AGENDA

BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 18 February 2026
4:00 PM

at

Armidale Council Chambers

Members

Councillor Sam Coupland
Councillor Kay Endres
Councillor Paul Gaddes
Councillor Eli Imad
Councillor Susan McMichael
Councillor Todd Redwood
Councillor Dorothy Robinson
Councillor Rob Taber
Councillor Bradley Widders

INDEX

Item:	**9.9**	**Ref: AINT/2026/01585**
Title:	**Review of EnergyCo Regional Major Infrastructure Studies Container: ARC24/9350**	
Responsible Officer	**Chief Officer Planning and Activation**	
Author:	**Stephen Wood, Senior Strategic Planner**	
Attachments:	**Nil**	

1. Purpose

The purpose of this report is to inform Council of the findings of EnergyCo's REZ-wide cumulative impact studies for the New England Renewable Energy Zone (NEREZ), to outline the implications for Armidale Regional Council (ARC), and to seek Council endorsement of key advocacy positions to ensure coordinated infrastructure provision, impact mitigation, and net community gain.

2. OFFICERS' RECOMMENDATION:

That Council:

a. Notes the findings of EnergyCo's REZ-wide studies, including the *Water and Wastewater Security Study*, *Waste and Circular Economy Study*, *Workforce Accommodation Study*, *Training and Skills Study*, and *Local Supply Chain Study*, and their implications for ARC.

b. Acknowledges that the studies collectively demonstrate significant cumulative impacts on water and wastewater systems, waste management capacity, housing and accommodation availability, workforce supply, and local infrastructure, which cannot be addressed through project-by-project assessment alone.

c. Endorses continued advocacy to the NSW Government for:

- early and coordinated investment in enabling infrastructure, particularly water and wastewater infrastructure, as a prerequisite to NEREZ delivery;
- clear allocation of responsibility for managing cumulative impacts arising from State-led NEREZ development; and
- enforceable mitigation measures linked to REZ delivery that protect local communities and essential services.

d. Authorises the General Manager to make submissions, continue inter-governmental advocacy, and engage with relevant State agencies and neighbouring councils to progress the matters outlined in this report.

3. Background

In 2024, EnergyCo commissioned a suite of nine REZ-wide cumulative impact studies to assess the implications of Renewable Energy Zone development across multiple domains. A first tranche of five studies - now dubbed 'Regional Major Infrastructure Studies' - has been publicly released, including:

- *New England REZ Water and Wastewater Security Study*;

- *New England REZ Waste Management and Circular Economy Study*;
- *New England REZ Workforce Accommodation Study*;
- *New England REZ Training and Skills Study*; and
- *New England REZ Local Supply Chain Study*.

The studies were initially expected to be released in early 2025, with several reports dated April 2025, but their public release was delayed to December 2025. The stated purpose of the studies is to inform coordinated planning and mitigation responses to cumulative impacts arising from NEREZ development across multiple local government areas.

4. Discussion

Overview of the studies

Taken collectively, the REZ-wide studies confirm issues that Council has previously raised with the NSW Government but now quantify those issues at scale. In summary, the studies demonstrate that:

- There is insufficient water and wastewater capacity to support REZ construction and operation;
- There is insufficient landfill and waste management capacity to absorb REZ-related waste streams;
- The region does not have a sufficient local workforce or accommodation capacity to deliver the REZ without large numbers of non-local workers and significant additional accommodation; and
- Local and regional supply chains lack the scale and readiness to support REZ delivery without substantial external inputs.

While the studies vary in quality and usefulness, their collective value lies in the quantification of impacts and confirmation that these impacts are systemic rather than project specific.

Water and Wastewater Security Study

Armidale's water system is already under significant pressure. The Armidale Region requires 4.3 GL/year yet has access to only 2.4 GL/year (6.7 ML/day) of secure supply, equating to 56% of current needs. As a result, the Armidale region has been assessed under the NSW Government's Safe and Secure Water Program as Category 5, the highest level of water security risk.

