

Central-West Orana REZ Community and Employment Benefit Program

This document answers frequently asked questions about the Community and Employment Benefit Program

Contents

Introduction	2
About EnergyCo	2
Program information	4
Community consultation.....	5
Funding applications	7
Eligibility and assessment	8
Skills, training and employment opportunities	10
General questions.....	11

Introduction

EnergyCo is developing a program to deliver tangible benefits for the community. An online briefing was held on Monday 5 February 2024 and a video recording is available online.

The following questions were submitted in the lead up to and during the webinar. EnergyCo received a large number of questions and, where appropriate, questions have been consolidated.

If your question wasn't answered or if you would like further information, you can contact our team at cwo@energyco.nsw.gov.au or visit the EnergyCo website at energyco.nsw.gov.au/cwo.

About EnergyCo

What is the Electricity Infrastructure Roadmap?

The Electricity Infrastructure Roadmap (the Roadmap) is the NSW Government's 20-year plan to transform our electricity sector into one that is cheap, clean and reliable. The Roadmap sets out a coordinated way to achieve a capacity target of at least 12 gigawatts (GWs) of renewable energy generation and two GWs of long-duration storage by 2030.

The Roadmap is enabled by the *Electricity Infrastructure Investment Act 2020* (the EII Act), which passed into law with cross-party support in December 2020, and is expected to attract up to \$32 billion in private investment for regional energy infrastructure by 2030, support 6,300 construction jobs and 2,800 ongoing jobs (mostly in regional NSW) and reduce NSW electricity emissions by 90 million tonnes by 2030.

Where are the Renewable Energy Zones?

Under the Roadmap, NSW is moving towards an energy system based on renewable energy generation backed up by long-duration storage. Renewable Energy Zones (REZs) will group new renewable energy infrastructure (such as wind and solar farms), storage and high-voltage transmission infrastructure in locations where energy can be efficiently generated, stored and transmitted across NSW.

Five REZs have been declared: the Central-West Orana REZ, the South-West REZ, the Illawarra REZ, the Hunter-Central Coast REZ and the New England REZ. Further information about the REZs is [available here](#).

What is the Energy Corporation of NSW?

The Energy Corporation of NSW (EnergyCo) is a statutory corporation established under the *Energy and Utilities Administration Act 1987* (E&UA Act). In accordance with the EII Act and the *Electricity Infrastructure Investment Regulation 2021* (EII Regulation), EnergyCo has been appointed as Infrastructure Planner for NSW's five REZs and for two priority transmission infrastructure projects, the Waratah Super Battery Project and the Hunter Transmission Project.

As Infrastructure Planner, EnergyCo may act to investigate, plan, coordinate and promote energy infrastructure development in NSW and is responsible for delivering clean, reliable and affordable electricity for NSW consumers, and economic and social benefits for local and First Nations communities.

Further information is available at energyco.nsw.gov.au.

Program information

What is the Community and Employment Benefit Program?

EnergyCo is developing the **Community and Employment Benefit Program** (the Program) to deliver tangible benefits to regional communities hosting new energy infrastructure. The Program will continue for many years after the REZs are delivered.

The Program will invest hundreds of millions of dollars into regional communities to share the benefits of the renewable energy transition.

The Program will provide funding to local community groups, councils, First Nations organisations and other key stakeholders to contribute to the long-term prosperity of regional communities and ensure that communities that host the new energy infrastructure are left better off than they were before.

How is the Program funded? Are taxpayers just paying for their own benefits?

The Program will be funded from a portion of access scheme fees paid by solar and wind projects that connect to the new transmission lines in a REZ (further information about the access scheme is available [here](#)). These fees will be paid once projects start to generate electricity over the term of the access scheme for the Central-West Orana REZ (33-years).

As per Section 26 of the *Electricity Infrastructure Investment Act 2020*, the Consumer Trustee (AEMO Services Limited) is responsible for setting the access fee and must include a minimum component for community purposes and employment purposes.

