

26 September 2019

Committee on Environment and Planning  
Parliament of New South Wales  
Macquarie Street  
SYDNEY NSW 2000  
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To the Committee of Environment and Planning,

**Sustainability of energy supply and resources in NSW**

Eurobodalla Shire Council (Council) supports the intent of the *Sustainability of energy supply and resources in NSW* inquiry. Council has been an early adopter and advocate for renewable energy for many years and we would like to thank you for the opportunity to make a submission to the inquiry.

Eurobodalla is located on the NSW south coast and comprises the regional towns of Batemans Bay, Moruya and Narooma.

The terms of the inquiry are that the Committee on Environment and Planning inquire into and report on the sustainability of energy supply and resources in NSW, including:

1. The capacity and economic opportunities of renewable energy
2. Emerging trends in energy supply and exports, including investment and other financial arrangements
3. The status of and forecasts for energy and resource markets
4. Effects on regional communities, water security, the environment and public health
5. Opportunities to support sustainable economic development in regional and other communities likely to be affected by changing energy and resource markets, including the role of government policies
6. Any other related matters.

**1. The capacity and economic opportunities of renewable energy**

Council appreciates that the capacity for new renewable energy and economic development in our Shire is relatively limited due to a lack of commercially viable renewable resources. However, Council supports the development of more new sustainable renewable energy generation in suitable locations across NSW. It offers the potential to deliver clear economic development to these regions. Council also strongly advocates for support being provided to regional communities likely to be affected by changing energy and resource markets.

## **2. Emerging trends in energy supply and exports, including investment and other financial arrangements**

Council is a relatively large user of energy and is acutely aware of the impact of high energy prices, not just for our own operations, but also for local businesses and residents. It has been widely reported over the past year by a range of authorities including the Australian Competition and Consumer Commission, the Australian Energy Market Operator, the Australian Energy Regulator and the Clean Energy Council, that the lack of policy certainty and leadership on energy and emissions policy has significantly undermined investor confidence and a smooth transition for the energy sector. Council is concerned that in the absence of a clear policy direction, we will continue to be exposed to high prices and volatility in the energy market. This uncertainty has negative impacts, not just on councils like us, but on businesses and residents across NSW as well.

It is critical that the emerging trends are identified and that governments are prepared to act in a timely manner to ensure that adequate investment and financial signals are in place to support the changes in energy supply and resource exports.

## **3. The status of and forecasts for energy and resource markets**

Council realises the benefits that renewable energy can deliver for consumers, both at a local level, and at a grid-scale level. The energy market is in the midst of an inevitable transition towards a higher penetration of renewable energy. It is important to manage this process through clear planning and policies in order to ensure a smooth and equitable transition for those communities that are affected. The lack of clear policy and pricing limits investment and economic development in general, not just in energy generation.

## **4. Effects on regional communities, water security, the environment and public health**

Council strongly advocates for support being provided to regional communities likely to be affected by changing energy and resource markets. This includes providing community engagement and support for new renewable energy developments and comprehensive support for communities impacted in a transition away from fossil fuel generation and extraction industries.

Other effects on communities such as water security are paramount and of increasing concern in multiple communities across NSW. The impact of this is also evident in environmental degradation, loss of agricultural income, changing landscapes, social health issues associated with physical and mental wellbeing of individuals and communities. The usage of hydro and pumped hydro for energy generation and storage, should complement water storage and security for communities.

The sustainability of energy supply and resources is critical to long term planning, financial forecasting and longevity of businesses and for new and emerging industries. It is also important that the public health impact of failing to provide a sustainable supply of energy and resources be better researched and understood.

## **5. Opportunities to support sustainable economic development in regional and other communities likely to be affected by changing energy and resource markets, including the role of government policies**

There are a broad range of opportunities to support sustainable economic development in regional communities and fundamental to this is clear, consistent government direction embodied in policies that have a long term impact and deliver market confidence. Council urges the NSW Government to demonstrate leadership on electricity and emissions policies to ensure the transition in this sector can be managed in a smooth way and so that potential benefits can be realised by electricity consumers.

The opportunities to improve water security, the transition to a sustainable energy supply and improve community public health can readily be supported by sound government policy.

Opportunities could include:

- ensure sound community engagement and equitable support programs are provided in regions where renewable energy developments are constructed
- provide resources and support to local government and community organisations to assist communities in the transition away from fossil fuel generation and extraction industries
- investigating and financially supporting Waste to Energy opportunities through the use of technological innovation and the treatment of residual wastes to harness energy, or create fuel for energy generation, from material that would otherwise be landfilled.
- support new and emerging businesses that invest in sustainable energy development
- support the augmentation of necessary transmission infrastructure that will allow the development of the renewable energy hubs identified in the AEMO Integrated System Plan
- support the development of infrastructure such as electric vehicle charging stations to enhance low emission vehicle usage in regional areas
- maintain and enhance subsidy programs and investments to enhance the uptake of sustainable energy and resource markets for businesses and communities
- ensure that support programs for the regions are delivered in the regions, not from Sydney.

## **6. Any other related matters**

Regional communities like Eurobodalla, are particularly reliant on road transport. Transport fuels are a high operational cost to Council. Council is aware that the lack of clear policy and leadership on new vehicle emission standards and electric vehicles is resulting in consumers paying more on fuel than they otherwise should. Local businesses and residents, not just in the Eurobodalla, but across NSW, are missing out on the opportunity to reduce their fuel costs due to inaction. It is important that the NSW Government shows leadership on low emissions vehicle policies so that the potential benefits can be realised by motorists across NSW.

A 2016 Regulation Impact Statement estimated average savings of over \$500 per year to motorists by 2025 by introducing new vehicle emission standards. The Electric Vehicle Council recently estimated that electric vehicle drivers will save up to \$1,400 per year in ownership costs. Supporting the growth of electric vehicles delivers a number of additional benefits as well. It would reduce the reliance on billions of dollars per annum in imported fuels and keep refuelling expenses within NSW. The Electric Vehicle Council and Asthma Australia also recently documented the multi-billion dollar per annum health benefits that electric vehicles could deliver to NSW.

Should you require further information, please contact Council's Sustainability Coordinator, Mr Mark Shorter on 4474 1373 or [mark.shorter@esc.nsw.gov.au](mailto:mark.shorter@esc.nsw.gov.au).

Yours sincerely

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