

Media Release

7 August 2023

Right-sizing Renewable Energy Zone to power NSW's future

The NSW Government is proposing to amend the declaration of the Central-West Orana Renewable Energy Zone (REZ) to increase the intended network capacity of the REZ to support the state's future energy needs.

The proposed amendment to the REZ declaration reflects the projected size of the Central-West Orana REZ in the [Network Infrastructure Strategy](#), which was released in May 2023.

EnergyCo chief executive James Hay said right-sizing the Central-West Orana REZ network capacity is critical to delivering the clean, affordable and reliable energy required to meet NSW's net zero targets.

"This will allow the Central-West Orana REZ to cost-effectively accommodate future expansion and provide flexibility to deliver energy reliability and putting downward pressure on electricity bills as we transition our economy away from a reliance on fossil fuels."

To increase the intended network capacity, the NSW Government is proposing an amendment to the Central-West Orana REZ declaration, which was formally made in November 2021, following public consultation.

The Network Infrastructure Strategy outlines options to increase the network capacity of the Central-West Orana REZ up to 4.5 gigawatts (GW) initially under Stage 1, and up to 6GW by 2038 under Stage 2. This will allow more renewable energy from solar, wind and storage projects to be distributed through the NSW transmission network.

This supports recent modelling by the Consumer Trustee in its [draft 2023 Infrastructure Investment Objectives Report](#) showing more network capacity will be needed to meet NSW's future energy needs as coal-fired power stations progressively retire.

Mr Hay said the proposed declaration amendment relates to the intended network capacity only and will not impact the geographical size of the REZ, which covers an area of about 20,000 square kilometres around Dubbo.

"Importantly, Stage 1 would not change the proposed transmission infrastructure that EnergyCo has been consulting on over the past 2 years," Mr Hay said.

"If we need any future expansions to deliver Stage 2, these will be subject to separate planning and regulatory approval processes including detailed community consultation and environmental assessment under the NSW planning system."

"The proposed amendment also helps us undertake long term strategic planning for the Central-West Orana REZ and minimise any cumulative impacts on the local community by investigating the need for additional transmission infrastructure in other parts of the REZ."

The Central-West Orana REZ would generate up to \$10 billion in private investment in the region by 2030 and support around 5,000 construction jobs at its peak – and the proposed amendment has the potential to deliver even greater economic benefits for the region in the long term.

EnergyCo is seeking community feedback until 4 September 2023 on the draft declaration amendment, which is available to view online at energyco.nsw.gov.au/cwo-rez.

“It’s important that feedback from communities and stakeholders is considered in this process. All comments received will be reviewed by EnergyCo prior to submitting the final amendment to the Minister for Energy for approval,” Mr Hay said.

Network capacity in a REZ is the maximum amount of power that can be transferred from renewable energy generated and stored within the REZ to the NSW transmission system at any point in time.

To view the draft declaration amendment and make a submission, please visit energyco.nsw.gov.au/cwo-rez.

Central-West Orana Renewable Energy Zone

August 2023 Project Update



EnergyCo is delivering the Central-West Orana Renewable Energy Zone (REZ) to provide a clean, affordable and reliable power supply for energy consumers across NSW. The REZ will initially unlock at least three gigawatts of new network capacity for solar, wind and storage projects within the next decade.

REZ transmission project

Environmental Impact Statement public exhibition coming soon

EnergyCo is preparing an Environmental Impact Statement (EIS) which will provide detailed information about the REZ transmission project, including an assessment of environmental, social and economic matters and measures to mitigate and avoid potential impacts.

The EIS is on track to be displayed for public exhibition soon. The community and stakeholders will have the opportunity to comment on the EIS via a formal submissions process managed by the Department of Planning and Environment.

As part of the public exhibition, EnergyCo will hold a series of drop-in community information sessions so you can view the EIS chapters and ask questions of the project team.

The EIS will be published on the NSW Planning Portal at the start of the exhibition period. To stay up to date on the EIS and our upcoming community information sessions, please contact us to register for email updates.

ACE Energy identified as first ranked Network Operator proponent

Since early 2022, EnergyCo has been carrying out a competitive tender process to appoint a Network Operator who will design, build, operate, finance and maintain the Central-West Orana REZ transmission network.

EnergyCo recently identified ACE Energy as the first ranked Network Operator proponent for the Central-West Orana REZ. ACE Energy is sponsored by Acciona, Cobra and Endeavour Energy.

EnergyCo will now work closely with ACE Energy to finalise and enter into a commitment deed, at which time they will be confirmed as the preferred Network Operator for the Central-West Orana REZ. Until then, EnergyCo may recommence discussions with the second ranked proponent if appropriate to do so.

We will keep the community informed once the preferred Network Operator is confirmed later this year.

