Planning, biodiversity and coordination reform options to facilitate renewable energy projects in NSW

CLEAN ENERGY COUNCIL

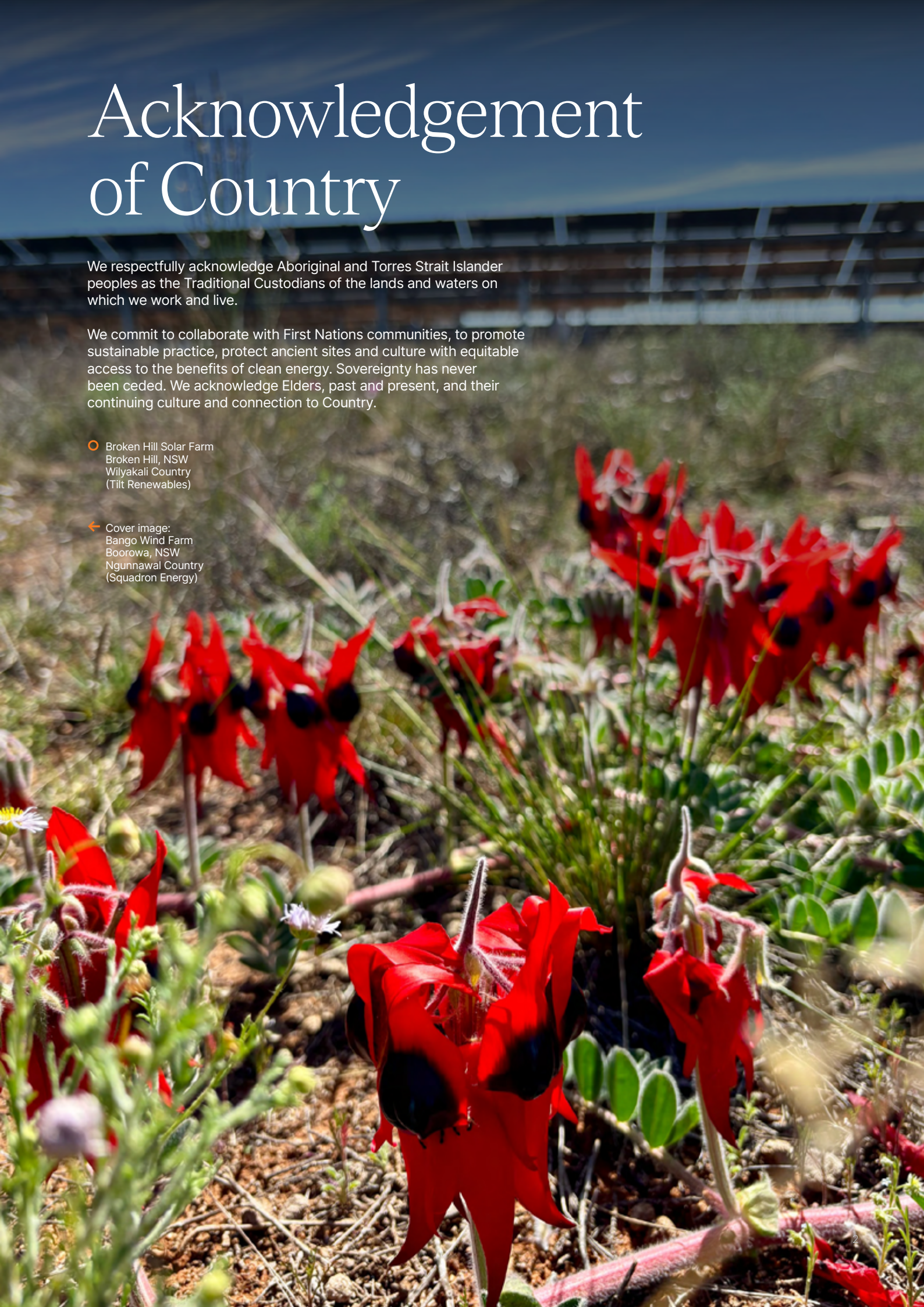
Acknowledgement of Country

We respectfully acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the lands and waters on which we work and live.

We commit to collaborate with First Nations communities, to promote sustainable practice, protect ancient sites and culture with equitable access to the benefits of clean energy. Sovereignty has never been ceded. We acknowledge Elders, past and present, and their continuing culture and connection to Country.

Broken Hill Solar Farm
Broken Hill, NSW
Wilyakali Country
(Tilt Renewables)

Cover image:
Bango Wind Farm
Boorowa, NSW
Ngunnawal Country
(Squadron Energy)



About the author

Established in 2007, the Clean Energy Council is Australia's peak body for the clean energy industry, representing nearly 1000 members across renewable energy development, consulting and supply chains, powering homes and businesses nationwide. The Clean Energy Council is driving Australia's transition to a clean energy future by shaping policy and advocating for a reliable and secure energy grid backed by world-leading wind, solar, battery storage and pumped hydro, while championing consumer energy resources such as rooftop solar and home storage. Together, our industry is creating thousands of jobs, strengthening the economy and delivering sustainable, reliable energy for all Australians.

The Clean Energy Council provides a strong and unified voice for the industry, shaping policy, promoting best-practice standards and supporting the long-term success of clean energy development across Australia. This includes advancing effective planning and environmental frameworks, strengthening community engagement and benefit sharing, and fostering regulatory settings that enable the industry to grow sustainably alongside the environment and local communities.

In consultation with its members, the Clean Energy Council has identified a range of planning, biodiversity and coordination challenges that are currently constraining the efficient rollout of renewable energy projects in New South Wales.

The Clean Energy Council collaborated with a leading Australian environmental and social consulting firm, Umwelt, to provide strategic and technical insights on the opportunities and challenges associated with the NSW planning and approvals framework. With more than 30 years of experience delivering sustainable outcomes for industry and government, Umwelt brings deep expertise across strategy, planning, environmental assessment, ecology, heritage and social impact. As a member of the Clean Energy Council, Umwelt is committed to enabling change for the better - helping shape a more sustainable future through thoughtful, purpose-driven solutions.

Find out more at cleanenergycouncil.org.au.

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Foreword

New South Wales is at a critical point in its energy transition. The decisions made in the next few years on planning, infrastructure and biodiversity assessments will determine whether the State can deliver on its Electricity Infrastructure Roadmap and secure the investment, jobs, and long-term energy reliability that communities across New South Wales deserve.

The New South Wales Government deserves considerable credit for the serious work already underway. The Electricity Infrastructure Roadmap itself sets a clear direction for supporting investment in renewable energy and has attracted billions of dollars in new investment. The recent New South Wales Budget reinforced that commitment, with meaningful support for the infrastructure, coordination, and skills needed to bring new renewable energy and storage online. The establishment of dedicated planning and delivery authorities, the Renewable Energy Biodiversity Support team, and the Development Coordination Authority are all steps in the right direction. This paper recognises and welcomes that progress.

But more needs to be done. Regulatory complexity and approval delays will have real impacts on projects, jobs, and reliability. Dozens of approved renewable energy projects are awaiting further environmental assessment or are facing delays with secondary approvals. Biodiversity assessments are generating costs and timeframes that bear little relationship to actual environmental outcomes. These are not abstract industry concerns, they are structural barriers with direct consequences for energy bills, system reliability and New South Wales's ability to attract the sustained investment its energy transition requires.

This paper sets out targeted, practical reforms across three areas: biodiversity assessment, planning approvals and enabling infrastructure coordination. These proposals are not about lowering environmental standards; they are about aligning the regulatory system with the scale, pace, and complexity of what is being asked of the renewable energy sector. Every year of delay entrenches dependence on ageing assets, raises long-term system costs and forgoes the jobs and economic activity that a thriving clean energy sector can deliver for New South Wales communities.

The Clean Energy Council is committed to working constructively with government, communities, and industry to get this right. I recommend these proposals to the New South Wales Government and encourage their urgent consideration.

The Hon. Jackie Trad
CEO, Clean Energy Council

Introduction

Under the NSW Electricity Infrastructure Roadmap (Roadmap), the NSW Government has committed to modernise the State's energy system through significant investment in the creation of a decentralised network of: renewable and alternative energy generation; long duration storage; firming; and network infrastructure.

The Roadmap has received overwhelming political and industry support and has prompted the creation of improved guidance and regulation for the renewable energy industry. Nevertheless, this energy transition requires further regulatory amendment to keep pace with the scale of development needed. The current regulatory framework is impeding the application of proportionate, performance-based and strategic planning and biodiversity outcomes, which in turn has delayed implementation of many renewable energy projects. The issues faced by industry are broader than obtaining approvals under the *Environmental Planning and Assessment Act 1979 (NSW)*. Often the more significant challenges faced by industry relate to secondary approvals, the 'incremental scope creep' of assessments and challenges with strategic planning.

