



WESTERN SYDNEY PLANNING

SPECIALIST PLANNING AND DEVELOPMENT ADVISORY CONSULTANCY

**Request for Secretary's Environmental Assessment
Requirements (SEARs)**

Proposed Natural Gas-Fired Generation Halls

On behalf of
Nakar Property Pty Ltd

September 2025

Western Sydney Planning

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Key terms, acronyms and abbreviations

Term	Definition
BDAR	Biodiversity Development Assessment Report
EIS	Environmental Impact Statement
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
LGA	Local Government Area
LSPS	Local Strategic Planning Statement
MW	Megawatts
SEPP	<i>State Environmental Planning Policy</i>
SHDC	Southern Highlands Data Campus
SSD	State Significant Development

Executive Summary

The Project

Nakar Property Pty Ltd proposes to construct generator halls at 30 Douglas Road, Moss Vale (the Site). The development will comprise 18 halls, each with a capacity of approximately 36.3 megawatts (MW). An additional hall is proposed with a capacity of 19.8 MW. This is a total 19 halls providing a total capacity of 673.2MW.

The development has an estimated cost greater than \$30 million and is declared State Significant Development (SSD) in accordance with clause 20 of Schedule 1 of *State Environmental Planning Policy (Planning Systems) 2021* (Planning Systems SEPP).

Purpose of this report

This report has been prepared to support an application to the NSW Department of Planning, Housing and Infrastructure (DPHI) to request SEARs and has been prepared in accordance with the *State significant development guidelines – preparing a scoping report* (DPHI, 2022).

It includes an outline of the strategic context, description of the project, the statutory context, stakeholder engagement completed to date, proposed ongoing engagement, preliminary identification of relevant environmental matters, potential impacts and the proposed scope of the assessment to be undertaken in an Environmental Impact Statement (EIS).

Next steps

Following receipt of the SEARs, the EIS for the project would be prepared in accordance with the SEARs and technical guidelines and publicly exhibited. The EIS would include:

- A description of the project including its components and construction activities.
- Identification and consideration of issues raised by stakeholders and the community.
- A description of the existing environment.
- An environmental assessment of potential direct and indirect impacts on environmental and social issues during construction and operation of the project.
- Identification of measures to be implemented to avoid, minimise, manage, offset and/or monitor the potential impacts of the project.

1 Introduction

This Scoping Report has been prepared by Western Sydney Planning on behalf of Naker Property Pty Ltd (the Proponent) to support a request for the Secretary’s Environmental Assessment Requirements (SEARs) for a State Significant Development Application (SSDA) at 30 Douglas Road, Moss Vale. The proposal involves the staged development of natural gas-fired generation halls as part of the broader Southern Highland Data Campus (SHDC) masterplan.

The SHDC is a fully integrated data campus purpose-built to accommodate critical high-performance computing (HPC) and artificial intelligence (AI) infrastructure. The development will comprise 18 halls, each with a capacity of approximately 36.3 megawatts (MW). An additional hall is proposed with a capacity of 19.8 MW. This is a total 19 halls providing a total capacity of 673.2MW. The buildings will be known as ‘SQE3 to SQE21’ and are in addition to the previously approved SQE1, and the lodged application for ‘SQE2’, both referenced in Section 1.5. These facilities will deliver secure, dispatchable and efficient energy supply to underpin the adjoining liquid-cooled AI compute facilities, ensuring operational reliability and resilience.

The project qualifies as State Significant Development (SSD) under Clause 20 of Schedule 1, *State Environmental Planning Policy (Planning Systems) 2021*, as development for the purpose of electricity generating works with a capital investment value exceeding \$30 million. The Minister for Planning (or delegate) is the consent authority for the SSDA.

The purpose of this Scoping Report is to provide the NSW Department of Planning, Housing and Infrastructure (DPHI) with a clear overview of the proposal, its context, and its potential impacts. It identifies the key environmental, social, and economic issues to be assessed in detail within the Environmental Impact Statement (EIS), outlines the proposed assessment approach, and confirms the scope of stakeholder and community engagement to be undertaken.

1.1 Applicant Details

The Applicant’s details for the proposal are provided in Table 1 below.

Table 1. Applicant details	
Descriptor	Applicant Details
Name	Naker Property Pty Ltd
ABN/ACN	96 986 175 921
Address	Suite 201, 20A Lexington Drive, Bella Vista NSW 2153

1.2 Project Objectives

The objective of the proposal is to:

- Provide reliable, high-capacity power to support large-scale artificial intelligence, high-performance computing, and data centre operations, while reducing dependence on the electricity grid and improving local energy security. The proposed natural gas generation is expected to produce lower greenhouse gas emissions than the current coal-dominated grid, resulting in a measurable improvement

in overall emissions performance.

1.3 Locality

To the north, the Site adjoins large rural allotments within the C3 Environmental Management zone. These lands are predominantly used for broadscale agricultural activities.

To the east, the adjoining land comprises a substantial E4 General Industrial parcel (Lots 1 and 2 in DP 1100533, Douglas Road). Although zoned for industrial purposes, the land is currently utilised for agricultural activities and is subject to a proposal for industrial subdivision. A sewer pumping station (Lot 41 DP 1189246), accessed from Red Fields Road, is also positioned along this boundary.

On the western side, the Site adjoins 50, 52 and 54 Carrabee Road. These properties, each around 2.3–2.6 hectares in area, are zoned IN1 General Industrial and are occupied by rural-residential uses. Further west, at 33 Carrabee Road, is the Shore Hire facility.

To the south, at 1 Douglas Road, is Cromford Pipe Holdings, a polyethylene pipe manufacturing business. Also fronting Douglas Road is the Berrima Junction Zone Substation. Off Red Fields Road to the south-east, a recently approved and constructed industrial subdivision has introduced a number of new buildings, some completed and others under construction.

In the broader context to the south-east, at 2 Lackey Road, is the Omya Australia calcium carbonate processing plant.

The Site itself forms part of the Southern Highlands Innovation Precinct, the primary concentration of industrially zoned land within Wingecaribee LGA. The corridor extends northwest of the Moss Vale town centre, encompassing approximately 1,100 hectares of industrial-zoned land, predominantly E4 General Industrial, and is evolving into a modern mixed-use industrial precinct along Douglas Road, Collins Road and Lackey Road.

1.4 Site Description

The proposed development is situated on Lot 40 in DP 1288692, Douglas Road, Moss Vale. The Site lies approximately 4 kilometres north-east of Moss Vale town centre in a straight-line distance.

