industry for this State that keeps the money flowing into the Government and keeps jobs going. It does seem to me odd that this is an industry which is doing the right thing, according to your textbook, but we still seem to be overly focused on them because your personnel are either on the board and they're invested in the alternative to coal or they are lifelong activists who are anti-coal. Do you think this is a good use of public funds? Couldn't your activity, sir, be privately funded? Why do the taxpayers need to fund your group?

The Hon. ANTHONY D'ADAM: Point of order: That's a question in relation to Government policy. That's not appropriate for a public servant to answer.

CORRECTED

The CHAIR: I think that's right. The Parliament established the Net Zero Commission by legislation. It really is not something that Mr Rowley has to address.

The Hon. JOHN RUDDICK: At the Net Zero Commission, either on the staff or on the board, are there any people in there who have industry experience with the resources sector? It is the sector which is reducing carbon emissions the most, so I would have thought we would have needed some of their expertise.

NICHOLAS ROWLEY: We do, but I will take that on notice. I can give you the full details of the CVs of at least two members of the commission whom I know, of course, very well. But I would rather defer and take that on notice so that I can give you the real details of the contribution that they've made. Some of them, not wishing to in any way reveal their ages, have experience which goes back 20 or 25 years.

The Hon. JOHN RUDDICK: Good to hear. We'll be keen to hear that when you come back to us on notice. The Climate Writers group publicly claimed recently—and this isn't a trick question; I'm just not sure if it's true or not—that Minister Sharpe is in the process of implementing a youth advisory committee in the Net Zero Commission. Have you heard of this?

NICHOLAS ROWLEY: The first point is I don't know who the Climate Writers group are.

The Hon. JOHN RUDDICK: I don't know much about them either. They seem pretty confident. Maybe they were wrong. But you haven't heard of a youth advisory committee?

NICHOLAS ROWLEY: I can absolutely guarantee that there have been no discussions that I've been party to or any commission meetings where such a prospect has been raised.

The Hon. JOHN RUDDICK: That's terrific. So we can assume that, going forward, we won't be setting up a youth advisory?

NICHOLAS ROWLEY: It might not be a bad idea, actually, but it's not something that we've discussed.

The Hon. JOHN RUDDICK: Do you think it would be fair to say that the Net Zero Commission is obsessed with coal?

NICHOLAS ROWLEY: No.

The CHAIR: I am going to hand over to my colleague Dr Amanda Cohn, who is joining us online. I'm just warning you that the bell will go, but you carry on, please.

Dr AMANDA COHN: My questions relate to the process of biodiversity conservation, particularly as it relates to the Albury City Council local government area, which I understand is the only local government area with an environmental planning instrument that's biodiversity certified. I know that the council is currently seeking a further extension of their certification that was previously granted in 2021. As evidence that Albury City Council has maintained or improved biodiversity values, they've submitted a list of activities undertaken, but no assessment of vegetation extent or integrity, no assessment of habitat suitability and no species surveys. How can this be deemed sufficient evidence of maintenance or improvement of biodiversity values?

The CHAIR: That's for you, Mr Bruce, isn't it?

BRENDAN BRUCE: Yes, I'm probably best placed to take that on. I'm not aware of the extension of certification that's being sought, but any certification that's put before the Minister for consideration of extension would need to have a full assessment of the impacts to date. If there are concerns around the extent of the material that's been put forward, that would be something that the Minister would consider once she was to determine whether an extension was to be granted or not. It's quite a rigorous assessment under the terms of the Act for the Minister in making that determination.

Dr AMANDA COHN: Part of my concerns come from the fact that the original certification was conferred back in 2011, and obviously the new Biodiversity Conservation Act 2016 establishes a much more robust framework than the Threatened Species Conservation Act 1995. An extension of this existing scheme—would you be satisfied that those methods meet the same standards that apply to all other certifications made under part 8 of the Biodiversity Conservation Act 2016?

BRENDAN BRUCE: There may still be some transitional arrangements in place when the new Act came into force, as well. I can take on notice exactly how that kind of differential will be dealt with through the assessment process.

CORRECTED

Dr AMANDA COHN: I appreciate that being taken on notice. This certification has already been extended once, and there's now a further extension being sought. Is it your understanding that the Minister has the power to make that extension twice?

BRENDAN BRUCE: Let me take that on notice. I'll be able to come back to you during this session.

Dr AMANDA COHN: In 2021, the approval that was provided by the department of the environment to Albury City Council directed them to review the effect of the Albury Local Environmental Plan on biodiversity values. What evidence have they provided to satisfy that direction?

BRENDAN BRUCE: Again, I'm sorry, I'll have to take that on notice. I haven't seen the application that's come through. I'm sure my staff may be reviewing it, but I haven't seen any of that detail, so I'll take that on notice.

Dr AMANDA COHN: I'll hand back to you, Chair.

The CHAIR: Mr Chappel, you said that six senior executive roles are to be deleted through the EPA restructure process.

TONY CHAPPEL: Yes.

The CHAIR: I am informed that the organisational charts that have been circulated only show that four roles have been delimited and one director position has been created. I understand that means, therefore, there's a net reduction of three, not six. How are people seeing this differently to you?

TONY CHAPPEL: That's not correct. If you look at, say, the annual report, which I think showed 30.8 senior executive band roles, that's the distinction between roles versus full-time equivalents. Our total number of senior executive staff has gone from 33 to 27. Some of those people might be job sharing with a colleague or transitioning from parental leave or some other arrangement.

The CHAIR: I understand that information. The annual report for 2023-24 states that there were 30.6 full-time equivalent senior executives as of 30 June 2024. Based on the senior leadership team chart, there are only 31 positions. The change management plan claims that 33 senior exec roles exist and that has been reduced to 27, so there's a discrepancy there. It would be helpful if you could provide at some point, maybe on notice, a list of each of the 33 positions that do exist—because I think there's some misunderstanding of the full-time equivalents for each of those roles—and, therefore, precisely which seven have now been eliminated. Is that something you can speak to?

TONY CHAPPEL: The number is from July 2024, when there were 33 roles. The new organisation chart shows 27, which was finalised yesterday. That may not be available on our website just yet, but it has certainly been shared with our people.

The CHAIR: What changed in the month between June and July to get from the 30.6 full-time equivalents to 33 roles?

TONY CHAPPEL: I think the 30.6 would have reflected 33 individuals. That's why I'm saying 30.6 is full-time equivalent. Obviously, we don't have 0.6 of a person, but someone might work three days a week, being the 0.6. There are a number of people in that category who are not performing full-time work in those roles.

The CHAIR: So you've kind of flipped—not flipped, sorry. I'm not trying to be flippant. You've interchanged the terms "full-time equivalents" and "positions", therefore.

TONY CHAPPEL: There are two different things here. What we report on each year in the annual report is the full-time equivalent, and that's what that 30.6 number is.

The CHAIR: Why are you using "roles" for the restructure when the annual report refers to the "full-time equivalents". I think there's—

TONY CHAPPEL: The reason that is the Treasury requirement, which is across the whole of government, is for a 15 per cent reduction in the number of senior executive roles, which is humans—the number of people. It doesn't matter if they're part time or full time; they all count. Our reduction in live senior executive persons is down from 33 to 27. Today we don't have 33—a number existed in the previous financial year and we have people acting in various roles. But in terms of the established roles that will be part of the EPA's establishment going forward, there will be no more than 27 individuals working at that level.

The CHAIR: It's not for me to tell you how to do things, but it seems like there's a genuine, really valid misunderstanding in terms of the communication and what is flowing. Can I ask you about the EPA's forestry

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work? As I understand it, you've created a specialised forestry team of one unit head and five officers—six people in total—to regulate forestry statewide.

TONY CHAPPEL: No, that's not correct.

The CHAIR: The 2019 structure had 16 operational staff for forestry work. As I understand it, there's union analysis at the moment that says there's a 62 per cent reduction in forestry operational capacity. Can you explain how that's wrong? I can see you're suggesting that that's not right.

TONY CHAPPEL: Yes, I think that's completely wrong. I think the misunderstanding might be—there are two different factors that lead people, perhaps, to that erroneous conclusion. We have a concept of "impacted staff", which is the total number of persons who are subject to a change through the change process. But in terms of net reduction of roles, the number is much smaller. Most impacted staff will find new roles that may be slightly different or they may be different in a more significant way. Some of those roles might even be at a higher grade. We have a closed EPA process, through an expression of interest process which opens today, for all of those staff to express interest in available roles.

I think if you just talk about the number that is impacted, you can perhaps get an exaggerated sense of what the ultimate impact is. More importantly, to the question, under the previous structure—which is some time before my time at the EPA, but if I take at face value the point that there was 16 staff in the forestry branch, we now have hundreds of staff in regulatory operations who do forestry work. They are also currently required to do work across the Protection of the Environment Operations Act, across radiation and other measures.

The CHAIR: Mr Chappel, sorry to interrupt. I hear what you're saying. You think that this will generate more capacity. I recall reading somewhere that in order to do forestry regulation, it takes months and months of expert training.

TONY CHAPPEL: That's the point. If I could finish my earlier answer, it goes to this exact point. Back in 2019, or when the decision was made to dissolve those different branches and make everyone a generalist, there was some benefit from that, which we saw during the floods and fires, where the EPA could surge into different disaster responses or other particularly urgent needs. What I've been very concerned about and that this structure aims to address is the loss of specialist capability and knowledge from domains like radiological protection. Forestry is another one. Nobody in the organisation, apart from the legacy experts, was really the custodian for building, maintaining and developing that knowledge.

What we're doing with this new structure is re-establishing some of those high-risk and specialist regulatory teams that focus only on those areas, but they are complemented and supplemented by the broader operations workforce for various campaigns and regulatory priorities. In a sense, we're taking the best of that old world, where you had 16 specialists but only 16 people that could be deployed into forestry, to now having six specialists who will hold the knowledge and do the training or lead that knowledge transfer, but a much broader workforce across the State that can be deployed as required for various regulatory priorities.

The CHAIR: On that basis, can I ask you what you're going to do now about the site-specific biodiversity conditions for greater gliders and whether there's work being undertaken? I raise this on the basis of the recent Styx River State Forest example. I cannot fathom how you can have a circumstance where Forestry Corporation found nine den trees and citizen scientists found 375. What are we going to do to improve this? We're literally destroying endangered species habitat and driving them to extinction.

TONY CHAPPEL: That's a large question. I'll try to answer it as best I can. There might be some assistance from my colleague Mr Beaman. The condition itself is going to be reviewed. We've commenced that process. We need to do a lot of engagement around that.

The CHAIR: Do you have a finish date for that?

TONY CHAPPEL: No. We haven't engaged yet with Forestry Corporation. I know they have a lot of feedback they want to share and data, and we'll have to get into that data. I think the point you made about the community identifying den sites is obviously an important one, and those can be loaded into BioNet and they do then trigger protection. Would you like to add?

STEPHEN BEAMAN: Yes. We've started the review. We made the commitment at the time when we did the SSBC that we'd review it. I think there's enough time passed and enough data for us to do that. We've started that. We have had a conversation with some of the people from the Forest Alliance. What we agreed to is we'd come together early next year, given we're at the end of the year. We're starting our data work. We'll get data off Forestry Corp. We'll get information and feedback from other stakeholders, environment groups, and then we'll keep that process going to look at the SSBC to make sure it's delivering what it wants to and is enforceable, because there has to be an enforceable prosecutorial reality to these things. Maybe that's really what Styx River

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showed us. How do you use more things now that are a modern use of technology, such as the drones? We're really open to all of that, but we actually need to get the work done, and we've already started that work.