We acknowledge the recent introduction to NSW Parliament of the *Energy Legislation Amendment (Prioritising Renewable Energy) Bill 2026*, and appreciate that this Bill is intended to create a framework for identifying priority energy projects (PEPs). Improving the efficiency and timeliness of planning assessments is important. However, the reforms must also accelerate assessments across all NSW projects, ensure projects outside the PEP framework are not disadvantaged or delayed, and provide greater transparency around the criteria and process for selecting PEPs.

The approval challenges in NSW are resulting in a risk to investment certainty. For example, several multi-billion dollar projects have been materially changed and delayed due to development approval challenges, post-approval construction requirements and infrastructure or supply chain constraints. These delays reduce investment certainty for other projects, resulting in consequential delays for the delivery of new energy into the grid.

The NSW Government has already taken significant action to address the challenges faced by industry, including the establishment of planning and delivery authorities, network infrastructure planners, a development coordination authority and the release of renewable energy guidelines that provide greater certainty for investment. Although, these improvements have supported significant investment in NSW, further opportunities exist to improve planning and biodiversity processes in order to attract greater investment in NSW.

This paper presents a non-exhaustive range of opportunities that the NSW Government could support to help facilitate the timely rollout of the energy transition in NSW. These opportunities are focused in three key areas:

1. biodiversity assessment reforms;
2. planning approval reforms; and
3. enabling infrastructure and coordination reforms.

The options presented focus on improving certainty, proportionality and consistency in assessment, while retaining the core principles of a merit-based planning system and conservation objectives. These options do not advocate for a reduction in environmental standards, but rather identify opportunities to better align assessments with expected risks and impacts, reduce duplication, improve timeliness, and provide clearer pathways for large-scale and strategic projects that are critical to the energy transition.

Executive Summary

Options to improve biodiversity assessment processes

Heading	Summary of issue	Proposed Solution	Criticality Rating	Cross reference
Biodiversity assessment 'requirement creep'	Biodiversity assessments continue to evolve throughout the assessment process (for example, changes to the Plant Community Type classifications or the introduction of newly prescribed species in the Biodiversity Assessment Method Calculator (BAM-C) may happen mid-assessment). These changes can result in projects needing to revisit their survey design, and analysis mid-assessment and potentially amend their Biodiversity Development Assessment Report (BDAR), which creates significant delay and costs for projects.	Amend the BC Regulations to provide that the biodiversity assessment requirements applicable at the time Secretary's Environmental Assessment Requirements (SEARs) are issued be 'locked in' for the life of the assessment, unless changes are nominated by the decision maker as critical; the changes are voluntarily adopted by the proponent; or the development application has been on foot for longer than a set period. Amend the *Biodiversity Conservation Act 2016 (NSW)* (BC Act) to allow modification of existing BDARs without recommencing the process.	**High**	Recommendations 1 and 2
Estimation of serious and irreversible impacts (SAII)	Material differences exist between the criteria applied for listing as a SAII entity and the impacts being assessed as likely to cause a SAII, which can lead to an overestimation of impacts. While the Guidance on serious and irreversible impacts (SAII Guidance) published by NSW Department of Climate Change, Energy, the Environment and Water provides welcome improvement we note there is additional work that can be done in this space.	We recommend supporting the application of the SAII Guidance through increased use of expert peer review or independent assessment and the development of SAII guidance tailored to renewable energy projects, and clearer evidentiary thresholds for determining whether SAII is likely or not.	**High**	Recommendation 3

Options to improve biodiversity assessment processes

Heading	Summary of issue	Proposed Solution	Criticality Rating	Cross reference
Offset timing and improving the effectiveness of SODAs	Pre-commencement offset retirement, which replaced the previous post-commencement approach, reduces the flexibility to avoid and minimise impacts during delivery, locks in higher environmental disturbance and drives up project costs. We appreciate the societal context of shifting towards 'net gain' outcomes. While the preferred approach would be to reinstate post-construction retirement there are also other options to improve the effectiveness of strategic offset delivery agreements.	Explicitly allow post construction retirement of biodiversity offsets to maintain environmental integrity while improving feasibility, bankability and alignment with actual impacts delivered during construction. Improve mechanisms to refine the number of biodiversity credits without requiring a development approval modification. If strategic offset delivery agreements (SODAs) are used as the preferred approach to addressing this issue, we recommend updating the definition of 'major project development' in the Biodiversity Conservation Regulation 2017 (NSW) (BC Regulations) to ensure all State Significant Infrastructure (SSI) and State Significant Development (SSD) projects are eligible for a SODA. In addition, we recommend updating the BC Regulations to expressly recognise that the number of credits required (and quantum of payment) can be adjusted.	**High**	Recommendation 4
Dedicated biodiversity assessment team for renewable energy projects	A Renewable Energy Biodiversity Support (REBS) team has been established in the NSW DCCEEW to assist in accelerating delivery of renewable energy projects.	We recommend that the REBS team be utilised as a dedicated team for the assessment of renewable energy projects. We note the Development Coordination Authority commenced on 1 July 2026. We encourage the retention of dedicated resources to assess renewables in both the Planning and Environment portfolios.	**Medium**	Recommendation 5
Standardisation and guidance for partial and temporal impacts	Partial disturbance within vegetation zones and temporary construction impacts are often treated inconsistently and conservatively (in some cases being assumed as permanent loss). This can overestimate impacts, inflate offset requirements, and reduce incentives for impact minimisation and rehabilitation.	Develop clear, standardised guidance on the assessment and compensation of partial and temporary impacts, including recognition of rehabilitation as 'repair' where ecological function is restored.	**Medium**	Recommendation 6

Options to improve biodiversity assessment processes

Heading	Summary of issue	Proposed Solution	Criticality Rating	Cross reference
Strengthening and expanding Biodiversity Certification for CSSI projects	Biodiversity Certification has the potential to streamline assessment for very large strategic projects, including CSSI, but is currently under-utilised due to complexity, timeframes and perceived risk. There is potential to align Biodiversity Certification with new bioregional planning provisions in the Commonwealth's EPBC reforms.	Improve the accessibility, guidance and support for Biodiversity Certification by introducing clearer pathways for applying certification to renewable energy precincts, stronger integration with strategic planning including Commonwealth EPBC reforms, and resourcing support for proponents and agencies.	**Medium**	Recommendation 7
Risk-based approaches to survey methodologies, assumed presence and offsetting	Since the introduction of the BC Act and the subsequent Biodiversity Assessment Method (BAM) and Biodiversity Offsets Scheme (BOS), industry has reported longer pre-lodgement assessment timeframes due to increased technical complexity, more extensive survey requirements and more iterative assessment processes.	We recommend amending the BAM to introduce a risk-based and proportionate approach, along with the publication of associated guidance, including statistically robust and outcomes-focused survey methodologies, removal of unnecessary stratification requirements, and clearer proportionality settings aligned with the EP&A Act.	**Medium**	Recommendations 8 and 9
Nature positive guidance for the renewable energy sector	The NSW Government has a policy commitment to nature positive outcomes. Further guidance is needed on the nexus between climate and nature and consequential impacts of renewable energy projects on nature.	Nature positive guidance should include a climate-related lens that allows for the positive benefits from renewables projects to be taken into account, including the strategic benefits of a project, alongside the direct impacts associated with the development.	**Medium**	Recommendation 10
Independent accountability of the BOS accreditation process	Despite the professional standing of Accredited assessors under the BOS, the work of accredited assessors is often challenged and contested during assessment processes, including in relation to survey methodologies, efforts and outcomes.	Modernise the BOS accredited assessor framework by increasing reliance on the expert judgement of accredited professionals, whilst simultaneously making these professionals accountable and transferring accreditation and oversight to an independent industry body, aligning with other professional accreditation systems to improve consistency, accountability, public confidence, and assessment efficiency.	**Lower**	Recommendation 11
Native Vegetation Regulatory Map	We welcome the NSW Department of Climate Change, Energy, the Environment and Water commitment to publish the Native Vegetation Regulatory map on 31 August 2026, but further work is required to ensure the mapping remains up to date.	We recommend that sufficient resourcing is allocated to support practical implementation and ensure regular review and updates to the mapping. Ensuring that the map is up to date would provide greater certainty, reduce administrative burden and help minimise project delays.	**Lower**	Recommendation 12

