

1 March 2023

NSW Government response to the NSW Agriculture Commissioner's Reports

The NSW Agriculture Commissioner has prepared two reports relating to land use conflict and agriculture

The NSW Agriculture Commissioner's reviews and recommendations

The NSW Government tasked the NSW Agriculture Commissioner (the Commissioner) with:

- reviewing how agriculture can be better catered for in the NSW planning system to reduce and manage land use conflict; and
- then reviewing the policy settings around for the development of renewable energy facilities and associated infrastructure to ease the growing friction between these developments and agricultural production.

In July 2020, the Commissioner presented options to better cater for agriculture in the planning framework, make it easier to do business and reduce land use conflict in his report, titled *Improving the Prospects for Agriculture and Regional Australia in the NSW Planning System*. The report made 13 recommendations across two themes: agriculture and regional economic growth and reducing and managing land use conflict.

In November 2022, the Commissioner then recommended improvements to the policy framework to manage issues arising alongside the growth in the renewable energy and agriculture sectors in his report, titled *Renewable energy generation and agriculture in NSW's rural landscape and economy – growth sectors on a complementary path*. This report makes 29 recommendations to the NSW Government and the renewable energy sector to better avoid and manage these issues.

NSW Government response

The NSW Government remains committed to accommodating a range of land use priorities to boost both agricultural and regional economic growth.

The NSW Government recognises the driving role that the agriculture industry plays in the economy. The gross value of agricultural production in NSW was worth around \$20.9 billion in 2020-21, nearly 25 percent of the value of national production. The industry intends to grow farmgate production to \$30 billion by 2030 and is on track to do that with the strongest prospects for growth in food and fibre production seen in many years, despite the headwinds faced in recent years with bushfires, floods, drought and a disruptive global pandemic. The NSW agriculture is integral to sustaining and delivering food security.

The Commissioner's reviews were initiated by the increasing awareness of impacts of land use conflict interacting with agriculture; a long established renewable sector. The Planning Institute of Australia's 2019 report '*Rural and regional (NSW)*' described land use conflict as '*arguably the most immediate planning issue facing rural and regional NSW*'. The renewable energy transition has also caused friction in some rural communities with concerns about the increase in renewable energy development and expanding transmission infrastructure, impacting agriculture and regional economies and social amenity.

The Second Report estimates that around of 55,000ha of land which is currently used for agriculture production will be converted to support renewable energy developments by 2051, which is estimated to be 0.1 per cent of rural land. The impact on NSW's ability to produce food and fibre is not considered to be significant but the NSW Government recognises the potential for localised impacts given the number of projects involved and we will seek to mitigate and minimise these where possible.

The NSW Electricity Infrastructure Roadmap (the Roadmap) sets out the NSW Government's vision for coordinated investment in the network, generation and storage infrastructure needed to transform the electricity system.

Forecast benefits to regional communities from delivering the Roadmap include around \$1.5 billion in lease payments for landholders hosting infrastructure by 2042 and the creation of construction and ongoing jobs, mostly in regional NSW. The Roadmap will prioritise the build-out of infrastructure in a way that will keep NSW's energy intensive and agricultural industries competitive.

The NSW Government is proactively dealing with the issues identified in the Commissioner's reports and the NSW Government response reflects this. Actions to date include:

- releasing the revised Large-Scale Solar Energy Guideline in September 2022;
- establishing the NSW Strategic Benefits Payments scheme;
- establishing a forum for Councils to share experiences and ideas about how to manage land use conflict; and
- exhibiting a draft State Significant Agricultural Land (SSAL) map to better identify this land.

Regional economies, and the agriculture and renewable energy sectors are set to continue to grow in NSW. Implementing this Response will help provide confidence to landholders, smooth the way for the rollout of the Roadmap and deliver on NSW Government commitments to address land use conflict for farmers whilst supporting sector growth.

NSW Government response to *Improving the Prospects for Agriculture and Regional Australia in the NSW Planning System – a report by the NSW Agriculture Commissioner*

Table 1: NSW Government response to *Improving the Prospects for Agriculture and Regional Australia in the NSW Planning System*

