



# VALLEY ALLIANCE

Our Homes, Land, Community & Future

## **Formal Objection to the NSW Transmission Planning Review Interim Report (June 2025)**

### **Opposing the Expansion of EnergyCo's Authority in NSW Transmission Planning**

Submitted by: Valley Alliance Inc.

Date: 1 August 2025

#### **Executive Summary**

We strongly object to the proposed expansion of EnergyCo's planning and coordination powers under the NSW Transmission Planning Review Interim Report (June 2025). The proposal to centralise infrastructure planning and execution under EnergyCo is unjustified given its historical failures, organisational incompetence, and demonstrated lack of transparency and community engagement.

Instead, we advocate for an accountable, distributed model of planning oversight—anchored in independent community panels, rigorous cost-benefit transparency, and phased reform only after demonstrated performance improvements.

### **1. Grounds for Objection: Organisational Incompetence and Mismanagement**

#### **1.1 EnergyCo's Origin and Capabilities**

EnergyCo's appointment as the NSW Infrastructure Planner was not the result of a structured, merit-based process, but rather an opportunistic bureaucratic repurposing of a dormant entity under the 1987 NSW Energy and Utilities Act—chosen largely for its compulsory acquisition powers rather than planning expertise. It lacked foundational skills in transmission planning, infrastructure finance, risk management, and regional engagement.

#### **1.2 Demonstrated Failure in Project Execution**

EnergyCo's handling of the New England REZ and associated REZ Network Infrastructure Projects (RNIP) has been marked by:



# VALLEY ALLIANCE

Our Homes, Land, Community & Future

- No prior community consultation before declaring an 8 GW generation target, in breach of s19(4)(b)(iii) of the EII Act 2020<sup>1</sup>.
- Failure to assess cumulative social and environmental impact, despite repeated community requests.
- Opaque planning assumptions based on developer EOIs lacking rigour, economic modelling, or accountability.
- Threat-based landholder engagement practices, relying on compulsory acquisition rather than building trust or clarity.
- Inability to respond to basic project questions regarding hub impacts, bushfire impact, insurance, land values, or cost-benefit outcomes.
- A lack of engineering knowledge that allows for investigation into alternative methods of transmission that may be more suitable both environmentally and financially ie DC transmission, Underground transmission.

These are not isolated incidents—they represent systemic failures incompatible with the mandate of a centralised Infrastructure Planner.

## 2. ENERGYCO'S STRUCTURE CONTRADICTS ITS REGIONAL MANDATE

Despite being tasked with regional infrastructure rollout, EnergyCo operates from Sydney's CBD with limited field presence. Its regional office in Armidale is underutilised, and community engagement relies on inexperienced, consultant-heavy teams with no authority to make commitments or answer technical questions.

This top-heavy governance model fosters:

- Distance from community realities.
- Delay in communication and conflict resolution.
- Strategic disconnect between REZ host communities and EnergyCo's planning assumptions.

---

<sup>1</sup> Section 19(4)(b)(iii) of the [Electricity Infrastructure Investment Act 2020](#) (EII Act) outlines a key consideration for the Minister when declaring a [renewable energy zone](#) (REZ). Specifically, the Minister must have considered the views of the local community in the renewable energy zone.



# VALLEY ALLIANCE

Our Homes, Land, Community & Future

## 3. COMMUNITY TRUST AND SOCIAL LICENCE ARE ERODING

### 3.1 Lack of Genuine Consultation

EnergyCo's planning approach is viewed as "do it to them, not with them." Consultative structures like Community Reference Groups (CRGs) are ineffective, tokenistic, and bring no new information or authority to the table.

### 3.2 Legislative Breach

The declaration of the NE REZ without community consultation contravenes explicit requirements under the EII Act, rendering the process potentially invalid and legally questionable.