Options to accelerate/improve planning processes

Heading	Summary of issue	Proposed Solution	Criticality Rating	Cross reference
Streamlined planning approval process within Renewable Energy Zones (REZ)	Industry has experienced an increase in strategic considerations that must be addressed when developing in REZs, including social, structural and cumulative enabling infrastructure issues.	Greater use of non-discretionary development standards, targeted assessment pathways and Critical State Significant Infrastructure (CSSI) designations to streamline assessment considerations. Introduce a permissibility clause equivalent to clause 2.10 of the Resources and Energy SEPP to apply to energy projects. Repeal clause 2.42 of the Transport and Infrastructure SEPP both within and outside of REZs.	**High**	Recommendations 13 and 14
Investigating availability / permissibility of expanding the use of the Targeted Assessment Pathway to low-risk renewable energy projects	The *Environmental Planning and Assessment Amendment (Planning System Reforms) Bill 2025* introduced a new targeted assessment pathway that allows certain projects to bypass the full SSD assessment process (Targeted Assessment Pathway). Many renewable energy projects are not permitted access to this Targeted Assessment Pathway. There may however, be scope to expand the use of this pathway to low-risk renewable energy projects such as ancillary infrastructure, co-located battery projects or infrastructure upgrades.	We recommend that government investigate the availabilty / permissibility of expanding the use of the Targeted Assessment Pathway to low-risk renewable energy projects. Where permissible, we recommend that the NSW Government run a trial allowing the use of the Targeted Assessment Pathway for a limited range of ancillary infrastructure upgrades and storage projects that are co-located with existing projects.	**High**	Recommendation 15
Planning fees	Planning fees in NSW are primarily calculated on the estimated development cost of a project. The fees including the lodgement fee under the *Schedule of planning and development fees and charges for 2025/26 financial year* (Schedule of Fees) and the planning reform contribution fee under section 267 EP&A Regulation (Lodgement Fee and Planning Reform Contribution). For large-scale developments, particularly in the renewable energy sector, this methodology can result in disproportionately high application fees that are not closely aligned with the actual regulatory effort required to assess the proposal.	We recommend undertaking a review of the NSW planning fee framework to ensure it remains equitable, transparent, and broadly consistent with other jurisdictions, including consideration of other calculation approaches which are not solely based on project capital value. Options include calculating the Lodgement Fee based on MW capacity rather than development cost or extending the current payment bands in the Schedule of Fees. In addition, we recommend introducing a scaled rate for the Planning Reform Contribution (as opposed to the current linear rate) and amending timing for payment.	**High**	Recommendations 16, 17, 18 and 19

Options to accelerate/improve planning processes

Heading	Summary of issue	Proposed Solution	Criticality Rating	Cross reference
Improving the ability for the renewables sector to access IPC hearings (where requested)	Projects referred to the Independent Planning Commission (IPC) may proceed through a public meeting or formal public hearings. Depending on the circumstances it may be beneficial for projects to proceed via a hearing (including that this limits appeal rights). Noting that in other sectors there is practical precedent for industries access hearings, we recommend an 'as of right' ability to have a hearing we recommend improving the ability for the renewables sector to access IPC hearings (where requested by the proponent). We support recent amendments to the State Environmental Planning Policy (Planning Systems) that revise thresholds for IPC referrals in consideration of both the number of unique submissions and their geographic location.	We recommend publishing guidance that the Minister will recommend an IPC public hearing in the following circumstances: • where a renewable energy project is referred to the IPC; and • a proponent requests a public hearing (rather than a public meeting), The thresholds for IPC referral and hearing requirements should be periodically reviewed to ensure they appropriately capture both the number of unique submissions received and the geographic proximity of submitters to the project.	**Medium**	Recommendations 20 and 21
Renewable energy SEPP and performance-based development outcomes	While recent reforms and Renewable Energy Guidelines improve clarity, the absence of prescriptive, non-discretionary development standards for renewable energy projects creates inconsistent assessment outcomes, and reliance on case-by-case interpretation.	Introduce a renewable energy SEPP. If a narrower approach is preferred, introduce non-discretionary development standards for renewable energy projects, similar to section 2.16 of the *State Environmental Planning Policy (Resources and Energy)*.	**Medium**	Recommendation 22
Post-approval delays and assessment of 'worst-case' impact envelope	Post-approval delays are exacerbated by prescriptive conditions that lock in specific technologies and non-standardised management requirements, limiting flexibility to adopt improved solutions and necessitating time-consuming modification processes.	Adopt an outcomes-based approvals framework focused on 'worst-case' impact envelopes, supported by standardised Construction Environmental Management Plan requirements, to reduce modifications, increase flexibility and innovation and accelerate project delivery while maintaining strong environmental outcomes.	**Medium**	Recommendations 23 and 24
Consolidated RFIs	RFIs are an important component of the assessment process and remain necessary where information gaps are material to the assessment or where fundamental suitability concerns need to be resolved. However, RFIs are often issued multiple times over extended periods, resulting in piecemeal resolution of issues, repeated technical work and protracted assessment timeframes without necessarily altering project outcomes.	Develop guidance requiring RFIs to be issued early, in a single consolidated manner wherever possible, and only where the information sought is material to assessing likely significant impacts, resolving meaningful technical issues or determining project suitability, unless genuinely new information arises.	**Medium**	Recommendation 25

Options to address enabling infrastructure and coordination challenges

Heading	Summary of issue	Proposed Solution	Criticality Rating	Cross reference
Enabling infrastructure networks	Industry experience in NSW indicates some roads in NSW are not currently maintained to the relevant road authority standards and/or involve infrastructure that is located outside of the standard infrastructure land use zones typically used for road corridors in Local Environmental Plans. Issues exist regarding transport of materials to site, including delays associated with the strict requirements for transport of Oversize and Overmass (OSOM) components.	NSW Government dedicate funding to undertake a wider assessment of the road network in NSW. This would enable potential upgrade requirements in development applications and greater certainty regarding the circumstances in which a developer is liable for road upgrade costs. Facilitate the use of intermodal and special activation precincts in regional areas for the import and storage of certain non-OSOM materials. Establish regional laydown and storage facilities to enable larger OSOM components to be moved to local LGAs in advance of construction requirements. These actions should be coordinated by government, potentially EnergyCo or another relevant agency.	**High**	Recommendations 26, 27 and28
Waste management and decommissioning bonds	Concerns regarding the capacity of local waste facilities to accommodate decommissioning of renewable energy facilities is often raised during the assessment process. This issue needs to be considered holistically rather than on a case-by-case basis. There also remains a need for clearer guidance on decommissioning requirements and the use of bonds.	Clearer strategic guidance on cumulative impacts to essential services such as waste infrastructure, and continuing to work through the ECMC on policy options for decommissioning obligations and proportionate risk arrangements.	**Medium**	Recommendation 29

Biodiversity assessment reforms

Part 1 of this policy paper looks at options to streamline and improve biodiversity assessments and outcomes.

The current biodiversity assessment framework for renewable energy projects in NSW faces challenges associated with: evolving and often inconsistent requirements that create significant uncertainty, delay, and increased costs for proponents. Key issues include ongoing 'requirement creep' during assessment, limited flexibility to update BDARs, and a lack of proportionality in survey efforts and offset obligations relative to actual project impacts. The application of varied assessment advice, additional requirements for matters including SAII criteria, treatment of partial and temporary impacts and the application of survey requirements for individual species and large projects further compounds risk and inefficiency.

These issues are exacerbated by high and increasing offset costs, constrained market mechanisms, and misalignment between biodiversity assessment processes and the urgent need to deliver renewable energy infrastructure.

The following discussion outlines these challenges and identifies opportunities for reform, including improving certainty in requirements, adopting risk-based and proportionate assessment approaches, enhancing guidance and institutional capability, strengthening biodiversity certification pathways, and better aligning environmental outcomes with implementation constraints.

Biodiversity assessment 'requirement creep'

Biodiversity assessment requirements continue to evolve throughout the assessment process, creating uncertainty, duplication and delay for proponents. For example, changes to the Plant Community Type (PCT) classifications, or the introduction of newly-predicted species in the Biodiversity Assessment Method Calculator (BAM-C) part way through the preparation of a Biodiversity Development Assessment Report (BDAR) and Environmental Impact Statement required under the EP&A Act (EIS), often result in projects needing to revisit their survey design and analysis mid-assessment. Given the prescriptive nature of survey windows and lead times required for fieldwork, any amendments to PCT classifications, introduction of new species, changes in survey methodologies or required updates to BAM-Cs (along with other environmental matters) have the potential to substantially impact project delivery timeframes.