Under the *Electricity Infrastructure Investment Regulation 2021*, the minimum regulated component of an access fee for community purposes is \$1,700 per megawatt (MW) per year and for employment purposes is \$600 per MW per year, where the access fee is \$2,600 per MW or more.

How much funding will communities receive?

On 20 October 2023, the Minister for Energy announced \$128 million is available for community and employment benefits in the Central-West Orana REZ over the next 4 years.

We are bringing forward the funding that would otherwise be generated from the wind and solar projects required to pay an access fee once operational. The Transmission Acceleration Facility will provide \$128 million in upfront funding, with \$60 million repaid once access fees are received and the Network Operator to repay another \$68 million at financial close in late 2024.

Over the 33-year term Central-West Orana REZ access scheme term, hundreds of millions are expected to be generated by the access scheme (which will continue funding the Program) and made available for community and employment benefits in the Central-West Orana REZ.

Funding for other REZs will be identified as these projects are further developed.

The new transmission and renewable generation projects planned for the Central-West Orana REZ do not yet have planning approval – why is the benefits work going ahead?

While we acknowledge the Central-West Orana REZ Transmission Project is still subject to regulatory approvals, it is important to have early conversations with the community around the Program as some of these initiatives may have a long lead time.

We are working to establish early benefits for REZ communities so that these are not delayed until after construction if approval is given. To do this, we want to hear from communities, First Nations organisations and other stakeholders as early as possible.

Community consultation

Did EnergyCo consult with REZ communities to inform early-stage Program design?

Yes. EnergyCo commenced community consultation in mid-2022 on the Central-West Orana REZ. Since then, we have held several engagement sessions, including an online survey in February 2022 to hear from local communities, First Nations stakeholders and Councils about the types of benefits that should be prioritised. EnergyCo published a [Community Feedback Report](#) in June 2023.

EnergyCo has also undertaken studies to investigate some of the key priority areas identified by local communities, First Nations stakeholders and Councils. A summary of these studies is available [here](#).

What priority areas have been put forward by communities to date?

To date, communities have flagged the following key priority areas:

- Housing and accommodation;
- Local roads and transport;
- Economic participation and development;
- Environmental delivery coordination (waste management and water);
- Social infrastructure and services; and
- Improved telecommunication services.

Is EnergyCo undertaking further community consultation in 2024?

Yes. We are hosting workshops and drop-in events across the Central-West Orana REZ at the end of February. You can view the locations, dates and times at our [website](#).

We also have a [webinar](#) and [online survey](#) available on the EnergyCo website to enable those unable to attend one of the drop-in events to learn more about the Program and share feedback with us. We also expect to consult further with local communities, First Nations, Councils and other stakeholders as the Program runs over time.

Why did the community workshops change?

EnergyCo received feedback from the community that the form and delivery of the workshops was not the right approach. We have listened to this feedback and acted on it. We welcome feedback on ways we could further improve the way we interact with communities in the future.

The workshops have been redesigned and expanded into community drop-in sessions so that people can come along and participate for as long as they would like. The drop-in sessions will now more closely resemble EnergyCo's usual drop-in session format and allow for discussions with team members about the Program.

What are the community drop-in sessions?

EnergyCo will host a series of community drop-in sessions across the Central-West Orana REZ at the end of February 2024. The session format has been designed to be flexible and enable community members able to arrive and talk with the project team at a time that suits them, to enable as many community members to attend as possible.

During these sessions, community members will be able to learn more about the Program, ask questions and provide feedback about the type of benefits they would like to see delivered in the Central-West Orana REZ.

Who can attend the drop-in sessions? When and where will they be held?

The drop-in sessions will be open to everyone in the Central-West Orana REZ community. Eight sessions will be held across the Central-West Orana REZ in Dunedoo, Cassilis, Mudgee, Elong Elong, Coolah, Wellington, Dubbo and Gulgong. The schedule and further information available on the [EnergyCo website](#).

How will the drop-in sessions be advertised?

