

# Property and easement acquisition

## New England Renewable Energy Zone

May 2023



NSW Department of Planning and Environment / Salty Dingo

EnergyCo is delivering the New England Renewable Energy Zone (REZ) to provide a clean, affordable and secure power supply for energy consumers across NSW. The REZ will harness energy from solar, wind and storage projects and connect to households and businesses across the region and the state.

## Overview

To enable renewable energy to be exported to electricity consumers across the State, EnergyCo is leading the delivery of new high-capacity transmission infrastructure for the New England REZ. This includes new energy hubs and transmission lines.

In consultation with community members and other stakeholders, we are designing the route for the new REZ network infrastructure, so it minimises impacts to sensitive land uses and local communities as much as possible.

This includes locating the route through mining areas as well as following existing transmission line easements and wind and solar development areas where possible.

We are making every effort to minimise impacts to local landowners. However, we will need to build the transmission route on private land in some areas. This fact sheet explains what easements are and how we go about securing the necessary easements and any interests in land which are required to build critical energy infrastructure.

## What are easements?

The REZ transmission lines will be built on corridors of land known as transmission easements. Easements are essential to making sure EnergyCo can deliver secure, safe and reliable electrical infrastructure in the REZ.

Easements are established via an agreement between EnergyCo and the subject landowner. This agreement allows EnergyCo to access and use a section of private land for the REZ transmission network. Landowners can generally continue using land that has an easement on it, however this will be subject to certain restrictions to ensure public safety and to maintain the reliable operation of the electricity network.

## What infrastructure will be built in the easements?

The New England REZ requires new high voltage overhead transmission lines to enable the transfer of electricity from solar, wind and storage projects to energy consumers.

The backbone of the REZ transmission network will be powered by one or more 500 kilovolt (kV) double circuit lines. This is the highest voltage used on the NSW network and has the advantage of reducing the number of circuits and lines required, therefore minimising the land required for easements.

Overhead lines in transmission easements will be supported by steel lattice towers which typically are between 45 and 70 metres high. The towers will generally be spaced around 400 to 600 metres apart with a minimum clearance of 7.5 metres off the ground to allow farming and other activities to take place safely.

## Ancillary Infrastructure

In addition to the transmission lines and towers, some additional infrastructure may be required in certain locations which may include a Switching Station which is used to appropriately control the electricity at required points in the network.

## Energy Hubs

Energy hubs are a modern type of substation that act as connection points between renewable energy projects and the broader transmission network. Energy hubs collect electricity from solar, wind and storage projects and transfer it to the network so it can be distributed to the homes, businesses and essential services that need it.





## Easement acquisition process

Easement acquisition is a common practice in Australia to allow for the construction and operation of transmission lines as well as various other utilities. When acquiring an easement, EnergyCo will seek to enter into an agreement with the landowner which will set out all the rights and obligations for both parties in relation to the ongoing use and management of the land, including payment of compensation to the landowner for granting the easement and any other required interests.

Property acquisition in NSW is governed by the *Land Acquisition (Just Terms Compensation) Act 1991* (the Act). The Act provides the procedures a government agency must follow to acquire land from a landowner, as well as the principles for determining compensation.

The EnergyCo acquisition process for an easement is designed to provide the landowner with certainty and equity and is summarised in the 'Steps Involved' section of this Fact Sheet.

EnergyCo's objective is to reach an agreement with the Landowner for the grant of a temporary Construction Easement and permanent Transmission Easement together with access rights (as required), to enable

EnergyCo to facilitate the construction and operation of the required permanent infrastructure works on the land.

The agreement would include the agreed amount of compensation that EnergyCo will pay to the Landowner for the grant of the temporary Construction Easement and permanent Transmission Easement, Switching Station land and associated access rights, if any.

Following completion of the permanent construction works, which is anticipated to take approximately 4 years, EnergyCo will survey the required area of the permanent Transmission Easement within the Construction Easement. The documentation required to register the permanent Easement(s) on the title of the Land would then be provided to the owner to enable execution and registration of the Easement(s) at Land Registry Services.

EnergyCo's strong preference is to complete any acquisition requirements on an agreed basis with the owner. This is known as acquisition by agreement.

However, if an agreement is unable to be reached at the end of the minimum six-month period, EnergyCo may need to commence a compulsory acquisition process which will occur in parallel to any ongoing negotiations with the owner.