The issue of 'requirement creep' is compounded by the fact that BDARs and BAM-C's are 'locked in' at the time that they are created and are unable to be modified to address evolving requirements or project updates throughout the EIS development phase. In the vast majority of cases, BDARs need to be recommissioned to facilitate even minor changes to project areas or the species being assessed. Recommissioning a BDAR can incur costs in excess of $100,000 to address disproportionately minor changes that may only make a few thousand dollars difference to final credit obligations. Industry understands that the Department of Planning, Housing and Infrastructure (DPHI) has been made aware of these challenges and is happy to work with Government to further analyse the costs and benefits that have been realised through recommissioned BDARs in recent years. A principle of proportionality should be applied in relation to likely changes that will result from minor project development changes. We suggest two options to address this issue of 'requirement creep'.

Option 1:

Amend the *Biodiversity Conservation Regulation 2017* (BC Regulation) to provide that the biodiversity assessment requirements applicable at the time Secretary's Environmental Assessment Requirements (SEARs) are issued are 'locked in' for the duration of the assessment period (ie until a project is determined or withdrawn), unless changes are:

- nominated by the decision maker as critical;
- voluntarily adopted by the proponent; and/or
- the development application has been on foot for a specified period of time.

This recommendation mirrors approaches in other regulatory regimes, such as the application of Section 158A of the *Environment Protection and Biodiversity Conservation Act 1999* in relation to controlled action determinations for EPBC Referrals. This recommendation also recognises that in certain cases a development application may be on foot for many years where proponents commence minor works – in these cases it is recognised that it would not be reasonable that the biodiversity requirements are 'locked in'.

Option 2:

Introduce clearer and longer transitional arrangements when Biodiversity Assessment Method (BAM) updates are introduced, particularly for large and complex renewable energy projects that are already progressing through the planning system. This would reduce inefficiency, avoid duplication of field work and improve investor confidence while providing clear guidance on expected environmental standards.

Concurrent with either of the above options, it is also recommended that amendments be made to enable the modification of existing BDARs without the need to recommence the process. The current settings disincentivise improvements to project design by penalising proponents (both financially and durationally) for minor changes or shifts in project boundaries, even where this leads to improved biodiversity outcomes. Allowing accredited assessors to apply their professional judgement to determine the materiality of an outcome and modify existing BDARs to encourage improved project design would not only improve assessment timeframes but incentivise investment in avoidance.

Recommendation 1:

'Lock in' biodiversity assessment requirements at the time SEARs are issued, unless changes are nominated by the decision maker, voluntarily adopted or the development application has been on foot for an extended period OR introduce clearer and longer transitional arrangements when BAM updates are introduced.

Recommendation 2:

Enable the modification of existing BDARs without the need to recommence the process.

Estimation of serious and irreversible impacts

The application of Serious and Irreversible Impact (SAII) provisions in the BC Regulations[1] has been identified as a key source of variability, risk and delay in the assessment of renewable energy projects in NSW.

A key issue is the inconsistency between the criteria used to list entities as SAII and the way impacts are subsequently assessed. In practice, this can result in materially different ecological contexts being treated as equivalent.

For example, where species have been listed as SAII based on a decline in the geographic extent of remnant woodland, there is a disconnect if projects are then assessed based on impacts to derived native grassland areas that no longer functions as a viable woodland community. This disconnect can result in an over estimation of the significance of certain impacts and can distort the consideration of potential SAII.

In addition, the thresholds for determining whether a development is likely to result in SAII are in some cases unclear and inconsistently applied, leading to overly conservative interpretations, expanded assessment scope and the need for provision of additional measures. For example, relatively small or indirect impacts to marginal or highly modified habitat may be treated as triggering SAII risk, despite limited evidence that such impacts would contribute to a species' serious or irreversible decline at a population level. This can result in disproportionate assessment requirements and uncertainty for proponents.

- We welcome the recent publication of SAII guidance. In addition, we recommend: increasing the use of expert peer reviews or independent assessment mechanisms to enable the consideration of potential impacts to SAII entities and provide expert advice to the DPHI, thereby providing greater confidence for both proponents and regulators.
- Developing clearer and more standardised SAII guidance tailored to renewable energy projects, and
- Clearer evidentiary thresholds for determining whether SAII is likely or not

Recommendation 3:

Support the application of the SAII guidance through increased use of expert peer review or independent assessment to ensure consistent, robust decision-making and greater confidence for proponents and regulators, develop clearer guidance specifically for renewable energy projects, and clearer evidentiary thresholds for determining whether SAII is likely or not.

Offset timing and improving the effectiveness of SODAs

Under the current NSW BOS, biodiversity credits must be retired prior to any clearing occurring (pre-construction retirement), replacing earlier arrangements under BOS practice notes that allowed post-construction retirement and enabled greater flexibility during project delivery.

[1] See section 6.7 in the Biodiversity Conservation Regulation 2017 (NSW).

This change reduces the ability for proponents to make real-time design refinements or adopt lower-impact construction methods, limits opportunities to further avoid and minimise impacts as projects are implemented, and can increase upfront costs and delivery risk, with flow-on implications for project viability and energy affordability.

It is recommended that consideration be given to reinstating post-construction retirement, consistent with earlier practice, to improve alignment between regulatory requirements and the staged nature of project delivery. This would support better environmental outcomes by enabling adaptive design and construction approaches, reduce upfront offset costs and improve affordability, and increase delivery certainty for major renewable energy projects. Any changes should also be considered in the context of emerging national environmental standards for offsets being developed by DCCEEW, to ensure consistency between state and Commonwealth frameworks and support efficient operation of bilateral approval arrangements.

If SODAs are adopted as the preferred mechanism for addressing this issue, the BC Regulations should be amended to expand eligibility. Specifically, the definition of 'major project development' should be updated to ensure all SSD and SSI projects are eligible to enter into a SODA. This would provide a consistent and accessible pathway for major projects to meet their biodiversity offset obligations. The BC Regulations should also be amended to expressly recognise that the number of biodiversity credits required, and the associated financial contribution under a SODA, can be adjusted where appropriate. Providing this flexibility would better reflect changes in project design and impacts or offset requirements over the life of a project.

Recommendation 4:

Reintroduce post-construction retirement of biodiversity credits. If SODAs are used as the preferred approach to addressing this issue, amend the BC Regulations to ensure all SSI and SSD projects are eligible to enter into SODAs, and expressly provide for biodiversity credit requirements and associated financial contributions under a SODA to be adjusted where appropriate.

Dedicated biodiversity assessment team for renewable energy projects

A Renewable Energy Biodiversity Support (REBS) team has been established in the NSW DCCEEW to assist in accelerating delivery of renewable energy projects. REBS is a specialised team that is intended to:

- provide expert advice on biodiversity assessments specific to renewable energy projects;
- engage directly with accredited assessors and proponents to speed up biodiversity assessment from project initiation through to approvals;
- help proponents to reduce impacts and offset costs; and
- resolve issues quickly based on experience with other major projects.

While we appreciate that the REBS is already supporting the assessment of renewable energy projects, we recommend that this go further and that the REBS team be utilised as a dedicated assessment team for all renewable energy projects. Operating as a centralised team across regions, without geographic constraints, would enable the development of specialist expertise, improve consistency in the application of Biodiversity Assessment Method requirements, and reduce delays associated with workload reallocation and differing regional assessment practices. This functional shift could be implemented administratively through supporting guidance, or more formally recognised through amendments to assessment delegation arrangements under the BC Act and BC Regulations.

The NSW Government has recently introduced the Development Coordination Authority (DCA) to coordinate and centralise state agency advice and approvals within the development assessment process. The DCA has been identified as having a role in resolving conflict between government agencies and requirements, reducing requests for additional information and addressing post-approval issues. Early indications have also suggested that the DCA is intended to have a particular focus on housing. While the effectiveness and rollout of the DCA is yet to be seen, it is recommended that the establishment of the DCA not be unduly skewed towards housing and that all industries benefit from the new 'one-stop shop' for planning matters involving NSW Government agencies. The success of the DCA will also be contingent on the DPHI Major Projects Assessments Division being provided with succinct, constructive and deconflicted advice from the DCA and that advice provided outside of this process is redirected through appropriate channels.

Recommendation 5:

We recommend that the REBS team be utilised as a dedicated team for the assessment of renewable energy projects.