The Hon. WES FANG: Mr Chappel, both the Leader of The Nationals, Gurmeh Singh, and the shadow Minister for the Environment, James Griffin, have called for an audit of wind turbines to determine where asbestos may be contained. Has the Minister ordered you to do this yet?

TONY CHAPPEL: Thank you for the question. Asbestos has been prohibited in Australia for some decades. I think the Australian Border Force is the appropriate authority to enforce or consider how it has come to be imported if that's the case. In terms of any workplace implications, SafeWork is the appropriate regulator.

The Hon. WES FANG: In terms of actually doing an audit, who would be best placed then, if not the EPA, to conduct an audit of where asbestos may currently be installed in New South Wales?

TONY CHAPPEL: We know that asbestos is a prolific product. It's in one in three of our homes. We know that there's often a misunderstanding of the hazard it presents in a particular context versus the risk. We've seen, for example, in the coloured sand recall from the ACCC that the risk was assessed as very low because it wasn't respirable, and so we're able to deal with that quite simply and cost-effectively and have people double-bag it and put it in their red bins. In an industrial context, it's really a matter for the workplace safety regulator to consider, and the EPA's role would be in environmental contamination more broadly in the environment.

The Hon. WES FANG: I'll address it with them.

The Hon. JACQUI MUNRO: Ms Curtain, I am sorry to ask this, and I don't mean to be rude, but I'm wondering for the next budget estimates who we should call from your department who is dealing with data centres as a specific witness.

KIM CURTAIN: Liam Ryan sometimes comes, but it's probably actually one of the other officers in the group. It's more just that there's a lot of analysis going on now, so perhaps by the next budget estimates we'll have more specifics. But there's work going on right now with AEMO and with others in terms of doing the analysis. We're in the middle of it now, so it's hard to answer some of the questions.

The CHAIR: We will take a 15-minute break and then come back.

(Short adjournment)

The CHAIR: Welcome back.

TONY CHAPPEL: Chair, just to clarify, I think you mentioned earlier that the future EPA state would be six staff in a forestry team. It's actually eight. The original proposal was six and, through the consultation and iteration of the structure, we've been able to make that eight. Just to be absolutely clear about the numbers, the annual report document and other accounting reporting uses full-time equivalent. The Treasury requirement and our structural documents talk about roles, which is really a synonym for individual people. So the EPA is shedding six senior executive roles, and we were originally proposing to have a net reduction of 69 non-senior-executive roles, but we've been able to reduce that to 57. So it's now 57.

The Hon. JACQUI MUNRO: Premier Minns has said that extending Eraring is a good thing. He has said that he wants to see it open longer than its planned closure date in 2027 and that the Government is already in talks with the owner, Origin Energy, about that. When does the department expect Eraring to close?

KIM CURTAIN: At the moment the announced date is August 2027. That is what is recorded with AEMO, and then Origin can decide to operate beyond that up to the end of the agreement date, which is April 2029 at the moment.

The Hon. JACQUI MUNRO: Are you or is someone in your department in conversation with Eraring at the moment to extend that closure date?

KIM CURTAIN: We're certainly in discussions with Eraring in terms of the timing of their closure, but at the moment that is a decision for them as to whether they extend beyond 2027.

The Hon. JACQUI MUNRO: But have you asked Eraring to stay open?

KIM CURTAIN: We're in conversations at the moment, but we can't discuss the outcomes of that yet. It'll be a decision for the Government.

The Hon. JACQUI MUNRO: The Premier has already said that his Government is in talks about extending the closure date, so have you asked Eraring to extend that date or not?

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KIM CURTAIN: We're having conversations with them about what their plans are, which is sort of the first point to understand what they're planning to do. At the moment Eraring is profitable, so there's not necessarily a reason why they would close. We want to understand that from them, but we're continuing those discussions.

The Hon. JACQUI MUNRO: What modelling has been done by the department for the eventuation that Eraring closes in 2027, and if it stays open year by year?

KIM CURTAIN: At the moment, because they've specified to AEMO that they'll close in 2027, that is the date that AEMO uses for all of their modelling and the date that is included in our Energy Security Target Monitor, which is a report that the department took over from AEMO from this year. That report will be released later this month, which will show that the modelling starts with the premise of them closing in 2027 but then has scenarios around what would happen if they extended.

The Hon. JACQUI MUNRO: AEMO's most recent report was released very recently. It states:

In the event of a credible contingency, gas generation may need to be brought online to meet system strength and reliability requirements. Some gas generation may be unavailable due to gas supply constraints and limited run time. Backup diesel supplies at some gas facilities may provide short-term support. If sufficient coal, gas or hydro generation is not available, such as during outages or coal generators two-shifting, AEMO may need to direct the de-energisation of sections of the transmission network, resulting in localised loss of supply to customers.

Given that statement by AEMO, what work is being done to actually ensure that diesel is not required to underpin the electricity network?

KIM CURTAIN: This is the whole purpose of the road map and a lot of the work that we are doing and the purpose of the work that EnergyCo is doing, as well as work that we're doing to try to encourage new generation to come on—solar, wind et cetera. The Minister recently directed ASL to do a firming tender to address some of those challenges around 2027-28 that were shown in that system strength issue that AEMO has put out. There are a lot of different things that we're doing. We are also concerned. This is a transition and coal is going to come out at some point in the future. Everything that we're doing is really focused on that. It's a lot of it.

The Hon. JACQUI MUNRO: When AEMO says that gas generation may need to be brought online, what does that look like in New South Wales?

KIM CURTAIN: I don't have specifics on the gas generation at this point. That particular report you're reading, I think, is the one that was released on Monday.

The Hon. JACQUI MUNRO: Yes.

KIM CURTAIN: It is something that we need to continuously consider. When we have a lot of renewables in the grid then we do need to have firming sitting behind that, and gas is one way of doing that, as well as others, with batteries and other technology.

The Hon. JACQUI MUNRO: The Premier has said that he is looking at every opportunity to increase domestic supply. How is he looking at that? Presumably, that's through your department.

KIM CURTAIN: Partly, and also through other departments as well. There's the Narrabri Gas Project. Also, Squadron has their import terminal. But there's also work being done across the country. Victoria also has challenges with gas supply, so there's coordinated work happening with the Australian Government as well.

The Hon. JACQUI MUNRO: Has Minister Sharpe asked you to look at every opportunity?

KIM CURTAIN: We're certainly looking at what the opportunities are and modelling where we are and presenting to government—

The Hon. JACQUI MUNRO: What are those opportunities?

KIM CURTAIN: The big ones for New South Wales are Narrabri and the import terminal, currently. Not a lot of New South Wales's gas at the moment is imported, so it's also understanding what the position is on all of those reserves.

The Hon. JACQUI MUNRO: Is there any work being done on some sort of east coast gas reservation policy?

KIM CURTAIN: Not specifically by us. That would need to be an Australian government decision, not a State government decision.

The Hon. JACQUI MUNRO: You're not providing any information to any Federal agencies about that?

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KIM CURTAIN: Not specifically on that. It's more generally the position of New South Wales and our gas supply and what we need into the future for industry, as well as others.

The Hon. JACQUI MUNRO: Are you still relying on the 2021 Future of Gas Statement?

KIM CURTAIN: A lot has happened since then. There have been a lot of updates and, as you said, AEMO has put out a number of statements. We always work on whatever the latest—

The Hon. JACQUI MUNRO: Are you looking to update that? Is there an updated strategy?

KIM CURTAIN: We're in the process of the gas decarbonisation strategy, which is something we announced as part of the Consumer Energy Strategy last year. It's a bit broader. We're working through that in terms of identifying what is the role for gas in New South Wales going forward.

The Hon. JACQUI MUNRO: With the NSW Hydrogen Strategy, which was released in 2021, is there any update to that? It spoke a lot about green hydrogen but, for example, it doesn't include anything about white or natural hydrogen.

KIM CURTAIN: In my department we're focused particularly on hydrogen from the green hydrogen perspective, but Regional NSW certainly does some work in that space as well. The Renewable Fuel Strategy was updated recently as well, which is focused on hydrogen, biomethane, and what the strategy is there. There are a number of different strategies that come together.

The Hon. JACQUI MUNRO: Is there any work being done to suggest that the Government will lift the moratorium on new gas exploration licences?

KIM CURTAIN: That one is not in our space. That's led by Regional.

The Hon. JACQUI MUNRO: Have you been asked to provide any information, any advice, to do with lifting licences?

KIM CURTAIN: As I said, we've provided inputs in terms of what we see from the needs of New South Wales from an energy perspective and fed that into the conversations and analysis.

The Hon. JACQUI MUNRO: What has that advice been?

KIM CURTAIN: I'd have to take on notice the specific details of the advice.

The Hon. JACQUI MUNRO: Is there an update on the marine park reserves from the environment perspective?

BRENDAN BRUCE: Ms Pepper, who's the relevant deputy secretary, is not here. Are you talking about the marine network management plan or the marine reserves?

The Hon. JACQUI MUNRO: The marine reserves.

BRENDAN BRUCE: I have to take that one on notice, I'm afraid.

The Hon. JACQUI MUNRO: I'll go to the waste levy. I presume that's Mr Chappel. This is something the Government promised would be done before last Christmas. I'm wondering if it will be a gift to the public to have a new waste levy policy announced.

TONY CHAPPEL: I expect there'll be some further communication this year, but these are policy decisions for government.

The Hon. JACQUI MUNRO: Have you provided advice to the Minister that gives an updated rate, for example, so they can then decide whether they want to make a policy or not?

TONY CHAPPEL: The waste levy review considered all the parameters of the current levy and its operation, including how it escalates at the moment and any potential adjustment to the area, the different rates that apply in different areas, and some of the other externalities. Obviously, we need to also consider any macroeconomic impact, as well as any perverse incentives—with asbestos or illegal dumping and a number of other matters—and how those might be addressed. We've provided comprehensive advice across those domains. They're currently under consideration by government.

The Hon. JACQUI MUNRO: Has the Government asked you for any further information since you presented that piece of work?

TONY CHAPPEL: I really can't speak to a Cabinet process.

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The Hon. JACQUI MUNRO: So basically what you're saying is the Government has all the information and it just needs to make a decision?

TONY CHAPPEL: No, I think there's a detailed consideration underway. I'm confident in due time the Government will announce its decision.

The Hon. JACQUI MUNRO: When did you provide the advice to the Minister?

TONY CHAPPEL: I'll have to take that on notice, because I don't have it in front of me.

The Hon. JACQUI MUNRO: Was it at the start of the year or in June or—

TONY CHAPPEL: I couldn't be certain, I'm sorry. Let me just take that on—

The Hon. JACQUI MUNRO: Was it this year?

TONY CHAPPEL: I'll take some advice on how to best answer that. I'm just conscious it's also a Cabinet process.

The Hon. WES FANG: There it is—"It's Cabinet in confidence; we can't tell you."

The Hon. JACQUI MUNRO: Yes, we hear that a lot.