NSW Department of Planning and Environment / Neil Fenelon

## Valuation and compensation

You are entitled to compensation under the Act if EnergyCo acquires an interest in your land.

Whilst the Act includes various provisions relating to compensation, an acquisition would typically include compensation for the following:

- Market value of the property interests acquired
- Payment of fees reasonably incurred with obtaining your own legal and valuation advice in relation to the acquisition.

Your entitlement to compensation is the same whether the easement is acquired by mutual agreement or through compulsory acquisition.

The value of the required property interests will be determined by a suitably qualified valuer engaged by EnergyCo. The valuation considers factors such as the interest to be acquired, the area of land to be affected, location, any impacted improvements, zoning and recent sales in the area. This information will be captured in a valuation report.

We encourage you to obtain advice from an independent valuer and lawyer to help inform your decisions during the acquisition process. We will compensate you for any reasonable fees associated with these services as part of the agreement.

We appreciate you may want to seek advice from other specialists such as accountants, town planners or surveyors. We recommend speaking to our acquisition team first to confirm if you will receive compensation for these costs.

## Supporting you through the process

We understand the acquisition process can be stressful and we are committed to providing support throughout this process. If your property is identified for an easement, we will provide you with a dedicated Acquisition Manager who will act as your point of contact throughout the acquisition. A Personal Manager, being the Project's Place Manager, would also be available, as required, to help support you throughout the acquisition process. (You can also contact the project team at any point if you have questions.)

## Impacts on land use

We appreciate easements can be a cause of concern for property owners who use their land for agricultural or business operations.

While there are some restrictions to the use of land within an easement for electrical transmission lines, livestock grazing can generally continue as normal. For other activities, such as operating farming equipment, fencing and irrigation, you may need to adhere to exclusion zones within a certain distance of transmission lines for safety reasons. You may also need to consult us about new proposals or developments within or near the easement.

Our land acquisition team will work with you to understand your individual circumstances, including your current and future land use and operations. We're committed to finding ways to allow these activities to continue with minimal impact.

We understand you may have a lot of questions about land use impacts. For further information about living and working near transmission easements, visit our website to view our fact sheet.

## Landowner benefit payments



Under the Strategic Benefits Payment Scheme (SBP), private landowners hosting new high voltage transmission projects critical to the energy transformation and future of the electricity grid will be paid a set rate of \$200,000 per kilometre of transmission hosted (in real 2022 dollars), paid out in annual instalments over 20 years.

Payments made under the SBP scheme will be in addition to any compensation paid under the Act to applicable private landowners for transmission easements on their land once the project is energised (i.e. operational).



# Steps involved

## Acquisition by agreement



01

### Early community consultation

We will begin consulting the wider community about the project.



03

### Face-to-face meeting

If an acquisition is identified which involves your land, we will ask to meet with you to discuss the next steps and provide information so you can better understand the acquisition process.



05

### Valuation

Both EnergyCo and the owner obtain an independent valuation assessing the owner's compensation entitlement in relation to the interests to be acquired.



07

### Exchange of Valuation Reports

Valuation reports are exchanged between the parties.

02



### Initial landowner contact

We will contact you to learn how you currently use your land as well as discussing what transmission infrastructure is potentially planned in the immediate area. We may also request access to your property for preliminary investigations to help inform our planning.

04



### Opening letter

EnergyCo, will issue an opening letter to advise that an acquisition is required and will detail the particular interests in land which are to be acquired. This would include, as may be relevant, a Sketch Plan showing the area required for a temporary construction easement and the approximate location of the permanent transmission easement as required by EnergyCo. The letter will also contain information which explains the owner's entitlement, under the Act, to reasonably obtain legal and valuation advice in relation to the acquisition.

06



### Letter of Offer

EnergyCo will issue the owner with a written offer based on its independent valuation.

08



### Reaching agreement

Meetings/discussions would occur between EnergyCo and the owner, including the independent valuers, to discuss any differences between the respective valuer's reports with a view to reaching an agreement as to the compensation for the acquisition of the required property interests.



# Steps involved

## Acquisition by agreement



09 ●

### Deed of Agreement

Following an agreement between the parties, EnergyCo's legal advisors will prepare and issue the owner's legal advisor with a Deed of Agreement (the Deed) which confirms the necessary terms which will include:



● 09.1



The area of the land for the Construction Easement which is to be occupied by EnergyCo on a non-exclusive basis for the purposes of construction and any project investigations and any construction easement for access (if necessary).