EnergyCo's *Water and Wastewater Security Study* finds that by 2031, additional potable and non-potable water demand associated with NEREZ development across Armidale, Uralla and Walcha could reach 16.8 GL/year (46 ML/day) (pp. iv-v). This represents around seven times ARC's current secure supply. Across the NEREZ, demand is split 58%/42% between potable and non-potable (p. v), with around 44% of potable water demand attributable to concrete batching (pp. v-vi). Concrete batching must occur close to construction sites, creating additional logistical constraints that cannot be readily managed through remote supply options.

Even if sufficient water resources were available, treatment capacity is a binding constraint. The combined capacity of the Armidale, Guyra, Uralla and Walcha water treatment plants is approximately 32 ML/day (p. 54), significantly below projected peak construction demand (i.e., 46 ML/day). The study finds that under peak REZ conditions, ARC would have a water treatment capacity deficit of up to 199% for seven years; Uralla would experience a deficit of up to 399% (p. 119). Since these deficits would occur over sustained periods, they cannot be resolved

through operational optimisation alone. At present, Armidale and Uralla water treatment plants are already at or beyond capacity during peak periods.

Wastewater infrastructure is similarly constrained. None of the sewage treatment plants servicing Armidale, Guyra, Uralla, Bundarra or Walcha has significant spare capacity. Even allowing for planned upgrades, the Study projects that Armidale's sewage treatment plant will operate at up to 99% capacity for extended periods during NEREZ construction, while neighbouring systems face exceedances during peak construction years (p. 131).

The Study suggests groundwater extraction might close the water supply gap. Local experience indicates this is not realistic:

- Suitable bore locations are difficult to identify due to reliance on fractured rock aquifers.
- Water quality can be poor with documented exceedances of uranium and fluoride above Australian Drinking Water Guidelines in nearby LGAs.
- Licensing and works approval are complex and uncertain.
- Typical yields are modest, e.g., a bore at Guyra is licensed for 200 ML/year, which is equivalent to approximately four days of the additional water demand projected for the Armidale–Uralla–Walcha area under the NEREZ.

More promisingly, Council has developed a staged, investable water security pathway:

- Stage 1: Restoration of Oaky River Dam and construction of a pipeline to the Armidale water treatment plant.
- Stage 2: Raising Malpas Dam by approximately 6.5 metres and upgrading trunk mains to the water treatment plant.

This staged approach delivers a dual outcome by resolving existing water security deficits for the community while also unlocking state and nationally significant renewable energy infrastructure. Even so, this represents only a partial solution, such is the scale of the problem. If the full water security package is delivered, the estimated spare capacity would be approximately 4 GL/year (11.2 ML/day). At peak, the NEREZ would require more than four times this available capacity for the Armidale–Uralla–Walcha area alone. This reinforces the need for project staging and coordinated delivery.

A key limitation of the Study is that the 'additional demand' attributed to the NEREZ is confined to EnergyCo transmission works and renewable energy developments connecting to EnergyCo infrastructure. Water and wastewater demand from other NEREZ renewable energy developments, such as those connecting to the Transgrid network, is treated as part of the 'base case' and therefore excluded from the additional demand figures (p. 30). As a result, the study understates the full extent of additional water and wastewater demand that the NEREZ is imposing on the region.

Waste and Circular Economy Study

The waste management context across the NEREZ is already highly constrained. ARC's landfill is licensed to accept 15,000 tonnes per annum (tpa), a limit that is currently met or exceeded. Uralla Shire's landfill has less than three years of remaining capacity and is already looking to neighbouring LGAs for assistance, while Walcha and Glen Innes Severn have no capacity to accept REZ-related waste.

Against this already constrained baseline, the *Waste and Circular Economy Study* demonstrates that the additional waste generated by REZ infrastructure will be substantial. By way of context, the combined baseline waste output of all LGAs in the study area - including Armidale,

Tenterfield, Inverell, Glen Innes Severn, Uralla, Walcha, Tamworth, Liverpool Plains, Upper Hunter and Muswellbrook - is approximately 120,000 tpa (p. 70). EnergyCo's transmission works alone are estimated to generate an additional ~90,000 to 170,000 tpa of waste for at least seven years (p. 76). In effect, transmission works by themselves are projected to match or significantly exceed the total annual waste currently generated across the 10 LGAs.