Positioned on the northern side of Douglas Road, the Site's western boundary adjoins Carrabee Road. The land is irregular in configuration and has a total area of approximately 67 hectares.

The Site includes a sealed, industrial-standard private access road extending approximately one kilometre north and east from Douglas Road, terminating in a cul-de-sac. Drainage infrastructure and utilities have also been established, and the Southern Highlands Data Campus occupies the northern portion of the land.

Vehicle access is provided via this private road, which connects directly to Douglas Road.

Vegetation on the Site is minimal, limited to a row of mature trees along the northern boundary that provides a visual screen to adjoining land. The area affected by the proposed development is otherwise devoid of significant vegetation.

The topography is characterised by undulating land that generally falls from the existing access road to the southeast and south of the Site.

An unnamed watercourse traverses the southern extent of the property in an east-west direction. This feature does not contain a defined bed or bank, and historic dams previously located along it have since been filled during earlier site works.

The land is not affected by any heritage items and does not fall within identified bushfire-prone land.

The site aerial image is provided in **Figure 1**.



Figure 1 *Subject Site*. Source: Nearthmap

1.5 Background

Development history of the Subject Site demonstrates its progressive transition towards large-scale data and energy infrastructure. On 17 December 2016, development consent (DA 16/720) was granted for the subdivision of the land into 11 allotments, together with the construction and dedication of a new road to provide vehicular access. The associated civil works, including construction of the internal access road, were completed.

On 25 February 2021, conditional approval (DA 21/1042) was issued for the construction of a data storage centre on Lot 5 of the approved subdivision. Following the consent, the Applicant reviewed its long-term strategy and elected not to proceed with registration of the subdivision. As a result, the completed internal access road remains a private road servicing future development of the Site as a single holding rather than 11 separate allotments. The consent for DA 21/1042 has since been modified on two occasions, and the first data building (DB1) has now been constructed.

Subsequently, on 19 April 2024, approval (DA 24/0055) was granted for the construction and operation of a gas-fired power generation facility. This included nine generator sets—seven for continuous supply and two standby units for maintenance—delivering a total capacity of 14 MW.

Most recently, on 14 April 2025, a development application (DA 25/2158) was lodged for the construction and operation of a second data storage centre (DB2). The proposal involves a three-storey building together with associated on-grade plant and equipment. This DA was approved to proceed on 22 September 2025.

A DA was lodged with Council (26/0352) on 11 September 2025 for the construction and operation of a gas power generator plant facility. The purpose of this facility is to generate electrical power to supply the Southern Highlands Data Campus.

1.6 Purpose of this report

This report has been prepared to support an application to the NSW Department of Planning, Housing and Infrastructure (DPHI) to request SEARs and has been developed in accordance with the *State significant development guidelines – preparing a scoping report* (DPIE, 2022).

It includes an outline of the strategic context, description of the project, the statutory context, stakeholder engagement completed to date, proposed ongoing engagement, preliminary identification of relevant environmental matters, potential impacts and the proposed scope of the assessment to be undertaken in an Environmental Impact Statement (EIS).

This Scoping Report has been prepared to:

- Provide the DPHI with an overview of the project (Section 2)
- Identify relevant key environmental matters that will be further investigated for the EIS that will support the EIS application for the project (Section 6)
- Identify key stakeholders to be consulted during the preparation of the EIS (Section 5)
- Seek DPHI's confirmation of the adequacy of the proposed assessments and its approach.

2 The Proposal

2.1 Overview

Nakar Property is the owner of 30 Douglas Road, Moss Vale, known as the Southern Highland Data Campus (SHDC). SHDC is a fully integrated data campus purpose-built to accommodate critical high-performance computing facilities. The current proposal seeks approval for the staged development of on-site natural gas-fired generation halls (SQE3–SQE21) (refer to **Figure 2**), designed to provide a secure, dispatchable, and efficient electricity supply to the adjoining liquid-cooled AI compute facilities.

The development will comprise 18 halls, each with a capacity of approximately 36.3 megawatts (MW). An additional hall is proposed with a capacity of 19.8 MW. This is a total 19 halls providing a total capacity of 673.2MW.

The proposal is a part of a broader masterplan for the site, which is detailed under Section 1.4 above.

A general arrangement plan is provided below under **Figure 2**.

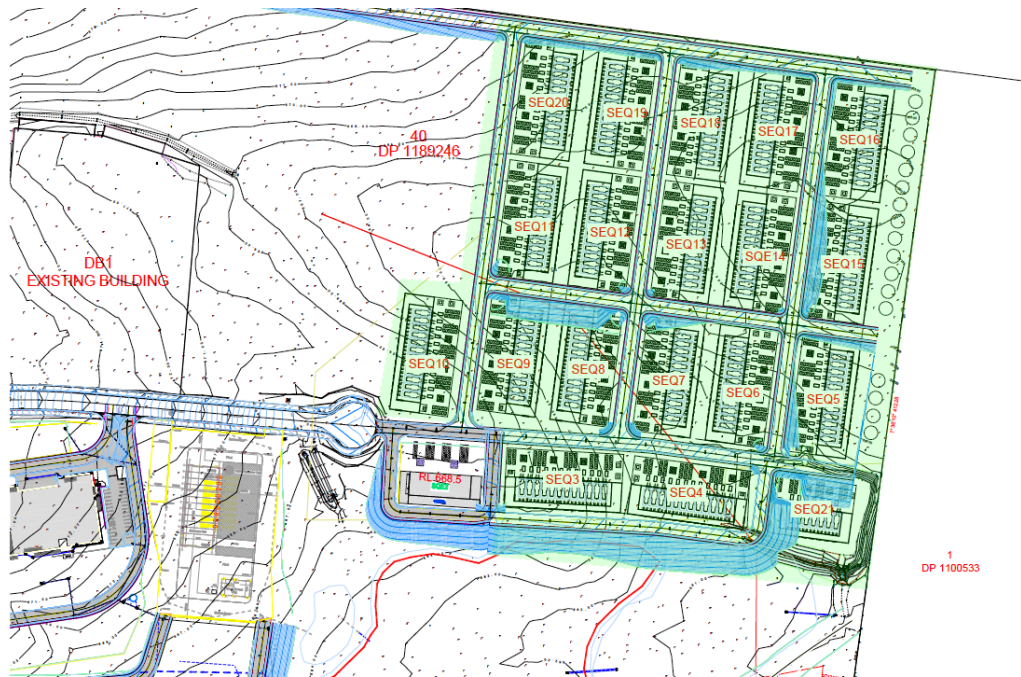


Figure 2 General Arrangement Plan. Source: Lucas Consulting Engineers

2.2 Alternatives considered

In preparing the proposal, consideration was given to the strategic context of the Site within the Southern Highlands Innovation Precinct, which has been identified in both regional and local planning frameworks as a priority location for industrial and infrastructure development. The subject Site was selected as it is already partially developed for data campus operations, has an established internal access road, and is suitably separated from sensitive receivers by surrounding industrial uses.