09.2 ●

The agreed occupation fee for the period of the temporary interests required for construction which is anticipated to be for approximately 4 years and will be paid in full upfront.

● 09.3



The area of the land for the permanent interests that will be acquired. Following the completion of the permanent infrastructure works, a survey will be undertaken to define the land over which the permanent interests will be acquired.



09.4 ●

Initial payment representing 100% of the agreed market value compensation for the acquisition of temporary interests required for construction and 80% of the agreed market value compensation for the acquisition of any permanent interests, together with the full payment of all other agreed compensation for the acquisition will be paid within 20 business days from the date of the execution of the Deed by all required parties. The remaining 20% of market value compensation will be paid upon the completion of the acquisition of the permanent interests.

### Switching Station

In instances where a partial acquisition of land is required to host a switching station, the Deed will provide for a construction lease over the relevant land and will include a Contract for Sale which confirms the agreed terms for such partial acquisition on completion of construction.



### Energy Hub

Where land is required for an Energy Hub, EnergyCo will complete the acquisition of the required land (after reaching an agreement with the landowner) by way of a Contract for Sale, which would confirm the agreed terms of purchase. A Deed will not be required for the acquisition of Energy Hub land.

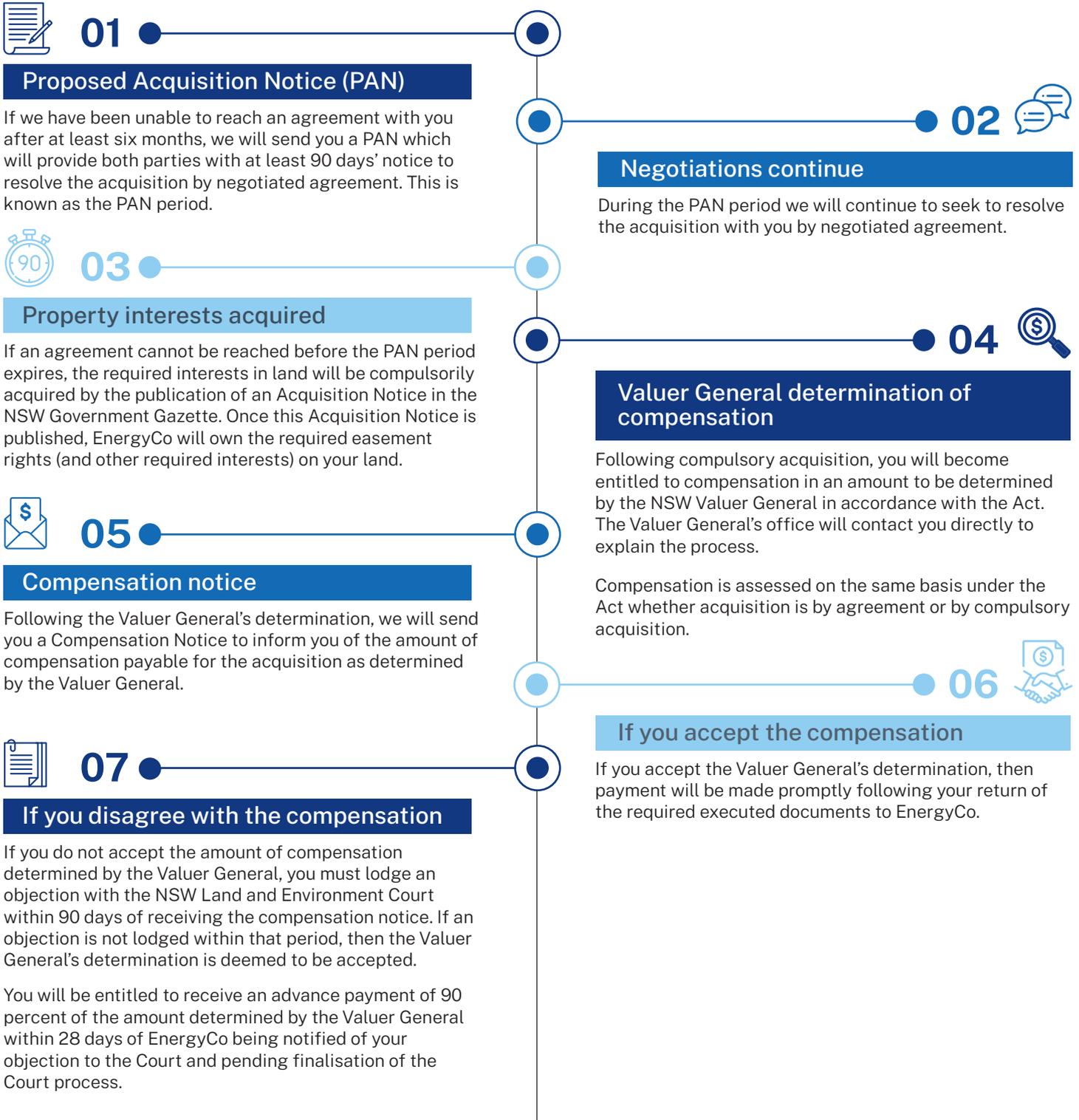




# Steps involved

## Acquisition by compulsory acquisition

If we can't reach an agreement after the stages outlined on the previous page, EnergyCo may initiate a compulsory acquisition of the easement rights.



### Strategic Benefits Payment (SBP) Scheme

Annual SBP payments will commence, indexed to inflation over 20 years to eligible private landowners once the project is energised (i.e. operational).



# Resources

## Property Acquisition NSW

The NSW Government website that outlines the property acquisition process.

**W:** [propertyacquisition.nsw.gov.au](http://propertyacquisition.nsw.gov.au)

**E:** [info@propertyacquisition.nsw.gov.au](mailto:info@propertyacquisition.nsw.gov.au)

**P:** 1300 029 146

## Land and Environment Court

Reviews disputes about compulsory acquisition.

**W:** [lec.nsw.gov.au](http://lec.nsw.gov.au)

**E:** [lecourt@justice.nsw.gov.au](mailto:lecourt@justice.nsw.gov.au)

**P:** 02 9113 8200

## NSW Valuer General

Determines the compensation for compulsory acquisition.