For Armidale specifically, waste generated by transmission works is expected to peak at approximately 5,000 tpa in 2030–31 (p. 76), equivalent to around one-third of Council's existing landfill licence. When renewable energy developments are added to transmission works, the pressure on Armidale's landfill increases further. With a selected number of renewable energy developments included (10 projects within the ARC LGA), the Study indicates that NEREZ-related waste would consume more than two-thirds of ARC's licensed landfill capacity in 2027, and approximately 20-30% of that capacity, on average, across the period 2026–2033 (p. 86).

The Study also implicitly draws attention to long-term waste management risks associated with NEREZ developments. On page 46, it cites expert opinion that:

> Wind turbine blades are low-value resin, materially inert, heavy, and costly to transport and recycle with a low market demand for the recycled outputs.
>
> • Best option: Leave them in place.

While leaving blades in situ may be pragmatic from a waste minimisation perspective, it raises important questions about long-term land-use outcomes, decommissioning responsibility, and the transfer of residual liabilities to landholders and local communities.

Workforce Accommodation Study

The *Workforce Accommodation Study* depicts a housing market across the New England region that is already under significant stress. It finds that the region is characterised by persistently low rental vacancy rates, averaging 1.5%, well below the equilibrium rate of 3% (p. 23). Across the five years to 2024, median house prices grew substantially, with an average annual growth rate of 8.6%; over the same period, unit prices grew by 7% annually (p. 25). The study also finds high occupancy rates in short-stay accommodation, averaging around 80% in Armidale (p. 38), consistent with Council's own research. Against this backdrop, the Study concludes that "temporary workers accommodation camps will be essential" (p. 7) to manage the housing demand generated by the NEREZ.

In terms of NEREZ impacts, the Study models projected workforce and associated accommodation demand in three different ways: first, as total workforce by LGA over time (Chapter 9), then as peak construction workforce and operational workforce by LGA (Chapter 10), and finally as non-local construction workforce redistributed into town-centred drive-time "accommodation catchments" (Chapter 11). This can easily lead to confusion because the meaning of 'peak', the geography being analysed, and even which workers are counted, all change between chapters without being clearly signposted, explained or reconciled.

Chapter 9 establishes the baseline workforce demand profile by LGA over time. In effect, the chapter asks: 'How many workers are employed on projects in each LGA, over time?' It counts all workers on projects located in each LGA; includes construction and operational jobs; includes non-renewable energy developments; and shows a full monthly time series. For the Armidale LGA, this produces two distinct peaks, the first in mid-2027, the second in early-2030, each associated with just under 900 workers (predominantly construction with a small number of operational) (p. 69; Figure 1).

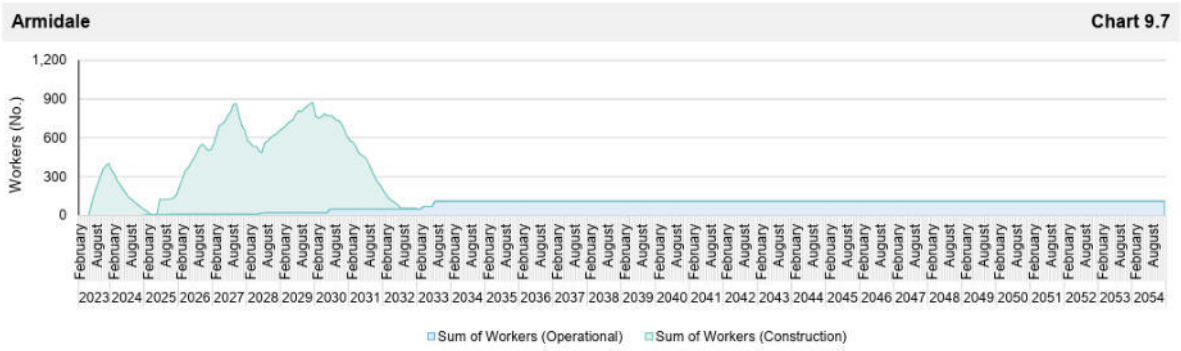


Figure 1: Cumulative worker demand for Armidale (p. 69).

