

MOTION FOR THE LOCAL GOVERNMENT ANNUAL CONFERENCE 23-25 October 2022

It is recommended the LGNSW Conference seek a resolution to strengthen LGNSW's policy position in relation to renewable energy and climate change and to consider it an advocacy priority.

MOTION

That LGNSW seek from the NSW Premier:

- a) A reaffirmation that local government is a key partner in the roll out of renewable energy generation facilities and related infrastructure across the State and to that end provide financial support to councils hosting such a development. The level of financial support from the NSW government be the reimbursement to each affected council all costs associated with assessing each proposed renewable energy project/transmission line; and*

- b) A Direction be issued to the Department of Planning & Environment and the Energy Corporation of NSW that they actively seek and heed advice from councils to ensure the environmental, social and economic costs associated with renewable energy developments and related infrastructure are not outsourced onto rural communities without fair and just financial compensation; and*

1. RATIONALE

Background

NSW is experiencing rapid development of renewable energy projects, with over 100 solar farms, 40 wind farms, 4 pumped hydro and 20 large scale battery storage facilities approved or currently progressing through the DA assessment process (SSDs, SSIs, CSSIs) administered by the Department of Planning & Environment (DPE) and the Independent Planning Commission (IPC). These numbers are expected to double by 2030. In addition, major transmission lines are planned to be constructed to connect to the new energy generation facilities.

The benefit to the State of a positive outcome from this motion is that Local Government will be better placed to facilitate delivery of the targeted 80% renewable energy into the grid by 2030.

The abovementioned facilities are located, or plan to be located:

- in the main designated Renewable Energy Zones (REZs), namely Central West Orana, New England and South West; and
- across many other rural areas of NSW outside the REZs as well as the planned Hunter REZ and the Illawarra REZ.

See attached map for details.

Experience of Local Government in the Central West Orana Renewable Energy Zone

Warrumbungle Shire Council is located in the Central West Orana (CWO) REZ. The REZ is earmarked as the first of the REZs to be developed, along with New England.

Across the CWO REZ there are currently 20 projects and that number is expected to increase substantially, possibly double by 2030. Other impacted Councils in CWO include Mid-Western Regional Council, Dubbo Regional Council and Upper Hunter Council.

In addition to the generation facilities, the Energy Corporation of NSW is proposing to fast track the approval and construction of a major 500kV transmission line interconnector from Ulan to the REZ.

As key stakeholders, Councils conduct merit-based adequacy reviews of project EISs to determine the likely impact on Council-related services and infrastructure. They also make representations to the Proponents, DPE and the IPC. This dialogue is ongoing and may run for a year or more.

A key priority for host Councils is to secure Planning Agreements with each proponent to facilitate the delivery of development contributions to Council for the provision of public benefits.

The development contributions that are the subject of the Planning Agreement reflect that there are broad tangible and intangible environmental, social and economic costs arising from the development and the said contributions will assist Councils provide much needed material public benefits to its communities, as well as addressing broader community social impacts.

The consequences of this rapid phase of quasi-industrial development across the rural landscape are that:

- a) As a result of the substantial disturbance and disruption to established rural/agricultural activities, there will be heavy demands placed on local roads, an influx of thousands of construction workers with the need for accommodation camps, as well as new demands on potentially scarce resources such as water, aggregate, waste management facilities and other services provided by local government;
- b) LGA residents and ratepayers are likely to focus significantly increased attention on councils to ensure their interests are respectfully and justly considered and that outsourced environmental, social and economic costs are fully acknowledged and fairly compensated;
- c) That the demands on Local Government resources and capabilities have and will continue to increase, beyond 'business as usual'. Thus, Councils seek an additional State Government injection of funds for each proposed renewable energy project/transmission line. The funds will be used for engaging specialist consultants, in disciplines such as environmental management, planning and roads and traffic assessment, negotiating Planning Agreements, etc; and
- d) Having learnt the lessons from multiple mining projects in the Hunter Valley, there will be cumulative impacts to be rigorously addressed by councils and the NSW Government across the newly impacted regions.

2. CRITERIA ADDRESSED IN THE MOTION

Warrumbungle Shire Council submits:

- a) That the motion is in accord with LGNSW's enduring and overarching Fundamental Principles, especially:
 - Planning;
 - Environment; and
 - Social & Community and Governance.

b) That the motion is in accord with, inter alia, the following Position Statements:

Financial Sustainability:

1.7 New and fairer financing opportunities for local government which:

- Ensure that councils' capacity to provide infrastructure and services for their communities is not diminished.
- Enable infrastructure funding through value capture, Voluntary Planning Agreements (VPAs) and other funding mechanisms.
- Enable proper and full cost recovery of fees and charges to ensure councils can fulfil their statutory responsibilities (for planning and development assessment and compliance).