Standardisation and guidance for partial and temporal impacts

In NSW, partial biodiversity impacts are treated inconsistently across projects and geographic regions. Examples of partial impacts include: limiting clearing to overstorey vegetation, retaining understorey vegetation beneath transmission lines, or shading impacts from solar panel infrastructure. Developing standardised guidance for assessing partial impacts, including agreed impact multipliers or treatment rules, would improve consistency and reduce reassessment. This is particularly relevant for linear infrastructure associated with renewable energy zones, major transmission projects and array cables and transmission lines associated with large scale wind

generation projects. For instance, where overstorey clearing occurs but understorey vegetation is retained and continues to provide some ecological function, an agreed multiplier (e.g. 0.3 or 0.6 of a full impact) could be applied to reflect the partial loss of habitat values. Similarly, for temporary disturbance, such as construction laydown areas or cable trenching that are rehabilitated within a specified timeframe, a lower multiplier (e.g. 0.1 or 0.3) could be used where there is demonstrated capacity for habitat recovery and no long-term loss of ecological function.

Some contemporary projects have been required to fully offset impacts in certain areas and for certain species despite the implementation of proactive partial clearing approaches and mitigation measures. An example of this would be the Central-West Orana Transmission Line Project, where DCCEEW recommended that offsets be calculated based on the complete loss of habitat for 11 species within the partial clearance zone. DPHI noted that this approach was not specifically required under the BAM or other guidance documentation, but ultimately recommended offset obligations that assumed the complete loss of habitat for 6 of these 11 species.[2]

This approach risks overstating impact severity, undermining the recognition of partial clearing and mitigation measures, and creating a disincentive for proponents to adopt improved environmental design and management practices. These issues should be addressed through the development and consistent application of standardised guidance that appropriately recognises partial impacts and the benefits of avoidance and mitigation measures.

Recommendation 6:

Develop standardised guidance that appropriately recognises partial impacts and the benefits of avoidance and mitigation measures, which includes case studies of how multipliers or treatment rules could work in practice.

Strengthening and expanding Biodiversity Certification for CSSI projects

Biodiversity Certification has the potential to streamline assessment for very large strategic projects, including Critical State Significant Infrastructure (CSSI), but is currently under-utilised due to complexity, timeframes and perceived risk. When applied correctly, the Biodiversity Certification process can improve up-front certainty by identifying areas with development potential and strategic conservation outcomes. Due to the scale of areas assessed, these strategic conservation approaches can deliver improved biodiversity outcomes relative to site-by-site assessments.

Improving the accessibility, guidance and support for Biodiversity Certification, particularly for strategic renewable energy and transmission projects, could shift assessment effort earlier in the planning process and reduce project-by-project delays. Options include clearer pathways for applying certification to renewable energy precincts, stronger integration with strategic planning, and resourcing support for proponents and agencies.

Importantly, the time taken to achieve Biodiversity Certification represents a material risk and uncertainty for development timeframes and financial returns, with approvals often extending over 2–3 years (and in some cases longer where complex ecological issues arise or strategic assessments are required). Without greater certainty over the outcomes of this process, it is less likely that proponents would pursue this avenue over a BDAR due to the risk of needing to 'start over'. If certification is not achieved, proponents may be required to revert to a BDAR, which will effectively duplicate effort, incurring additional costs, and adding 12–24 months or more to project timelines.

In addition to promoting the broader adoption of Biodiversity Certifications for strategic projects, the NSW Government should consider commencing the process required to progress certifications for areas that will be subject to future renewable projects (such as declared REZs and network infrastructure identified as being an actionable or future project in AEMO's Integrated System Plan).

Recommendation 7:

Improving the accessibility, guidance and support for Biodiversity Certification.

A risk-based approach to survey requirements, assumed presence and offsetting

Following the introduction of the BC Act, and the subsequent commencement of the BAM and BOS, industry has reported substantial increases in the timeframes required to assess projects prior to EIS submission due to a combination of increased technical complexity, expanded survey requirements, and more iterative regulatory processes. The survey requirements imposed under the BAM commonly take years and can cost several million dollars to complete. This is because, ecological assessment requirements under the BAM expand the scope of field surveys, habitat condition scoring, and species impact modelling, meaning proponents must collect more detailed baseline data over 6–12 months or longer depending on seasonal constraints. In addition, the offsets framework introduces more complex calculations, often requiring iterative project design refinement and reassessment to avoid or minimise impacts before BDAR finalisation, further extending pre-lodgement timeframes.

The associated costs of offsetting the identified impacts have also escalated, often accounting for

[2] Central-West Orana REZ Transmission | Planning Portal - Department of Planning and Environment

one of the highest cost drivers for projects. This is evident in the TransGrid's 2021 *Project Assessment Conclusions Report* to support the Regulatory Investment Test for Transmission for Humelink (a critical State significant infrastructure project), which at the time, estimated biodiversity offset obligations as accounting for 28% of the total capital cost for developing major transmission assets.[3]

To address uncertainty in species detection and avoid the risk of underestimating ecological impacts during assessment, many proponents opt to assume presence for particular species, often where there is very little to no chance of this species occurring or where projects lie outside of known geographic limit of the species. Whilst it is understood that this approach has been derived from an overly precautionary approach to impact assessment, it is inconsistent with recent reforms to the EP&A Act that focus on proportionality and 'significant likely' impacts arising from development.

Furthermore, while projects are allowed to assume that species will be present at sites and generate credit obligations (in order to navigate approval processes and maintain timeframes needed to meet energy security targets and compete for long term energy service agreements), the standards required to identify and secure an appropriate offset are now equally if not more onerous than the initial impact assessments that inform an EIS. Offset sites must be proven to contain the targeted species and are becoming prohibitively expensive to acquire and establish. The variable application of precautionary principles to impact and offset sites has resulted in some projects being liable for impacts that are highly improbable.

Options to address the issues outlined above include:

- **Risk based survey methodologies**
  Develop risk-based approaches to survey methodologies that provide a statistical and scientifically robust basis to demonstrate the reasonable likelihood of impacts to threatened species. The survey methodology should reserve 'assumed presence' for areas subject to accessibility or other restrictions that prevent full survey coverage. Any survey methodology should build on existing resources such as the Australian Collision Risk Framework being developed by Department of Climate Change, Energy, the Environment and Water (noting that this is designed to be applicable at the state level and will also be particularly relevant for species that are also listed as a protected matter under the EPBC Act). This approach would support and rely on the expertise of accredited assessors and would allow for reasonably foreseeable impacts to be identified without the rigid application of prescriptive, inflexible and often incomplete survey guidelines.

- **Remove requirement to stratify plot effort by subregion**
  For large renewable energy projects spanning multiple Interim Biogeographic Region of Australia (IBRA) subregions, the requirement to stratify plot effort by subregion can significantly increase survey complexity and effort, even where ecological differences are minimal or irrelevant to the impact being assessed. We recommend removing this requirement, particularly where vegetation communities and impact types are consistent across subregions. This small change would streamline assessments without materially affecting outcomes and could be addressed through BAM amendments or endorsed technical guidance.

- **Proportionality principle**
  Introduce clearer proportionality principles into the BAM or supporting regulation, explicitly allowing assessment effort to be scaled to risk and impact significance rather than area alone. This approach is consistent with the EP&A Act focus on 'significant likely' impacts. Embedding proportionality would reduce unnecessary survey effort while maintaining robust outcomes, particularly for projects with large project boundaries but relatively low intensity impacts per-hectare. Current BAM requirements also present practical challenges for very large projects (e.g. wind farms and transmission lines), as they do not adequately enable scaling of survey effort at a landscape level, instead applying broadly equivalent survey requirements to both small (approximately 10 ha) and large (greater than 1,000 ha) project areas.

Recommendation 8:

Introduce risk-based, proportionate survey approaches in the BAM that allow assessment effort to be scaled to ecological risk rather than project area, including greater use of accredited assessor judgement, statistically robust sampling, and streamlined requirements such as removing unnecessary IBRA subregion stratification where ecological differences are minimal.

Recommendation 9:

Embed a clear proportionality principle aligned with the EP&A Act to reduce disproportionate survey effort for large-scale renewable energy projects (e.g. wind farms and transmission lines), where current requirements apply the same level of effort to very large, low-intensity impact areas as to small sites.

[3] Reinforcing the NSW Southern Shared Network to increase transfer capacity to demand centres (HumeLink), Project Assessment Conclusions Report [29 July 2021] transgrid-humelink-pacr.pdf, page 58.

Nature Positive guidance for the renewables sector and strengthen the recognition and value of nature positive restoration

The NSW Government has a Plan for Nature,[4] and given the role of renewable energy in decarbonising the NSW electricity system, the nexus between climate and nature-positive outcomes should be more explicitly recognised in decision-making. This should include a broader climate lens that captures the system-wide benefits of renewable projects, not just their direct environmental footprint, particularly as climate change is already a listed Key Threatening Process under the BC Act.