## 4. ECONOMIC OUTCOMES ARE POOR OR UNKNOWN

Despite the EII Act's objective "to improve affordability, reliability, and security," outcomes have trended in the opposite direction:

- Electricity prices in NSW are among the highest globally.
- The REZ has attracted minimal regional manufacturing or full-time jobs.
- Hydrogen and other value-added industry proposals have largely failed.
- Cost transparency remains low, with communities having no access to economic rationale behind EnergyCo's project prioritisation or design decisions.

## 5. STRATEGIC ALTERNATIVES TO CENTRALISED AUTHORITY

We propose a multi-pronged governance and reform model that improves accountability without granting EnergyCo unchecked power:

### 5.1 Independent Community Panel Model

- Establish regionally-based panels with representation from affected landholders, agricultural experts, and regional planners.



# VALLEY ALLIANCE

Our Homes, Land, Community & Future

- Empower these panels to approve, amend, or reject RNIP/PTIP plans.
- Fund the panels through the AER or as part of the regulated project costs.

## 5.2 Binding Engagement Framework Agreement (EFA)

- Define mutual obligations between EnergyCo and communities.
- Mandate inclusion of forecast cost-benefit assumptions (FCBA) and transparent impact modelling.
- Tie EnergyCo's project approvals to demonstrated community engagement milestones.

## 5.3 Reformed CRG Structures (Community Reference Groups)

- CRG membership must exclude any parties with a direct or indirect financial interest in the project's development—including developers, contractors, consultants, land agents, or any individual or entity seeking commercial benefit from transmission or generation projects.
- The CRGs should be limited in scope to address Consumer Energy Resource (CER) and local electrification issues only.
- Strategic planning discussions (corridor alignment, hub placement, economic evaluation) must be elevated to independent community panels.
- Each CRG should be chaired by an **impartial community member** who is not financially connected to the project and is **selected and agreed upon by the CRG** itself.

## 5.4 Require Demonstrated Performance Before Role Expansion

- Delay expansion of EnergyCo's jurisdictional powers until:
  - A skills audit confirms adequate technical and community engagement capacity.
  - Pilot projects demonstrate on-time, on-budget, and trusted delivery.
  - Annual public reporting includes cost, risk, delay, and benefit metrics.



# VALLEY ALLIANCE

Our Homes, Land, Community & Future

## 6. RECOMMENDATIONS SUMMARY

Recommendation	Summary
Reject blanket expansion of EnergyCo power	Given mismanagement, poor track record, and breach of community trust.
Mandate regional community panels with authority	Including the power to shape, review and delay project designs.
Create a new Engagement Framework Agreement (EFA)	Legally binding between EnergyCo and affected communities.
Introduce transparent economic justifications (FCBA)	At all stages of RNIP and PTIP planning.
Audit EnergyCo's internal capability before reform	Require a skills, cost, and performance audit before role expansion.
De-Sydney EnergyCo	Redirect operations into the REZ—regional infrastructure needs regional leadership.



# VALLEY ALLIANCE

Our Homes, Land, Community & Future

## 7. CONCLUSION

Transmission reform in NSW is overdue, but it must be reform that restores community confidence and rewards competence. A centralised transmission planner—enshrined in law without proven performance, capacity or community licence—is a recipe for repeating past failures on a larger scale.

EnergyCo has not earned the privilege of more power. The path forward must include independent oversight, transparent economics, and true community partnership.

### Valley Alliance

The Valley Alliance (VA) Inc. is a community based not-for-profit association, representing members from the Chaffey Dam, Duncans Creek, Dungowan, Garoo, Limbri, Mulla Creek , Walcha, Woolomin & Wallabadah Valleys in Northern NSW.

VA has over 300 paid up members who are all impacted by the NEREZ transmission project.

The Association supports efforts to reduce emissions and provide a sustainable future for the benefit of all urban & regional Australians.

VA is opposed to ill-conceived, poorly researched plans that are a response to political pressure to achieve climate targets at the expense of the homes and livelihoods of regional NSW residents.

Our aim is to move High Voltage Transmission Lines onto public land or underground so that the impact is not as environmentally devastating nor economically destructive to our region's food & fibre industries or the communities that support these industries.