Roads & Infrastructure:

3.2 State and Commonwealth Government growth plans and projects must make upfront provision for and include the delivery of associated local infrastructure.

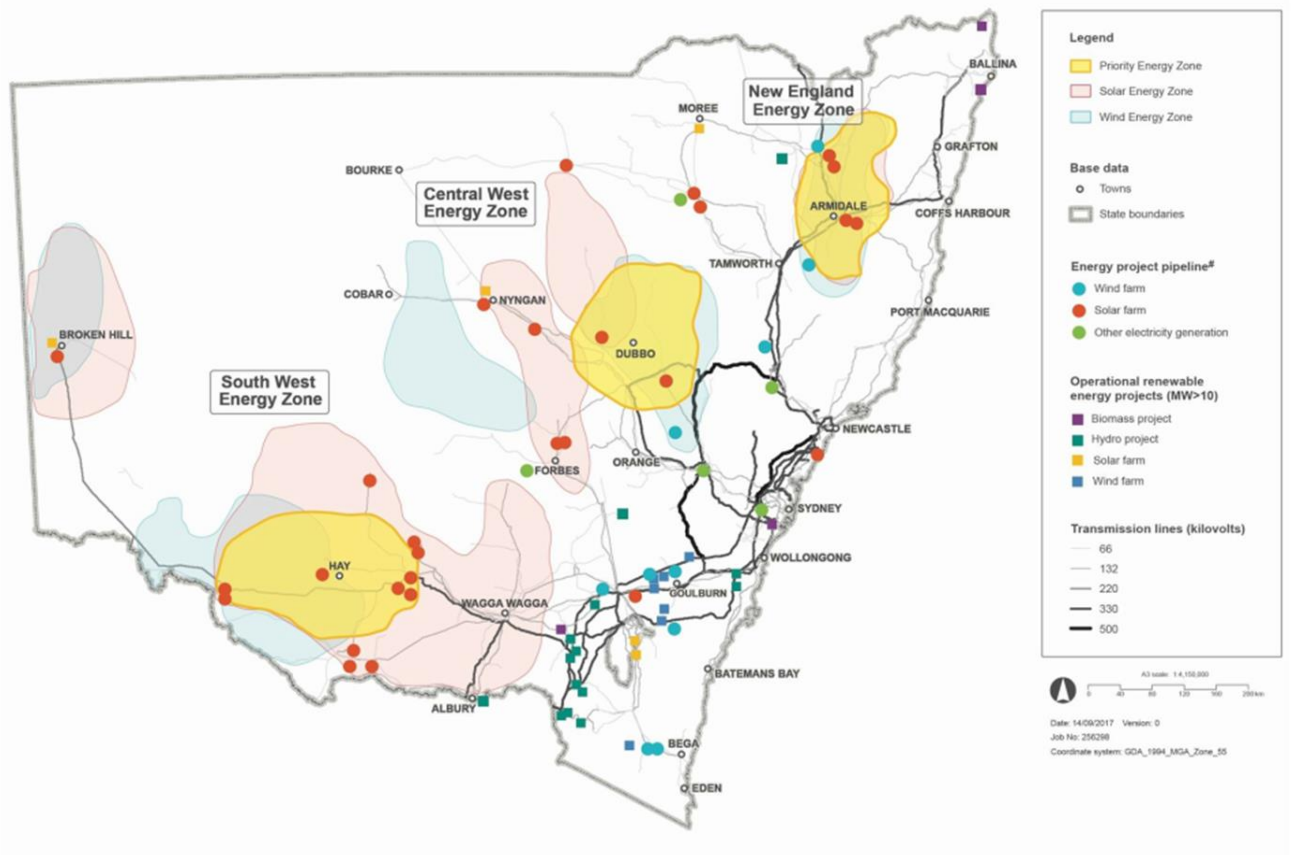
3.5 The importance of infrastructure funding mechanisms such as Development Contributions and Voluntary Planning Agreements and the creation of other mechanisms for efficient and equitable value capture.

Planning:

7.3 Local government to be treated as a partner (not just another stakeholder) in metropolitan, regional and district planning processes - the role and voice of local government is vital in delivering productivity, liveability and sustainability.

7.11 The State and Federal Governments to develop a strategic approach to State Significant Developments such as newly emerging solar farms to ensure their impact on farmland and neighbouring communities is properly considered, and local councils receive development contributions to fund the local infrastructure required to support them.

Figure 3. Potential Energy Zones in NSW



* NSW Department of Planning and Environment (2018) Large-Scale Energy Project Pipeline.

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