Drop-in sessions will be primarily advertised on the [EnergyCo website](#), on local radio stations and newspapers. Emails will also be sent to those on the Central-West Orana mailing list.

I can't attend the drop-in sessions – can I get further information and provide input?

Yes. EnergyCo hosted an online webinar and Q&A session on 5 February 2024 to provide an update on the Program, outline priority initiatives identified to date and to answer questions from community members. The webinar was recorded in full and made [available online](#) for those unable to attend the session.

You can share your thoughts on the type of benefits you would like to see delivered in the Central-West Orana REZ by completing an [online survey](#) until 11:59pm on 10 March 2024.

Further information is available on the EnergyCo website at energyco.nsw.gov.au/cwo.

I know people without internet access – can they still provide feedback through the survey and access the webinar?

Yes. EnergyCo will provide access to the webinar and the online survey at the community drop-in sessions.

A printed copy of the survey will also be available from our Dubbo office at 155 Macquarie Street, Dubbo (these will include a reply-paid return envelope on request). Copies of the webinar will be available on USB for pick-up from the Dubbo office or via post if requested.

Drop-in sessions are one offs - how will smaller community voices continue to be heard rather than once a year?

EnergyCo is committed to early, proactive and genuine engagement to ensure community input informs our planning for new network infrastructure projects and coordination of REZs.

As the Program is designed to run over the coming years, EnergyCo plans to hold periodic community engagement about the Program and there will be many more opportunities for the community to provide input as the Program is delivered.

To get in touch with EnergyCo's project team for the Central-West Orana REZ via email at cwo@energyco.nsw.gov.au or by calling 1800 032 101 (9am to 5pm, Monday to Friday). We welcome your questions and feedback at any time.

We also have locally based team members in the region who are available to chat with you about the project. EnergyCo has an office at 155 Macquarie Street, Dubbo NSW 2830, which is available to visit by appointment.

Funding applications

When will applications open? When will grants be awarded?

Applications are expected to open in Q2 2024. Grants to be awarded in the second half of 2024 upon the execution of a Funding Agreement between EnergyCo and successful applicants.

Will the amount of information required in the grant application form reflect the value of funds being applied for?

Yes. Each grant round administered under the Program will have a standard application form. The information required will be reflective of the eligibility and merit criteria for each round, as defined in the Program Guidelines.

Projects requiring a higher value of funding (eg over \$5 million), will be required to provide more detailed information, such as a business case (a template will be available).

How will projects be identified? Is EnergyCo just picking which benefits are delivered to communities?

Local people who live and work in regional NSW know what's best for their community. EnergyCo has consulted (and is continuing to consult) with local communities, councils, First Nations people and other stakeholders to identify and prioritise the types of initiatives they would like to see delivered in their regions.

Using this feedback, EnergyCo will establish a robust eligibility and assessment criteria to assess prospective projects and ensure selected projects align with the EII Act and support the achievement of Program objectives, whilst also delivering value for money and tangible benefits for communities.

Will specific funding be allocated for projects submitted by First Nations organisations?

Yes. The Program will have a specific fund for First Nations organisations and community groups.

EnergyCo is developing a set of funding guidelines in collaboration with our **First Nations Outcomes Team** specifically for First Nations organisations, which will be made publicly available in Q2 on the EnergyCo website (First Nations organisations are also encouraged to apply for funding through the other available streams).

Eligibility and assessment

What projects are eligible for Program funding?

To be eligible for funding, the funded component of a project must be for a “community purpose” or “employment purpose” and be located within the geographic boundary of a REZ.

There may be other criteria that make a project eligible and this will be outlined in the Program Guidelines when they are published (Q2 2024).

What ‘community purpose’ projects can be funded through the Program?

The *Electricity Infrastructure Investment Regulation 2021* defines the types of community benefits that can be funded through the Program, including:

- Public or community services or infrastructure;
- Health services or infrastructure;
- Accommodation or housing;
- Local or regional energy programs or infrastructure;
- Environmental programs or infrastructure;
- Parks and recreation infrastructure;
- Education programs or research;
- Festivals, events or conferences

- Arts or cultural programs;
- Tourism programs or infrastructure;
- Services, programs or infrastructure for First Nations people.

