

# DRAFT ENERGY POLICY FRAMEWORK

**Submission**  
January 2024

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## ACKNOWLEDGEMENT OF COUNTRY

The Committee for the Hunter acknowledge the diverse Traditional Owners and Custodians of our region and recognise their enduring connection to land, water and culture.

We acknowledge the Awabakal, Biripi, Darkinjung, Geawegal, Guringai, Wannarua and Worimi peoples on whose land we live and work, and pay our respects to Elders past, present and emerging for their enriching contribution to Australian life.

## THE COMMITTEE FOR THE HUNTER

The Committee for the Hunter is an independent and inclusive champion for the people of the Greater Hunter and their enterprises. Representing over 70 organisations including the largest employers and institutions in the region, we provide a unified voice for the Hunter. Our members are drawn from the private and community sectors and all three levels of government. We come together with a shared interest in building a sustainable, prosperous and equitable future for our region. The Committee delivers on that promise through advocacy on regionally-significant priorities, thought leadership and partnerships.

The diversification of the Hunter economy is the most significant priority of the Committee and our members.

More information about the Committee can be found at [www.hunter.org.au](http://www.hunter.org.au)

Contact Alice Thompson at [ceo@hunter.org.au](mailto:ceo@hunter.org.au) or 0438 808 982 to discuss any aspect of this submission.

## Department of Planning and Environment

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Thank you for the opportunity to provide feedback on the draft *Energy Policy Framework*.

The Committee for the Hunter (the Committee) acknowledge the leadership of the NSW Government in reviewing the planning framework for clean energy infrastructure and support the principles that have informed the draft guidelines.

## INTRODUCTION

NSW emissions reductions, clean energy infrastructure and industry decarbonisation commitments depend on investment and development in the Hunter.

The Hunter is home to the State's largest electricity users and emitters, and accounts for 83 per cent of NSW coal-fired electricity generation capacity.

The next decade will be especially critical for a timely transition from fossil fuel power generation, to meet emission reductions commitments, keep the lights on, and provide low cost and reliable renewable energy for NSW residents, business and industry.

The Hunter has a proud industrial heritage, powering NSW communities and the economy for over 50 years.

As the State shifts to clean energy and Net Zero, our region is impacted more than most. With smart planning and targeted investment, the Hunter economy and quality of life will thrive through this change, sustaining our critical role as energy provider for NSW.

**The Committee has set a vision for the Hunter** to be a global leader in clean energy and technology.

**In our submission, the Committee seek assurance the proposed planning framework helps achieve this vision, improves clean energy project delivery, meets the design principles outlined in the Guide, and does not embed further costs, delays and uncertainty.**

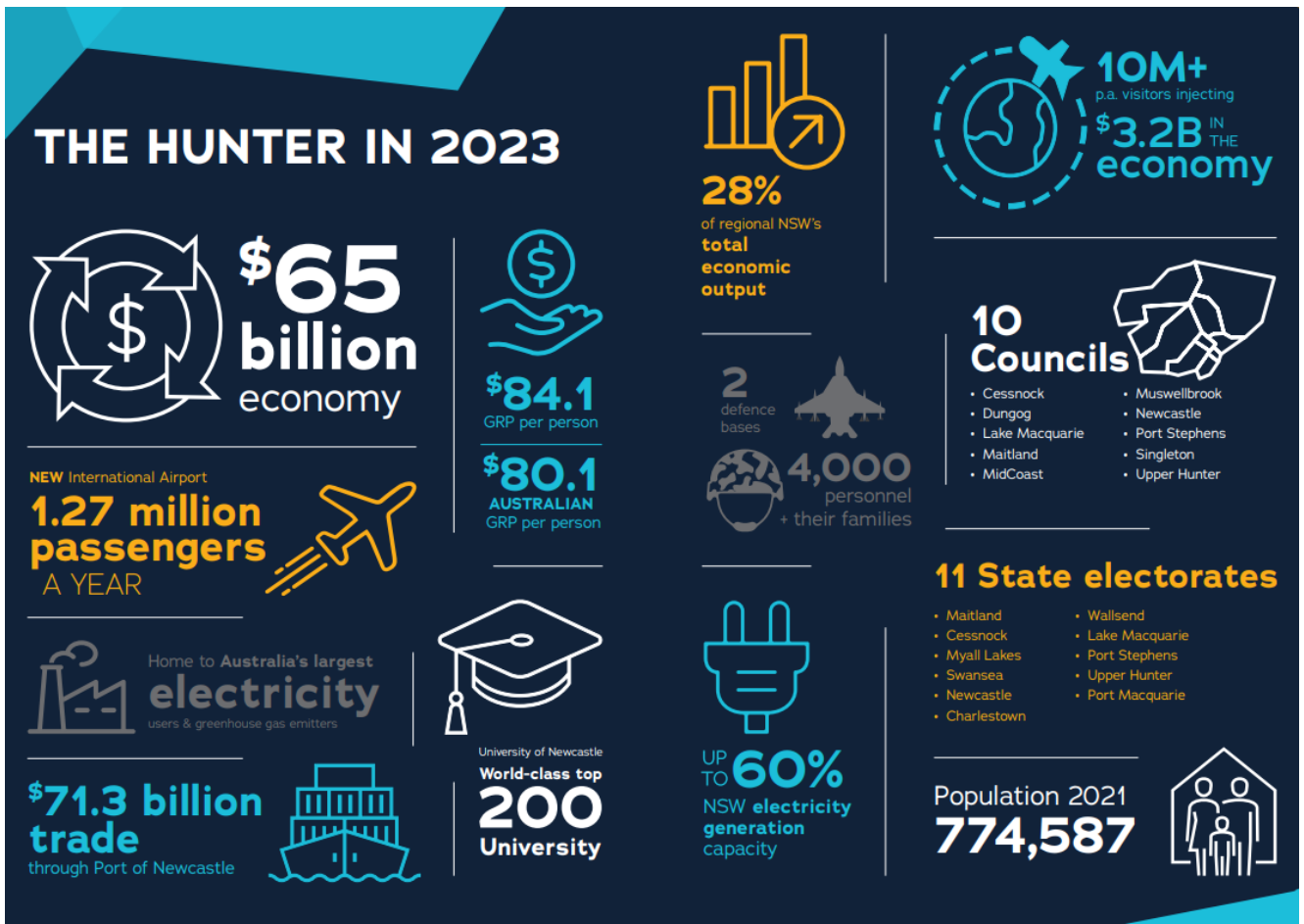
**Planning reforms also provide a strategic opportunity to incentivise clean energy investment and development in NSW and the Hunter when coordinated with other measures across departments.**