Recommendations	DRAFT NSW Government response
<p>1 The NSW Government should take a phased approach to adopting a statutory State Significant Agricultural Land Use Planning Policy (SSALUP Policy). Initially, a policy should be released, following a public comment process, which is implemented through Regional Plans and which councils are directed to implement through strategic planning. Once a policy has been applied through the strategic framework and is seen to be contributing to improved decision-making about agricultural land use, the NSW Government should consider adopting further 'considerations' in the PPRD SEPP to provide councils with clear direction on how to respond to developments on and around State Significant Agricultural Land (SSAL). In addition, the NSW Government should provide councils a checklist of considerations to guide development decisions that impact agricultural land.</p>	<p>Supported</p> <p>The NSW Government supports a phased approach for statutory implementation of a State Significant Agricultural Land Use Policy to strengthen planning for agriculture.</p> <p>The Department of Primary Industries (DPI) is developing a draft policy that will be exhibited for public comment.</p> <p>Once it is finalised, the policy will focus on implementation through the strategic planning framework.</p>
<p>2 The objectives, permitted land uses and application of the RU1, RU2 and RU4 zone should be reviewed by DPE and DPI to ensure there is a clear determination of priority for agriculture (and therefore other permitted uses) in these zones. Following this review the NSW Government should ensure there are clear policies governing land use and consideration of development proposals consistent with these zone objectives.</p>	<p>Supported in part</p> <p>The NSW Government recognises that each rural land use zone must be uniquely structured to achieve its strategic intent to deliver the diverse range of local, regional, and state priorities.</p> <p>The Department of Planning and Environment (DPE) will work with DPI to review the RU1 and RU4 zones to ensure they can be used to prioritise agricultural land uses.</p>
<p>3 The statutory SSALUP Policy should be supported by a map of State Significant Agricultural Land (SSAL). As a starting point, the map should draw on existing and readily accessible data sets including: an expanded data set of Biophysical Strategic Agricultural Land (BSAL), irrigated lands and the North Coast Farmland mapping. Over time this should be supplemented with Identified Production Areas (see recommendation four) and other areas identified and zoned for higher value or specialised agricultural production.</p> <p>The mapping process should include a verification process, which would allow landowners to provide evidence to DPI that the land does not meet the SSAL definition. DPI would determine whether the map needs to be varied.</p> <p>DPI should exhibit an SSAL map alongside arrangements for how this land is managed, similar to the arrangements applied to the Far North Coast and Mid-North Coast Important Farmland Map.</p> <p>DPI should update the SSAL map as better information becomes available, with a formal review at least every five years.</p>	<p>Supported</p> <p>The NSW Government recognises that maps are a useful resource to inform planning and that identification of SSAL is needed so that it can be better catered for in the planning framework.</p> <p>DPI has undertaken the first round of consultation of a draft map and will continue to refine based on stakeholder feedback and data improvements.</p>
<p>4 The NSW Government should identify and promote Identified Production Areas (IPAs) to build on existing and potential comparative advantages of different regions to promote agricultural investment and growth. DPI should consult with relevant industries and councils on their development goals for agriculture and how IPAs could be implemented across NSW.</p>	<p>Supported</p> <p>The NSW Government recognises that IPAs would enable the identification of areas for important production values other than just biophysical factors.</p> <p>DPI will map IPAs across NSW and incorporate this mapping in the SSAL mapping process.</p> <p>Once complete, DPE, with support from DPI, will facilitate further consultation on how these IPAs could be defined and treated in the planning system having regard to learnings from other precinct-based planning solutions including Special Activation Precincts and Regional Jobs Precincts.</p>