Central-West Orana Renewable Energy Zone Draft Declaration Amendment

The Central-West Orana Renewable Energy Zone (REZ) was formally declared in November 2021 following public exhibition and consultation with stakeholders. The declaration includes an initial intended network capacity of 3 gigawatts (GW). Network capacity in a REZ is the maximum amount of power that can be transferred from renewable energy generated and stored within the REZ to the NSW transmission system.

The NSW Network Infrastructure Strategy released by EnergyCo in May 2023 identifies a need to increase network capacity in Renewable Energy Zones across the state in response to increasing demand for electricity. The strategy outlines options to increase the network capacity of the Central-West Orana REZ from 3 GW up to 4.5 GW initially under Stage 1, and around 6 GW by 2038 under Stage 2. This supports recent modelling by the Consumer Trustee in its draft 2023 Infrastructure Investment Objectives Report showing more network capacity will be needed to meet NSW's future energy needs as coal-fired power stations progressively retire.

To align with this, the NSW Government is proposing to amend the Central-West Orana REZ declaration to increase the intended network capacity to 6 GW. Importantly, Stage 1 would not change the proposed transmission infrastructure that EnergyCo has been consulting on over the last 2 years. Any future expansions to deliver Stage 2, would be subject to separate planning and regulatory approval processes including detailed community consultation and environmental assessment under the NSW planning system.

Having the right amount of network capacity in the Central-West Orana REZ is critical to deliver the clean, affordable and reliable energy required to meet NSW's net zero targets.

It will allow the Central-West Orana REZ design to cost-effectively accommodate future expansion and provide flexibility to deliver the right energy system security and reliability measures as we transition our economy away from a reliance on fossil fuels.

The proposed declaration amendment relates to the intended network capacity only and will not impact the geographical size of the REZ.

EnergyCo is inviting communities and stakeholders to comment on the draft declaration amendment for the Central-West Orana REZ. Consultation will close on 4 September 2023. Please send your comments via email to cwo@energyco.nsw.gov.au

All feedback received during the consultation period will be considered. The final decision will be made by the Minister for Energy and published on EnergyCo's website.

Energy Corporation of NSW (EnergyCo)

Update on community benefit initiatives in the REZ

Earlier this year, we carried out a survey to understand the types of benefit-sharing initiatives people would like to see in their communities. Thank you to everyone who took time to provide feedback. The survey results can be found in the June 2023 community feedback report on our website.

Following the consultation, we are now:

- developing a community investment program to provide a framework for how EnergyCo will administer and allocate funding to deliver community outcomes
- developing an implementation plan which will outline detailed information about a range of community benefit initiatives and timing for delivery, with the plan expected to be published later this year
- participating in a steering committee in partnership with local councils and other NSW Government agencies to provide coordination on various REZ-wide issues.

Visit one of our pop-up events

We are carrying out a program of pop-up events at local towns so you can speak to the team and view the latest project information. Our upcoming program of events is available to view at energyco.nsw.gov.au/cwo



Image courtesy of Josh Kwan.

Contact us

✉ cwo@energyco.nsw.gov.au

☎ 1800 032 101 (9am to 5pm, Monday to Friday)

🌐 energyco.nsw.gov.au/cwo

🗣️ If you need help understanding this information, please contact the Translating and Interpreting Service on **131 450** and ask them to call us on **1800 032 101**.



RENEWABLE ENERGY ZONE (CENTRAL-WEST ORANA) ORDER 2023

Under the

Electricity Infrastructure Investment Act 2020 (Act)

I, Penny Sharpe MP, Minister for Energy, make the following Order under section 22(1) of the Act.

Dated this day of 2023

Penny Sharpe MP

Minister for Energy

RENEWABLE ENERGY ZONE (CENTRAL-WEST ORANA) ORDER 2023

1. Name of Order

This Order is the *Renewable Energy Zone (Central-West Orana) Order 2023*.

2. Commencement Date

This Order commences on the date that it is published in the Gazette.

3. Definitions

Unless otherwise defined in this Order, words and phrases defined in the Act have the same meaning in this Order or the CWO REZ declaration.

CWO REZ declaration means the Renewable Energy Zone (Central-West Orana) Order published in the Gazette on 5 November 2021.

4. Amendment of the CWO REZ declaration

The CWO REZ declaration is hereby amended under this Order pursuant to section 22(1) of the Act.

Clause 5 of the CWO REZ declaration is amended as shown in the Schedule to this Order pursuant to section 22(1)(c) of the Act.

Schedule – Amendment to the CWO REZ declaration

**RENEWABLE ENERGY ZONE (CENTRAL-WEST ORANA)
ORDER 2021**

1. Name of Order

This Order is the *Renewable Energy Zone (Central-West Orana) Order 2021*.

2. Commencement Date

This Order commences on the date that it is published in the Gazette.

3. Definitions

Unless otherwise defined in this Order, words and phrases defined in the Act have the same meaning in this Order.