The CHAIR: Well, it is a Parliament and there is a government.

TONY CHAPPEL: It's an important tenet of the Westminster system that public servants have to abide by.

The Hon. WES FANG: This is getting worse and worse.

The Hon. JACQUI MUNRO: Yes. The timeline of providing advice is—

The Hon. WES FANG: Yes, this is appalling.

The Hon. JACQUI MUNRO: Have you done any modelling on how the impact of delaying the decision is being felt across the sector?

TONY CHAPPEL: Which particular impact?

The Hon. JACQUI MUNRO: If it's on landfill space, the way that it's implemented, in terms of gathering money and impacting budgets. If you have had budget submissions that have relied on an increased waste levy, for example, any programs that were expected to be run. Was an increase to the waste levy expected through the 2025-26 budget?

TONY CHAPPEL: Again, I'm sorry. The EPA collects the revenue of the waste levy for the Crown. We don't determine how it is expended. That's done each year through the budget process, and Treasury obviously leads that.

The Hon. JACQUI MUNRO: But when you are anticipating the money that you are collecting, there must be a figure that you expect based on previous years and policy updates.

TONY CHAPPEL: I think the budget papers show the Government's revenue expectations at that point in time. Any adjustment to that would obviously occur through the various Cabinet processes.

The Hon. JACQUI MUNRO: In terms of landfill, have you done any modelling about the delay per year, for example?

TONY CHAPPEL: There's a very complex set of factors that go into how landfill capacity is used. We've done detailed modelling and material flow analysis for Greater Sydney in terms of the landfill capacity issue, which the Government has addressed quite centrally and has been the focus for a number of major reforms, including the food and garden organic mandates, the updated framework for energy recovery from waste, the infrastructure plan and further planning reform, as well as other circular economy infrastructure. Then the second part of that framework, which is for the regional landfill needs for residual materials in regional New South Wales as well as the other material flows, is under consultation at the moment and we expect to finalise that shortly. The levy is obviously a key macro-economic factor in all of that, and it is considered. I hope that's answered your question.

The Hon. JACQUI MUNRO: It has given me more information, but I'm not sure if it has exactly answered my question. I mean, the Government has clearly delayed this decision for over a year to what it originally said that it would stick to in terms of a timeline, and it will obviously have impacts on the sector and the industry. I think you've answered that it does have an impact, but I'm trying to quantify what that actually

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would be and if we now actually have to do work on quantifying what it would be because the Government is not moving on an issue that is having material impacts.

TONY CHAPPEL: I think it's fair to say it's under active consideration. It's a government policymaking process, though, and obviously it's a policy decision for the elected government. It's not a decision that the EPA makes.

The Hon. JACQUI MUNRO: Sorry to go back to data centres, but just because I've got a little bit of time—

KIM CURTAIN: I do have a little bit more information that the team has given me in between.

The Hon. JACQUI MUNRO: That would be helpful.

KIM CURTAIN: You asked when we started working with Infrastructure NSW on the data centre work. That was around quarter three this year. In terms of the impacts of data centres, it is still a moving feast. There are a growing number of data centres and their sizes vary a lot, so there's a lot of work going on at the moment to understand what the impacts of each one will be, as well as the sufficiency of the energy required, impacts on peak demand and also what we would need in relation to transmission and distribution supply to be able to host those.

We've been doing a lot of work to understand that demand, but there's still a lot of uncertainty around future forecasting. We're doing a lot of work with a lot of different stakeholders—utilities, market bodies, industry, as well as across other States, particularly Victoria, because they also have quite a lot of demand—to share knowledge and see what we can do to simplify and be consistent where we can. That work is still underway. I'm told that Infrastructure NSW does intend to release a public strategy, but I don't have information around the timing of that.

The Hon. JACQUI MUNRO: There are obviously data centres that have been approved pre-IDA. Are those projects actually going to your department for any sort of advice before they're actually approved?

KIM CURTAIN: Not the projects, but when they go through Planning, Planning may come to our department for some advice on the impacts and the ability to connect.

The Hon. JACQUI MUNRO: Do you ever suggest or recommend conditions be placed on those development applications according to the analysis that the department does?

KIM CURTAIN: We can, and we'll certainly note if there's a constrained environment or if we've got concerns around connection. But that's exactly what we're trying to work out now—what those sort of conditions we should be looking at are and what's reasonable. The data centre technology has changed quite a lot, so we're trying to understand where that is now and what data centres are capable of doing. One of the other angles is how flexible they can be. Often data centres will say they need 100 per cent stable electricity, but obviously to the extent they can be flexible to a degree in peak times, then that helps a lot in terms of alleviating the impact on the grid. We're trying to understand that as well.

The Hon. JACQUI MUNRO: Are you considering putting the types of conditions on these applications that include that a data centre provider must generate X amount of energy in accordance with their own use?

KIM CURTAIN: That's certainly one of the things we are looking at, yes.

The Hon. JACQUI MUNRO: But that hasn't happened yet?

KIM CURTAIN: No.

The Hon. JACQUI MUNRO: There are no requirements?

KIM CURTAIN: It's in the mix, yes, of what's being considered.

The Hon. JACQUI MUNRO: Have any data centres had requirements placed on them related to their energy consumption so far?

KIM CURTAIN: I don't know. I'd have to check with Planning on that. We can take it on notice.

The Hon. JACQUI MUNRO: Okay, that would be helpful.

The Hon. WES FANG: Ms McCaughey, you said previously in an answer that the tree clearing that occurred on Merotherie Road was part of the EIS. Are you confident that those roadworks were part of the EIS? I've just received information to say that the roadworks were specifically excluded from the EIS work by ACERZ. Are you sure that those roadworks were covered in that EIS that was approved?

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HANNAH McCAUGHEY: The briefing that I received is that it was within the EIS. It was something that went under consultation. I'm happy to review on notice, but the information I have now suggests it is because the reason that the widening of Merotherie Road was needed was for safety concerns to meet Australian standards in relation to the roads. Therefore, that would've had to go under consultation and so forth. There has been consultation for an extended period on it. I am happy to review one more time and take that on notice, but with the information I have with me today, I'm reasonably confident.

The Hon. JOHN RUDDICK: My question is to Mr Douglas Parris, the executive director of the New England REZ. Thanks for joining us, Mr Parris. I understand that the New England REZ original plan was for the solar panels and the wind turbines to be in the Northern Tablelands, but then we need a big, massive transmission line to get the power down to Singleton. The original plan for the last few years, I understand, was to come down through Bendemeer, skirt around Tamworth, Dungowan and Nundle and then hook up with Singleton. A lot of planning had been going into that—a lot of activity—but then in September this year, it was abruptly announced that we were not going to use that transmission line; we were going to move it quite significantly east via Walcha down through Gundy. Could you give us a quick summary of why we had that abrupt change in the transmission route?

DOUGLAS PARRIS: Certainly. I'll keep it brief. I could go on too long, so just let me know if I'm going into too much detail, which I have a tendency to do. Nonetheless, fundamentally what we're doing is—as you say, it's a REZ. We need to connect the REZ to the transmission line at Bayswater, or near Singleton, so what we're looking at is that bulk transmission corridor. How do we get two 500 kilovolt lines to connect those two? That was the challenge. We had an initial corridor, as you've outlined—I won't repeat it. We've been looking at that for a while. It's a design development process, as I was referring to a little earlier, where we start with what we know from desktop information and other sources, and we then go on the ground and engage with landowners, community et cetera and undertake field investigations, and—I think importantly—a lot more technical studies.

The design develops over time. That's the fundamental nature of designs. You learn more about the design as you do that process. In this instance, we were looking at a few factors. To keep it at, hopefully, an appropriate level for this conversation, we were in the vicinity of Chaffey Dam and Lake Glenbawn. There were concerns raised that we were going to have an impact on aerial firefighting operations—so fixed-wing aircraft using those two water sources to fight fires—and obviously we don't want to be impeding those operations at all. That was identified and we committed that we wouldn't have an impact on those.

The second point that's probably most relevant is looking at the constructability challenges in those areas. That was really as we did more design development and looking at how we were actually going to build that project through there, which is, again, a design development point as we learn more. We were looking through that area about how we were going to access where the towers are. They often follow ridge lines. The scale of the towers is quite large. The ability to access some of those ridge lines was becoming evidently more challenging.

If I fast-forward to the impacts of that, I guess that ultimately leads to some concerns about the volume of earthworks involved to actually make the tower pads themselves—the foundations that you need to erect the towers; and the access to get the plant and equipment up there—the access tracks that we needed to build and the gradient of those. Related to that, if those access tracks are becoming too steep to get the heavy plant and equipment—the cranes, basically—up to the top of the mountains that you want, then you start to look at alternative construction methods.

That, in the case of towers, is heavy-lift helicopters. Those have got their own impacts, risks and challenges. We were looking at those as constructability challenges. They're not insurmountable, but they're challenges. I guess what we were really asking ourselves is, can we resolve them within that existing corridor or is there a better route? Fundamentally, that is what we've been looking at. The logical next question—I think your question was why do we make the change. That was identifying the problem, I guess, and the answer is—

The Hon. JOHN RUDDICK: We have wasted a few years and a lot of money on this, and I'm worried that we're going to do exactly the same thing with the new route. You and I were at Gundy a few weeks ago for that community consultation for EnergyCo. There were a lot of very smart and cranky people in that room, and one of them got up and said that his estimate is that the taxpayers have blown \$200 million on the feasibility study of the original route. Then I asked Penny Sharpe, in the Parliament, is this true, and she said it is possible that, yes, around \$200 million has been wasted because we've abandoned the old route. Do you have an update on what that figure could be?

DOUGLAS PARRIS: I don't, as far as the cost. I think the important point is that this is a design development process, and that takes time. From our perspective, I guess, we've made the corridor change because we think it's a better solution. We're looking at a long-term asset. We're looking at an asset that's going to be there for at least 50 years, and we want to get that right. I guess the design update or the design change—now's the right

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time to make that change, not in the middle of delivery when you wish you had. I think the savings that we're going to make materially outweigh any numbers—and I'm not saying I agree with those figures, by the way. But the time to make a change is in the design stage and the development stage.

The Hon. JOHN RUDDICK: Did EnergyCo buy properties along the old, proposed and now abandoned route?

DOUGLAS PARRIS: We've acquired two properties on that route. We haven't acquired them by compulsory acquisition. I'm not going to go into specific personal details, but we have not started the compulsory acquisition process. Those were at the request of owners. We looked at whether we should buy those properties, and we proceeded on that basis. That's probably about as much as I'd like to say on those topics, but I'm confirming we have bought two properties.

The Hon. JOHN RUDDICK: The property owners of the current route that we're working on—I know in the Central-West Orana REZ that a lot of farmers did get bought off. They wanted to sell because they were more marginal farmers. But you've been to Gundy. It is prime agricultural land. The impression I get with those people is that not one of them wants to sell, so there are potentially hundreds of court cases. They're not interested in the money, and they're going to bog things down. Have we budgeted for lengthy legal battles for property acquisitions?