In developing the proposal, a range of energy generation options were considered, including solar, wind, batteries, biogas, and hydrogen–gas hybrid systems. While each has merit, they were not capable of providing the immediate, large-scale, dispatchable supply required to ensure the reliability of the Southern Highlands Data Campus. Natural gas was selected as the most appropriate transitional energy source because it provides secure baseload power, can be rapidly deployed on-site, and offers a demonstrable reduction in greenhouse gas intensity compared to the existing coal-dominated grid. This ensures the operational resilience of the data campus while aligning with broader regional and State planning priorities to diversify energy sources and improve emissions performance.

Accordingly, the proposed development is considered the most appropriate outcome, consistent with the strategic planning context of the Site and the operational needs of the SHDC

3 Strategic Context

3.1 Regional and local context

The Site at Douglas Road, Moss Vale, is located within the South East and Tablelands Region, which the Regional Plan identifies as a strategically significant growth area between Sydney, Canberra, and the Illawarra. The Plan highlights the importance of leveraging connections to Canberra Airport and Western Sydney to drive economic development, encourage investment, and diversify regional employment opportunities. Moss Vale is noted as one of the centres expected to benefit from digital connectivity, innovation, and its location within the Western Sydney–Canberra economic corridor.

At the local scale, the Site lies within the Southern Highlands Innovation Precinct, which is recognised as a key driver of industrial and employment growth in the Wingecarribee LGA. The corridor provides well-located industrial land supported by regional infrastructure, positioning Moss Vale as a hub for advanced industries. The Regional Plan stresses the need for high-quality infrastructure, including reliable energy and telecommunications, to underpin these employment lands and attract new business investment.

Accordingly, the Site sits within a strategically endorsed location that aligns with both regional and local planning priorities for economic diversification, employment generation, and provision of enabling infrastructure.

A regional context map is provided at **Figure 4**.

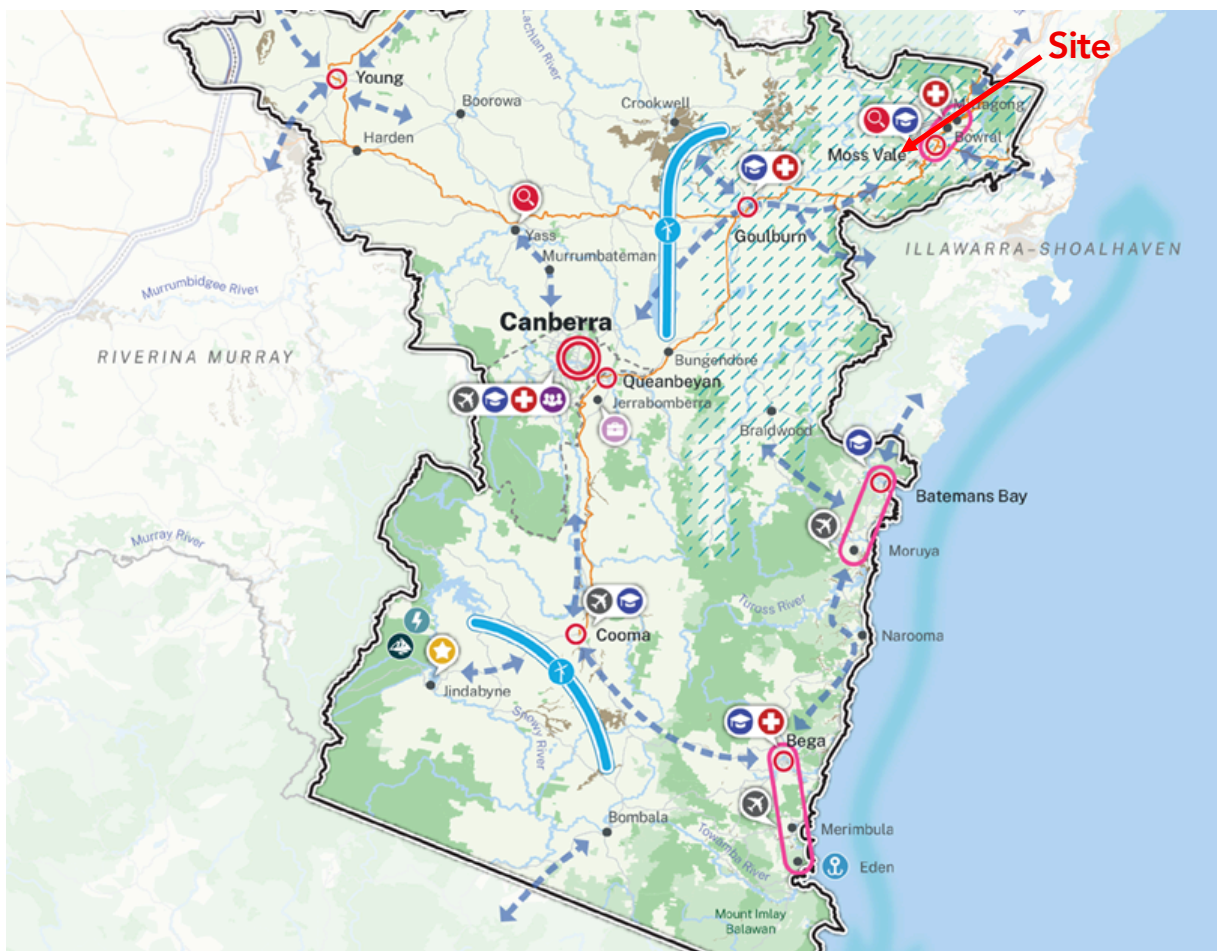


Figure 3 *Regional context map*. Source: Western Sydney District Plan

3.2 Plans and policies

3.2.1 South East and Tablelands Regional Plan 2036

The *South East and Tablelands Regional Plan 2036* (the Regional Plan) aims to balance growth and environmental protection by leveraging strategic infrastructure, tourism, renewable energy, and agriculture opportunities. Its objectives are to build a prosperous and connected economy, protect biodiversity and natural landscapes, create healthy, inclusive communities, and deliver sustainable housing choices, with strong cross-border collaboration with the ACT.