Current NSW regulatory and market settings are heavily weighted towards avoidance and mitigation, with limited ability to realise the full value of biodiversity restoration. While restoration is available, it is often discounted due to uncertainty and delivers low returns, resulting in a bias towards conserving existing vegetation rather than achieving net gain outcomes. This has constrained investment in restoration and ancillary conservation activities that could otherwise deliver long-term biodiversity improvements.

There is an opportunity to better value restoration and embed a clearer mitigation hierarchy that prioritises avoidance, mitigation, restoration, and residual offsetting, supported by stronger incentives for cumulative, landscape-scale gains. With unprecedented investment in renewable energy infrastructure underway, better aligning regulatory settings with commercial drivers could unlock greater restoration outcomes, support threatened species recovery, and shift the system from mitigated loss towards genuine net positive biodiversity outcomes.

Recommendation 10:

Align NSW nature positive policy and biodiversity offset settings with the renewable energy transition by incorporating a broader climate lens into decision-making and strengthening incentives for restoration.

Independent accountability of the BOS accreditation process

The BOS identifies accredited assessors as people who have been formally accredited to apply the BAM and prepare Biodiversity Assessment Reports (including BDARs). These individuals are subject to rigorous application standards and must demonstrate appropriate knowledge, skills, qualifications and relevant work experience to achieve accreditation. They are also held to a high standard through the application of a fit and proper person test and code of conduct.

Despite this professional standing, the work of accredited assessors is often challenged and contested during assessment processes, including in relation to survey methodologies, efforts and outcomes.

Accredited and certified practitioners that operate in other industries and across other parts of the NSW Planning System (eg Registered Environmental Assessment Practitioners) are required to act in accordance with professional standards and held to account by independent chartered or professional accreditation bodies (such as the Environment Institute of Australia and New Zealand, and the Planning Institute of Australia).

It is recommended that consideration be given to modernising the accredited assessor scheme to enable increased reliance on the expert opinions of accredited professionals, whilst simultaneously making these professionals accountable to an independent third party industry body. Conferring the accreditation of assessors to a transparent, independent industry body would improve consistency with other sectors and ensure a common level of quality across relevant subject matter experts, thereby increasing public confidence in the assessment system, facilitating greater reliance on the expertise of registered professionals and leading to faster assessment decisions.

Recommendation 11:

Modernise the BOS accredited assessor framework by increasing reliance on the expert judgement of accredited professionals, whilst simultaneously making these professionals accountable to an independent industry body, aligning with other professional accreditation systems to improve consistency, accountability, public confidence, and assessment efficiency.

Native Vegetation Regulatory Map

We welcome the NSW Department of Climate Change, Energy, the Environment and Water commitment to publish the Native Vegetation Regulatory map on 31 August 2026, but further work is required to ensure the mapping remains up to date.

Recommendation 12:

We recommend that sufficient resourcing is allocated to support practical implementation and ensure regular review and updates to the mapping. Ensuring that the map is up to date would provide greater certainty, reduce administrative burden and help minimise project delays.

[4] NSW plan for nature NSW Government response to the reviews of the Biodiversity Conservation Act 2016 and the native vegetation provisions of the Local Land Services Act 2013, July 2024.pdf, see page 8-9

Planning approval reforms

Part 2 of this policy paper looks at options to streamline and improve planning assessments and outcomes.

The DPHI leads the assessment of complex State significant projects, which requires DPHI to carefully consider advice from relevant agencies and regulators, alongside balancing interests of local communities and the broader NSW population.

As the scale and extent of the NSW renewable energy sector has grown over recent years, there has been an associated increase in the level of public interest, longer planning assessment timeframes, and more complex and costly technical studies and EIS processes.

These extended, multi-year assessment processes can incentivise proponents to commence technical studies based on conservative footprints and early design assumptions, with refinements then occurring in parallel with impact assessment. This reduces opportunities for sequential design optimisation and can result in approvals being based on earlier, less refined layouts, with subsequent modifications required to incorporate new information, technologies, or improved design outcomes.

Together these dynamics have contributed to delays in development approvals, increased reliance on post-approval modifications, construction delays, increased community challenges, and reduced investor confidence, ultimately slowing the delivery of renewable energy projects in NSW.

The following options outline a range of potential reforms to the assessment of projects under the EP&A Act and associated consideration of agency and regulatory authority advice.

Streamlined planning approval process within Renewable Energy Zones

The establishment of Renewable Energy Zones (REZs) in NSW was intended to support and focus the establishment of new renewable energy projects in key strategically defined areas of the NSW that are capable of supporting new grid-scale generation, coupled with new shared network infrastructure. These locations were identified by the NSW Government as being suitable for the development of gigawatts of energy generation. While industry continues to support the establishment of the REZs, proponents have reported increasing challenges in seeking to navigate the planning assessment process in these regions.

Industry has experienced an increasing range of strategic considerations when developing projects within REZs, including social licence constraints, shared and cumulative enabling infrastructure requirements, transmission capacity constraints, and coordination challenges across multiple proponents. These issues often extend beyond individual project footprints and introduce system-level dependencies that are not always well accommodated within traditional project-by-project assessment frameworks. As a result, there is growing complexity in coordinating timely delivery of generation, storage, and transmission infrastructure, particularly where multiple projects rely on common enabling works or sequential build-out of network capacity. In recognition of the Government's strategic objectives and early assessment of the suitability of these locations for renewable generation, it is recommended that a cumulative strategic assessment be made available for projects in REZs.

To address these challenges, there is an opportunity to streamline assessment pathways through greater use of non-discretionary development standards, effective implementation of targeted assessment pathways and proportionate assessment, cumulative strategic assessments, and expanded use of CSSI designations for renewable energy projects (or classes of projects) to assist in streamlining assessment considerations. If coupled with clear, non-discretionary development standards, this approach would provide improved clarity

for all parties about the permissibility and acceptability of projects, and manage expectations for communities and proponents alike.

In addition, the introduction of a permissibility clause equivalent to clause 2.10 of the State Environment Planning Policy (Resources and Energy) 2021, applied to energy projects, would provide greater planning certainty and facilitate development in designated REZs by reducing ambiguity around permissibility and enabling more consistent, upfront assessment of strategic energy infrastructure. All energy related provisions could be streamlined into a single SEPP (similar to the Resource and Energy SEPP). This approach would improve certainty around the acceptability and standards for renewable projects and replace the need for some provisions in other instruments, such as Clause 2.42 of the State Environmental Planning Policy (Transport and Infrastructure) 2021, which should be repealed.

Recommendation 13:

Introduce greater use of non-discretionary development standards, targeted assessment pathways and Critical State Significant Infrastructure (CSSI) designations to streamline assessment considerations.

Recommendation 14:

Introduce a permissibility clause equivalent to clause 2.10 of the Resources and Energy SEPP to apply to energy projects. Repeal clause 2.42 of the Transport and Infrastructure SEPP both within and outside of REZs.

Investigating availability / permissibility of expanding the use of the Targeted Assessment Pathway to low-risk renewable energy

The *Environmental Planning and Assessment Amendment (Planning System Reforms) Bill 2025* introduced a new Targeted Assessment Pathway that allows certain projects to bypass a full merit assessment where relevant issues and impacts have already been addressed upfront.

DPHI has communicated to industry its desire for material shift in the approach to development assessments. DPHI is placing a greater focus on significant likely impacts and aspires for the vast majority of development applications to progress through the complying development and Targeted Assessment Pathways.[5]

While industry recognises that SSD pathways would continue to apply for larger and more complex development types (broadly represented by categories of designated development), the principles underpinning a Targeted Assessment Pathway and the value underpinning such assessments closely aligns with the 'real world' experience of the renewable energy sector over recent years.

Given the rapid pace of global investment in renewable energy and improvements in generation and firming technology, many projects are locked in with technology that is 'out of date' by the time development approvals are granted.[6] These projects often seek to modify approvals almost immediately after they are granted to allow for the incorporation of new technologies, componentry (eg wind turbine blades or solar panel inverters), minor refinements to disturbance or laydown areas for construction and/or the coupling of an approved generation asset with battery energy storage systems.

Typically, these projects have already been through rigorous and protracted assessment processes and have been approved by relevant consent authorities on their merits and having regard to social, environmental and economic factors, as well as issues raised in public submissions. In relevant terms, these sites could be aptly considered to have been subject to upfront strategic planning. However, the legislative framework does not facilitate this, and necessitates reassessment when parameters are changed. On this basis, it is proposed that a trial could be run to permit the use of the Targeted Assessment Pathway for a limited range of ancillary infrastructure upgrades and storage projects that are co-located with existing projects.

