

Submission to the Productivity Commission

Inquiry into Investing in Cheaper, Cleaner Energy and the Net Zero Transformation (Interim Report)

15 September 2025

Commissioners: Barry Sterland, Martin Stokie

Voice for Walcha - Background

Voice for Walcha was formed in 2021 as a community group dedicated to sourcing and sharing information on the New England Renewable Energy Zone (REZ). The group's primary aim is to ensure that residents of the local community represented by Voice for Walcha have access to accurate, reliable information and have a collective voice. Voice for Walcha is a grassroots community group with 350 registered local members. We have a dedicated group of local residents who help with costs of admin costs and professional fees.

Voice for Walcha is pleased to present this submission to the productivity commission for the Inquiry into investing in cheaper, cleaner energy and the net zero transformation (interim report).

Executive Summary

We are deeply concerned by the suite of reforms proposed in the Productivity Commission's interim report *Investing in Cheaper, Cleaner Energy and the Net Zero Transformation (2025)*.

The interim report's recommendations undermine the protective intent and safeguards established by the EPBC Act. There is a clear shift towards prioritising improvements in energy efficiency and accelerated project delivery at the expense of environmental and community outcomes. This approach threatens the rigorous protections for Australia's environment and matters of national environmental significance.

Rather than upholding robust, evidence-based assessment processes, the report suggests replacing them with policy-driven guidelines designed to enable faster, less rigorous project assessments and approvals.

Draft Recommendation 1.1 Reducing emissions in the electricity sector after 2030

This recommendation focuses on nation-wide consistent incentives for all generation technology across all jurisdictions.

This concept needs to be expanded to address the inefficiency and inequity created by the REZ model in NSW where unrealistic generation targets are being pursued in arbitrarily nominated REZ's – encouraging and insisting on overdevelopment around small communities and against National Park, and Wilderness areas.

Higher cost projects with higher environmental and social impacts are being incentivised by state governments pursuing unrealistic REZ targets within defined geographic areas.

REZs have been identified based on desktop modelling, with little consideration of the environmental impacts and social and cumulative effects of having projects concentrated in geographical regions. Development is being forced on local communities at a level beyond the capacity that can be absorbed by these communities.

Requirements and incentives for generators within geographical areas to produce REZ targets risks resources being diverted from lower cost opportunities outside REZs and drives up prices for consumers.

Part 2: Speeding up approvals for new energy infrastructure

“Resources should be focused on assessing projects that are most important to the energy transition. The Australian Government has a list of priority projects, but they need to be assessed faster.”

“This chapter recommends how clean energy projects can be approved faster, without compromising environmental and other regulatory standards.”

Faster approvals should come from excluding low-quality projects early, not by weakening EPBC Act safeguards. Allowing only well-sited, high-quality proposals into the process leads to quicker approvals, lower emissions and costs, and cleaner, affordable energy with less environmental impact. Delays stem from poor project quality and location, not the Act itself. Consent authorities should prioritise well designed projects and exclude those unlikely to succeed, ensuring resources drive effective and fair energy transitions.

To highlight how the approvals process is not only failing the environment and the communities hosting renewable energy infrastructure, but also failing the transition to net zero, we would like to draw your attention to two contrasting projects – 1. Yanco Delta Wind Farm; 2. Winterbourne Wind Farm.

Yanco Delta Wind Farm is an approved 1500MW wind project in the Riverina district in the designated south-west REZ. The project is located adjacent to key transmission infrastructure. It is not close to national parks, world heritage areas or wilderness areas. The project will not destroy koala habitat and will result in the destruction of a limited amount of natural habitat (174ha). The project has only 3 neighbours within 5.3km of wind turbines. It took this project just 20 months to progress from the initial scoping report to approval in December 2023. The project is owned by Origin and has a high probability of proceeding. Support of well-located and designed projects results in fast approval decisions.

By comparison, Winterbourne Wind Farm is a project that has been in the planning portal since September 2020 and still has not progressed to the Independent Planning Commission (60 months). Winterbourne Wind is a 750MW projected located on the boundary of the Oxley Wild Rivers National Park, Gondwana World Heritage Area and wilderness areas on irreplaceable biodiversity corridors and remnant vegetation on fragile ridgelines. All 118 proposed turbines are visible from areas within the sacred and protected wilderness area. 420ha of native

vegetation will be destroyed by this project including critically endangered ecological communities (CEECs) and koala habitat.