Chapter 10 then disaggregates the construction and post-construction operational workforce, with a view to identifying demand for "temporary accommodation" and "ongoing accommodation". For Armidale, the peak construction workforce - representing the 'worst-case scenario' for temporary accommodation demand - is estimated at 853 workers, occurring in September 2027 (pp. 76–77). Given persistently low unemployment rates across the region, the study assumes that 85-95% of these roles will be filled by non-local workers (p. 75). Beyond the construction phase, the ongoing operational workforce associated with the NEREZ in Armidale is projected to range between 98 and 109 jobs, translating to an additional resident population of approximately 245-273 people (p. 79). Chapter 10, therefore, translates workforce demand into accommodation demand, while retaining LGA boundaries and without redistributing workers spatially.

Chapter 11 fundamentally changes the frame of analysis by shifting away from LGAs altogether and introducing town-centred "accommodation catchments" (p. 84). The purpose of the catchments is to determine which areas are best suited to hosting worker accommodation, based on how easy it is to drive to lots of construction jobs. Areas within easy drive of many large projects are treated as the most suitable places for worker accommodation. Nearby towns are then used as reference points for these high-access areas and treated as accommodation hubs. The study then depicts which town the study assumes will host the accommodation for each group of projects. The resulting catchments are therefore not town boundaries or LGAs, and they do not show where camps will actually be built. They simply show where, at a regional scale, large accommodation hubs *might* be most *efficiently* located. As the "Armidale accommodation catchment" (Figure 2) shows, this results in significant redistribution of accommodation demand across the region: the first peak in Figure 1 disappears, a new peak appears in early 2033, and both peaks rise to almost 1000. The ongoing workforce figures also rise, ranging between 122 and 139 jobs, translating to an additional resident population of approximately 306-340 people (p. 87).

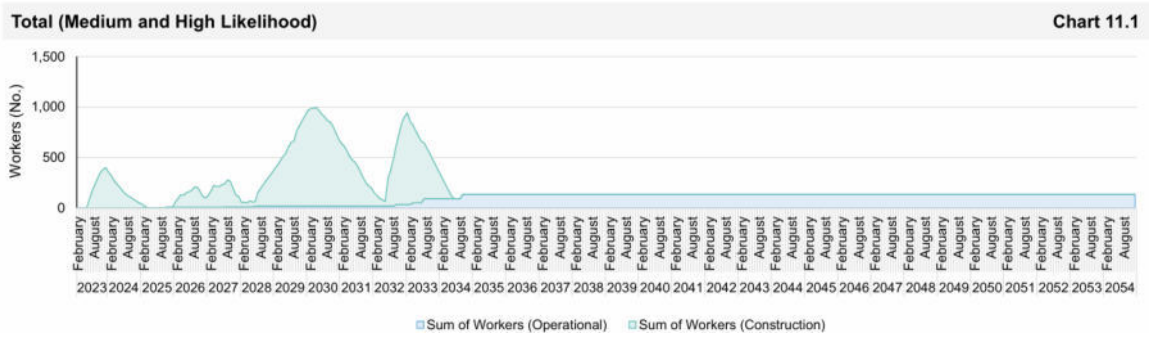


Figure 2: Armidale accommodation catchment (p. 88).