DOUGLAS PARRIS: A couple of comments on that. There's a process of, obviously, engaging with those landowners initially to try and refine our corridor. We've got a three-kilometre-wide corridor. Ultimately, what we need for these two lines is around about 140 metres, and it's an easement, so we actually don't need to acquire and take freehold land unnecessarily. It's an easement that can generally continue for agricultural purposes. I think that's worth clarifying, but, nonetheless, I think your point is valid. There are people there who are not looking for compensation; they'd rather we weren't there, and I think we can probably accept that that's a reasonable position for some people. From our perspective, having announced the new corridor at three kilometres, our focus at the moment would be to try and minimise our impacts on those landowners and how they use their land. That will help us refine that corridor and where we plan to put the lines.

If we then roll forward—to answer your question, hopefully—to the property acquisition process that we follow to acquire those easements that we need, we allow the full process through the just terms Act. We would like to and prefer to reach a negotiated agreement with those landowners, but landowners have the right, as they should as freehold owners, to not come to an agreement with us. We then enter the compulsory process. That could end up in a court case through the land and environment—

The Hon. JOHN RUDDICK: Sir, I put you on notice. I can tell you that these people are up for a very hardcore fight. They are not interested. You cannot buy them off; they love their properties too much. If we're going to have transmission lines then we need to be generating energy somewhere, and I understand that's going to be on the Northern Tablelands. But some people have told me that not only have none of these wind farms or solar farms been approved but they're not even under construction. Surely that couldn't be right, could it?

DOUGLAS PARRIS: There are a number of projects that exist there now, but if we roll forward to what we're trying to do—

The Hon. JOHN RUDDICK: Do they exist on paper, or are there things actually happening?

DOUGLAS PARRIS: It's a small number, but we're talking about connecting six gigawatts of transfer capacity to the REZ, and then there'll be new generation projects that need to connect. Those projects are not approved. There are a few things that a project needs in order to generate the electricity that we need and send the electrons that we want down a transmission line. One is a transmission line, so that's what we're working through. Their timeline for delivery is less than ours, so they can deliver their projects quicker than we'll be able to get there, so there's a parallel process that we're running. There are a lot of projects out there. They're not all going to get up—we accept that—and they're going to change. But the timing for us to—if they're developing their projects, they will go through a planning process, and whether they get planning approval is beyond me. That's through, obviously, the DPHI process.

They also need to get to their own investment decision. Again, that's more of an internal matter for them. What is relevant is they also need an access right, and that's the right to connect to the new network. We haven't run that process yet. Just to be very candid, there are no projects that have an access right to connect to our transmission line right now. That's okay because that will run in the future, and that will be a parallel process—which is the same process that we ran, more or less, for CWOREZ, so it's not like it's untested. It's just that we need to do a certain amount, the generators need to do a certain amount and we both need to get there together at the end, at the same time, so that the electrons can flow back.

CORRECTED

The Hon. JOHN RUDDICK: So we're going to build the transmission lines first, and then we're expecting that the solar farms and the wind farms will be built then.

HANNAH McCAUGHEY: That's accepted worldwide practice. You don't tend to build power stations with nothing to connect to. So building a transmission line—we can go into it—can roughly take five to seven years. Building renewable energy can take roughly two to four. The process that we're going through is a very standard and acceptable one. We're consulting on the transmission line first because that's what the generators need to know is coming before they would invest in developing the generation that would connect to the transmission line.

Ms ABIGAIL BOYD: I'm just going to follow up on some questions in relation to Eraring and also data centres. Rest assured that I've been listening to the answers, so you don't need to repeat. I wanted to start with you, Mr Rowley. In relation to the idea of Eraring being extended again, how does that impact on the emissions budget?

NICHOLAS ROWLEY: There's been no decision taken, as my colleague Kim stated. Obviously, when there is a decision taken, if a decision is taken to extend the life of Eraring, that may well have implications.

Ms ABIGAIL BOYD: It's not something the commission has looked at, at all?

NICHOLAS ROWLEY: No.

Ms ABIGAIL BOYD: No modelling has been done as to what that would be?

NICHOLAS ROWLEY: No, not by us.

Ms ABIGAIL BOYD: Do you have the figures for what the two-year extension has already created, in terms of emissions, from when it was slated to be closed previously?

NICHOLAS ROWLEY: No, we haven't done work that's that specific in relation to the future of Eraring.

Ms ABIGAIL BOYD: Up until a few years ago, many of us were imagining a trajectory of transitioning away from those kinds of heavy-emissions sources of energy towards renewables. There's not just the speed of the renewables rollout but also the levels of demand. Now what we're seeing from data centres and other things is a real increase in projected demand. Is that something that the commission has looked at?

NICHOLAS ROWLEY: No, we haven't looked at it, and we have no plans directly to look at it. But we absolutely recognise that there is an issue in relation to the question of data centres.

Ms ABIGAIL BOYD: Do you see it as a significant risk to actually meeting the legislated targets?

NICHOLAS ROWLEY: It potentially is so, but again I would refer back to the answer that Kim gave, in that, when we talk about data centres, we think we're talking about the same thing. We're not. They come in a whole variety of different sizes. They have a whole variety of different elements within them, where they sit on the grid—all of that. It's an area which is not that novel but, nonetheless, we have a conversation where we make the leap from new data centre equals enormous requirements in relation to energy, equals implications for our emissions reduction targets. There will be relationships between those factors, but I don't think it's quite that simple. If you look at things like the largest data centre in Europe—and I'm no expert on data centres; don't get me wrong—the actual environmental impact that some of those larger data centres now have in Europe is far less than people expected it to be.

Ms ABIGAIL BOYD: Yes, and then a lot of them are far more than people expect them to be. I appreciate that but, listening to the answers that have been given this afternoon as well as the answers to my questions this morning in Planning, it seems like the government is a casual observer in this space, and what the public and business would like it to be is the planner and leader. If we know that there are certain types of data centres that are better in terms of the demand that they have on the grid or water usage, for instance, we would be expecting government to say that these are the ones we're approving and not these ones. How is anyone doing that if nobody is modelling it? I appreciate you said that the work has begun now, but we've got 90 data centres in New South Wales. We've been approving them since at least 2021. How is it that we haven't thought about these issues previously? Perhaps I'll come to you, Ms Curtain.

KIM CURTAIN: It certainly is being thought about and, as I said, that's the purpose of that Infrastructure NSW group being brought together. It's being led by them but is certainly fed in by our team. Any of the modelling around energy impacts is done either by AEMO or my team, together, but it's not done by the commission.

CORRECTED

Ms ABIGAIL BOYD: I'm looking at the Climate Change Authority when it recommended a 65 per cent to 75 per cent range for the climate target for Australia federally. That then was cut to 62 per cent to 70 per cent on the basis of transition risks, which explicitly included this significant growth of data centres. They recognised it as something which radically reduced the climate targets in New South Wales. The Net Zero Commission must be saying, "This is a real problem for us as well. We ought to be sounding the alarm or we're not going to meet our legislated targets." Is that not something that's within the functions of the commission?

NICHOLAS ROWLEY: It very well could be, if we received a reference or, indeed, if we as commissioners wanted to focus on that particular issue. I'm sure we would be very happy to.

KIM CURTAIN: The commission does provide an annual report. They provided a report last year, and there'll be another report next year. In that, they're looking at all emissions, and the last report did state that we are not on track for 2030 and 2035, but that's why there's a lot more work still happening now. We're preparing a new Net Zero Plan currently. The Net Zero Commission is providing some advice into that as well as other agencies and the electricity sector. There's a lot of work happening around looking at what we need to do in terms of a sector plan for safe transport, the built environment, agriculture and others.

Ms ABIGAIL BOYD: Coming back to what the commission's role is in all of this, we've got this growth in demand predicted, which the Federal authority certainly looked at, saying there's going to be this significant risk that we're not going to meet our targets because of the growth not matching the speed of our rollout. My colleagues and I worked really hard to get teeth to the targets that were put in place in New South Wales. I understand that there's a legislative duty to keep New South Wales on track for that 2030 target. How can we possibly do that if we're not directing what happens with these data centres and, instead, just observing what's happening and then updating our forecasts?

KIM CURTAIN: I wouldn't classify it as just observing. There is a lot of work happening; it's just that it's happening now. I can't give you the output because the report hasn't been completed and the decisions haven't been made by Government, but we're certainly not just observers. There's a lot of work happening across multiple agencies.

Ms ABIGAIL BOYD: Could we maybe look at the cost? At the moment, we've got 22 data centres with a combined capacity of 3.67 gigawatts in the application process, which is enough to power more than 1.1 million homes. It's not just the amount of energy being drawn by these data centres; I understand that it's also the system security risks, which include the power system oscillations, the sudden loss or ramping, the transient stability and inertia requirements. All of these things require significant infrastructure investment on behalf of the State. What is being done to ensure that we can have cost recovery from these transmission-connected infrastructure entities?

KIM CURTAIN: That's exactly the work we're doing at the moment. I agree with you. We couldn't have all of those data centres open at once. The grid wouldn't be able to take it. But that's exactly the work we're doing at the moment. Advice is being provided by AEMO as well in terms of that modelling and the work that our team is doing. But that advice is what we're working on now.

Ms ABIGAIL BOYD: At the moment there's no cost recovery process from the transmission connected—

KIM CURTAIN: No. The decision has been made by government and the advice has not gone in yet.

Ms ABIGAIL BOYD: The Government agreed to accept the recommendation from the O'Reilly check-up, which basically said that consideration needs to be given to including transmission-connected businesses. I asked the Minister in October of this year what she was doing in relation to data centres. She said that that work was ongoing. What exactly is that work?

KIM CURTAIN: Sorry, are you referring to the reference in the check-up report around whether the transmission-connected businesses are contributing to the road map costs?

Ms ABIGAIL BOYD: Yes, and then that was referred to in the Minister's answer when I asked about how data centres were going to be paying.

KIM CURTAIN: I just wanted to understand, because that point is broader than just data centres. Big industrial players connect directly to the transmission.

Ms ABIGAIL BOYD: Where is that work up to?

KIM CURTAIN: That's also currently being worked on as well in terms of advice.

Ms ABIGAIL BOYD: But we are fast-tracking all of these data centre projects. We're in a bit of a race with Victoria, apparently, to attract as many as we possibly can. They're coming in and sucking up all the water

CORRECTED

and energy and we're not even charging them. At what point is this work going to be ready? Will it be before we approve all of these projects or after we approve the projects and roll the red carpet out for these data centre operators?

KIM CURTAIN: Ultimately, it's going to be a decision for government, so I can't really answer that question. But the work is happening now.

The CHAIR: Mr Rowley, did you want to add something?

NICHOLAS ROWLEY: I suppose I wanted to say from the perspective of the Net Zero Commission that one way to look at our role is we're not government, but we are of government. A friend of mine who's been working in this space for a very long time calls organisations like us an "inbetweeny organisation". If there is an issue and a question about, say, for example, what you've raised, which is the growth in data centres, which will potentially have an impact on legislated targets in New South Wales, then, in principle, as the chair—I'm not the chief commissioner, I'm not the executive or chief executive of the enterprise—I'm quite happy to raise that with other commissioners and test their views in relation to whether or not there's a useful intervention in terms of us understanding and putting out there in the public domain what we mean by data centres and what potential impact they might have in terms of their electricity and energy use.

