

Water

New England Renewable Energy Zone network infrastructure project

Environmental impact statement | Fact sheet | October 2026

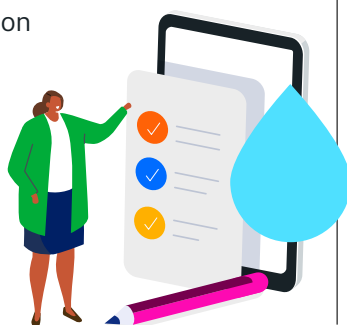
The New England Renewable Energy Zone (REZ) network infrastructure project is a key part of NSW's clean energy future, connecting renewable energy projects to the electricity grid and delivering reliable power to homes and businesses across the state.

Overview

We understand water security and avoiding impacts to local water supply are serious issues for communities and councils in the region.

Project water needs are managed according to the NSW water management framework which prioritises essential human needs during dry conditions, including town water supply and stock and domestic water uses.

Industrial uses, like construction water for the project, are lower priority and can only be used when water is available under the rules of the relevant water sharing plan. This means construction would stop before it affects community water needs.



Snapshot:



2,040 megalitres (ML) of non-potable water and 360 ML of potable water will be used for construction over 6 years



Demand would generally be spread across several catchments and water sharing plan areas, representing a small portion of available water



Regional water security planning is underway with Department of Climate Change, Energy, the Environment and Water (DCCEEW)

Environmental impact statement water assessments

The environmental impact statement (EIS) includes assessments of surface water, flooding and groundwater impacts and identifies measures to avoid and manage any potential impacts during construction and operation. This includes looking at how the project may affect water quality, waterways, groundwater resources, flooding behaviour, water availability and existing water users.

The EIS does not assess water requirements required for renewable energy projects (like solar and wind) planned for the REZ, as each individual project is responsible for assessing its own impacts in its respective EIS.

Surface water

The EIS includes a surface water and flooding assessment which looks at how the project might affect water quality, local creeks and rivers, water flows, water availability and flooding during construction and operation. The assessment included detailed modelling, estimates of how much water the project will need, and consideration of climate variability and future climate change.

Construction is expected to use around 2,040 megalitres (ML) of non-potable water and 360 ML of potable water over 6 years. This demand would generally be spread across several catchments and water sharing plan areas and represents only a small portion of available water.

Our priority is to capture and store rainwater and reuse treated wastewater where possible. We would then look at entering into agreements with willing landholders, before considering surface and groundwater sources.

Potential impacts to surface water during construction mainly relate to erosion, sediment runoff, disturbance of waterways, changes to drainage, wastewater management and water sourcing. These impacts will be managed through erosion and sediment controls, water quality measures, wastewater systems and careful design to protect watercourses and maintain natural flows. With these measures in place, any impacts on water quality, waterways and flow regimes are expected to be minor, temporary and localised.

Flooding

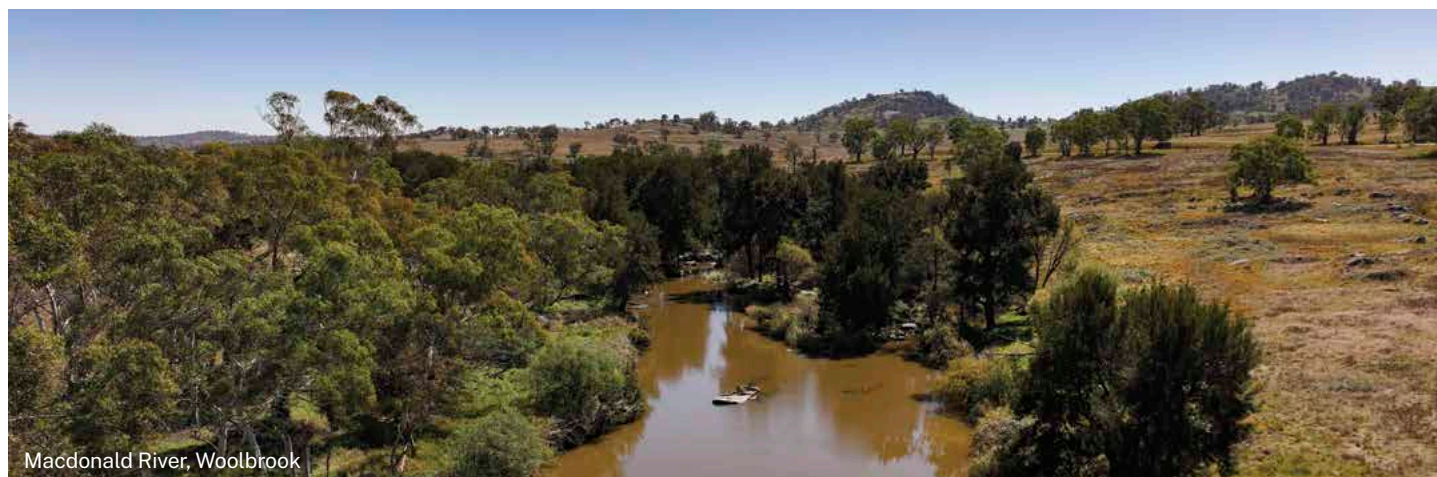
Flood modelling shows that any flooding impacts from the project would be small and limited to areas right next to the infrastructure. Because the transmission line mostly follows higher ground, it avoids most flood-prone land. Where structures are in flood areas, any changes to flood levels or flow paths would be minor and would not affect wider flood behaviour.