Recommendations	DRAFT NSW Government response
<p>5 DPI should work with DPE to monitor changes in rural zones and the effectiveness of strategic plans in influencing development decisions about agriculture and report annually on findings.</p> <ul style="list-style-type: none"> Public reporting should aim to assess the rate of conversion of land in the RU1, RU2, and RU4 to a zone where agriculture is not permissible as well as monitor the conversion of rural land through State Significant Developments. This reporting should distinguish any land classified as SSAL. The report should identify where changes are occurring and whether these conversions are consistent with the relevant Regional Plan. Any land being converted into zones where agriculture is permissible should also be monitored to understand the net land available where agriculture is permissible. Maps could be produced by DPI land use planners at a local government-level if requested by council. The data from the monitoring process could be used by the Government to: <ul style="list-style-type: none"> Establish a baseline understanding of how much and where the rural land is located; Determine the trend in conversion to zones where agriculture is not permissible; Assess the consistency of rezoning with Regional Plans. <p>A spot audit should be included in the annual report to test the consistency of development application outcomes with the relevant strategic planning framework in that area. Councils could also use this data to assess consistency with their Local Strategic Planning Statements or other strategic plans.</p>	<p>Supported in part</p> <p>The NSW Government recognises the value in monitoring long-term land use trends. While an annual report would provide faster information it is more likely to be impacted by short term trends which may not reflect a larger shift. Production of a report in 5 yearly intervals would ensure that future strategic planning and policy recognises and is responsive to this longer-term change.</p>
<p>6 The NSW Government should seek to reduce red-tape for agricultural development and investment by:</p> <ul style="list-style-type: none"> DPE working with DPI to investigate and revise the suitability of definitions of the following terms in the Standard Instrument - Principal Local Environmental Plan: <ul style="list-style-type: none"> Beekeeping Equine breeding or training establishment Horticulture Intensive livestock and plant agriculture Plantation forestry for carbon sequestration Small on-farm abattoirs Urban agriculture <p>DPE working with DPI to provide clarity and guidance on how ancillary development for agriculture works in the planning framework, with specific examples. This may include a list of ‘considerations’ to guide interpretation.</p>	<p>Supported in part</p> <p>DPE will review land use terms and the existing standard instrument definitions in consultation with the DPI to ensure they are fit for purpose.</p> <p>In December 2021 following release of the Agriculture Commissioners report, DPE updated its planning circular on how to categorise development (PS 21-008). This provides guidance on how to identify the purpose of a development, including whether particular land uses should be considered ancillary development.</p>
<p>7 The NSW Government should adopt the principle that development controls for inland NSW should be more accommodating of agricultural operations and development, and that the Inland Code is an appropriate mechanism for implementing this principle.</p> <ul style="list-style-type: none"> DPE should review the Inland Code and identify opportunities to expand exempt and complying developments and other regulatory concessions following the delivery of the localised precincts (e.g., Regional Job Precincts) and experience with their policy settings or within two years using the evidence available at that time. <p>The NSW Government should extend the lessons from the bespoke planning settings in the Namoi Regional Job Precinct more broadly across inland NSW, to promote investment. Elements being considered for the Namoi Regional Job Precinct include reviewing legacy dwelling eligibilities, applying consistent buffer requirements, fast-tracking development and consent pathways, minimising incompatible land uses and simplifying integrated development assessments. If successful and applicable, the lessons from IPAs could be applied across inland NSW.</p>	<p>Supported in part</p> <p>The NSW Government is supportive of initiatives that simplify the planning process for homeowners and farmers in regional NSW.</p> <p>DPE will review the Inland Code to consider whether development controls for inland NSW could be more accommodating of agricultural operations and development.</p> <p>In conducting this review, DPE will consider whether lessons learnt through the Namoi Regional Job Precinct could be adopted more broadly. However, it recognises that controls and policies in the precinct are the result of an extensive site-specific strategic planning exercise and may not be directly transferable to broader areas of the State.</p>
<p>8 Subject to receipt and consideration of a positive business case, the NSW Government should support the digitisation of farm development planning through the Navigating Farm Developments Platform. DPE Planning should provide technical input and assistance to help integration with the ePlanning and spatial portals. This would simplify the development application process, maximise investment potential and improve confidence in the planning system.</p>	<p>Supported</p> <p>The NSW Government has allocated funding to expand the Navigating Farm Developments Platform pilot to develop online tools that support flood impacted industries in navigating the development approval processes. This tool will be hosted on the NSW Planning Portal.</p> <p>On completion of this project, the NSW Government will consider how this tool may be further developed.</p>

Recommendations	DRAFT NSW Government response
<p>9 The NSW Government should require councils to consider buffer guidelines for agricultural operations in relevant development application approval process. This mandatory consideration, implemented through the Standard Instrument LEP, should also apply the agent of change principle so that established buffers are considered in neighbouring development decisions. This principle should also guide enforcement activities and responses to complaints made against farming activities.</p> <p>DPI should review existing buffer guidelines and work with industry and councils to ensure they reflect contemporary science, best practice and meet regulatory needs. Over time this could contribute to the work of the NSW Farm Practices Panel (recommendation 12). The ability of councils and proponents to identify where buffers are in operation should be improved and the function and integrity of existing buffer conditions in development consents reinforced.</p>	<p>Supported</p> <p>The NSW Government is committed to minimising the impact of land use conflict on the agriculture sector. Buffers can be an important tool to reduce conflict.</p> <p>The DPI has commenced a review of the Buffer Guidelines. It is proposed that a revised guideline will be exhibited in June 2023.</p> <p>Once DPI has completed its review and update, the NSW Government will give effect to this guideline in the planning framework.</p>
<p>10 The NSW Government should require councils to improve the integrity and effectiveness of their rural zoning arrangements by phasing out concessional dwelling eligibilities and existing holdings clauses in the rural zones and provide appropriate support to do so. Any land holder with an existing dwelling eligibility on a concessional allotment or existing holding could be given a period of five years to submit a development application before the eligibility is extinguished.</p>	<p>Supported in principle</p> <p>The NSW Government recognises the intended benefits of removing potential disruptions to local strategic planning efforts and minimising the introduction of sensitive receptors to the rural zones. However, there are many different contexts, strategic priorities and complex histories in which legacy planning issues exist.</p> <p>The DPI has released a Planning for Agriculture in Rural Land Strategies Guideline to support Councils in developing their Rural Land Strategies. This includes advice on historical dwelling entitlements.</p>
<p>11 DPI in partnership with relevant NSW Government agencies should implement education programs for council planners, councillors and the wider public about agricultural land use planning needs and the planning instruments that support these uses. The education programs should be targeted to the audience and aim to:</p> <ul style="list-style-type: none"> • Educate council staff and councillors to improve planning and decision-making, issues covered should include: <ul style="list-style-type: none"> — Land use conflict — Rural Strategic Planning — Buffers — Rural worker dwellings and the importance of supply of agricultural labour — The practices and needs of particular agricultural industries. • Educate the wider public to improve understanding of rural Australia and the operations of the agriculture sector, this will include revising the Living and Working in Rural Areas Handbook. <p>Over time these education materials should draw on the work of the NSW Farm Practices Panel (see recommendation 12).</p>	<p>Supported</p> <p>The NSW Government offers a range of educational resources to inform planning for agriculture, including guidelines, circulars, information sheets and seminars. The NSW Government agrees that increasing awareness about the importance of agricultural land use through education will improve local planning decisions and local strategic planning priorities.</p> <p>DPI is developing an education program for council planners, councillors and the wider public about agricultural land use planning needs and the planning instruments that support these uses.</p>