The Plan is the NSW Government's strategy for guiding land-use planning decisions for the South East and Tablelands Region. The Plan outlines the following planning directions which are considered relevant to the proposal:

- **Direction 1: Leverage access to the global gateway of Canberra Airport**

The proposal provides secure, dispatchable power that strengthens the region's ability to host energy-intensive industries such as AI computing and data storage. By underpinning a globally competitive data campus, the project supports the diversification of the economy and aligns with the Plan's focus on technology-driven growth.

The Southern Highland Data Campus is strategically positioned to engage with global digital markets, where reliable, high-capacity energy supply is critical to attracting and sustaining investment. The proposed on-site generation facilities will deliver secure, dispatchable power, enabling SHDC to operate at an international scale and reinforcing the Regional Plan's emphasis on leveraging gateways such as Canberra Airport to support trade, innovation, and economic growth. In doing so, the project positions Moss Vale as a regional technology hub, integrated into international economic networks.

- **Direction 4: Leverage growth opportunities from Western Sydney**

SHDC delivers specialised infrastructure for artificial intelligence and high-performance computing, aligning with and supporting the expansion of Western Sydney's innovation economy. The provision of reliable on-site generation enables Moss Vale to both compete with and integrate into the wider Western Sydney–Canberra economic corridor. In addition, the proposal will generate local employment in advanced technology and energy operations, helping to reduce out-commuting and reinforcing Wingecarribee's position within the extended Western Sydney economic region.

The Regional Plan emphasises the need to diversify energy supply and promote renewable and lower-emission technologies. Although natural gas represents a transitional fuel, the proposal will deliver a substantially lower carbon intensity compared to the coal-dominated grid, resulting in measurable lifecycle emission reductions. In this way, the project advances the Plan's objective of achieving balanced growth while supporting environmental sustainability.

The Regional Plan identifies the Southern Highlands Innovation Precinct as a strategic location for industrial activity and a key driver of economic growth within Wingecarribee. By locating within this corridor, the SHDC proposal directly responds to the Regional Plan's intent, reinforcing Moss Vale's emerging role as a significant centre for employment and industry. The project therefore aligns with the broader regional vision of fostering investment and innovation in strategically designated industrial areas.

The development of the generator halls will deliver substantial economic benefits through both the construction and operational phases. In the short term, the project will support local employment during construction, while in the longer term it will create high-skilled roles in operations, engineering, and data centre management. This will not only diversify the local employment base but also strengthen Moss Vale's capacity to attract and retain investment in advanced technology industries.

The proposal is consistent with the *South East and Tablelands Regional Plan 2036* by supporting economic diversification, strengthening Moss Vale's role within the Enterprise Corridor, and reinforcing regional linkages to Canberra Airport and Western Sydney. It will deliver secure, lower-emission energy to underpin globally competitive data infrastructure, while creating both short-term construction jobs and long-term high-skilled employment, advancing the Plan's objectives of sustainable growth, innovation, and investment.

3.2.2 Wingecarribee 2040 Local Strategic Planning Statement

The Wingecarribee Local Strategic Planning Statement (LSPS) establishes a long-term vision for land use and development across the LGA. Under Planning Priority 3.1 – "Our Shire supports businesses and attracts people to work, live and visit", the LSPS highlights the need to grow and diversify the local economy, while strengthening the role of Moss Vale, Bowral and Mittagong as the economic and cultural "Heart of the Shire.". Within this framework, the LSPS identifies the Southern Highlands Innovation Precinct as a key driver of industrial growth and an opportunity to attract investment and employment linked to the broader Sydney–Canberra–Western Sydney Aerotropolis corridor. The Southern Highland Data Campus (SHDC) proposal is directly consistent with these strategic directions, reinforcing Moss Vale's role as the Shire's principal centre for industry and employment.

The LSPS also acknowledges challenges such as an ageing population and declining workforce, emphasising the importance of creating local jobs across emerging sectors. The SHDC generator halls will deliver critical enabling infrastructure to support advanced industries such as artificial intelligence and high-performance computing. This directly responds to Planning Priority 3.1 actions, which seek to broaden and promote the range of business and industry sectors and ensure that the planning framework facilitates new and innovative business opportunities. The proposal therefore aligns with the LSPS intent to strengthen the resilience of the Shire's economy while attracting and retaining a skilled workforce.

In addition, the LSPS calls for targeted actions to unlock the development potential of the Southern Highlands Innovation Precinct, including investment in enabling infrastructure and strategic review of employment lands. The SHDC proposal delivers on this objective by providing secure, dispatchable on-site power generation, which underpins the operational requirements of a globally competitive data campus. By delivering this infrastructure, the project complements the LSPS action to "work with State and Federal Government to secure funding for key enabling infrastructure" and demonstrates how private sector investment can accelerate the realisation of Council's strategic vision.

Finally, the proposal is consistent with the LSPS direction to promote the Southern Highlands as a place to work, live, and invest. The project will generate short-term construction employment and long-term high-skilled jobs in operations, engineering, and data management. This outcome not only addresses LSPS concerns regarding workforce participation but also reinforces Planning Priority 3.1, which seeks to attract a more diverse population and workforce. In doing so, the SHDC development positions Moss Vale as a regional hub for advanced technology and energy resilience, aligning local land use outcomes with broader regional and state planning objectives.

4 Statutory context

The key requirements of the Environmental Protection and Assessment Act 1979 (EP&A Act) and the *Environmental Planning and Assessment Regulation 2021* (the Regs) in relation to the approval and assessment of the project are summarised in Table 1.

Table 2. Statutory context

Legislation	Assessment
Power to grant consent	<p>Section 4.36 of the EP&A Act provides that a SEPP may declare any development, or any class or description of development, to be SSD. The project is deemed SSD in accordance with section 2.6 (b) of the <i>State Environmental Planning Policy (Planning Systems) 2021</i> (Planning Systems SEPP), as the project is classified under Schedule 1 – Electricity generating works and has a capital investment value exceeding \$30 million.</p> <p>In accordance with section 4.36 of the EP&A Act, the consent authority for SSD is the Minister for Planning.</p>
Permissibility	<p>The site is located within the Wingecarribee Shire Council (LGA), and the relevant local environmental plan is the Wingecarribee LEP 2010. The site is zoned E4 General Industrial.</p> <p>Pursuant to Clause 2.3 of the WLEP 2010, development for the purposes of ‘electricity generating works’ is permitted with consent.</p> <p>In addition, section 2.36(1)(b) of the <i>State Environmental Planning Policy (Transport and Infrastructure) 2021</i> applies to development for the purpose of electricity generating works and provides that development for this purpose is permissible with consent, if carried out on any land in a prescribed non-residential zone.</p> <p>Clause 2.35 provides the following relevant definition of electricity generating works:</p> <p><i>electricity generating works means a building or place used for the following purposes, but does not include a solar energy system—</i></p> <ul style="list-style-type: none"> (a) <i>making or generating electricity,</i> (b) <i>electricity storage.</i> <p>Pursuant to section 2.35 definitions, clause 2.36 (b) provides for electricity generating works. An you ple</p>
Other approvals	<p><u>Consistent approvals</u></p> <p>Any authorisations under certain legislation, identified in Section 4.42 of the EP&A Act, cannot be refused if it is necessary for carrying out an approved SSD project and is to be substantially consistent with the SSD approval. In relation to the project, these authorisations could include:</p>

