

Media Release

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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 put downward pressure on electricity bills as we transition our economy away from a reliance on fossil fuels," Mr Hay said.

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.