The project has 127 neighbours within 5.3km of turbines. There were 388 objections received for the EIS for this project. 332 of the objections were from local residents within the New England area. 74% of the submissions received from the New England area were objections. This type of project impacts the community's acceptance of other renewable projects in the REZ and creates resistance to the energy transition. This project is sapping government and agency resources that should be directed to approving better projects in more appropriate locations. Winterbourne Wind has lost its financial backing (Copenhagen Infrastructure Partners) and is very unlikely to be built, despite all the government and agency resources that have been and continue to be directed towards approving this project.

Excluding poorly located projects such as Winterbourne early in the assessment process allows for the energy transition with less impacts on the environment and communities. It also frees up resources for more productive activities and enables gains in productivity and living standards.

This inquiry seeks to progress **all** renewable energy projects through to approval at any cost. Cost to the environment, cost to local communities and cost to the credibility of the industry.

Instead, resources should be directed to the best projects that do not have significant biodiversity impacts and have community support.

Draft recommendation 2.1 Reform national environment laws

- **introduce national environmental standards**

The EPBC Act's existing "triggers" provide clear, transparent and legally enforceable thresholds. Substituting these with national standards transforms enforceable obligations into discretionary policy guidelines. This is a dramatic step down in transparency, scrutiny and system integrity.

- **make offsetting arrangements more efficient, such as by enabling developers to meet their offset obligations by contributing to an Australian Government offsets fund**

This does not make offsetting arrangements more efficient. It makes it easier for developers to satisfy their offset obligations. The biodiversity offset scheme provides a mechanism to avoid, minimise and offset the impacts of development. A central government offsets fund is contrary to the principals of this scheme. It lacks any mechanism for like-for-like replacement and completely lacks transparency. This system introduces a fee that is payable to overlook biodiversity destruction.

Responsibility for biodiversity offsetting should be maintained at the project level to ensure the local impacted region benefits from the biodiversity credits.

The failure of the integrity and functionality of the Biodiversity Conservation fund will be exacerbated by a centralised system.

Draft recommendation 2.1 Reform national environment laws

- **set clear expectations about engagement with local communities and Aboriginal and Torres Strait Islander people.**

National standards for engagement and a renewable energy developer rating scheme would be welcomed by communities if it was measurable and enforceable.

Draft recommendation 2.2 Set up a specialist ‘strike team’ for priority projects

Introduction of a priority pathway and centralisation through a co-ordinator general lacks transparency and allows for short-circuiting of important environmental safeguards upheld by a merit-based assessment process.

Composition of the priority list: The suggestion that the priority list is too short and all projects that are genuine priorities for the transition should be included, is counter-productive. Projects with poor environmental outcomes, lack of community support and limited financial backing should not be included. The inclusion of the proponent rating system in the priority list selection process would be a welcome inclusion for communities.

Draft recommendation 2.4 Consider the energy transition in approval decisions

To protect nature and biodiversity, the EPBC Act should remain “agnostic” about the type of project under consideration and renewable energy projects should not be treated differently to other projects for the purpose of environmental approval.

There is already clear evidence that the NSW Planning Department is moving away from the scientific merit-based assessment of renewable energy projects and assessing them based on “greater community need”. This subjective, non-transparent assessment is resulting in poor outcomes for nature, communities and consumers. It is resulting in lack of confidence in the assessment process. This assessment of projects is becoming more of an approvals procession than a genuine assessment process.

Conclusion

This transition must not come at the expense of the legal and institutional safeguards that protect our environment. The EPBC Act was enacted precisely to provide a national safety net — one that should be strengthened, not undermined.

I therefore urge the Commission and the Australian Government to:

1. Retain legally binding EPBC triggers rather than replacing them with discretionary standards.
2. Reject proposals that would prioritise project speed over environmental rigour.
3. Safeguard national consistency by preserving strong federal oversight.
4. Ensure that all pathways — including priority pathways — preserve transparency, public participation, and judicial review.



Australia's environmental legacy should not be traded for short-term administrative convenience. Strong national laws are essential to ensuring that our transition to Net Zero is both economically responsible and environmentally sustainable.

Yours Sincerely,

Voice for Walcha

Submit by 5pm, 15th September 2025.

Submit to: https://engage.pc.gov.au/surveys/secure_form/survey/make-your-submission?form_page=2#survey-form-69