	<ul style="list-style-type: none"> - An aquaculture permit under section 144 of the <i>Fisheries Management Act 1994</i> - An environment protection licence under Chapter 3 of the Protection of the <i>Environment Operations Act 1997</i>. - A consent under section 138 of the <i>Roads Act 1993</i> - Controlled activity approval under section 91 of the <i>Water Management Act 2000</i> - A licence under the <i>Pipelines Act 1967</i> <p><u>Approvals not required</u></p> <p>An authorisation under certain other legislation, identified in section 4.41 of the EP&A Act, is not required for approved SSD:</p> <ul style="list-style-type: none"> - A permit under Section 201, 205 or 219 of the <i>Fisheries Management Act 1994</i> - An approval under Part 4, or an excavation permit under section 139, of the <i>Heritage Act 1977</i> - An Aboriginal heritage impact permit under Section 90 of the <i>National Parks and Wildlife Act 1974</i> - A bush fire safety authority under Section 100B of the <i>Rural Fires Act 1997</i> - A water use approval under Section 89, a water management work approval under Section 90 or an activity approval (other than an aquifer interference approval) under Section 91 of the <i>Water Management Act 2000</i>. <p><u>Other approvals</u></p> <ul style="list-style-type: none"> - <i>Biodiversity Conservation Act 2016</i>
<p>Pre-conditions to exercising the power to grant consent</p>	<p><u>Biodiversity Conservation Act 2016</u></p> <p>Part 7 of the BC Act applies to approvals under the EP&A Act. Section 7.9 requires a development application for State significant development to be accompanied by a Biodiversity Development Assessment Report (BDAR). Section 7.14 requires the consent authority to take into consideration the likely impact of the proposed development on biodiversity values as assessed in the BDAR.</p> <p>The project would occur on land deemed to have little to no environmental value. A BDAR waiver would be sought to confirm the requirement for a BDAR as part of the scoping phase for this project.</p>
<p>Mandatory matters for consideration</p>	<p><u>State Environmental Planning Policy (Resilience and Hazards) 2021</u></p> <p>Section 3.10 – 3.12 stipulates a person who proposes to make a development application of potentially hazardous industry must prepare a preliminary hazard analysis (PHA) in accordance with the DPE guidelines and current circulars:</p>

	<ul style="list-style-type: none"> - Applying SEPP 33 - Multi-level Risk Assessment - Hazardous Industry Planning Advisory Paper (HIPAP) No 6 – Guidelines for Hazard Analysis. <p>Section 4.6 stipulates that a consent authority must not consent to the carrying out of development unless:</p> <ul style="list-style-type: none"> - It has considered whether the land is contaminated, and - If the land is contaminated, it is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for the purpose for which the development is proposed to be carried out, and - If the land requires remediation to be made suitable for the purpose for which the development is proposed to be carried out, it is satisfied that the land will be remediated before the land is used for that purpose. <p>The EIS would consider the hazard and contamination risks associated with the project.</p>
<p>Other NSW legislation</p>	
<p><i>Protection of the Environment and Operations Act 1997</i></p>	<p>The objectives of the <i>Protection of the Environment Operations Act 1997</i> (POEO Act) are to protect, restore and enhance the quality of the environment, in recognition of the need to maintain ecologically sustainable development. The POEO Act provides for an integrated system of licensing and contains a core list of activities in Schedule 1 which require an Environment Protection Licence (EPL).</p> <p>The project would be classified under Schedule 1 of the POEO Act. Section 4.42 of the EP&A Act provides that an EPL cannot be refused if it is necessary for carrying out an approved SSD project and is consistent with the project approval. An EPL would be required for the facility.</p>
<p>Commonwealth approvals</p>	
<p><i>Environment Protection and Biodiversity Conservation Act 1997</i></p>	<p>A Referral under the <i>Environment Protection and Biodiversity Conservation Act 1997</i> (EPBC) Act to the Federal Minister for Environment is unlikely to be required as preliminary environmental assessments indicate that the project would be unlikely to result in significant impacts to any Matter of National Environmental Significance (MNES).</p>
<p><i>Native Title Act 1993</i></p>	<p>A review of the National Native Title Tribunal Register did not identify any Native Title determinations within the area surrounding the project.</p>

5 Engagement

This initial scoping of social impacts has been prepared in accordance with the Department of Planning and Environment *Social Impact Assessment Guideline and the Social Impact Assessment Guideline: State Significant*

projects (DPE, 2021).

Scoping of social impacts involves:

- establishing the social locality to understand the communities likely to be affected by the project
- an initial evaluation of the social baseline of the social locality
- an initial evaluation of social impacts
- consideration and articulation of any project refinements.

The following section provides an overview of the social locality and the outcomes of the initial evaluation of potential social impacts and benefits.

5.1 Interest groups identified

A preliminary social locality was identified based on the communities most likely to experience impacts or benefits as a result of the project. The preliminary social locality is outlined in **Table 2**.

Table 3. Stakeholders identified

Stakeholder type	Stakeholder
State Government	<ul style="list-style-type: none"> - Department of Planning, Housing and Infrastructure (DPHI) - NSW Environmental Protection Authority (EPA) - Fire and Rescue NSW - Emergency services
Local Government	<ul style="list-style-type: none"> - Wingecarribee Shire Council
Landholders or site operators	<ul style="list-style-type: none"> - Naker Property Pty Ltd - Square Energy Pty Ltd - Cloud Carrier Operations Pty Ltd
Community – local residents and broader community	<ul style="list-style-type: none"> - Residences located within 1km radius of the project

5.2 Engagement carried out

In general, consultation taken to date has largely focused around providing an overview of the project.

5.2.1 Wingecarribee Shire Council

Council has a detailed understanding of the masterplan for the Site, informed by its assessment of several prior approvals and its consideration of the current development application lodged (refer to Section 1.4). This ongoing engagement ensures that Council is aware of the staged approach to the Site's development and its long-term strategic intent.