Act means the *Electricity Infrastructure Investment Act 2020*.

specified geographical area means the land identified as the 'Central-West Orana Renewable Energy Zone Geographical Area' in Schedule 1 of this Order.

4. Declaration of the Central-West Orana renewable energy zone

The Central-West Orana renewable energy zone is hereby declared and comprises:

(a) the specified geographical area; and

(b) the network infrastructure specified in Schedule 2 of this Order.

5. Intended network capacity for the network infrastructure in the renewable energy zone

The intended network capacity for network infrastructure in the Central-West Orana renewable energy zone is **36** gigawatts.

6. Central-West Orana renewable energy zone infrastructure planner

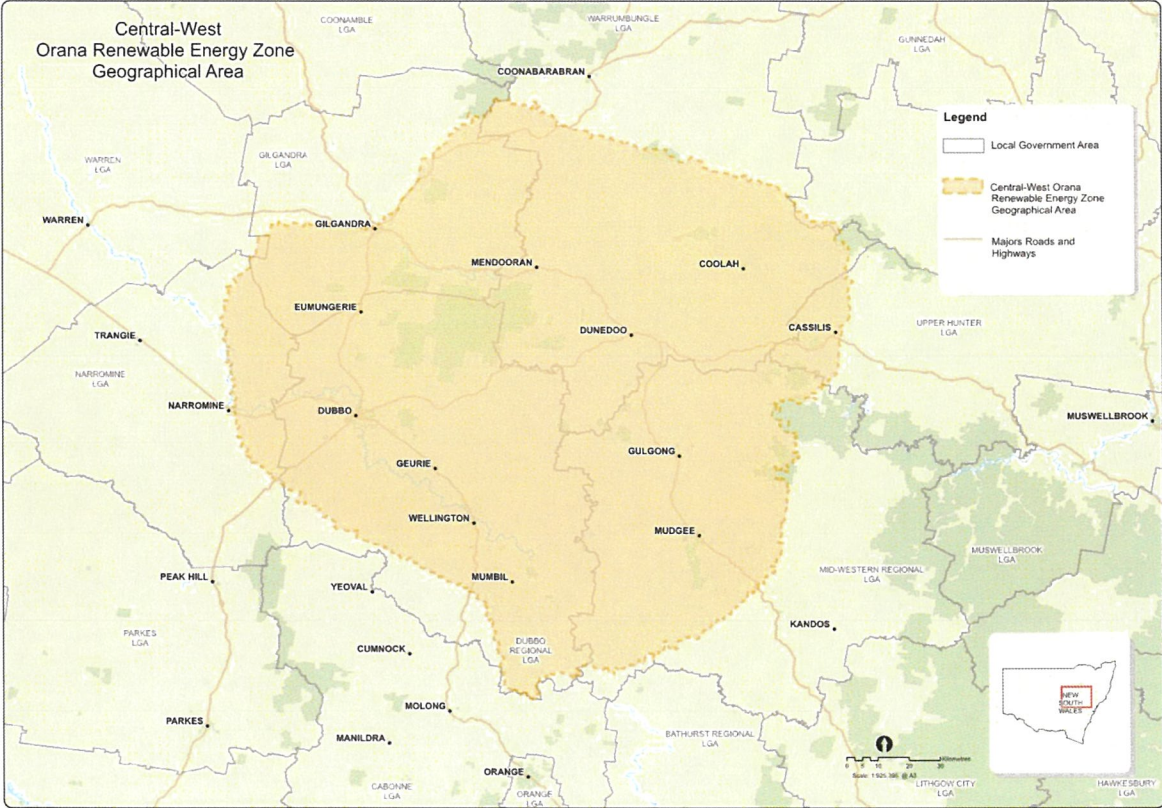
The Minister appoints the Energy Corporation as infrastructure planner for the Central-West Orana renewable energy zone upon commencement of this Order.

Schedule 1

1. Specified geographical area

The specified geographical area is the land identified as 'Central-West Orana Renewable Energy Zone Geographical Area' in Figure 1.

Figure 1: Map identifying the 'Central-West Orana Renewable Energy Zone Geographical Area'



Schedule 2

1. Specified network infrastructure

The following network infrastructure is specified:

- (a) Planned, new and existing network infrastructure in the specified geographical area.
- (b) To the extent not specified in clause 1(a) of this Schedule 2, planned and new network infrastructure operating at nominal voltages of 330kV or 500kV connecting:
 - (1) the existing network infrastructure operating at nominal voltages of 500kV connecting Bayswater 500kV substation, Wollar 500 kV substation and Mt Piper 500kV substation; and
 - (2) the existing network infrastructure operating at nominal voltages of 330kV connecting Wollar 500kV substation and Wellington 330kV substation.
- (c) Planned and new augmentations to the existing Wollar substation.
- (d) To the extent not specified in clause 1(a) of this Schedule 2, existing network infrastructure operating at nominal voltages of 330kV connecting Wollar 500kV substation and Wellington 330kV substation.