Unfortunately, the methodology employed in Chapter 11 results in an overly simplified representation of how accommodation and related pressures are likely to be distributed across LGAs; indeed, it is unconcerned with *likely* outcomes, just theoretically *efficient* outcomes. The model assumes that proximity to worksites should be the primary determinant of worker accommodation, and therefore distributes demand largely based on distance. In doing so, it fails to account for material differences between towns in housing capacity, rental market depth, vacancy rates, and access to services (including airports) and amenities; towns are rendered as mere points in space. It does not reflect established urban hierarchies or the principles of central place theory, that is, the tendency for higher-order centres, such as Armidale and Tamworth, to attract a disproportionate share of population and activity because of their broader range of housing and services. As a result, the approach risks understating accommodation pressure in larger centres while overstating the capacity of smaller towns to absorb demand. By contrast, a non-linear gravity-based model, which incorporates both distance and the relative 'attractiveness' or mass of centres (including population, housing stock and service provision), would be more likely to reveal a different and more realistic pattern of demand, with accommodation pressure concentrating more heavily in Armidale and other higher-order centres within the NEREZ.

The Study's inclusion of non-renewable energy developments (such as a poultry processing plant in Tamworth) within the modelling framework also adds confusion rather than clarity, even if the intention is to provide a more comprehensive picture of overall housing demand. At one point, the Study states that the impact of non-renewable projects on temporary accommodation is "low" (p. 75), just 58 peak workers in Tamworth, Upper Hunter, Muswellbrook and Liverpool Plains; at another point, it describes the impact as "quite high" (p. 86), requiring 520 dwellings in Tamworth and Muswellbrook. Regardless, by embedding non-REZ development impacts within aggregate scenarios, the analysis makes it difficult to isolate the specific impacts attributable to the NEREZ. This is particularly evident in LGAs such as Tamworth and Muswellbrook, where accommodation demand appears inflated by non-REZ activity, distorting comparisons across the region, and leading the Study to conclude that: "**Due to the number and type of jobs required, Tamworth and Muswellbrook stand out as areas that present legacy housing opportunities to support ongoing employment**" (p. 78, emphasis in original). This reduces the usefulness of the analysis for targeting mitigation and managing REZ-related impacts.

The Study also evaluates the financial feasibility of a range of workforce accommodation typologies, including temporary worker accommodation camps, purpose-built student accommodation, manufactured housing estates, holiday park cabins, upgrades to existing hotels, and affordable housing dwellings (Chapter 12). In terms of cost recovery, the highest-ranked options are manufactured housing estates, holiday park cabins (150 cabins), and student accommodation (600 units) (p. 112). By contrast, temporary worker accommodation camps

perform comparatively poorly, ranking 11th for a 150-unit facility and 9th for a 300-unit facility, and only improving materially when delivered at scale (4th rank for a 600-unit facility) (p. 112). Notwithstanding these findings, the Study repeatedly references temporary worker accommodation camps (on more than 200 occasions), effectively treating them as the default accommodation response.

The Study notes that "Camps servicing multiple projects would be more efficient than camps that are project-specific" (p. 114), implicitly recognising the need for coordination across proponents and the NSW Government. However, this is followed by a shift in the onus of responsibility: "Therefore, options should be explored by Councils with developers, builders, holiday parks, short-term accommodation providers, community housing providers, etc." (p. 114). More generally, from Council's perspective, financial viability alone (I.e., 'What works financially for proponents?') is an insufficient basis for accommodation planning, particularly where local infrastructure capacity, land use compatibility, legacy outcomes and residual risk are not addressed (i.e., 'What works, where, for whom, and at whose cost?').