These include investment attraction and concierge, public-shared infrastructure and workforce development.

This is a key recommendation in the industry-led *Hunter Hydrogen Infrastructure Masterplan*, with a streamlined planning framework identified as one of the most powerful levers available to assure competitiveness.

As a contestable network of energy assets, NSW relies on private sector investment to achieve its climate and clean energy objectives and commitments at the scale and speed required. With the State's remaining coal fired power plants scheduled to close within 16 years, NSW is running out of time to get this right and be competitive with other states and nations facing the same challenges in the global race for new energy infrastructure investment.

## ABOUT THE HUNTER



## FEEDBACK

### General Comments

1. Introduce 'national and international competitiveness as a destination for clean energy infrastructure projects' as a core design principle (pp4 of the policy Guide).

The draft framework would benefit from transparent comparison on a range of performance criteria with other states/territories and nations NSW competes with, including time, cost, complexity and certainty. This includes how amendments improve the performance of the existing planning system and project approvals and align with international standards for clean energy projects.

## General Comments (cont.)

2. Strongly support the broader use of Critical State Significant Infrastructure (CSSI) pathways, including but not confined to when a project includes a significant energy storage system.

In the longer term, CSSI pathways, complying development and strategic assessments under the Environment Protection and Biodiversity Conservation Act could be used as incentives to attract investment and drive projects into the Hunter-Central Coast Renewable Energy Zone.

3. More clarity on the scope and weighting of 'dwelling entitlements' for which the proposed visual impact requirements compel assessment and a 2km setback for wind infrastructure, more than the distance required in Queensland, Victoria and Western Australia.

Ensure that visual impact requirements for wind and solar are not more extreme or onerous than other jurisdictions and align with international standards.

4. Secure sufficient resourcing for the Department of Planning approvals team to assess more clean energy infrastructure proposals, quicker.
5. Include markers for offshore wind and hydrogen projects in reforms, signalling that these projects are part of NSW's clean energy infrastructure plan and system including the Hunter-Central Coast Renewable Energy Zone, and are facilitated by the State.

## Wind & Solar Energy

6. Remove the maps on 'desirable areas' for wind and solar projects, allowing site specific features, development assessment processes and project feasibility to determine the suitability of locations for clean energy infrastructure.
7. Regional cities: The guidelines require wind and solar developments near certain regional cities to satisfy that any urban land conflicts and impacts on urban growth potential are not significant.

In order for this to be effective in high growth regions like the Hunter and not unduly quarantine land from clean energy development, the NSW Government and Department of Planning must get better at providing longer-term and strategic direction on where development and public infrastructure investment will go, when, and where it won't, including via the *Lower Hunter City Plan* and *Hunter Regional Plan*.

## Transmission Guideline

8. It is understood there has been significant coordination and feedback between the Department of Planning and EnergyCo on planning frameworks for transmission infrastructure. We will be looking to the final guidelines that they facilitate delivery of the Hunter Transmission Project and future major transmission infrastructure required to deliver the Hunter-Central Coast Renewable Energy Zone and Hunter Hydrogen Hub.

## Benefit Sharing & Private Agreement Guidelines

9. The principles of a Benefit Sharing scheme that invests in the communities directly impacted by clean energy development are supported, including adjustment for council rates. The Hunter has experience with similar schemes for communities impacted by coal mining activities and power plants, delivering positive outcomes for people, councils and developers/asset owners.

We note the proposed Benefit Sharing scheme is additional to any project-specific Private Agreements and costs.

Care will need to be taken in the design and implementation of any Benefit Sharing scheme that this does not inadvertently disadvantage a nascent class of projects prioritised by the NSW Government as critical for the State's development over the next decade and beyond.

This imperative and immediacy drives a stronger role for the NSW Government in securing greater local acceptance and support for the State's energy transition in the Hunter, including through public awareness campaigns and community funding programs. We note the related commitment by EnergyCo to leverage access fees for community and employment purposes.

Currently the region is experienced significant delays in accessing funding from the NSW-led benefit sharing scheme for coal communities in transition – the *Royalties for Rejuvenation Fund*. Enabling legislation passed in May 2022. There are no public guidelines or visible pathways to apply for or access funding for the \$25 million p.a. fund.

It is recommended the implementation of a Benefit Sharing scheme carefully consider:

- the timing and potential staging of rollout as to not deter clean energy development in the critical 10-15 years of investment to replace the State's retiring coal fired power plants and achieve the legislated 70 percent emissions reduction target for 2035. This includes options for the scheme to be voluntary or subsidised for an initial period.
- direct government investment in the scheme given the shared needs, benefits and long-term public interest of clean energy infrastructure development.