Recommendations

DRAFT NSW Government response

12 The NSW Government should establish a NSW Farm Practices Panel which would assess and where satisfied endorse industry codes of practice, and in doing so advise all interested parties on what operating practices associated with land use conflict are 'normal' and should be acceptable.

Supported

The NSW Government supports the establishment of a non-statutory NSW Farm Practices Panel that would provide an authoritative resource on operating practices.

DPI has commenced discussion with NSW Farmers and other key stakeholders, about the need and their capacity to develop Codes.

- In line, with the potential role and scope outlined in the Agriculture Commissioner's Report (see section 6), the panel members should not have a representative or other close association with industries which develop codes, nor with their regulation, and be supported by appropriate technical expertise. It should be voluntary for industries to submit their codes of practice for assessment and these codes can be existing or can be crafted to reflect those practices subject to complaints. In assessing codes, the panel would have regard to current evidence of good practice in situ, contemporary science, compliance with relevant contemporary law (relating to industrial noise, chemical use, odour, water use, emissions, etc.), operating practices and regulatory experience and practice in other Australian and international jurisdictions. The codes would be regularly reviewed to ensure they keep up with evolving practices and regulatory developments. While they would have State-wide application, some codes could include regional modules to reflect different operating conditions and potential for, and source, of conflict. The codes would aim to provide a 'how to comply' manual, and reinforce rather than dilute existing environmental protections.
- Compliance with an endorsed code of practice should be taken into account in complaints investigations and enforcement action (that is, in prosecutions, evidence of compliance or non-compliance with a code should generally be sound evidence that the producer has complied with the law) and the codes should provide a robust and consistent basis for consent authorities formulating development approval conditions. This could assist councils or other government authorities, such as the NSW Environment Protection Authority, in responding proportionately to complaints, ensure codes set out a means of complying with regulatory requirements, and encourage industries to maintain the currency of codes of practice.

Once the model is operating and seen to be delivering benefits the Government could consider recovery of the Panel's costs from the beneficiaries.

13 DPI should establish a Council Reference Group for the purpose of bringing councils together from across NSW to share experiences of agricultural land use conflict. Through this forum, councils could use the community of practice to develop approaches to best address land use conflict and emerging agricultural needs. This body could be a mechanism for designing a process to collect data on land use conflict impacting producers and provide updates to DPI and other agencies on their findings.

Supported

Councils would benefit from sharing experiences and ideas about how to manage land use conflict.

DPI has established the Paddock to Planning forum to deliver this recommendation.

The first Paddock to Planning reference group was held on the 25 August 2022. It was attended by 119 Council representatives. The second was held on 24 November 2022 and had over 100 attendees.

NSW Government response: Renewable energy generation and agriculture in NSW's rural landscape and economy – growth sectors on a complementary path – a report by the NSW Agriculture Commissioner

Table 2: NSW Government response to *Renewable energy generation and agriculture in NSW's rural landscape and economy – growth sectors on a complementary path* [Note: recommendations for the renewable energy sector are shaded]