What 'employment purpose' projects can be funded through the Program?

The Electricity Infrastructure Investment Regulation 2021 defines the types of employment benefits that can be funded through the Program, including:

- Employment programs and associated services and facilities;
- Skills and training programs and associated services and facilities; and
- A program, service or facility that supports the relevant employees to gain employment skills or experience relevant to employment.

What projects aren't eligible for Program funding?

A project will be considered ineligible for Program support or funding if it:

- Is unable to clearly demonstrate that it will deliver reasonable benefits to a community or employee(s) impacted by the Roadmap;
- Does not deliver a "community purpose" or "employment purpose"; and/or
- Delivers a primarily private benefit.

There may be other criteria that make a project ineligible and this will be outlined in the Program Guidelines when they are published.

Who can apply for funding in grant rounds?

It's likely that the following groups will be eligible to apply for funding:

- Local community groups or organisations;
- Councils;
- First Nations organisations (such as Local Aboriginal Land Councils, health services and/or other registered Aboriginal organisations such as those listed in the First Nations Guidelines);
- Not-for-profit organisations and private organisations; and
- Education institutions and training organisations.

Details about eligibility and assessment criteria for grant rounds will be outlined in the Program Guidelines that will be available on EnergyCo's website in Q2 2024.

Will in-kind contributions be available under the Program?

No. The Program will deliver benefits through the provision of funding only.

Can grants be leveraged with other funding sources?

Yes, but this depends on the terms and conditions of the other funding sources.

For example, if an applicant has received funding which requires co-contribution, funding from the Program could not be used to fulfill this requirement as it would undermine the terms and conditions of the other funding source.

Who will be responsible for assessing grant applications?

Applications will be evaluated by a Grant Assessment Panel (GAP), which will be detailed in the Program Guidelines (when released in Q2 2024).

Each GAP will have the expertise required to evaluate applications, including representatives from EnergyCo and subject matter experts from local and state government.

Skills, training and employment opportunities

What kinds of training is likely to arise as a result of EnergyCo's activities in or near our local area?

The Program will fund skills and training initiatives, such as those that will help equip job seekers to gain employment and support the delivery of the REZ.

EnergyCo recently announced a partnership with TAFE to deliver a micro-skill course for local stakeholders, titled "Prepare to work in the renewable energy sector". The course aims to provide information to students, prospective workers, or employees interested in careers in renewable energy industry on the types of roles, the training and skills required and learning pathways.

EnergyCo is working closely with the NSW Department of Education and TAFE NSW to remove barriers for local job seekers, ensure the right training and pathways are available and promote opportunities for participation. Further information will be released this year.

What are the incentives for developers to employ local workers and services?

Energy projects that wish to obtain an "access right" to connect to the Central-West Orana REZ or receive a Long-Term Energy Service Agreement (LTESA) are required submit a bid via a competitive tender process. These tender processes are administered by the NSW Consumer Trustee (AEMO Services).

The Renewable Energy Sector Board (RESB) has been established to set out how to incorporate locally produced and supplied goods and services and local workers into the construction of new electricity infrastructure in NSW.

Projects are required to address how they are engaging local employees, trainees, businesses and First Nation organisations as part of the assessment criteria for an access right or LTESA.

Developers are thereby incentivised to employ local workers and services to improve the competitiveness of their application to help secure an access right or LTESA.

How will local people learn about the training and procurement opportunities?

EnergyCo will promote the skills and training initiatives delivered through the Program via our website (energyco.nsw.gov.au/cwo), media channels and the EnergyCo LinkedIn feed. Information will also be made available via our Dubbo office (155 Macquarie Street, Dubbo NSW 2830).

General questions

What guarantees are there that the benefits will go to the local area?

Legislation requires the funded component of a project to be for a “community purpose” or “employment purpose” within the geographic boundary of a REZ.