We'll see what my fellow commissioners say, but there's also the relationship between the need for data centres and the growth in artificial intelligence, for example, and the role that artificial intelligence might play—good, bad or indifferent—with regard to us understanding the sorts of decisions that might be required to reduce the risks of global climate change. These things aren't just inherently interesting questions; they're potentially very important questions as well. In principle, I think it's absolutely the role of the Net Zero Commission to help inform that debate. Not only your questions, but also questions from Jacqui Munro, possibly indicate that there's some interest and some concern about what the impact is.

The CHAIR: I take it you're undertaking to talk to the commissioners about data centres.

The Hon. JACQUI MUNRO: Ms Curtain, I note that you said that Infrastructure NSW had been working with the department of energy since Q3. The trade and industry strategy—which, incidentally, I've been very critical of—was released at the beginning of the year. It mentioned data centres, saying that New South Wales already houses a number of major data centres, with a strong pipeline of interest. I'm wondering if you or your department was consulted at all, given the Government's trade strategy includes a mention of a data centre pipeline.

KIM CURTAIN: I believe we may have seen a draft of it and provided some comments, but I'd have to go back and look at exactly what the comments were.

The Hon. JACQUI MUNRO: So there wasn't any further thought of investigating the issue of data centres and energy use, given that trade and industry strategy?

KIM CURTAIN: Data centres have been something that has been on the radar for quite some time. It has been raised in the AEMO reports for a number of years now. It's not like we've only just started working on it, but this new group has been brought together during Q3.

The Hon. WES FANG: Ms Curtain, are you aware that Bellgrove Advisory was provided a consultation contract for the New England REZ?

KIM CURTAIN: I'm not sure.

The Hon. WES FANG: Anybody?

DOUGLAS PARRIS: Yes, they were involved.

The Hon. WES FANG: Are you aware of their role on the Sydney Metro project?

DOUGLAS PARRIS: Not closely, no.

The Hon. WES FANG: Are you aware of Mr Burden, an EnergyCo project director, having a role tendering or working with Mr McGrattan on the Sydney Metro project?

DOUGLAS PARRIS: No.

The Hon. WES FANG: No? Interesting.

DOUGLAS PARRIS: I'm aware of Mr Burden, to answer that part of your question, but I'm not aware of metro—

CORRECTED

The Hon. WES FANG: You weren't aware that he was involved with Mr McGrattan and tendering and working with him on the Sydney Metro project. How does a firm that was the subject of an ICAC referral by the secretary for Transport at the time and an individual publicly removed from another New South Wales government major project find themselves working on a New South Wales major government project? Is this news to you? You were aware or you were not aware? I don't know. Tell me.

DOUGLAS PARRIS: I'm aware. My understanding is that there were no adverse findings out of that process. I might take that on notice and come back, if that's okay, just to confirm.

The Hon. WES FANG: Were the appropriate declarations of interest declared prior to or during the contract tendering process? You can take it on notice.

DOUGLAS PARRIS: I'll take it on notice.

The Hon. WES FANG: You look a bit shocked.

DOUGLAS PARRIS: No, I just want to make the observation that there's a difference between an investigation and a finding of fault. I'm not familiar with the latter.

The Hon. WES FANG: If you're aware of the issues and you've considered them, that's great, but it doesn't look like you have. That's all I'm asking. If Toorale Station—and I asked some questions about this on Tuesday—was still operating as a productive cotton farm and they were found to have been transacting in unmetered water, in the same way that New South Wales DCCEEW was on behalf of the Commonwealth Environmental Water Holder, would they not have faced a penalty in the same way that was confirmed two days ago by the Minister?

BRENDAN BRUCE: I did see the testimony a few days ago. That would really be a matter for NRAR to consider. All I can say around the operations at Toorale is that it was good to see Mr Barnes' testimony that water that is diverted at Toorale is recorded, reported and debited against a licence in accordance with the law.

The Hon. WES FANG: In those circumstances, would they still be permitted to use the same methodology of determining water volumes as referenced in the supplementary budget estimates session on Tuesday?

BRENDAN BRUCE: I think where that was going on Tuesday was the difference between metering, which can be easily done from a pipe, versus many circumstances, like environmental water, which needs to be measured because it is different in nature from other water take and can't be measured in the same way.

The Hon. WES FANG: What you're saying is that a private user can't use the same methodology that we're allowing New South Wales DCCEEW to do on behalf of the Commonwealth Environmental Water Holder?

BRENDAN BRUCE: No, that's not what I'm saying. I'm saying there are particular challenges around the way that environment—

The Hon. WES FANG: That's what I'm asking: Are we allowed to do that?

BRENDAN BRUCE: Maybe you could reframe the question or repeat the question.

The Hon. WES FANG: Can a private user use the same methodology that DCCEEW does?

BRENDAN BRUCE: I think it would depend on the circumstances. Where a meter is in place, they are required to use that meter. In circumstances where metering is not possible, other measurement techniques are approved.

The Hon. WES FANG: Can you provide on notice the details of how the methodology is used and calculated for water volumes, and the records and water volumes that have been transacted at Toorale that we currently have?

BRENDAN BRUCE: Over what period?

The Hon. WES FANG: Since March 2023 would be good.

The Hon. EMILY SUVAAL: When the world started.

The Hon. JACQUI MUNRO: Or ended.

BRENDAN BRUCE: I'm happy to take that on notice.

The Hon. WES FANG: That's the answer I was hoping for. Could you please provide—and I'm happy for this to be on notice because it may be short or it could be lengthy; I don't know—all the properties that have

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been purchased for the purpose of becoming a national park since March 2023 which are above 1,000 hectares, including the date of purchase, the location, the size and the price paid?

KIM CURTAIN: I think that would definitely be on notice. I don't have that level of detail here. Although I'd love to read them all out to you, I don't have them.

The Hon. WES FANG: If you had them, I might actually be somewhat prepared for that. I want to go to the Great Koala National Park issue for a moment.

The CHAIR: It's just north of Coff's.

The Hon. WES FANG: When was the department made aware of the Government's decision to announce the Great Koala National Park? As in, when they were going to have the announcement date on Father's Day?

KIM CURTAIN: I'm just getting the right note up. This is with National Parks, who weren't called, so I'll see what I can provide you.

The Hon. EMILY SUVAAL: Chair, given there's no representative from National Parks here, perhaps it's better to direct that question through—

The Hon. WES FANG: No, I'm asking when the department was made aware.

The CHAIR: If the acting secretary is happy to answer it—

KIM CURTAIN: I can try. Sorry, can you just repeat the specific question?

The Hon. WES FANG: When was the department made aware of the Government's decision that they were going to announce the Great Koala National Park?

KIM CURTAIN: Probably immediately when the decision was made. We would have been providing advice on it, so straight after the decision was made I imagine we were advised.

The Hon. WES FANG: I know when the announcement happened, I'm asking when the department was made aware by the Government that they were going to make that announcement.

KIM CURTAIN: I'd have to take that on notice. I don't have that detail.

The Hon. WES FANG: Who made the decision to introduce a moratorium on the Monday after the Father's Day announcement of the Great Koala National Park?

KIM CURTAIN: I imagine that was a government decision.

TONY CHAPPEL: I think there was a direction from the forestry Minister.

The Hon. WES FANG: I appreciate that. I guess what I'm asking is who instructed the forestry Minister to make that instruction? Was it a decision of Cabinet? Was it a decision by another Minister? If the department is aware of that, I would appreciate an answer on notice. When was the work commenced in relation to the compensation package that was initially offered to forestry workers, and who instructed it be commenced?

KIM CURTAIN: I'll take that on notice. I want to make sure we give you the right answer.

The Hon. WES FANG: Why wasn't a package initially available for the companies that were involved in forestry on the Mid North Coast when the shutdown occurred?

KIM CURTAIN: I think it's the same answer. National Parks weren't called; they would be able to answer these questions.

The Hon. WES FANG: Does the department know why it took almost 10 weeks to finalise the package available to impacted workers?

KIM CURTAIN: Same answer.

TONY CHAPPEL: Some of these matters are led by other departments, like the Department of Primary Industries and Regional Development and—

The Hon. WES FANG: I guess what I'm seeking to understand is if the department had a role, then that's great. If they say that they didn't have a role, then I know to direct these questions elsewhere. But, again, much like we've heard today, I'm often told to talk to the right arm, talk to the left arm, and then it just becomes this whole shifting exercise—

CORRECTED

The Hon. EMILY SUVAAL: Point of order: The Committee did not request a witness from National Parks appear at budget estimates and these are all questions that would be better put to National Parks. I think the way that Mr Fang's characterising this is quite inaccurate.

The Hon. WES FANG: I'm asking the department in general. I've got the acting secretary here, so I'm asking the acting secretary.

The CHAIR: If the secretary feels that they are questions better put to somebody else, you are well within your remit to say that to the member.

The Hon. WES FANG: Now is the one billion dollar-plus question: How will this park be funded if the Commonwealth does not accede to the New South Wales Government's request to grant carbon credits for the Great Koala National Park, because the requirements for additionality have not been satisfied?

KIM CURTAIN: That is still underway, so we'd need to see how that comes out.

The Hon. WES FANG: Where are we at in relation to that? Because I know that the State Government is reliant on the Federal Government accepting that they can be part of a scheme that requires additionality. I'm yet to see how additionality is occurring in the Great Koala National Park when,, effectively all you're doing is stopping selective logging. Can you explain to me, Ms Curtain, where the additionality sits?

KIM CURTAIN: I understand that the ACCU method has been released on exhibition today, but I don't have any more details on that, currently.

The Hon. WES FANG: How is the State Government planning to demonstrate additionality?

KIM CURTAIN: I will have to take that on notice.

The Hon. WES FANG: Where are we at with the Waratah Super Battery?

HANNAH McCAUGHEY: As you may be aware, the Waratah Super Battery—one of the transformers failed, and we are now currently in discussions with Akaysha. We understand that they have moved to replace that battery and have ordered the long lead items. It is still operating at 350 megawatts and still providing services to the grid. There are ongoing conversations. We expect that, with current progress, that it would be returned to full capacity and online in 2026.

The Hon. WES FANG: In 2022 the then Minister said that the Waratah Super Battery would only provide value for consumers in terms of affordability, reliability, security and sustainability. That was wholly dependent on Eraring closing in 2025 as originally scheduled. In the circumstances then, is it fair to say that the Waratah Super Battery isn't offering value for money for consumers?

HANNAH McCAUGHEY: I would say that the amazing thing about the energy market is that it is constantly changing and innovating. The Waratah Super Battery is actually providing significant benefit to the market, particularly around its SIPS agreement and potentiality. Yes, things are changing. It is still a really important asset for the market, but circumstances have changed from the initial investment. Actually, it's turned out to be a very valuable investment. It actually provided critical capacity to the grid at a shortage earlier this year. It has turned out to be a very valuable asset in the current conditions with the market changes.

The Hon. WES FANG: I think the published schedule of payment provides Akaysha with \$109 million this financial year. Is that the figure that will be paid to them?

HANNAH McCAUGHEY: With the failure of the transformer, we are currently reviewing the contract arrangements. As you are aware, the Government buys it as a service. Current contractual arrangements are under review given the changes in circumstances to the performance of the battery.

The Hon. WES FANG: Are you aware that Akaysha is wholly owned by BlackRock?

HANNAH McCAUGHEY: Yes, I am aware of that.