Energy hubs are generally located outside regional flood zones, and modelling shows they won't cause off-site flooding impacts. Climate change modelling found that future increases in flood levels would still be minor and manageable through drainage design.

Groundwater

A groundwater impact assessment found that construction could cause small, localised changes to groundwater levels, flows and quality, especially where groundwater is used for construction water. The project is not expected to cause long-term impacts to groundwater at local or regional levels.

Any groundwater extraction would be carefully managed to avoid impacts on other users and sensitive environments through a groundwater management plan, which includes monitoring, tracking extraction volumes and managing any potential effects.



Protecting water supplies for local communities

Most water needed for the project is non-potable (not used for drinking) and is used for construction activities like dust suppression, cleaning, irrigation and washing equipment and vehicles.

Sources of non-potable water may include:



Harvested rainfall runoff on EnergyCo-owned land or by agreement with landholders



Treated wastewater and reuse of construction water



Extraction of water from surface water or groundwater sources



Treated non-potable water (such as mine or industrial water)



Existing licensed water supplies



Imported water where required

Potable water (or drinking water) would be sourced from willing vendors, including local councils, and could include using treated non-potable water.

Potable water would be required at the construction support sites and workforce accommodation camps, as well as concrete batching activities. Concrete batching sometimes needs potable-quality water because the quality of the water may affect the strength, durability and performance of the concrete.

Given the size of the project area, water supply will be drawn from several catchments across the region. Distributing demand in this way helps avoid reliance on any single water source.

Water sourcing arrangements will be confirmed by the network operator during detailed design and construction planning.

Read more

Visit EnergyCo's engagement portal at energyco.nsw.gov.au/nerez to learn more about the project and water:

- EIS Section 18: Surface water and flooding
- EIS Section 19: Groundwater
- Technical Report 14: Surface Water Assessment
- Technical Report 15: Flooding Assessment
- Technical Report 16: Groundwater Assessment
- New England REZ regional water demand update (October 2026)

Planning for regional water demands in the REZ

As well as assessing project water needs through the EIS, we are working with NSW government agencies and councils to plan for regional water requirements. We began this work in 2024, understanding the long lead times required to develop effective solutions.

Our focus is on meeting the water needs of renewable energy projects and transmission infrastructure without placing pressure on existing town water supplies or local networks, while still delivering the REZ on schedule.

Although this work takes time, we are moving quickly to ensure appropriate strategies are in place, working closely with the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW).

For the latest update, read the October 2026 regional water demand update on our website at energyco.nsw.gov.au/ne



View of Barnard River from Hunter Road, Barry



Existing 330 kV transmission lines near Timbumburi



Existing 330 kV transmission lines near Uralla



Lake Glenbawn

Learn more and have your say on the EIS

The environmental impact statement (EIS) is on public exhibition in October and November 2026. You can have your say on the EIS by making a submission to the Department of Planning, Housing and Infrastructure on the NSW Planning Portal.

To view the EIS and make your submission, visit planningportal.nsw.gov.au/major-projects and search application number 'SSI-74175972'.



Scan the QR code to visit the NSW Planning Portal.



Contact us

EnergyCo wants to hear what you think about our plans. If you have questions or want to give feedback, please get in touch with our team.



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