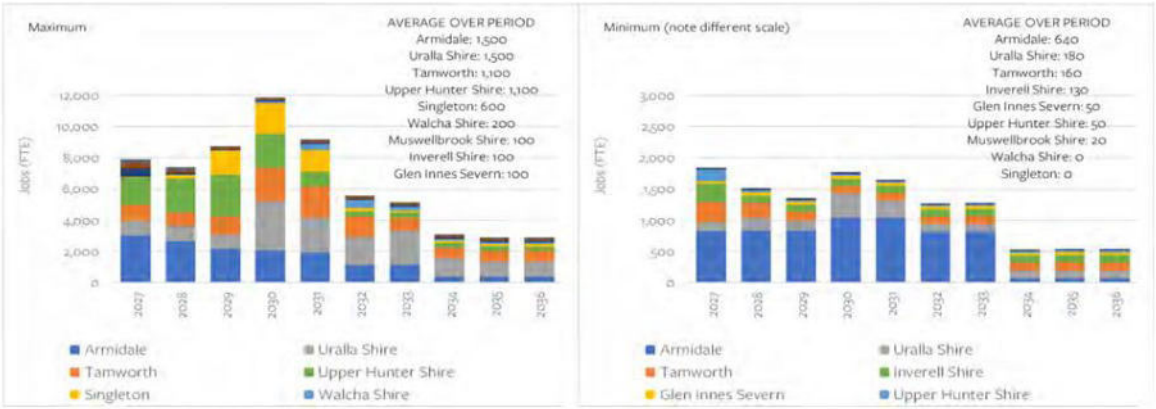
Training and Skills Study

The *Training and Skills Study* assesses workforce demand, labour supply, and training capacity associated with the NEREZ. It considers two scenarios for its forecasts, with actual employment outcomes expected to fall between them:

- A 'minimum' scenario, which includes only projects assessed as having a high probability of proceeding, equating to approximately 4.5 GW of generation within the NEREZ and around 800 MW within EnergyCo's transmission corridor; and
- A 'maximum' scenario, which includes projects assessed as having medium and high probabilities of proceeding, equating to approximately 19.5 GW of generation within the New England REZ and around 6 GW within EnergyCo's transmission corridor (p.60).

Notably, the minimum scenario already appears conservative, with more than 17 GW of projects currently at various planning stages within the NEREZ and transmission corridor.

Under the minimum scenario, the total number of jobs peaks at 1,900 full-time equivalent (FTE) jobs in Q2 2027 before declining to around 500 FTE (i.e., operations and maintenance) from 2034 onwards; under the maximum scenario, the total number of jobs peaks at almost 12,500 FTE in Q4 2030, before settling at approximately 2400 FTE (i.e., operations and maintenance) from 2034 onwards (pp. 63, 66). The projected distribution of jobs between LGAs for each scenario is depicted in Figure 3, below, noting significant differences between the findings of this Study and the *Workforce Accommodation Study*. (The latter suggests that Uralla, Tamworth, and Muswellbrook, will be most affected; The *Training and Skills Study* finds that Armidale will be the most affected.) Drawing on surveys of renewable energy proponents, the Study suggests a 28%/72% split between local and non-local employment. The Study also notes that the actual number of workers required will be lower than the FTE figures presented above, as the renewable energy workforce typically works extended hours, averaging 50 hours per week.



Note: the figures have significantly different scales.

Figure 3: Total Employment, LGA, Annual, Maximum and Minimum Scenario (p. 66).

The Study finds that labour supply across the region is structurally constrained, due to low unemployment, an ageing population, and relatively low participation in key renewable energy occupations. Under the maximum scenario, demand is projected to exceed local labour supply across most key occupations, whereas the minimum scenario is considered more manageable within the regional supply (p. 86). It is suggested that opportunities to increase local employment might involve greater participation among First Nations people, females, underrepresented and diversity groups, and school leavers (p. 115).

In terms of training capacity, the Study concludes that new training facilities are not required. Instead, it recommends unlocking additional capacity within existing institutions, particularly TAFE NSW and the University of New England (UNE), through targeted upgrades, expanded courses, mobile training delivery, and increased trainer availability. Armidale and Tamworth are identified as the two primary regional training hubs, with Armidale playing a key role in construction and related trades (Chapter 4).

Local Supply Chain Study

The *Local Supply Chain Study* assesses the capacity of businesses across the New England region to supply goods and services required for the construction, operation and decommissioning of the NEREZ. It focuses on eight supply chain sectors: materials; warehousing and storage; transportation; plant and equipment hire; security and surveillance; end-of-life (waste management); construction services; and catering, cleaning and hospitality (pp. 11-12).