The Hon. WES FANG: You are aware that a multinational investment firm profits out of consumers. I'm yet to be convinced of the benefit of this. Do you think that that is providing value to the New South Wales consumer?

HANNAH McCAUGHEY: Yes. I think there is real benefit, because Akaysha only gets paid once the services are performed. They are currently being reviewed. The contractual structure provided under the thing has stood the test of time. It really is something that is beneficial to the market. Akaysha is under risk to make sure that the asset will perform in order to receive the payments.

The Hon. WES FANG: Transgrid also receive payments from the operation of the battery, don't they?

CORRECTED

HANNAH McCAUGHEY: Yes.

The Hon. WES FANG: Are they in a similar structure? Are they paid regardless, or are they paid for the service?

HANNAH McCAUGHEY: I would like to take that on notice. We all work very closely. In fact, recently I was out at the Wallgrove centre with Transgrid—with their operation centre—actually seeing the Waratah Super Battery being drawn on. All of the Transgrid operators there had said to me multiple times what a good asset it had been. It's something I'm working through, but to the—

The Hon. WES FANG: No offence, but they're not going to tell you it's a bad asset, are they? Let's be honest. How much has the Waratah Super Battery added to consumer power bills?

HANNAH McCAUGHEY: As I said before, EnergyCo is not responsible for the cost to consumer bills. It has been approved, and it has gone through. As it is in operation, it is currently providing value to consumers. As to the exact cost onto consumer bills, that would be a matter for the department.

The Hon. WES FANG: In circumstances where the battery, as you say, is providing a service to New South Wales, can you outline the cost savings to consumers in general that the battery has provided for the service? In effect, how much benefit has it provided in lowering people's power bills?

HANNAH McCAUGHEY: I can't give specific numbers, but in illustrating the point, the way that we know that it does provide value to customers is because it provides additional capacity. If one part of the network is under challenge or there's generation and there's constraint, it provides additional capacity. If that didn't happen, there might be more constrained power, which would make power prices go up generally. It is very dependent on market conditions. We wouldn't be able to say it's X dollars. The way it's working—

The Hon. WES FANG: We can, can't we? We can actually do that, because we know that if we didn't have it in place and it wasn't providing capacity to the grid—I understand the stability it may provide to the grid. We can calculate, if it wasn't providing capacity to the grid, what it would do in relation to the peak demand pricing. Surely we must be able to quantify how much money it is or is not saving the consumer.

HANNAH McCAUGHEY: I will again defer to the department on how we report that saving. What we can say—and it sounds like we agree—is it does provide savings. What you're asking is—

The Hon. WES FANG: No, I'm asking if it provides a saving. I'm not convinced it does for what we're paying for it. Given that it is only operating at one-third capacity—or even less at the moment because there's currently a transformer that's down—I want to understand, given the amount of money that they're contracted to receive, how much are they receiving? How much benefit are we getting from it? What savings is it providing to consumers? What are we paying on our current power bills? We are paying for it through the EII process.

HANNAH McCAUGHEY: Just to clarify where we are on process, because the transformer failed and the full operation has gone back in time, the contract and the payments are currently being negotiated and are being reviewed. Because we're buying a service, those payments will be made when the service is provided. The service is provided when there's benefit to the consumers.

The Hon. WES FANG: I am none the clearer from any of these answers to quantify—

HANNAH McCAUGHEY: Let me try again. Because the schedule of the SIPS service being available has changed because of when the transformer will come online, the savings to the consumer will be different because the battery is coming fully online in 2026. Of course, the profile of the savings to the consumer will be different and the current battery contract will be under review. We're paying for a service, so it's a service agreement. That's the way in which the contractual arrangement works.

The Hon. JACQUI MUNRO: Just going back to energy, is your department doing any work on white hydrogen—or gold or natural hydrogen, depending on who you're talking to? It's the same thing.

KIM CURTAIN: I'm not sure about those terms. We're certainly on green hydrogen.

The Hon. JACQUI MUNRO: My understanding is that South Australia and Queensland have been granting licences to look for white, or natural, hydrogen, which is essentially a low- to zero-emission energy opportunity. That's something we could be pursuing in New South Wales. My question is around whether we are pursuing that or if anybody is researching the opportunities that it holds.

KIM CURTAIN: I'm not aware of it in our department, but it may be something that regional are looking at from that perspective. I can take it on notice and double-check.

The Hon. JACQUI MUNRO: Is it something that the Net Zero Commission has looked up?

CORRECTED

NICHOLAS ROWLEY: I've actually never heard the term before.

The Hon. JACQUI MUNRO: Here's your start.

NICHOLAS ROWLEY: I'm keen to learn.

The Hon. JACQUI MUNRO: The research commences. It looks like an exciting opportunity.

The Hon. JOHN RUDDICK: My questions are for Mr Doug Parris, the executive director of the New England REZ. We were discussing that there was originally a transmission route through what we call the Dungowan line. Now there's the new route. I've heard that the new route is going to cost about \$331 million more than the old route. Does that sound correct to you?

DOUGLAS PARRIS: No, it doesn't. That's the short answer.

The Hon. JOHN RUDDICK: But it's going to be more expensive. Do we accept that?

DOUGLAS PARRIS: No, we don't. We've got a different opinion. I know some people in the community believe that. We have done that analysis. We've got to continue to do more work, but from what we know of the new corridor, we've looked at constructability, how long we're going to be out there, the volume of earthworks, the extent of access tracks we've got to construct, whether or not we can build it using conventional methods—i.e. cranes as opposed to heavy-lift helicopters—the risks and the certainty of that. It's an easier and faster way to construct with less risk. It's going to cost less to go that route.

The Hon. JOHN RUDDICK: You believe that the new route will cost less than the previous route.

DOUGLAS PARRIS: That is one of the metrics that we use. We released our report, and the metrics are available on our website as to what we've done. We redacted cost information, but I think cost is one of the metrics we look at. It's not the only metric. We need to weigh up a bunch of pillars, of course, and a bunch of criteria as we look at which corridor is preferred. That information is available.

The Hon. JOHN RUDDICK: When was the board of EnergyCo first advised of the "constructability challenges" for the Dungowan route?

DOUGLAS PARRIS: I'd probably need to get back to you with the exact date on that.

The Hon. JOHN RUDDICK: Just a ballpark will be fine.

DOUGLAS PARRIS: Somewhere in the June to July period, I would say, but I'd need to confirm.

The Hon. JOHN RUDDICK: Prior to then, there must've been some discussions internally that, "Gee, we do have a problem here. We've been looking at this route for the past couple of years." You must've seen it was coming.

HANNAH McCAUGHEY: I actually remember this. I think you're correct, Mr Parris; it was brought to the board in around the June or July period and constructability was being looked at. But it really wasn't until they were getting down to very detailed cost analysis around the access tracks and around some of the tower pads that triggered the thinking around the alternative route. I would support what Mr Parris said that that was about the timing it was brought to the board's attention, and then there was detailed work carried out by the project team in looking at the two routes in parallel as to the various benefits of the two routes. I believe that Mr Parris's memory is correct.

The Hon. JOHN RUDDICK: The date I was given was 30 June this year that the board was advised, but then just four weeks later we've come up with the new transmission line. It does seem like a short period of time. I understand that there was no scoping report done. Is that accurate?

DOUGLAS PARRIS: The scoping report that's currently available was released in July 2024. Obviously that's the previous route.

The Hon. JOHN RUDDICK: For the new route.

DOUGLAS PARRIS: For the new route, no, we haven't released the scoping report yet. We're preparing that now. I think it's important to remember what the context of that document is and what it isn't. The scoping report is a document that is part of the planning process. It ultimately goes to the Department of Planning, Housing and Infrastructure. It is available, but it's more of a description of the project and the process we expect to go through to assess the project. The Department of Planning, Housing and Infrastructure uses that to engage with agencies and councils and the like to give us our SEARs, which are effectively what we need to make sure we assess in our EIS. We are updating that scoping report. That's going to be available this year. It's not quite out yet,

CORRECTED

but I think, as I said, that's a step in the planning process that is focused on the new corridor. The comparison of the previous corridor and the existing corridor is material that we've made available on our website as well.

The Hon. JOHN RUDDICK: What documentation or evidence was presented to the board to support this abrupt change of decision?

DOUGLAS PARRIS: A summary of the report that's basically on that website, to be honest. It has the key metrics in there, and that has formed the basis of the presentation to the board and their considerations. We also assembled an independent review panel as part of that process. We wanted to make sure that some experts from outside of EnergyCo—independent—reviewed our work, challenged us and gave us some views on that. That was undertaken as well, and they provided their views directly to the board as well.

The Hon. JOHN RUDDICK: The original generation capacity for the New England REZ was officially described as eight gigawatts. However, the gazetted declaration of the REZ referred to a network capacity of eight gigawatts. This implies the generation capacity might be as high as 16 to 18 gigawatts. How and when did the capacity of the New England REZ go from an eight-gigawatt generation zone to an eight-gigawatt transmission zone?

DOUGLAS PARRIS: That is some time before I was involved. I'd probably need to take that on notice and come back to you on that one. As you say, the legislation was passed in 2021. It has been eight gigawatts of transfer capacity for some time. But I'll take the comment about generation capacity versus transfer capacity on notice.

The Hon. JOHN RUDDICK: It sounds like we're going to have to build basically twice as many wind farms and solar farms on the Northern Tablelands than were originally forecast. Does that sound accurate?

DOUGLAS PARRIS: It's legislated as an eight-gigawatt transfer capacity. We're focused at the moment on delivering the first six gigawatts of that transfer capacity. We call it stage one and two—because that's fairly imaginative. That's what we're focused on, and the generation that is required for that depends a little bit on the technology mix between wind and solar and storage and the like. But sitting here today, I would expect that that is a number in the order of 10 to 12 gigawatts that would be required, of generation.

The Hon. JOHN RUDDICK: Mr Parris, can you give us an overview of the timing from here? If everything goes according to plan, when will we have the transmission lines? When will construction begin? When will they be completed? When will we be generating electricity from this REZ and have it plugged into the national energy grid?

DOUGLAS PARRIS: There are a lot of milestones I could talk to. Let me try and give you a high-level version. We're at a three-kilometre-wide corridor. We need to narrow that in—obviously, as I mentioned, with landowner engagement—to one kilometre. There's a planning process to go through. That EIS, the environmental impact statement, would follow. We're expecting to exhibit that publicly in the second half of 2026. Obviously, that's a process where the public can make submissions, and we go through that process through the planning approvals. We would anticipate planning approvals landing in 2027. We're also running a network operator procurement process—that is effectively the entity that would finance, build, operate and maintain the new transmission network. That process is underway.

The request for proposal stage is underway. We've got three shortlisted parties. That has commenced. Those run in parallel. We obviously need to go through our regulatory steps in that 2027, 2028 period—that's authorisation and the revenue determination. Fast-forwarding, we would anticipate, therefore, construction starting probably in about 2028. We don't know the exact answer because we're going through the network operator procurement process now. Parties will get back to us on what they think the project is going to cost, what their program assumptions are and the like. So that's information that will be clearer to us—probably roll forward 12 months from about now—and that will inform what they think of their delivery timelines.

The Hon. JOHN RUDDICK: So the transmission line construction would begin in about 2028. Did I get that correct?