Theme	Recommendations	Draft NSW Government response
Delivering the renewable energy transition	<p>1 To maintain an attractive environment for investment in renewable energy and a policy rollout at the required speed, the NSW Government should:</p> <ul style="list-style-type: none"> ensure that regulatory controls for renewable energy and transmission developments remain proportionate to the risk they are trying to mitigate note that a higher level of local community acceptance will be important to a timely and successful energy policy implementation and consider the additional measures proposed in this Report to improve that acceptance. 	<p>Supported</p> <p>The NSW Government recognises the challenges for regional and agriculture communities as the renewable energy sector grows and the driving role the agriculture industry plays in the economy, being integral to delivering and sustaining food security.</p>
REZs	<p>2 To improve community awareness and understanding of the likely future development of land use and economic changes in and around REZs and transmission infrastructure, the NSW Government should:</p> <ul style="list-style-type: none"> improve accessibility to information about the REZs, including the reasons why particular areas have been chosen and the additional arrangements for developments located within a REZ continuously improve the user-friendliness of the NSW Government's Planning Portal to better communicate the information it contains; and prepare and display high-level indicative mapping that identifies areas that are potential transmission routes or suitable for solar and wind developments, based on the AEMO Integrated System Plan, proximity to infrastructure and land characteristics etc. so that communities can understand whether they are likely to be affected and can begin to engage in the development processes in a more informed way. 	<p>Noted</p>
	<p>3 The NSW Government should play a stronger role in supporting local engagement in the REZs and on planned transmission corridors, separately from its regulatory and consent authority role. This could include supporting local councils or other regional organisations where they exist, to effectively engage on behalf of their communities.</p>	<p>Supported in principle</p> <p>DPE and EnergyCo will continue to engage with communities in REZs and will investigate opportunities to better support councils and community organisations.</p>
Consultation	<p>4 Consistent with the NSW Government's Large Scale Solar Energy Guideline and Undertaking Engagement Guideline for State Significant Projects, the renewable energy sector and transmission proponents should take steps to undertake meaningful and effective engagement that allows the community to influence the siting and design of projects at an early stage. The sector should consult with adjacent and affected landholders on the measures they are proposing to mitigate potentially adverse impacts at the earliest possible stage of the process.</p>	<p>Supported in principle</p> <p>The NSW Government has recently implemented revised Large-Scale Solar Energy Guideline and the Undertaking Engagement Guideline for State Significant Projects. These set out a robust framework to provide for early and effective consultation with impacted landholders and communities.</p>
	<p>5 The NSW Government should coordinate an engagement process for projects outside REZs where multiple renewable developments are proposed in a local area - to reduce stakeholder fatigue and encourage a more consistent approach to sequencing, local economic development and approaches to accessing housing, labour and ancillary services.</p>	<p>Supported in principle</p> <p>The NSW Government is committed to a more coordinated approach to developments in REZs, and this will be managed by EnergyCo.</p> <p>In areas outside the REZ's, DPE is required to assess applications and engage with the community in accordance with the legislative requirements of the <i>Environmental Planning and Assessment Act 1979</i>.</p> <p>DPE expects proponents to lead early engagement with the community about aspects of project design.</p> <p>The recent publication of the <i>Undertaking Engagement Guideline for State Significant Projects</i> is expected to improve the Government's and the proponent's engagement with affected communities.</p> <p>NSW Government agencies will continue to look for opportunities to improve consultation and to brief affected communities on the planning process in circumstances where multiple projects are proposed in a local area.</p>