**W:** [valuergeneral.nsw.gov.au](http://valuergeneral.nsw.gov.au)

**E:** [valuationenquiry@property.nsw.gov.au](mailto:valuationenquiry@property.nsw.gov.au)

**P:** 1800 110 038

## Australian Valuers Institute

Provides independent information on finding a qualified valuer.

**W:** [valuersinstitute.com.au](http://valuersinstitute.com.au)

**P:** 1300 748 506

## Australian Property Institute

Provides independent information on finding a qualified valuer.

**W:** [api.org.au](http://api.org.au)

**P:** 1800 111 274

## Royal Institution of Chartered Surveyors

Provides independent information on finding a qualified valuer.

**W:** [rics.org/oceania](http://rics.org/oceania)

**P:** 1300 737 657

## NSW Law Society

Provides independent information on finding a lawyer.

**W:** [lawsociety.com.au](http://lawsociety.com.au)

**P:** 02 9926 0333

## Australian Taxation Office

Provides advice on tax-related topics.

**W:** [ato.gov.au](http://ato.gov.au)

**P:** 13 28 65

## NSW Government Gazette

Publishes official notices issued by the NSW Government, including acquisition notices.

**W:** [legislation.nsw.gov.au/gazette](http://legislation.nsw.gov.au/gazette)

## Translating and Interpreting Service

Provides interpreting services over the phone for people who speak languages other than English.

**W:** [tisnational.gov.au](http://tisnational.gov.au)

**P:** 131 450

## About EnergyCo

The Energy Corporation of NSW (EnergyCo) is a statutory authority responsible for leading the delivery of Renewable Energy Zones (REZs) as part of the NSW Government's Electricity Infrastructure Roadmap. EnergyCo will work closely with communities, investors and industry to deliver the state's first five REZs.

For more information about EnergyCo, visit our website at [energyco.nsw.gov.au/about-energyco](https://energyco.nsw.gov.au/about-energyco).

## Contact Us

For more information about the New England REZ project, you can visit our website or contact the project team:

-  [nerez@energyco.nsw.gov.au](mailto:nerez@energyco.nsw.gov.au)
-  **1800 061 114**
-  [energyco.nsw.gov.au](https://energyco.nsw.gov.au)



If you need help understanding this information, please contact the Translating and Interpreting Service on **131 450** and ask them to call us on **1800 061 114**.

EnergyCo wants to hear what you think about our plans. If you have questions or want to give feedback, please get in touch with our team. You can find more information on our website by scanning the QR code or by visiting [energyco.nsw.gov.au](https://energyco.nsw.gov.au).