DOUGLAS PARRIS: Correct.

The Hon. JOHN RUDDICK: I'm guessing this is going to take a few years to build.

DOUGLAS PARRIS: Yes.

The Hon. JOHN RUDDICK: How many?

CORRECTED

DOUGLAS PARRIS: It depends what the network operators come up with. It's a project. We're delivering it in two stages. There's the 2.4 gigawatts initially and then going to six gigawatts. The delivery timeline would be in the order of four to six years.

The Hon. JOHN RUDDICK: We're almost at 2026. You're saying that by 2032 this REZ is going to be providing electricity to the rest of the State.

DOUGLAS PARRIS: That's when we're expecting to be able to energise, yes. These are the timelines that we assess. We're coming at it from one perspective, and obviously AEMO and other entities look at it from the perspective of a needs analysis. Obviously, aligning those two is very important, and providing that confidence to the generators is obviously equally important. As I said, the transmission line without generation is not much good, so that's why running that process and giving confidence to the generators is a very important step in our process as well, as we go forward.

The Hon. JOHN RUDDICK: What do you expect will be the entire overall cost to the taxpayers for this project?

DOUGLAS PARRIS: The way the EII Act is set up is that consumers ultimately pay. Electricity consumers pay for the infrastructure. The process that we go through from where we are is that the tenderers will go through their tender processes and we will assess them across a range of criteria. But ultimately one of those is a cost estimate for them, and the cost that they would enter into a contract with us. I think, importantly, there's a range of checks and balances on top of that. There are multiple layers of regulation, but there are two that are probably most relevant to your question. Firstly, the Consumer Trustee plays an important role in authorising the network.

The Hon. JOHN RUDDICK: I would have preferred just a ballpark figure on what this whole thing is going to cost—just what the New England REZ would be costing the taxpayer.

DOUGLAS PARRIS: Ultimately, it's consumer funded, so we don't have any taxpayer funding lined up for this project, and we're positioning—

The Hon. JOHN RUDDICK: The consumers aren't paying for it now, are they?

Ms CATE FAEHRMANN: Mr Chappel, last time we spoke in budget estimates, we spoke about the issue of lead in Broken Hill. After that estimates hearing, the ABC aired a program on it. You said to the ABC that even though the Mark Taylor report was delayed, in terms of its public release, there was no delay in the health protection and environment protection work that it facilitates and recommends. Is that still your public line?

TONY CHAPPEL: Broadly, yes. The Taylor report highlights the systemic nature of the challenge of lead in Broken Hill. It's the legacy of 140 years of smelting and mining. It's a very specific context, posing significant challenges. My point in making those comments was that to address the overall exposure pathways and risk for the community requires addressing all of the sources and pathways of that contamination.

Ms CATE FAEHRMANN: Okay.

TONY CHAPPEL: Sorry, if I can just finish.

Ms CATE FAEHRMANN: I just wanted to point to some internal documents because I think they prove otherwise.

TONY CHAPPEL: Sure. If I can just finish my answer. The work I highlighted was the work undertaken by Transport, Crown Lands and other landholders around areas that are not the subject currently of mining, but where there is significant contamination, to suppress dust; and then some of the regulatory work through pollution reduction programs on the mines, beyond their operational, direct crushing and mining systems to the broader areas where they disturb and can generate dust. That was the point that I was trying to make.

Ms CATE FAEHRMANN: Mr Chappel, has the EPA managed to get the Broken Hill mines to reduce lead emissions from their mining activities in that time?

TONY CHAPPEL: There's ongoing work to ensure dust is suppressed from those sources.

Ms CATE FAEHRMANN: But have they reduced their lead emissions?

TONY CHAPPEL: Just to be clear, I don't think there's a significant lead emission from mining, because the mining itself is occurring in a context where it's contained. It's the generation of dust containing metals through things like haulage roads or other activities on the sites, and then from other parts of the landform more broadly, which is the issue I was referring to. I think my colleague, Mr Beaman, can give you some more detail, if that's useful.

CORRECTED

Ms CATE FAEHRMANN: I want to circulate these documents—they will be circulated in a second—and get you to turn to a particular page. There's a whole-of-government strategy, is there not?

The Hon. EMILY SUVAAL: Sorry, Chair, can we get a copy of the documents?

Ms CATE FAEHRMANN: Yes, they're being circulated.

TONY CHAPPEL: I don't think it's correct to say there's a whole-of-government strategy at this point in time. I think the Premier's Department is convening a whole-of-government work program to develop that strategy. But that is work currently underway across government.

Ms CATE FAEHRMANN: There are a couple of things here. Firstly, on page 14 of the documents that I circulated, there is an email to EPA officials, including yourself, Mr Chappel, on 1 June 2023. This is from Divya Patel, who is essentially relaying a presentation that Mark Taylor gave to the Department of Premier and Cabinet, as well as EPA officials. Patel writes that Mark Taylor made the point:

Very hard to separate the relative contribution of the active sources from the legacy soil contamination sources—and don't waste your time trying. Just get on and address them both.

Patel also stated:

Primary issue is the presence of ongoing lead sources in the town—from active mining, and legacy soil contamination ...

What are you doing to reduce lead emissions from active mining? Have the mines done that?

TONY CHAPPEL: That is exactly the point I just made, Ms Faehrmann. I've engaged myself with Professor Taylor on this question. What he's referring to is the generation of lead-containing material across the broader mining leasehold sites that the mining operators operate across, including through haulage roads and other parts of their operation beyond the direct crushing of the ore, as well as the generation of contaminated dust emissions from the broader landform, the Line of Lode, the rail easement and some of the other landforms. Mr Beaman can give you some further details.

STEPHEN BEAMAN: To answer your question specifically—and the licences, as you're aware, are publicly available—if you look at the one which is the Broken Hill operations, which is the Rasp Mine, if you go through the back of that licence there is a series of pollution reduction programs that go to that point of reducing dust emissions, so, the use of dust suppressants on disturbed areas—

Ms CATE FAEHRMANN: Just to be clear, I'm talking about the lead load in those EPLs. There's not that, though?

STEPHEN BEAMAN: No, you don't put a load in those licences.

Ms CATE FAEHRMANN: In terms of what the mines have to do—

STEPHEN BEAMAN: So you're looking for the licence that have a licence limit, but they don't have a licence limit.

Ms CATE FAEHRMANN: —in terms of reducing lead—

STEPHEN BEAMAN: You've got to let me finish.

Ms CATE FAEHRMANN: —they don't have to do anything.

STEPHEN BEAMAN: They do. They've got PRPs in place, and there's been a series of them. They do stabilisation with suppressants, stabilisation of high-risk flows—

Ms CATE FAEHRMANN: I can have a look at that, Mr Beaman. I've only got four minutes.

STEPHEN BEAMAN: No—

Ms CATE FAEHRMANN: Sorry, I'm asking the questions.

STEPHEN BEAMAN: I've got to get on the public record, because you're asking the question.

Ms CATE FAEHRMANN: I will look at this later, Mr Beaman.

The Hon. ANTHONY D'ADAM: Point of order—

STEPHEN BEAMAN: Let me finish answering the question.

Ms CATE FAEHRMANN: You've said for me to look at the back of the EPL; I will do that.

The Hon. ANTHONY D'ADAM: Point of order—

CORRECTED

STEPHEN BEAMAN: And the way that the licences operate is they have monitoring onsite and they're required to use—

The Hon. ANTHONY D'ADAM: You've got to intervene, Chair.

The CHAIR: He's answering it.

STEPHEN BEAMAN: —what's been called trigger action response plans—they're called TARPs. So when there's something happening on the site, dry windy conditions or whatever, they have to change the operations that they're doing. So there are actions that the EPA is asking the mines to take to minimise the dust impact. When you talk to Mark Taylor—and we have; he's a colleague now—it's interesting when you look at the data for Broken Hill. The current—

Ms CATE FAEHRMANN: I'm sorry. I've got three minutes left.

STEPHEN BEAMAN: But it's a really important point to make.

Ms CATE FAEHRMANN: I'm going to ask another question now about funding. Mr Chappel—

The Hon. ANTHONY D'ADAM: I'm going to take the point of order.

STEPHEN BEAMAN: The dust doesn't come solely from the mine.

The CHAIR: There is a point of order.

Ms CATE FAEHRMANN: He is wasting my time now, and so are you.

The Hon. ANTHONY D'ADAM: He's trying to provide an answer. You don't get to decide the kind of answer that gets provided.

Ms CATE FAEHRMANN: He's just talked for two minutes.

The Hon. ANTHONY D'ADAM: The witness is able to provide an answer. He needs to be afforded the opportunity to answer the question you've asked.

Ms CATE FAEHRMANN: He's just talked for two minutes. I now want to move on to—

The Hon. ANTHONY D'ADAM: Whether it's two minutes or five minutes, if that's how long it takes for the witness to answer the question—

Ms CATE FAEHRMANN: To the point of order—

The CHAIR: Let's move on. Ms Faehrmann, ask another question.

Ms CATE FAEHRMANN: Mr Chappel, where is the new policy proposal up to in the future-led strategy?

TONY CHAPPEL: In respect of which policy?

Ms CATE FAEHRMANN: In terms of lead. Do you know of the new policy proposal? There are lots of internal documents about that proposal going to the Premier. It was rejected in terms of funding. Is that correct?

TONY CHAPPEL: I think there's work currently underway to inform policy proposals. The EPA, as it regularly does, makes a variety of proposals. But we were successful in receiving funding for this year and the future year out to 2027 to continue our existing work in the Broken Hill lead program while that whole-of-government work and broader policy work is undertaken.

Ms CATE FAEHRMANN: I've heard that that was \$358,000—that the pitch that was put in to deal with the Broken Hill lead situation was not funded. Is that correct?

TONY CHAPPEL: I can't speak to—

Ms CATE FAEHRMANN: Basically, you've got the business as usual approach. Is that right?

TONY CHAPPEL: The program for Broken Hill was funded from 2015 to 2020.

Ms CATE FAEHRMANN: Yes. I'm talking about going forward.

TONY CHAPPEL: Then there was no Treasury funding available for the three years to 2023, and then the EPA was able to achieve funding for the period from 2023 to 2027. My colleague Ms Geddes can give you some more detail, because it's significantly more than the amount you reference.

CORRECTED

Ms CATE FAEHRMANN: If you could take that on notice, please. I've got one minute left. Mr Chappel, back to your 7.30 comment where you said that the recommendations have been implemented. Do you think that Broken Hill is a successful demonstration of how to manage lead from mining? Do you think that the Government is successfully managing that?

TONY CHAPPEL: Broken Hill, as I said, presents very significant and specific challenges that go back 145 years. It's had smelting, as well as significant mining, and the town is built right on top of the mines. I am pleased that, going back to the '90s, when the EPA started working in the community in Broken Hill, we've seen a very significant reduction in average lead levels. I think it's down from 16.7 micrograms per decilitre in 1991 to 4.3 micrograms—

Ms CATE FAEHRMANN: But 70 per cent of First Nations kids under five have high blood lead levels, don't they?

TONY CHAPPEL: There is still, I think, far too many children with lead levels above the guideline rates. But my point is there's been a very significant improvement and there's still more work to do, which is the basis for all the proposals the EPA has made or makes, all of the advice we give to government and the work we do on the ground each and every day out there—which we've been doing for decades.