In general, the *Local Supply Chain Study* is informative in diagnosing the scale of supply chain demand associated with the NEREZ but is limited in its ability to guide place-based outcomes or manage cumulative impacts on regional centres. In sum, the study finds that:

- The local materials sector would need to grow by 2-3 times its current size to meet demand generated by the NEREZ (p. 32).
- Undeveloped, industrially zoned land available in the Study Area may meet warehousing and storage needs (p. 35).
- There is sufficient trucking capacity within the Study Area to meet the needs of the NEREZ projects (p. 39).
- In terms of plant and equipment hire, there is sufficient capacity within the region to meet NEREZ demands for tower cranes, dump and haulage equipment, concrete batching plants; by contrast, there is insufficient capacity to meet NEREZ demands for

mobile cranes, cable pulling and tensioning equipment, piling and drilling equipment, and concrete agitators (pp. 44-46).

- The security and surveillance sector would need to grow by 1.5-2 times its current size to meet demands generated by the NEREZ.
- In terms of end-of-life resources, "by 2030 operational waste accounts for several 1000 tonnes of waste generation per annum and this will only increase further as projects reach decommissioning" (p. 54).
- In terms of construction services, "Certain businesses exist that can provide specific Construction Services where there are advantages to Head Contractors from sourcing them locally" (p. 56).
- In terms of catering, cleaning and hospitality, "Ancillary services are present in the Study Area but will need to be scaled to meet the needs of the NE REZ workforce population" (p. 58).

The Study identifies a range of constraints on scaling local supply chains, including workforce availability, planning and approvals processes, regulatory requirements, water intensity (particularly for concrete and quarrying), and high upfront capital costs. It indicates that opportunities for local benefit will only be realised if industries are supported to scale rapidly in a coordinated and timely manner, with targeted government intervention. Having said that, the Study does not address how businesses are expected to manage the risk of short-duration demand spikes followed by sharp contractions. This raises the risk of stranded assets, labour displacement and boom-bust dynamics. As with all the studies, 'opportunities' are framed without corresponding commitments (p. iii), reinforcing a recurring theme across the REZ-wide studies: local benefits are contingent, while local impacts are certain.

5. Implications

5.1. Strategic and Policy Implications

Issues raised in this report relate to the following strategies in the *Advancing Our Region Community Plan 2025-2034*:

- Promote and increase use of renewable resources and respond to the impacts and opportunities of the Renewable Energy Zone (F2.2)
- Collect, handle, dispose, recycle and reuse waste responsibly and innovatively (F2.3)
- Ensure the community is provided with safe, secure and accessible water that is sustainably managed now and into the future (F2.5)
- Ensure adequate and available land and housing to meet community needs (L2.2)
- Create partnerships between our community, levels of government and businesses that contribute to our growth and development (S1.2)
- Champion local employers to provide employment and training opportunities (T1.3)

Issues raised in this report relate to the following initiatives in the *Delivery Program 2025-2029*:

- Advocate for greater access to renewable energy for the local community as part of the Renewable Energy Zone (F2.2.1)
- Engage with industry partners to attract further local investment in renewable energy in the New England Region (F2.2.2)

- Operate and future-proof Council's landfills and waste transfer station assets to meet current and future regional needs and support sustainable waste management (F2.3.1)
- Ensure waste collection services and facilities meet regulatory standards and community expectations and promote resource recovery (F2.3.2)
- Partner with industry to develop and deliver opportunities that address future waste streams generated by the New England Renewable Energy Zone (F2.3.5)
- Collect, store, treat and distribute quality water in line with community needs, availability, and future requirements (F2.5.1)
- Investigate options and funding for the replacement of the Armidale Sewer Plant (F2.5.4)
- Develop plans for the delivery of region building water infrastructure. Seek appropriate funding (F2.5.6)
- Work across the region's neighbouring LGAs with the Energy Co., DPI and others to advocate for broader regional priority outcomes as part of the renewable energy zone. (S1.2.2)
- Foster constructive relationships with State and Federal representatives and agencies to ensure our voices, challenges and opportunities are heard (S1.2.4)
- Partner with NSW Government and Industry to identify skills and pathways for Renewable Energy Zone and other engine industry employment (T1.3.1).