5.2.2 Community consultation

Although no direct community consultation has been undertaken specifically for the proposed development, indirect consultation has occurred through the series of development applications previously lodged with Council (refer above).

Importantly, previous DA's referred to Section 1.5 above were notified in accordance with Council's Community Participation Plan to surrounding properties and no submissions were received.

5.3 Engagement to be carried out

A program of community and stakeholder engagement activities will be outlined in a project specific Community Stakeholder Engagement Plan (CSEP).

A CSEP will be prepared to support the development and exhibition of the EIS for the project. The CSEP will be designed to raise awareness, provide consistent and accurate information, and answer questions raised by community members and stakeholders.

Given the isolated location of the site, the level of engagement proposed is proportionate to the scale and nature of the project impacts. The development is not expected to generate significant off-site impacts beyond the immediate vicinity, and as such, targeted engagement is considered appropriate.

It is envisaged that notification will be provided to immediately adjoining and nearby properties, with consultation undertaken primarily through a letterbox drop. This approach will ensure that those most directly affected by the proposal are informed and have the opportunity to provide feedback, while recognising the limited wider impact of the development.

The engagement process will focus on providing clear, accessible information about the proposal, its anticipated impacts, and the measures being implemented to minimise disruption. This ensures transparency and allows for constructive community input, while maintaining proportionality to the project's scale and location.

This CSEP will:

- ensure that all efforts are made to actively engage with key stakeholders, environmental interest groups and the wider community throughout the EIS process
- provide consistent messaging for engagement and communication activities for stakeholders interested in the project'
- provide an outline of the consultation and engagement methodology which satisfies the requirements of the EIS process as detailed in *Undertaking Engagement: Guidelines for State Significant Projects*
- outline engagement and communication material that will utilise a variety of both traditional and digital tools to ensure that project information is available and accessible to all stakeholders
- outline methods to manage community expectation and incorporate community feedback on potential impacts and mitigation measures as part of the (environmental assessment).

6 Proposed assessment of impacts

The identification of issues to be addressed in the EIS has been undertaken through a risk-based approach in accordance with Appendix A of the *State Significant Development Guidelines – Preparing a Scoping Report* (DPE 2022a).

A summary of the key environmental matters identified during the risk assessment is provided in section 6.1 through section 6.9. Other matters for consideration are identified in section 6.10. A Scoping Summary Table (as required by Appendix A of the *State Significant Development Guidelines – Preparing a Scoping Report*) is provided in Appendix A of this Scoping Report.

6.1 Air Quality

6.1.1 Existing environment

The nearest air quality monitoring station is approximately 35.5 kilometres east of the project site in Albion Park which measures the following parameters:

- Carbon monoxide (CO);
- Fine particles as PM10 and PM2.5;
- Oxides of nitrogen (NO, NO₂ and NO_x) and Ozone (O₃);
- Sulphur dioxide (SO₂);
- Visibility using nephelometry; and
- Ambient temperature, relative humidity, wind speed and direction and sigma theta.

The nearest non-residential receiver is located directly adjoining the southern boundary of the Site, while the closest residential receiver is situated approximately 500 metres to the west.

6.1.2 Potential impacts

Construction

There is the potential for air quality impacts to arise from a variety of processes during construction of the project. Construction activities including earthworks, removal and movement of materials have the potential to cause short-term, temporary, dust emissions.

The scale of earthworks required for establishment of the facility results in minimal potential for dust generation beyond that experienced by the adjacent landfill operations and appropriate construction management practices. A construction environmental management plan (CEMP) that identifies dust minimisation measures would be prepared for the facility.

Operation

At this stage, it is anticipated that emissions associated with the Project will comply with the relevant assessment criteria at surrounding receptors and are unlikely to result in unacceptable environmental impacts. The development is expected to produce comparatively low levels of emissions and is not considered likely to adversely affect nearby residential areas.

To further reduce potential impacts, the facility will incorporate low-NO_x emission control technology and undertake regular testing and maintenance in line with manufacturer specifications. On this basis, the Project is expected to be capable of operating without significant air quality impacts, provided ongoing management

practices are implemented to maintain low emission performance.

6.1.3 Assessment approach

The EIS would include a quantitative Air Quality Assessment which assess potential air quality impacts of the development in accordance with the EPA's Approved Methods for Modelling and Assessment of air pollutants in NSW (2016).

The Air Quality Assessment would also include a quantitative assessment of greenhouse emissions generated during construction and operation of the project.

Assessment criteria would consider Protection of the Environment Operations (Clean Air) Regulation 2010 and other EPA guidelines relevant to proposal.

6.2 Hazard and Risk

6.2.1 Potential impacts

Chapter 4 of the Resilience & Hazards SEPP contains the former provisions of SEPP 33 and applies to any proposal which falls under the policy's definition of 'potentially hazardous industry' or 'potentially offensive industry'. Industries or projects determined to be hazardous or potentially hazardous would require the preparation of a Preliminary Hazard Analysis (PHA) in accordance with s3.11 of the Resilience & Hazards SEPP. No further assessment under SEPP 33 is required for projects not considered potentially hazardous.

This development includes no hazardous materials as defined within the applicable guideline, Applying SEPP 33 Hazardous and Offensive Development Application Guidelines ('Department of Planning, 2011), as substances falling within the classification of the Australian Code for Transportation of Dangerous Goods by Road and Rail ('the ADG Code').

As there are no hazardous materials stored on the site, there is no requirement to undertake a preliminary hazard analysis for the project.

6.3 Biodiversity

6.3.1 Existing environment

The Site is largely cleared and has been subject to previous disturbance associated with past agricultural use and more recent development activities. Vegetation across the majority of the land is absent, with only scattered patches of grassland and regrowth evident in low-lying areas. No significant stands of native woodland or remnant vegetation are present within the Site boundary. A small row of mature trees is visible along parts of the northern boundary, providing a limited landscape buffer to adjoining land, but otherwise the landform is predominantly open and unvegetated.

In terms of fauna habitat, the absence of substantial vegetation and the predominance of cleared grassland mean that the Site offers low ecological value. There is little opportunity for shelter, foraging or breeding for native fauna species, and the open setting is unlikely to support any threatened ecological communities or significant habitat corridors. The artificial farm dams on adjoining lands may provide some opportunistic habitat for common bird and amphibian species, but these features are not expected to contribute significantly to biodiversity values.

Overall, the Site represents a highly modified environment with minimal flora and fauna significance, consistent with its location within the Southern Highlands Innovation Precinct and its long-term strategic use for industrial and infrastructure development.