EnergyCo is also undertaking community consultation in Q1 2024 further inform Program design and ensure priority initiatives identified to date meet community needs and expectations.

Is money being made available to the region for tourism marketing purposes?

Tourism programs are identified as an eligible ‘community purpose’ that can be funded through the Program.

Funding allocation for specific initiatives is yet to be determined and will be informed by the current consultation process (including the online survey) to ensure it aligns with community expectations and priorities.

Will there be compensation for small businesses affected by revenue loss due to the impacts of the REZ?

The Program is not currently considering making payments to individuals or businesses to compensate potential revenue loss. EnergyCo is required to administer the funding in accordance with the legislation and for a community or employment purpose.

How will an equitable distribution of funds to impacted communities be guaranteed and be transparent so that smaller communities are included?

We have heard in recent consultation with stakeholders of the need to ensure affected communities are receiving benefits, particularly those communities with small populations close to proposed transmission lines or renewable energy projects.

The Program will seek to strike a balance between benefits that deliver the best value for money, whilst also prioritising those that deliver tangible benefits to communities that are impacted by the REZ.

Why is the town being compensated and not the landowners that are in the direct line?

The Program will provide community and employment benefits to communities within a REZ and is not limited to just supporting specific within that geographic area. In this way, the Program delivers the Roadmap's intent to share REZ benefits more broadly with regional communities that host the infrastructure required for the transition.

In addition to the Program, EnergyCo is providing compensation to individual landowners through the **Strategic Benefits Payments Scheme**, which will provide annual payments over 20 years to landowners that host infrastructure associated with the transmission projects.

Payments to landowners under the Strategic Benefits Payment Scheme are a set rate of \$200,000 (in real 2022 dollars) per kilometre of transmission hosted, paid out in annual instalments over 20 years. These payments are in addition to compensation provided for compulsory acquisition, with further information is [available here](#).

Can the Program allow time (even a few weeks) for communities to agree on strategic, legacy outcomes that provide benefits for decades?

We are working to deliver benefits early and to commence projects that may require lead-in time.

EnergyCo is hosting a number of consultation activities throughout February 2024 and is seeking community participation and feedback.

Program applications will open in Q2 2024, providing communities the time required to identify potential initiatives and submit a funding application. We expect to work with communities and stakeholders on how this Program can deliver strategic and legacy outcomes, over time.

How are you mitigating impacts on Tourism Assets in the region (both during construction of the REZ and afterwards), including impacts on accommodation for travellers and availability of local workers for local businesses?

EnergyCo understands that a coordinated approach is needed to house the temporary workforce and deliver long-term housing benefits for REZ communities. EnergyCo is working with developers and the Network Operator to coordinate the development of temporary workforce accommodation to house the construction workforce for the REZ.

EnergyCo has also established a working group with councils and NSW Government agencies on housing and accommodation in the Central-West Orana REZ, chaired by the NSW Department of Planning and Environment.

How are you addressing impacts on the road network during construction of the REZ?

EnergyCo is working with key stakeholders (such as Transport for NSW, councils and Renewable Energy Generators) to understand the traffic and road upgrades required for the delivery of the REZ and to identify

opportunities to work with councils to upgrade local roads. This process includes the assessment of roads and traffic impacts undertaken as part of the Environmental Impact Statement for the Central-West Orana REZ Transmission Project.

While EnergyCo is working with Transport for NSW to coordinate upgrades along State Roads, individual developers will be responsible for planning and implementing the necessary over-size or over-mass (OSOM) vehicle movements and upgrades along other local road networks to their projects. This will be assessed as part of their respective Environmental Impact Statements.

Is it possible to have the initial commercial consultation roles located in the Central-West Orana REZ rather than Sydney?

EnergyCo has a Central-West Orana REZ-based place management team available to answer community questions. These managers attend and host regular pop-up events and drop-in sessions and are available to local communities.

EnergyCo also has locally based staff who liaise with our First Nations communities and local government stakeholders. EnergyCo's presence in community is a key priority and EnergyCo is looking to continue to enhance this.