The Hon. WES FANG: Ms Curtain, the Minister made a direction to Transgrid in relation to synchronous condensers off the back of legislation we passed midway through this year. Would that be a fair analysis?

KIM CURTAIN: Yes.

The Hon. WES FANG: How many synchronous condensers were instructed to be purchased?

KIM CURTAIN: I believe there were 10 in total in five different locations across New South Wales, but I'll double-check the figures.

The Hon. WES FANG: Was it the case that Transgrid originally was planning on purchasing five?

KIM CURTAIN: Let me just get the right numbers for you. I'll just double-check the figures and come back to you.

The Hon. WES FANG: It's my understanding there was a release from Transgrid on 29 October 2025 suggesting that they'd secured 10 synchronous condensers, and that they were able to do so because they accepted smaller synchronous condensers, effectively taking two smaller condensers for every large one that they were supposed to buy. Does that ring a bell with you?

KIM CURTAIN: I can come back on the detail. I mean, the key would have been the capacity of the synchronous condensers that were needed, I would have expected.

The Hon. WES FANG: This is where we're going to drill down on the detail, Ms Curtain. I'm assuming it's the case that purchasing two smaller condensers would be more costly than purchasing one large condenser, given that you're effectively duplicating a control system and duplicating any number of components. It's much like anything of scale. You buy smaller numbers of something as opposed to larger items. Did we pay more?

KIM CURTAIN: I'll take the detail on notice. It depends on what the system actually needed at the time.

The Hon. WES FANG: In circumstances where Transgrid has secured these synchronous condensers and elected to—sorry, let me rephrase. The Minister has instructed Transgrid to purchase synchronous condensers. Where does the funding for those synchronous condensers land? Does it come out of consumers' energy bills—

KIM CURTAIN: Ultimately, it will, yes.

The Hon. WES FANG: —through transmission, with the consumer advocate effectively monitoring the pricing through the EII process?

KIM CURTAIN: Yes, the AER will need to do the determination.

The Hon. WES FANG: In those circumstances, did they seek permission to change the plan? And if those synchronous condensers cost more than was originally budgeted for the larger units, will Transgrid wear that cost as opposed to the New South Wales consumer?

KIM CURTAIN: I've got confirmation that there were 10 synchronous condensers at five different locations. My understanding is this was agreed as part of the contract that was entered into with Transgrid. I'll have to come back to you in terms of the difference in cost. I don't have that detail.

CORRECTED

The Hon. WES FANG: When you say you'll come back to me, you're happy to take all those questions that I just asked in the last three minutes on notice and come back to me with an answer?

KIM CURTAIN: Yes, Mr Fang.

The CHAIR: Ms Curtain, I just want to ask you about the South East Forest National Park koala translocation experiment. We know that eight of the 13 koalas died. Mr Lean has committed to a review. It was said the review would be ready now. Can you explain what's happening and where it is?

BRENDAN BRUCE: I can talk to that one. I don't want to end the session on "shortly", so I'll say "in the coming months". I think the work is almost done. The initial investigation is almost done. Then, as Mr Lean indicated, it would be reviewed by the independent koala translocation licensing panel, the Animal Ethics Committee and some staff from my area who are involved in the koala strategy. They will review that December and into early January, so we're expecting it will be released early in the new year.

The CHAIR: Can you confirm that it is still the case that no translocation programs are still under consideration?

BRENDAN BRUCE: There's no relocations of koalas happening until the review is complete.

The CHAIR: None at all? So even the Kosciuszko one—they're all on hold?

BRENDAN BRUCE: Yes. I think planning for some is still continuing, but there will be no movement of any koalas while—

The CHAIR: When you say planning for some, which ones are still in the planning?

BRENDAN BRUCE: I'd have to take that one on notice.

The CHAIR: I feel like it it's quite misleading. It seemed quite a clear announcement, and the Minister made that in the last estimates, that no translocation work was happening. But, clearly, that's not the case. There's still planning underway for some.

BRENDAN BRUCE: I think whatever work has been undertaken would be informed by the outcomes of the investigation. If there were findings from the investigation that required further consideration—

The CHAIR: What if the findings said no translocations whatsoever should be underway? You've got to—

BRENDAN BRUCE: I wouldn't want to pre-empt the outcomes of the investigation. But as I say—

The CHAIR: But you are if you're continuing planning for translocations. That's the point.

BRENDAN BRUCE: No, I wouldn't necessarily agree with that. I think we'll wait and see what the outcomes of the investigation are.

The CHAIR: To date, the reason given for the experiment going ahead was that there was conflicting advice. We've now had the benefit of an SO 52 and we can see all the documents that've been produced. There was no conflicting advice, was there? There was one set of advice from the expert panel that said this was high risk and made it quite clear that it really shouldn't go ahead in the form that it went ahead. What does the department say to that?

BRENDAN BRUCE: I'm not across that detail. As I said, the translocation program is led by National Parks, so the question is probably best directed to them. What I can say is that we should await the outcomes of the investigation.

The CHAIR: Ms Curtain, are you aware of the rationale or the explanation of the conflicting advice and that, in fact, when you look at the documents, there is no conflicting advice?

KIM CURTAIN: I don't have any further detail than what Mr Bruce has.

The CHAIR: Thank you. We've come to the end. It's now Government time.

The Hon. EMILY SUVAAL: There are no questions from us.

The Hon. WES FANG: I can give you a list of questions if you like. I really can.

The Hon. EMILY SUVAAL: No, we're fine.

KIM CURTAIN: I do have some answers that we can give to a couple of other things, if you'd like.

The CHAIR: All right. Ms Curtain's got some more information.

CORRECTED

KIM CURTAIN: I've got a couple of answers from earlier around the Sydney South Ring project. AEMO is currently working on their 2026 Integrated System Plan. The draft of that will be released this month. This is part of their consideration, so we'll be looking at the outcomes of that, which will help to highlight what is the importance of that in the current situation. Obviously, as you said, HumeLink and Hunter Transmission Project remain critical. In terms of—

The Hon. WES FANG: In relation to that, just seeking clarification, you said as part of the answer that there was enough capacity already in that link from south to accommodate HumeLink and Snowy 2.0 in what's existing. Do you still stand by that answer without Sydney—

KIM CURTAIN: No, I don't think we were that specific, but we rely on AEMO's Integrated System Plan. In terms of the question around impact on consumer costs, I have some information that's more general around the road map, but it's not specific projects, if that's useful. If you want that information—

The Hon. WES FANG: Yes.

KIM CURTAIN: There's a published *NSW Electricity Infrastructure Roadmap benefits modelling report*—a report with a very long name—that was published in May '24 and will be updated next year. That looks to forecast what the net benefit of the overall road map will be between 2022-23, when it started, to 2039-40. That translates into a benefit for residential customers of \$156 on average per year and small businesses of \$530 on average per year. Obviously, that time will—

The Hon. WES FANG: You realise that nobody believes that, right? We were told we'd be saving \$275—

KIM CURTAIN: If I finish the answer—

The Hon. EMILY SUVAAL: Wes, it's Government time.

The Hon. WES FANG: We would be saving \$275 and we're now \$1,200 worse off.

The CHAIR: Order!

KIM CURTAIN: If I finish the answer, that is over a period of time. As I said, that's out until the end of the 2030s. It takes time to put the infrastructure in, but there is an expectation of reduced bills over time. That will be updated next year. In relation to gas—that was asked earlier—AEMO's 2025 Gas Statement of Opportunities forecast southern States shortfalls on peak days from 2028 and annually from 2029. At the Energy and Climate Change Ministerial Council meetings, Minister Sharpe, the energy Minister, along with her counterparts from other States as well, tasked senior officials to do some work with AEMO to advise on potential expanded powers for AEMO to address the east coast gas supply shortages.

The Hon. JACQUI MUNRO: When was that? When did Minister Sharpe task the department?

KIM CURTAIN: I can get the date for you. It was the Energy and Climate Change Ministerial Council that tasked senior officials. I can get the exact date for you. It was at the last meeting, but I can't remember exactly when it was. That work is happening now with AEMO. Plus, as part of the Electricity Supply and Reliability Check Up report, there was a recommendation to commission AEMO to undertake a New South Wales gas infrastructure review. That report has been completed and was published by AEMO on their website on 8 October this year. As I said, there's work progressing on the Gas Decarbonisation Roadmap, and all of these pieces of work will feed into that. That's looking on the plan for New South Wales going forward. If it helps, the actual name of that report on AEMO's website is called the *New South Wales Gas Infrastructure Review*.

HANNAH McCAUGHEY: I would just seek to provide further clarification. I can confirm that the Merotherie Road upgrade is in accordance with the EIS and infrastructure approval.

KIM CURTAIN: I'm sorry, I had one more on Mr Uhlmann's GIPAA request. The information I have is that the information sought under GIPAA was deemed Cabinet in confidence, as you said. The GIPAA decisions, in terms of the department, are made by the DCCEE information access unit in accordance with the GIPA Act. The information access unit is part of the governance and legal branch, and they lead those decisions, being part of that branch, so that they are doing it independently and in accordance with the Act.

The Hon. WES FANG: That is the bit that I never understood, because if your GIPAA person is doing it, how do they know it's Cabinet in confidence? How does the GIPAA person for DCCEE know it's Cabinet in confidence?

The CHAIR: Wes, I'm not going to call you to order in the last 30 seconds.

The Hon. WES FANG: Honestly, how are they going to know unless they're told?

CORRECTED

The CHAIR: Mr Rowley, you had something you wanted to add.

NICHOLAS ROWLEY: Just simply in the interests of clarity and saving members of Parliament the job of going through another report on the Climate Change Fund, because I know you are all looking forward to reading that prior to Christmas. To save you doing that, I'm happy to share that information in relation to our budget. For 2025-26 our budget was \$7.736 million, and for the coming 2026-27 financial year, it's \$6.788 million.

The Hon. WES FANG: A budget cut.

NICHOLAS ROWLEY: No, a very small increase.

The Hon. WES FANG: Didn't you say seven point something?

NICHOLAS ROWLEY: No—\$7.736 million versus \$7.788 million. It's a slight increase.

The Hon. JACQUI MUNRO: What was the \$6 million?

The Hon. WES FANG: Yes, you said six—

NICHOLAS ROWLEY: Did I?

The CHAIR: No, he meant 7.6.

NICHOLAS ROWLEY: Sorry. I said in the interests of clarity, and I've now gone and confused everybody. This is not good.

The CHAIR: That's not hard.

The Hon. JACQUI MUNRO: Just to clarify, what was it?

NICHOLAS ROWLEY: We're going to go very slowly. Is Hansard ready to go?

The Hon. EMILY SUVAAL: They're always ready, unlike us.

NICHOLAS ROWLEY: The 2025-26 financial year, \$6.736 million, and 2026-27, \$6.788 million.

The Hon. WES FANG: Efficiency dividends, I say.

The CHAIR: Any more clarifications? No. Government time is over. Thank you very much to all of you for your attendance today. The Committee secretariat will be in touch in the very near future regarding any questions taken on notice and any supplementary questions. The good news is that you will have a period of time into the New Year to return all of those. It has been a big year for everyone all round, I know. Thank you.

(The witnesses withdrew.)

The Committee proceeded to deliberate.