The adoption of the Targeted Assessment Pathway for such proposals would enable an expedited and appropriately scoped assessment pathway that focuses on the relatively minor environmental impacts associated with these developments, without the need to relitigate a range of existing approved project elements that have been recently and comprehensively considered.

Recommendation 15:

Where permissible, we recommend that the NSW Government run a trial allowing the use of the Targeted Assessment Pathway for a limited range of ancillary infrastructure upgrades and storage projects that are co-located with existing projects.

Planning fees

In NSW, development applications are subject to the payment of a lodgement fee. For SSD and SSI, lodgement fees are determined by the Planning Secretary (within 14 days of submitting the DA on the NSW Planning Portal) by reference to the Schedule of planning and development fees and charges for 2025/26 financial year (Schedule of Fees). Part 5 of the Schedule of Fees relates to fees for

[5] In a presentation to industry on 12 March 2026, DPHI described the introduction of the targeted assessment pathway as a vehicle to 'pave the gap between complying development and full development applications'. DPHI compared the upfront strategic planning under this pathway to Special Activation Precincts and noted that it intended to pilot this new assessment pathway in late 2026, most likely for low/medium rise development in the housing sector.

[6] Approvals can take several years to obtain from when a project is first developed, and Secretary's Environmental Assessment Requirements are generated. Technological change has been rapid in the renewable energy sector, meaning that certain project elements, outcomes and opportunities can fluctuate over a period of only a few years.

DAs in relation to SSD and SSI projects. Item 5.1 includes scaled fees based on estimated capital expenditure (Lodgement Fee). For projects with a capital investment value exceeding $400 million, a base fee of $341,000 applies, plus $0.64 for every $1,000 above this threshold. By way of example, a project with an estimated capital expenditure of $3 billion would incur an application fee of approximately $2 million.

In addition to the Lodgement Fee, the Planning Secretary may require payment of a Planning Reform Contribution fee for SSD and SSI/CSSI projects (section 267 EP&A Regulation) (Planning Reform Contribution). The Planning Reform Contribution is expressed as being a discretionary amount (i.e. it may be imposed by the Planning Secretary), however, we understand that in practice this additional Planning Reform Contribution is applied to most SSD and SSI projects. For a project valued at $3 billion, this would equate to a further contribution of approximately $1.9 million.

For large-scale developments this approach can result in disproportionately high upfront costs that are not clearly aligned with the level of regulatory effort required to assess the project. These fees are payable irrespective of the outcome of the application, creating a significant financial risk for proponents. Compared to other jurisdictions, NSW application fees are materially higher, and given that high capital expenditure does not necessarily correlate with high profit margins, such costs can place additional pressure on project viability and investment decisions.

In addition to the proposed reform to the Lodgement Fee and Planning Reform Contribution, we also recommend adjustments to the timing for payment. Under the current structure, both payments are generally required upfront, which can create a significant early-stage financial burden before key planning risks are resolved.

Recommendation 16:

We recommend undertaking a review of the NSW planning fee framework to ensure it remains equitable, transparent, and broadly consistent with other jurisdictions, including consideration of other calculation approaches which are not solely based on project capital value. We recommend reforming the Lodgement Fee to either introduce a new electricity generating works fee category based on MW capacity rather than capital cost, with scaled marginal rates; or introduce extended bands above $400 million, which apply a declining marginal rate to smooth fee growth, rather than a constant rate applied across higher project values.

Recommendation 17:

Replace the current linear Planning Reform Contribution with a scaled rate to better reflect economies of scale and avoid disproportionate impacts on large projects, and publish clear guidance on circumstances when this discretion will (and will not) be exercised.

Recommendation 18:

Introduce a staged payment framework for the lodgement fees and the Planning Reform Contribution, based on the following milestones:

- **lodgement of the development application;**
- **response to submission report; and**
- **final investment decision**

Recommendation 19:

Amend the timing for payment of the Planning Reform Contribution to be due on issuance of the project approval.

Improving the ability for the renewables sector to access IPC hearings (where requested)

Projects referred to the Independent Planning Commission (IPC) may proceed through a public meetings or formal public hearings.

Depending on the circumstances, it may be beneficial for projects to proceed via a hearing (including that this limits appeal rights). Noting that in other sectors there is practical precedent for industries to access hearings, we recommend improving the ability for the renewables sector to access IPC hearings (where requested by the proponent). We recommend publishing guidance that the Minister will recommend an IPC public hearing where requested by the proponent (rather than a public meeting).

In addition, the thresholds for IPC referral and hearing requirements should be periodically reviewed to ensure they appropriately capture both the number of unique submissions received and the geographic proximity of submitters to the project.

Recommendation 20:

Where requested by a proponent, the Minister should recommend renewable energy projects access an IPC hearing (this should be formalised in guidance).

Recommendation 21:

The thresholds for IPC referral and hearing requirements should be periodically reviewed to ensure they appropriately capture both the number of unique submissions received and the geographic proximity of submitters to the project.

Renewable energy SEPP and performance-based development outcomes

There is an opportunity to introduce more prescriptive, non-discretionary development standards for renewable energy projects, similar to those applied in the housing and mining sectors.

The NSW Government's Renewable Energy Guidelines are a positive step, providing clearer, more accessible guidance on assessment requirements and reducing uncertainty during early project development. Similarly, the introduction of proportionality and risk-based assessment principles under the *Environmental Planning and Assessment Amendment (Planning System Reforms) Bill 2025* is a welcome reform aimed at focusing the planning system on matters of greatest consequence. That said, the practical application of these reforms to renewable energy projects remains unclear.

Existing frameworks that apply in the housing and mining sector demonstrate how clear, enforceable thresholds (e.g. for noise or air quality) can provide certainty, as consent authorities cannot impose more onerous requirements where standards are met (eg. Section 2.16 of the *State Environmental Planning Policy (Resources and Energy) (Resources and Energy SEPP)*). The mining sector also benefits from mechanisms such as the Voluntary Land Acquisition and Mitigation Policy, which recognises that some exceedances may be acceptable and provides a structured framework for determining impact significance and compensation.

Establishing a comparable framework for the renewable energy sector, including defined non-discretionary standards, recognition of acceptable exceedances, and clear guidance on when mitigation or compensation is required, would improve consistency in assessments, reduce ambiguity, and strengthen investor confidence. It would also provide greater clarity for communities and landholders, reducing disputes and reliance on case-by-case interpretation of guidance material.

Recommendation 22:

Introduce a renewable energy SEPP. If a narrower approach is preferred, introduce non-discretionary development standards for renewable energy projects, similar to section 2.16 of the *State Environmental Planning Policy (Resources and Energy)*.

Post-approvals delays and assessment of 'worst case' impact envelope

According to DPHI's website, between 2005 and April 2026, 48 State significant renewable energy projects had reached operational status in NSW, with a further 45 projects under assessment and 100 projects that have gained approved but are not yet operational. This highlights a growing renewable energy pipeline, but also points to material post-approval delays, with barriers to construction and financial close remaining significant.

One contributing issue is the 'locking in' of specific technologies and component specifications through planning conditions, which can limit proponents' ability to adopt improved or alternative technologies as they emerge. For example, conditions that prescribe limitations on battery capacity and/or discharge rates limit the ability of proponents to utilise different suppliers or new technologies that have emerged during the assessment process, even where changes would not alter the environmental and amenity impacts. This often necessitates modification applications, adding time, cost, and regulatory burden. By contrast, the resource sector typically operates within approved "worst-case" impact envelopes, allowing flexibility to update equipment and technologies over time, provided environmental performance outcomes are maintained.

Adopting a similar outcomes-based approach for renewable energy projects, focused on approved impact envelopes rather than fixed technologies, would reduce the need for post-approval modifications, improve resilience to supply chain changes, and encourage innovation. Complementing this with more standardised approaches to Construction Environmental Management Plans, including consistent terminology and frameworks, would further streamline post-approval processes, improve regulatory consistency, and support more efficient compliance and enforcement. Overall, these changes would reduce delays, lower project risk, and support faster delivery of critical energy infrastructure while maintaining strong environmental safeguards.

Recommendation 23:

Adopt an outcomes-based approvals framework for renewable energy projects that focuses on approved 'worst-case' impact envelopes rather than fixed technologies or component specifications.

Recommendation 24:

Introduce more standardised Construction Environmental Management Plan requirements, to reduce post-approval modifications, improve flexibility and innovation, and accelerate project delivery while maintaining strong environmental outcomes.