6.3.2 Potential impacts

The Site is highly modified and largely cleared, with no remnant vegetation or threatened ecological communities present. As a result, the proposal is expected to have minimal ecological impact. Fauna habitat is limited and of low value, meaning any displacement of common species will be negligible. Potential indirect impacts such as noise, dust, and light spill can be managed through standard environmental controls. Overall, the development is not anticipated to result in any significant flora or fauna impacts.

6.4 Heritage

6.4.1 Aboriginal heritage

Existing environment

A preliminary desktop assessment was undertaken on 18 September 2025 to assess potential impacts on Aboriginal heritage. This included a search of the Aboriginal Heritage Information Management System (AHIMS), which confirmed that no registered Aboriginal heritage sites are located within the project site. The closest registered sites are situated on the southern side of Douglas Road, at a considerable distance from the subject site.

Potential impacts

Due to the highly disturbed nature of the project site and available mapping of known Aboriginal heritage sites within the surrounding area an Aboriginal Cultural Heritage Assessment Report (ACHAR) is not considered necessary, and a due diligence approach would be undertaken.

Assessment approach

The EIS would include a desktop assessment of potential impacts to Aboriginal Heritage in accordance with the Due Diligence Code of Practice for the Protection of Aboriginal Objects in NSW (DECCW, 2010).

6.4.2 Non-Aboriginal heritage

Existing environment

A preliminary desktop assessment was undertaken on 18 September 2025 for local, State, National and World heritage registers to determine what non-Aboriginal heritage sites in vicinity of the project. The nearest local heritage items found via a search of the State Heritage Inventory (NSW Government, 2024) is Burradoo Landscape Conservation Area (Listing No. C1834), located 1.4 kilometres east of the project site.

No State heritage items are located within or adjacent to the project site. The nearest item, the 'Bong Bong Settlement Marker (Obelisk) (Listing No. A221) is located about 1.3 kilometres to the east. No non-Aboriginal heritage items or associated curtilages occur within the project site.

Potential impacts

The construction and operation of the project would not impact any non-Aboriginal heritage items.

Assessment approach

A basic due diligence assessment of non-Aboriginal heritage would be undertaken as part of the EIS.

6.5 Noise and vibration

6.5.1 Existing environment

The facility is located in proximity to sensitive receivers, with the nearest non-residential receiver situated directly

to the south of the Site, and the closest residential receiver positioned immediately to the west.

6.5.2 Potential impacts

Construction

During construction, the project has the potential to generate noise emissions from a variety of sources, including:

- Site establishment and earthworks
- Activities associated with installation of equipment loading and unloading of materials and waste
- Movement of heavy vehicles to and from the site
- Construction traffic on local roads.

Noise and vibration impacts would be short-term temporary during construction activities and occur from 7 am to 5 pm Monday to Friday or 8 am to 5 pm on Saturday and Sunday. Additionally, these impacts are likely to be mitigated further due to the distance between the project site and the nearest sensitive receivers.

Further proposed mitigation measures, where feasible and reasonable, would satisfactorily mitigate noise generation:

- Limit construction hours to standard construction hours of 7am to 6pm Monday to Friday, 8am to 1pm Saturday and no work on Sunday/Public holiday.
- Notify nearby receivers detailing the construction activities, time periods over which they would occur, the duration of works and contact details.
- If noise complaints are received they should be recorded and attended to.
- Provide site inductions to all employees, contractors and subcontractors regarding quiet work practices, any limitations on high noise generating activities, permissible hours of work and appropriate behavioural practices.
- Quieter construction methods should be used where feasible.
- Minimise construction movements outside the standard construction hours.
- Turn off equipment after use.

6.5.3 Assessment approach

A Noise and Vibration Impact assessment would be undertaken as part of the EIS in accordance with the Noise Policy for Industry (EPA, 2017) and the Interim Construction Noise Guideline (DECC, 2009).

6.6 Contaminated land

6.6.1 Existing environment

A Phase 1 Environmental Due Diligence Assessment for the Tarcoola Park property (now known as SHDC) was undertaken by Environmental Resources Management Australia (ERM) in 2006. The report identified the Site has previously been utilised for grazing, with the risk of on-site contamination to be low. ERM concluded the current potential sources of contamination are limited and well controlled.

Consideration of the risk of contamination were undertaken in approving the subdivision development of the Site under DA 16/720, which is no longer proceeding. It is therefore considered that the subject site is suitable for the proposed development pursuant to clause 4.6 of the Resilience & Hazards SEPP.

6.6.2 Potential impacts

In light of the consent history discussed in detail earlier in this report and the proposed development, the potential for any impact is considered low.

6.6.3 Assessment approach

A desktop review of available information sources would be undertaken to understand the existing environment and potential for contamination within the project site. A chapter in the EIS would detail current and historic site activities, environmental conditions and potential contamination risks.

6.7 Traffic and access

6.7.1 Existing environment

Access to the broader Site has been approved under separate development consents and includes an 13-metre-wide internal roadway constructed in accordance with AS2890.1 and AS2890.2. This roadway has been designed to accommodate all vehicles requiring access, with compliant swept paths for heavy vehicles, including trucks. On-site servicing arrangements will support deliveries and waste management requirements. The proposal is therefore not expected to result in any unacceptable traffic, parking, or access impacts.

6.7.2 Potential impacts

Operational traffic associated with the facility is expected to be minimal, limited primarily to employees, service vehicles, and occasional visitors. Similar facilities typically generate very low levels of daily traffic. While a minor increase in vehicle movements is anticipated during construction, this is not expected to place any significant burden on the local road network. Accordingly, the project is not anticipated to result in any notable traffic impacts.

6.7.3 Assessment approach

The EIS would include a qualitative traffic assessment which would include:

- Confirmation of the existing traffic and transport environment
- Identification and assessment of potential traffic impacts, including site access requirements
- Proposed construction and operation traffic volumes, the nature of existing traffic and the need to apply traffic management measures
- Identification and assessment of other potential transport impacts to public roads
- Identification and assessment of potential access impacts
- Consideration of the potential for cumulative impacts identification of mitigation measures

6.8 Social impact

This section summarises the first phase of the social impact assessment (SIA) process undertaken in accordance with the *Significant Development and State Significant Infrastructure Guidelines – Preparing a Scoping Report* (DPIE, 2022). The first phase involves SIA scoping and initial assessment, refining and planning. It is used to identify likely social impacts before considering suitable refinements or other early responses.

