



6 August 2026

EnergyCo
New England Renewable Energy Zone team
By email: newengland.access@energyco.nsw.gov.au

Dear EnergyCo,

Feedback on 'New England REZ Draft Declaration'

The Centre for Policy Development (CPD) welcomes the opportunity to provide feedback on the design of the New England REZ Access Scheme. CPD is a leading independent policy institute that focuses on critical long-term policy challenges, including the impacts of climate change. Since 2022, CPD has been analysing the impacts of the net zero transition on regional communities and proposing solutions to ensure that communities thrive through the industrial transformation.

EnergyCo's proposed Access Scheme for the New England REZ is an important step towards ensuring positive outcomes for both regional communities and projects. When projects are well-coordinated and provide benefit-sharing and meaningful engagement for surrounding communities, projects also benefit from reduced project risks and time taken to progress through the development cycle.¹

This submission focuses on the impacts of the REZ Access Scheme for local communities. It strongly supports several aspects of the proposal, including:

- The introduction of an Access Control Mechanism, alongside an Access Rights Regime
- The setting of eligibility criteria for projects in the Access Control Mechanism
- That developers must make commitments on a variety of matters to improve social license as part of the Access Control Mechanism

CPD **strongly supports the "whole-of-REZ" approach** outlined in the draft Access Scheme. This would mean that all new projects across the entire REZ connecting to 132kV and above network lines would need to participate in community benefit-sharing and provide a standard level of community engagement. We would encourage the NSW Government to extend this approach to all other REZs to maximise benefits for communities and projects.

¹ [*Investor benefits of First Nations participation in clean energy projects*](#), First Nations Clean Energy Network & EY, 2025.

For maximum effectiveness, it would make sense to require all renewable energy developers in NSW to provide a minimum level of benefit-sharing and community engagement, aligned with the approach taken in Victoria. This requirement would mean that all communities can expect positive outcomes from renewable energy development in their local area, regardless of whether or not they live within a renewable energy zone. Otherwise, developers would be incentivised to locate outside REZs, for example because they would then be subject to less bureaucratic red-tape and can avoid access fees. This dynamic effectively encourages a race-to-the-bottom in terms of social license. In the design positions paper, EnergyCo notes that they explored a whole-of-NSW option in their Consultation Paper, but decided that the risks outweigh the benefits. It appears that the main concern was potential curtailment impacts for projects within REZs. We encourage EnergyCo to also prioritise how to ensure all regional communities can expect similar levels of engagement and benefit-sharing from renewable energy developers.

Recommendation 1: There should be minimum standards for community engagement and benefit-sharing for all renewable energy and transmission projects in NSW.

CPD also **strongly supports having eligibility criteria for projects that are part of the Access Control Mechanism.** Importantly, these eligibility criteria are proposed to benefit local communities, First Nations groups, and the workforce, demonstrating a concerted effort by EnergyCo to reach those most impacted by the industrial transition. The eligibility criteria should align with the following high-level principles to ensure communities benefit from the development of renewable energy projects:

- Industry viability: After providing community benefits, the projects still need to be able to cover the costs of production and make a profit
- Agency/voice: Communities should benefit from renewable energy projects in a way that is aligned with their needs and preferences
- Simplicity: The process of complying with the eligibility criteria should be clear and consistent across developers
- Positive-sum engagement: The eligibility criteria would ideally benefit the community and developers, e.g. by reducing project risks²

We support the use of the Developer Rating Scheme as a starting point for measuring a proponent's track record when it comes to positively engaging with communities. We agree that using the DRS would be more streamlined than introducing a duplicative assessment for Access Consent, as developers may already be voluntarily engaging with the Scheme. However, to incentivise best practice in regards to community engagement, the eligibility criteria should require developers to achieve a rating of at least four stars – not three – for the “community” criteria. While three stars is designed to correspond to established industry benchmarks and standard benefit-sharing arrangements, four stars would push developers to engage more meaningfully, including demonstrating that stakeholder input has shaped project design, and build shared value. VicGrid's Community Engagement and Social Value Guidelines are also developed to “guide best practice”.³

² M Hammerle, E Koh and T Phillips, [*Sharing the benefits: Ensuring new industries strengthen communities*](#), CPD, 2025.

³ P. 7, [*Community engagement and social value guidelines for renewable energy and transmission projects*](#), VicGrid, 2026.

Recommendation 2: To be eligible for the Access Control Mechanism, developers should be required to achieve four stars for the “community” criteria in the Developer Rating Scheme.

Additionally, CPD supports requiring developers to make commitments towards social licence, community engagement, benefit sharing, and managing cumulative impacts as part of the Access Control Mechanism. Currently, it is not entirely clear what the commitments would require developers to do to satisfy them, instead leaving much of the decision to individual developers. EnergyCo should instead require developers to achieve specific and measurable outcomes for communities to satisfy the commitments.

For example, developers could be required to engage with and participate in the work of EnergyCo’s regional steering committees, through the Cumulative Impacts Obligation. EnergyCo has established regional steering committees, which increase the ability of state government departments and local councils to centrally manage cumulative impacts of renewable energy projects, such as housing shortages. However, developers do not currently have a formal obligation to engage with the work of these committees. To further increase the effectiveness of the steering committees to address cumulative impacts, the committees should be able to provide input into how access scheme fees are used.

Recommendation 3: The Cumulative Impacts Obligation in the Access Scheme should be designed to encourage participation by developers with EnergyCo’s regional steering committees.

Finally, EnergyCo should introduce mechanisms to enforce and monitor the behaviour of renewable energy developers over time, ensuring that their projects continue to benefit communities. The eligibility criteria and commitments should be enforced through Project Development Agreements that developers are required to sign with EnergyCo (refer to Section 20.4 of the draft NE REZ Access Scheme Declaration).

Recommendation 4: EnergyCo should ensure developers engage meaningfully and share value with communities over time by enforcing the eligibility criteria and commitments through Project Development Agreements.