Consolidated RFIs

RFIs are an important component of the assessment process and remain necessary where information gaps are material to the assessment or where fundamental suitability concerns need to be resolved. However, RFIs are often issued multiple times over extended periods, resulting in piecemeal resolution of issues, repeated technical work and protracted assessment timeframes without necessarily altering project outcomes.

Clearer guidance should be developed to support earlier, more consolidated and outcome-focused RFIs. This guidance should establish a significance threshold for issuing an RFI, so that requests are limited to information

that is necessary to assess likely material impacts, resolve meaningful technical issues, or determine whether the project is fundamentally suitable. RFIs should not be used to pursue minor, immaterial or purely clarificatory matters that are unlikely to affect the assessment outcome.

Assessment officers should be instructed to focus RFIs on meaningful issues and to identify key information gaps upfront wherever possible. Unless genuinely new information arises, RFIs should be issued in a single consolidated request following review of the EIS, agency advice and submissions, rather than through multiple sequential requests that extend assessment timeframes and duplicate technical effort.

Recommendation 25:

Develop guidance requiring RFIs to be issued early, in a single consolidated manner wherever possible, and only where the information sought is material to assessing likely significant impacts, resolving meaningful technical issues or determining project suitability, unless genuinely new information arises.

Enabling infrastructure and coordination reforms

Renewable energy projects in NSW face coordination and infrastructure challenges due to rapid regional growth and cumulative impacts on essential services. While EnergyCo leads planning for REZs, delays arise from taking a 'project-by-project assessment' approach to shared infrastructure, such as roads and utilities, and uncertainties around waste management and decommissioning bonds. Expanding whole-of-government coordination, clarifying responsibilities, and improving strategic planning for shared infrastructure could reduce duplication, streamline approvals, and provide greater certainty for industry and communities.

Enabling infrastructure networks

As with many industry sectors and businesses, the renewable energy sector relies on the use of various essential services including water, power, electricity and transport networks.

Recent experience with the NSW planning system has seen the onus placed on individual development applications to resolve complex cumulative impact issues associated with numerous concurrent projects being proposed in regional locations and sharing common essential service and transport infrastructure. As the impacts of these developments must be considered prior to approval, multiple projects are often required to reassess, and be held responsible for, potential road or service upgrade requirements that have already been assessed for other projects in the planning system. This approach creates unnecessary duplication, consultation fatigue amongst local communities and first mover disincentives for development - with costs incurred by initial projects, with benefits conferred to subsequent competing projects (compromising the cost competitiveness of the initial mover).

It is recognised that the NSW Government has made recent efforts to facilitate some road transport arrangements for oversized over mass (OSOM) components that need to travel between NSW ports and renewable energy zones in the Central-West Orana and New England regions. While these road upgrade programs are welcomed, continued efforts are required to ensure these programs are periodically reviewed and continue to service the contemporary componentry needs of developers in these regions. Additionally, as these pathways are yet to deliver a guaranteed and timebound pathway for site deliveries, proponents are still being required to separately assess road upgrades and undertake works in parallel to this strategic network initiative.

Industry experience in NSW indicates some roads in NSW are not currently maintained to relevant standards or involve infrastructure that is located outside of the standard infrastructure land use zones typically used for road corridors in Local Environmental Plans. These occurrences have been known to materialise as unforeseen risks requiring upgrades to local road networks in the post-approval stage, complicating the leadup to financial investment decisions with the need for modifications, ambiguity around the funding of works and delayed construction activities.

It is recommended that the NSW Government undertake a wider assessment of the road network in NSW to ensure that all road corridors align with 'as constructed' road infrastructure. This approach would reduce risk and enable potential upgrade requirements to be identified in submissions on development applications, thereby providing greater certainty about the circumstances in which a developer is liable for road upgrade costs.

It is also noted that potential opportunities exist for the use of strategic port-side facilities, intermodals and special activation precincts in regional areas for the import of select materials and componentry (both standard and OSOM) needed to facilitate the construction of State significant energy projects. This approach would improve the management and potentially reduce the total number of heavy vehicle movements required between regions and facilitate greater coordination in generation areas.

Likewise, the establishment of regional laydown facilities would enable larger OSOM components to be moved from port to energy generation areas in advance of construction requirements, reducing delays associated

with finite portside storage facilities, limited OSOM delivery fleets and strict requirements for police escorts and campaign trucking. In the absence of a material shift and investment in the planning for enabling equipment deliveries, many projects statewide could be in the position of obtaining approval, but being unable to commence construction due to structural and policy limitations that inhibit the pragmatic use of public infrastructure networks.

Recommendation 26:

Periodical review of OSOM road transport arrangements

Recommendation 27:

Undertake a NSW Government assessment of the road network to align 'as constructed' conditions with planning records.

Recommendation 28:

Establish regional laydown facilities.

Waste management and decommissioning bonds

Renewable generation and storage projects around the State have commonly faced similar issues regarding impacts and pressure on essential services and in the absence of broader strategic planning guidance, are often required to assess these issues on a case by case basis. For instance, the potential for projects to accelerate the utilisation of capacity within local waste facilities and the potential for new technologies to emerge that could facilitate greater reuse and recycling are often raised during assessment processes. It is recommended that DPHI publish clear guidance around the ability of projects to utilise approved waste emplacement facilities, the need for waste facility operators to manage their capacities and plan for future waste emplacement needs, and that it is beyond the remit of an individual proponent to underpin the economic viability of potential cumulative waste recycling and reuse facilities. Where cumulative impacts are identified in this sector, the NSW Government should commence investigations into the future planning for strategic waste management and recycling facilities.

The Clean Energy Council released a Decommissioning Security Framework for renewable energy projects in October 2025 proposing a nationally consistent assurance model for clean energy development. This work is designed to resolve the timing and arrangements necessary to ensure landowners and communities that decommissioning activities for assets are conducted in accordance with community expectations.

It is recommended that DPHI continue to engage through the ECMC to progress work being undertaken there to continue progressing a nationally consistent solution.

Recommendation 29:

Clearer strategic guidance on cumulative impacts to essential services such as waste infrastructure, and continuing to work through the ECMC on policy options for decommissioning obligations and proportionate risk arrangements.

Glossary

AEMO	Australian Energy Market Operator.
BAM	Biodiversity Assessment Method established under the Biodiversity Conservation Act 2016 (NSW).
BAM-C	Biodiversity Assessment Method Calculator used in connection with the BAM.
BC Act	Biodiversity Conservation Act 2016 (NSW).
BC Regulation	Biodiversity Conservation Regulation 2017 (NSW).
BDAR	Biodiversity Development Assessment Report prepared in accordance with the BAM.
Biodiversity Certification	Biodiversity certification under Part 8 of the BC Act.
Biodiversity Offsets Scheme or BOS	Biodiversity offsets scheme established under the BC Act.
CSSI	Critical State Significant Infrastructure within the meaning of the Environmental Planning and Assessment Act 1979 (NSW).
DCA	Development Coordination Authority established by the NSW Government to coordinate agency input into development assessment processes.
DCCEEW	NSW Department of Climate Change, Energy, the Environment and Water.
DPHI	Department of Planning, Housing and Infrastructure (NSW).
ECMC	Energy and Climate Change Ministerial Council
EIS	Environmental Impact Statement required under the EP&A Act.
EnergyCo	Energy Corporation of New South Wales.
EP & A Act	Environmental Planning and Assessment Act 1979 (NSW).
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999 (Cth).
IBRA	Interim Biogeographic Regionalisation for Australia framework.
IPC	Independent Planning Commission of New South Wales.

MNES	Matters of National Environmental Significance under the EPBC Act.
PCT	Plant Community Type as defined under the BAM.
REAPs	Registered Environmental Assessment Practitioners.
REBS	The Renewable Energy Biodiversity Support team within the NSW Department of Climate Change, Energy, the Environment and Water.
REZs	Renewable Energy Zones declared under the Electricity Infrastructure Investment Act 2020 (NSW).
RFIs	Requests for Further Information issued during the assessment process.
SAII	Serious and Irreversible Impact as defined under the BC Act.
SEARs	Secretary's Environmental Assessment Requirements issued under the EP&A Act.
SEPP	State Environmental Planning Policy made under the EP&A Act.
SODAs	Strategic Offset Delivery Agreements
SSD	State Significant Development under the EP&A Act.
Targeted Assessment Pathway	Targeted assessment pathway introduced under the Environmental Planning and Assessment Amendment (Planning System Reforms) Bill 2025
TfNSW	Transport for New South Wales.
VLAMP	Voluntary Land Acquisition and Mitigation Policy (NSW).

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