5.2. Risk

The REZ-wide studies identify a range of material risks for ARC if the cumulative impacts of NEREZ development are not proactively managed through coordinated, State-led intervention.

- *Strategic and governance risk:* Council may be expected to manage the local consequences of State-led REZ development without corresponding authority over project sequencing, workforce inflows or funding decisions.
- *Infrastructure and service delivery risk*: The *Water and Wastewater Security Study* and the *Waste and Circular Economy Study* demonstrate that existing systems lack sufficient capacity to accommodate projected REZ demand, particularly during peak construction periods and drought conditions. This increases the risk of service failure, regulatory non-compliance and emergency responses, potentially compromising Council's ability to meet statutory obligations.
- *Housing and social risk*: Sustained inflows of non-local workers pose a high risk of exacerbating housing shortages, rental stress and displacement of vulnerable households. There is a particular risk to the availability of housing for key workers in health, education, care and emergency services, with flow-on impacts for community wellbeing, social cohesion and service delivery.
- *Economic risk:* Without timely enabling infrastructure investment, REZ development may crowd out existing industries, increase operating costs for local businesses, and undermine workforce availability. There is a risk that Armidale bears short-term inflationary and service costs without securing commensurate long-term economic benefits.
- *Reputational risk*: There is a reputational risk to Council if cumulative impacts associated with REZ development are perceived by the community as unmanaged or inadequately mitigated, notwithstanding Council's limited control over the drivers of those impacts. This

may erode public confidence in Council's ability to protect essential services and community wellbeing.

Effective mitigation of these risks is contingent on early and coordinated State (and Commonwealth) investment in enabling infrastructure, clear allocation of responsibilities for cumulative impact management, and enforceable mitigation measures tied to REZ delivery. Continued advocacy, collaboration with neighbouring councils, and engagement with State agencies will be critical to reducing Council's exposure.

5.3. Sustainability

The REZ-wide studies indicate that the long-term sustainability of the NEREZ is dependent on infrastructure, services and workforce capacity being delivered in advance of, or in parallel with, development. Without this coordination, there is a risk that REZ delivery produces short-term construction benefits while imposing enduring environmental, social and financial pressures on the Armidale Region:

- *Environmental sustainability*: The studies identify significant constraints in water, wastewater and waste management systems. Operating these systems at or beyond capacity for extended periods undermines resilience and increases the risk of adverse environmental outcomes.
- *Social sustainability*: Unmanaged workforce inflows and housing pressure risk eroding affordability, displacing vulnerable households and reducing access to housing for key workers. These impacts threaten community cohesion, liveability and the long-term viability of essential services.
- *Economic sustainability*: As with the preceding, the economic sustainability of the NEREZ is also contingent on timely investment in enabling infrastructure. Without this, REZ development may crowd out existing industries, increase operating costs and limit the capacity of local communities to capture lasting economic benefits. Sustainable regional growth requires that the costs and benefits of nationally significant infrastructure are equitably shared and that local communities are not left with ongoing service and infrastructure liabilities.

5.4. Financial

Budget Area:	Planning and Activation						
Funding Source:	Nil						
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Expenditure	Remaining Budget
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

6. Consultation and Communication

This report informs Councillors and the community and increases transparency.

Internal consultation

Manager, Water and Wastewater

Manager, Regional Waste

External consultation

Jennifer Blaikie (NSW Government Public Works Advisory) provided Council with an evaluation of the *Water and Wastewater Security Study*.

Associate Professor Robert G V Baker (UNE, former Chair of International Geographical Union Commission on Modelling Geographical Systems) provided Council with an evaluation of the methodology employed in the *Workforce Accommodation Study*.

7. Acknowledgement of AI Usage

No AI tool has been used in compiling this report. The final content, interpretation and conclusions as presented are entirely the authors' own responsibility.

8. Conclusion

The recommended course of action is for Council to formally note the findings of the REZ-wide studies and to authorise the General Manager to continue advocating for a coordinated, State-led response that ensures infrastructure delivery, impact mitigation and responsibility allocation occur in advance of, or in parallel with, REZ development.