Theme	Recommendations	Draft NSW Government response
	<p>6 The NSW Government should support councils to fulfil their role in providing meaningful input into State Significant Development during the engagement process where multiple renewable energy developments or transmission infrastructure projects are proposed for their area. This should include providing material and planning capacity support, where the impost on council planning activities reaches a specified threshold, in a model similar to the Department of Planning and Environment's Regional Housing Flying Squad.</p>	<p>Supported in principle</p> <p>The NSW Government is committed to continue providing support to communities and councils across the State to make sure that every voice is heard with additional community information sessions planned within REZs to increase community awareness, including awareness of relevant guidelines.</p> <p>EnergyCo has allocated funding to local councils in REZs to assist with the assessment of renewable energy projects and to provide input into the delivery of additional community services and infrastructure such as roads, workforce accommodation and waste management facilities.</p> <p>DPE continues to support councils with the release of Guidelines relating to specific developments; for example the Large Scale Solar Guidelines provides the community, industry, applicants and regulators guidance on the planning framework for the assessment of large-scale solar energy developments.</p> <p>Additionally it provides clear guidance to inform the assessment of impacts on agricultural land and introduces an innovative methodology for the assessment of visual impacts. It also provides guidance on decommissioning and rehabilitation, benefit sharing, waste management and potential glint and glare impacts.</p>
<p>Managing impacts & benefit sharing</p>	<p>7 To provide transparency and inform reasonable expectations for landholders and other interested parties, the NSW Government and the renewable energy sector should develop and publish standard agreement 'templates' for agreements with:</p> <ul style="list-style-type: none"> • parties hosting a renewable energy development, and • parties neighbouring renewable energy developments. <p>These would be a guide for all interested parties and improve understanding of private contracting matters in which there is a general public interest. The parties could of course reach agreements that differ from this.</p>	<p>Supported</p> <p>The NSW Government recognises the value in providing a standard agreement and will prepare a template that can accompany existing guidance in its solar and wind energy guidelines. This will be prepared in consultation with the renewable energy industry and other key stakeholder groups.</p>
	<p>8 To improve communities' understanding of the financial arrangements for renewable developments, the renewable energy sector should improve transparency by publishing average or indicative lease prices for common renewable project types from the previous two years (just as there is reasonable public access to agistment, lease and property values). This would help address significant asymmetry in knowledge of current market prices, terms and conditions, and help hosts and communities better understand fair market values. This would reduce potential suspicion and friction in cases where long-term financial terms are perceived to be significantly different from average market rates.</p>	<p>Noted</p> <p>The NSW Government recognises the importance of transparency to improve confidence and community understanding.</p>
	<p>9 The NSW Government should increase awareness about its existing guidelines, including the Undertaking Engagement Guideline for State Significant Projects to ensure neighbours and applicants are aware of the expectation for community engagement. The renewable energy sector should co-operate to publish advice on the reasonable expectations of neighbours and applicants during community engagement for all types of renewable energy facilities, including outlining their opportunities to participate in the development process.</p>	<p>Supported</p> <p>DPE will continue to attend community information sessions to increase awareness about its relevant guidelines. Guidelines can also be found at https://pp.planningportal.nsw.gov.au/major-projects/assessment/policies-and-guidelines</p> <p>The NSW Government has published robust and detailed guidance through the <i>Undertaking Engagement Guidelines for State Significant Development</i> and the recently published <i>Large-scale Solar Energy Guideline</i>. This provides landholders, communities and proponents advice on what they can expect when engaging with the NSW Government.</p> <p>Landholders and communities would benefit from more clarity about what they can expect when engaging with the renewable energy sector. The NSW Government notes that the renewable energy sector, through the Clean Energy Council, has a Best Practice Charter for Renewable Energy Developments with 50 signatories and encourages a process of continual improvement and engagement across the sector.</p>

Theme	Recommendations	Draft NSW Government response
	<p>10 To improve confidence in the compliance and transparency of the performance of project operators in meeting consent conditions, initially and over the life of projects, the NSW Government should undertake a focused and visible compliance audit for the renewable energy sector. This would reassure communities that compliance with consent conditions and other obligations is taken seriously and impacts on neighbouring properties, such as those relating to surface water flows, etc., are appropriately evaluated and addressed over the life of the project.</p>	<p>Supported in principle</p> <p>DPE is committed to monitoring and enforcing compliance for renewable energy projects. DPE actively monitors for compliance, conducts inspections of projects, reviews compliance reporting and conducts audits to ascertain the level of compliance and environmental performance.</p> <p>Since 2017, DPE has inspected 188 solar and wind energy projects. DPE has also investigated 120 complaints from the community. In response to these inspections, complaints, and other reviews, DPE has taken 14 enforcement actions.</p> <p>DPE recognises the importance of its compliance functions being transparent to the community. To ensure its compliance functions are increasingly transparent, the NSW Government will publicly report on its compliance activity for renewable energy projects, including publishing a summary on its website and reporting in public forums and community information sessions.</p>
	<p>11 The NSW Government should consult with the Bureau of Meteorology to ensure that concerns about the impact of wind generation facilities on the operation of its radar system are addressed and not left for the planning system to consider on a case-by-case development application basis. The Bureau's radar system is an essential service for agricultural producers and its efficacy needs to be preserved.</p>	<p>Supported in principle</p> <p>DPE will consult the Bureau of Meteorology on cumulative radar impacts and incorporate any necessary policy in its Wind Energy Guideline to ensure that impacts are appropriately identified and addressed in the development assessment process.</p>
	<p>12 The NSW Government should monitor and evaluate the operation of guidelines that apply to large-scale renewable energy developments, including the revised Large-Scale Solar Energy Guideline, regularly to ensure they are effectively identifying and mitigating impacts on third parties. This should include guidance developed for the construction and operation of transmission infrastructure.</p>	<p>Supported</p> <p>The NSW Government agrees that it is important to review the effectiveness of guidelines overtime. The DPE is currently reviewing the <i>Wind Energy Guideline</i> (first published in 2016) with a view to exhibiting proposed changes in 2023. It will continuously evaluate feedback on its new <i>Large-Scale Solar Energy Guideline</i> and will make updates accordingly.</p>
Land use implications	<p>13 To improve the evidence-base that informs strategic planning, site selection and the regulation of land use in the Planning System generally, the NSW Government should continue the development of State Significant Agricultural Land (SSAL) and Identified Production Areas (IPA) identification and mapping. Although it will not be feasible in the foreseeable future to regulate permissible development on SSAL and IPAs because the policy and data is not sufficiently developed, an improved evidence base is a prerequisite for more effective rural land use planning and regulation.</p>	<p>Supported</p> <p>DPI will continue to progress with identification of SSAL and development of a map that can be used to inform high level strategic planning and site selection.</p>
	<p>14 The NSW Government should investigate opportunities to encourage the development of large-scale renewable energy developments on former mining land and other land already disturbed by industrial activity. This should include the identification of potentially available disturbed land such as closed or abandoned sites, for which renewable energy is an acceptable use.</p>	<p>Supported</p> <p>The NSW Government has already commenced work to encourage alternative land uses on former mining land. To this end, the draft Hunter Regional Plan 2041 identifies existing mining areas that could be suitable for future energy generation.</p> <p>DPE and EnergyCo will continue to investigate opportunities to encourage the adaptive re-use of mine land, including for renewable energy.</p>
Opportunities for coexistence	<p>15 Research on integrated agriculture and energy generating operations, focused on Australian conditions and commercial opportunities, has the potential to add value to land used for solar generation and should be supported. This is a national issue, and the industry and governments should support the development of an appropriate research program, perhaps through Agrifutures Australia.</p>	<p>Supported in principle</p> <p>EnergyCo will continue to work with the renewable energy industry, the Clean Energy Council, DPI and relevant research institutions to encourage further research on coexistence between agriculture and renewable energy projects.</p>
Transmission infrastructure	<p>16 As a large number of new landowners will be hosting transmission infrastructure in the future, transmission owners and operators should collectively review their approach to community acceptance including practices, training and compliance procedures, including for contractors to minimise environmental impacts, biosecurity risk and other operational impacts. Transmission operators should make landowners aware of the reasonable expectations they should have for engagement with the operator and for maintenance and operation of the transmission infrastructure, including how to access complaint mechanisms.</p>	<p>Supported in principle</p> <p>EnergyCo is preparing NSW Transmission Guidelines which will address key aspects of the design and delivery of major transmission lines, including construction management and community consultation.</p>