6.8.1 Existing environment

The project is located within the Southern Highlands Innovation Precinct, a designated industrial precinct in

Wingecarribee Shire. This area accommodates a mix of industrial operations, utilities, and emerging technology infrastructure, with nearby land uses including Cromford Pipe Holdings, the Berrima Junction Substation, and recently approved industrial subdivisions. Sensitive receivers include residential properties to the west and industrial/commercial neighbours to the south. The Southern Highlands community is characterised by a strong rural-residential identity, a reliance on commuting for employment, and increasing demand for local job opportunities and economic diversification.

6.8.2 Potential impacts

The proposal is expected to deliver significant social and economic benefits to Moss Vale and the broader Southern Highlands. It will generate construction-related employment and create long-term, high-skilled jobs in advanced technology and energy operations, directly supporting local economic diversification and reducing reliance on out-commuting. By strengthening the role of the Southern Highlands Innovation Precinct, the project contributes to the Shire's vision of becoming a hub for innovation and investment.

While nearby residents may experience some temporary effects during construction, such as noise, dust, or increased vehicle movements, these impacts are anticipated to be short-term and manageable through standard environmental controls. Importantly, the overall outcomes of the project are likely to be strongly positive, with the delivery of enabling infrastructure, enhanced energy resilience, and new employment opportunities that benefit both the local community and the regional economy.

6.8.3 Assessment approach

A social impact assessment would be prepared in accordance with the requirements of the NSW Social Impact Assessment (SIA) Guideline. The assessment would include:

- Undertaking a desktop review of background documents and studies to understand the proposed construction activities, timing, and potential impacts, the scope of the proposed infrastructure and the social environment.
- Establishing a social baseline of the social locality, supported by outcomes of consultation activities with the community and stakeholders.
- Working with the proponent and the EIS leads to inform the approach to any consultation activities that may be required or recommended to understand social impacts.
- Identifying potential social (and qualitative economic) impacts and benefits and ranking their significance based on the DPHI SIA Guideline criteria.
- Developing impact mitigation strategies based on the significance of impacts identified.

6.9 Cumulative Impacts

The project forms part of the staged development of the Southern Highland Data Campus within the Southern Highlands Innovation Precinct. Previous and concurrent approvals on the Site include the delivery of data buildings (DB1 and DB2) and supporting gas generation infrastructure. When considered collectively, these developments represent a coordinated masterplan outcome designed to establish a hub for high-performance computing and energy resilience.

Cumulative impacts are expected to be manageable, as the Site has been strategically planned and zoned for industrial and infrastructure uses. While there may be temporary overlap of construction activities leading to localised increases in noise, traffic, or dust, these effects will be short-term and mitigated through construction management practices. In the longer term, the combined developments are anticipated to deliver positive

cumulative outcomes, including significant investment, skilled employment, and strengthened economic capacity for Moss Vale and the wider Wingecarribee Shire.

7 Conclusion

This Scoping Report has been prepared on behalf of Nakar Property Pty Ltd in support of a State Significant Development Application (SSDA) for the staged development of on-site natural gas-fired generation halls at 30 Douglas Road, Moss Vale (the Site), forming part of the Southern Highland Data Campus (SHDC). The proposal seeks consent for the construction of 18 generator halls, each with a capacity of approximately 36.3 megawatts (MW). An additional hall is proposed with a capacity of 19.8 MW. This is a total 19 halls providing a total capacity of 673.2MW. The facility will provide secure, dispatchable, and efficient electricity supply to underpin the adjoining liquid-cooled AI compute facilities. As outlined throughout this report, the proposal meets the threshold for State Significant Development in accordance with the *State Environmental Planning Policy (Planning Systems) 2021*, with the Minister for Planning (or delegate) as the consent authority.

The project represents a strategically planned component of the SHDC masterplan and responds to the identified role of the Southern Highlands Innovation Precinct as a key driver of economic growth within the Wingecarribee LGA. The proposal will deliver significant local and regional benefits, including energy resilience, high-skilled employment opportunities, and investment in advanced technology infrastructure, while supporting State and local strategic planning priorities.

This Scoping Report identifies the key environmental and social matters requiring further assessment in the EIS, including air quality, hazards, biodiversity, heritage, noise and vibration, traffic, and social impacts. It also outlines matters that are unlikely to result in significant impacts due to the disturbed and industrial nature of the Site. It is considered that the information contained in this report is sufficient to enable the Secretary to issue project-specific SEARs to guide the preparation of the EIS.

Scoping Summary Table

Level of Assessment	Matter	CIA	Engagement	Relevant Government Plans, Policies and Guidelines	Scoping Report Reference
Detailed	Air Quality (including greenhouse gases)	Y	General	<ul style="list-style-type: none"> EPA Approved Methods for the Modelling and Assessment of Air Pollutants in NSW (2016) Protection of the Environment Operations (Clean Air) Regulation 2010 POEO Act 1997 	Section 6.1
Standard	Hazards and Risk (including SEPP 33)	N	General	<ul style="list-style-type: none"> SEPP (Resilience and Hazards) 2021 Applying SEPP 33 – Hazardous and Offensive Development Application Guidelines (2011) HIPAP 6 – Guidelines for Hazard Analysis 	Section 6.2
No further assessment	Biodiversity	N	General	<ul style="list-style-type: none"> Biodiversity Conservation Act 2016 Biodiversity Assessment Method (BAM) DPE BDAR Waiver Process 	Section 6.3
Standard	Aboriginal Heritage	N	General	<ul style="list-style-type: none"> Due Diligence Code of Practice for the Protection of Aboriginal Objects in NSW (2010) 	Section 6.4.1

No further assessment	Non-Aboriginal Heritage	N	General	<ul style="list-style-type: none"> • NSW Heritage Act 1977 • State Heritage Inventory 	Section 6.4.2
Detailed	Noise and Vibration	Y	General	<ul style="list-style-type: none"> • Noise Policy for Industry (EPA, 2017) • Interim Construction Noise Guideline (DECC, 2009) 	Section 6.5
Standard	Contaminated Land	N	General	<ul style="list-style-type: none"> • SEPP (Resilience and Hazards) 2021 • Managing Land Contamination: SEPP 55 Guidelines 	Section 6.6
Detailed	Traffic and Access	N	General	<ul style="list-style-type: none"> • Austroads Guide to Traffic Management • RTA Guide to Traffic Generating Developments (2002) 	Section 6.7
Detailed	Social Impact	Y	Specific	<ul style="list-style-type: none"> • Social Impact Assessment Guideline for State Significant Projects (DPE, 2021) 	Section 6.8
Standard	Cumulative Impacts	N	General	<ul style="list-style-type: none"> • SSD Guidelines – Preparing a Scoping Report (2022) 	Section 6.9