Theme	Recommendations	Draft NSW Government response
	<p>17 The NSW Government's plans to publish Guidelines for the transmission sector provides an opportunity for improving acceptance of new infrastructure which will contribute to a successful rollout. The Review supports the NSW Government's recently announced NSW Strategic Benefit payments Scheme.</p>	<p>Supported EnergyCo is preparing NSW Transmission Guidelines and, the NSW Government has recently announced the Strategic Benefit Sharing Scheme which provides additional benefits to landholders hosting major transmission lines.</p>
	<p>18 Transmission operators should offer landholders a choice about the form in which payments are made, such as allowing for an ongoing annual payment.</p>	<p>Supported in principle The NSW Government has recently announced the Strategic Benefit Sharing Scheme which involves annual payments to landowners hosting transmission lines.</p>
Decommissioning & end-of-life use	<p>19 The NSW Government should improve community awareness of end-of-life project decommissioning obligations and provide a public rationale for its policy. This will become increasingly important as the first-generation of wind farms projects in NSW approach end of life stages.</p>	<p>Supported The NSW Government has recently updated its <i>Solar Energy Guideline</i> to improve awareness about decommissioning obligations and provide a rationale for its policy. DPE will make similar improvements to its guidance on wind energy development when it updates the <i>Wind Energy Guideline</i> in 2023.</p>
	<p>20 To improve community and landholder confidence in decommissioning arrangements, the standard commercial agreement proposed in recommendation seven should include clauses on decommissioning obligations.</p>	<p>Supported See response to recommendation seven.</p>
	<p>21 The NSW Government, the renewable energy sector and local governments should continue to investigate and publicise recycling opportunities for decommissioned renewable infrastructure and consider ways to integrate these with regional waste management initiatives.</p>	<p>Supported The NSW Government is committed to reducing waste from renewable energy projects. It has developed a grants program to support collaborative projects that trial better re-use and recycling of solar panels in a circular economy framework. DPE and the NSW Environment Protection Authority will continue to investigate options to recycle and re-use solar panels over time. EnergyCo is also working with local councils and the renewable energy industry to address specific waste management and circular economic issue for the delivery of the REZs.</p>
Fire & insurance risks	<p>22 Project applicants in the renewable energy sector should cover any additional public liability insurance costs incurred by neighbouring landholders as a result of proximity and risk to new energy facilities. In cases where suitable insurance cannot be obtained, the applicant should indemnify the neighbour for reasonable risk in relation to typical public liability cover.</p>	<p>Noted The NSW Government recognises the concerns raised by landholders in relation to fire and insurance risks as a result of neighbouring renewable developments and considers further information and analysis is required to understand the extent of the problem and to respond appropriately. The NSW Government is undertaking this analysis to determine appropriate action on the issue, including further consultation with the Australian Energy Infrastructure Commissioner and the Clean Energy Council.</p>
	<p>23 The standard commercial agreement proposed in recommendation seven for neighbours should include clauses to compensate for any land use constraints imposed on neighbouring landowners through public liability insurance policies which reduce land use options, such as effectively requiring no further cropping to reduce fire risk in adjacent areas in order to secure appropriate insurance cover.</p>	<p>Noted See response to recommendation 22.</p>
Property values	<p>24 In working with neighbouring landowners to mitigate potential impacts the renewable energy sector should acknowledge the significant concern among landowners neighbouring large-scale solar and wind energy developments about the potential for an adverse impact on property values. If evidence supporting these concerns becomes available, the NSW Government should ensure the advice proposed in recommendation seven reflects that evidence.</p>	<p>Noted The NSW Government recognises the concerns of neighbouring landholders around the potential impact of large-scale solar and wind energy developments on property values and will continue to monitor evidence of negative property values.</p>

Theme	Recommendations	Draft NSW Government response
Commodity supply chains	25 The NSW Government should support the work of the Renewable Energy Sector Board to develop and strengthen supply chains for the construction and operations of renewable energy generation projects and enable they sector to take up higher levels of locally produced materials and services.	<p>Supported</p> <p>The Renewable Energy Sector Board has developed a plan for the NSW renewable energy sector to achieve objectives in relation to the construction of generation, storage and network infrastructure in a cost-effective way. The Minister has approved the plan.</p> <p>The Board’s plan also advises the NSW Government on additional actions to build up the capacity and capability of the NSW renewable energy sector. The NSW Government supports, or supports in principle the Board’s advice</p> <p>The NSW Government has announced the \$250 million Renewable Manufacturing Fund which will provide funding to develop local renewable energy supply chain manufacturing capacity in areas where NSW has a competitive advantage.</p>
Workforce	26 The NSW Government should support the work of the NSW Electricity Infrastructure Jobs Advocate to provide advice on labour and skills which are relevant and portable in and out of the renewable energy and related sectors, and on the benefits for local employment.	<p>Supported</p> <p>The NSW Electricity Infrastructure Jobs Advocate has provided his first report to the Minister for Energy. The report sets out the Advocate’s findings to date, including on employment and training needs, and outlines his priorities over the coming year.</p>
	27 The NSW Government should support the work of the Renewable Energy Sector Board and the NSW Electricity Infrastructure Jobs Advocate to develop concrete plans for meeting skills demands in regions likely to host renewable energy projects, such as the VET sector training more electricians.	<p>Supported in principle</p> <p>The NSW Government supports all the Board’s recommendations relating to skills and training, with the exception of one, which it supports in principle. The NSW Government is already taking action to address many of these recommendations, as outlined in the NSW Government’s response to the Board’s advice. Where appropriate, the NSW Government will support the implementation of recommendations from the NSW Electricity Jobs Advocate.</p>
	28 The renewable industry has expressed a strong desire to co-operate at an industry level with the NSW Government on those labour, skills and housing issues which will require well organised regional solutions to achieve the demanding rollout targets. These are sufficiently important and geographically dispersed to warrant the creation of a joint industry and government taskforce, which would include the Jobs Advocate and relevant local governments to undertake a rigorous analysis of these demands and assess the local place-based options to respond to them so that communities and investors can have confidence in the State’s rollout planning.	<p>Supported in principle</p> <p>The NSW Government supports in principle the coordination of labour, skills and housing issues within REZs.</p> <p>EnergyCo is currently working with the Jobs Advocate, the Department of Regional NSW and other relevant government agencies, councils and the renewable energy industry on the coordination of these issues in the REZs. To avoid duplication or overlap, existing governance arrangements will be reviewed to assess whether a new working group is needed.</p>
Housing	29 The NSW Government should continue to implement the recommendations of the Regional Housing Taskforce and Housing 2041 (NSW Housing Strategy and NSW Housing Strategy Action Plan). It should also investigate any emerging local accommodation deficits in the REZs resulting from the concentration of renewable energy developments and work with the local councils and renewable energy sector to implement local solutions.	<p>Supported</p> <p>The NSW Government is implementing the recommendations of the Regional Housing Taskforce and Housing 2041 (NSW Housing Strategy and NSW Housing Strategy Action Plan).</p> <p>DPE and Environment and EnergyCo have also commenced work to better understand and plan for the pipeline of renewable energy projects (as well as other major projects) and their cumulative impacts, including addressing workforce accommodation needs in the REZs in consultation with local councils.</p>

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