

Economic Impact Analysis of BESS at Molong

A report for StorEnergy 3 Pty Ltd

21 August 2025

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Abbreviations

BESS	battery energy storage system
FTE	full-time equivalent
GRP	gross regional product
GSP	gross state product
GWh	gigawatt hour
IO	input-output
kV	kilovolt
LGA	local government area
MW	megawatt
NEM	National Energy Market
NPV	Net Present Value
RISE	Regional Industry Structure and Employment
PV	Present Value

Document history and status

Doc Version	Doc Status	Issued To	Qty Elec	Date	Reviewed	Approved
1	Draft	Kate Wheeler	1 Word 1 PDF	23/07/25	HB	ADM
2	Final	Kate Wheeler	1 Word 1 PDF	14/08/25	HB	ADM
3	Final	Kate Wheeler	1 Word 1 PDF	21/08/25	ADM	ADM

Last Saved: 21/08/2025 12:23:00 PM

File Name: Economic Impact Analysis of BESS at Molong_Final report_250821

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Name of Client: SLR Consulting Australia Pty Ltd

Name of Project: Economic Impact Analysis of BESS at Molong.

Document Version: 3

Job Number: ES2509

Executive summary

The Molong Battery Energy Storage System (BESS) is a proposed facility located in Molong, New South Wales ('the Project'), developed by StorEnergy 3 Pty Ltd (Stor). The system features an installation of 150 MW capacity and 730 Megawatt hours of power output.

The Project is expected to provide critical grid stability, balancing renewable energy generation and enhancing system resilience in line with New South Wales decarbonisation goals.

SLR Consulting Australia Pty Ltd. (SLR Consulting), on behalf of Stor, has engaged BDO to undertake an economic impact assessment of the proposed construction and operation of a battery energy storage system (BESS) near Molong, Cabonne ('the Project') as a requirement outlined in the *Environmental Planning and Assessment Act 1979 No 203* (Section 4.15).

In particular, as part of the streamlined secretary's environmental assessment requirements (SEARs) the Department of Planning, Housing and Infrastructure NSW requires "*an assessment of the economic impacts or benefits of the project for the region and the State as a whole and provide details of any proposed voluntary benefit sharing, having regard for the Benefit-Sharing Guideline 2024 and Private Agreement Guideline 2024*" (SLR Consulting, pers. comm., 2025).

This report provides an analysis of the economic impacts of the construction and operation of the BESS. Including the impacts on gross regional product/gross state product (GRP/GSP), and full-time equivalent (FTE) jobs, for the Cabonne Shire and surrounding region, and New South Wales. Regional Industry Structure and Employment (RISE) models, developed by BDO, for the Cabonne Shire and surrounding region and New South Wales were used to support the assessment.

Economic impact results

Table ES-1 shows the present value (PV) in 2025 dollars of the estimated economic impact of the Project's construction and operation on the Cabonne Shire and surrounding region, and New South Wales economies.

Construction phase

Stor provided estimates of direct and indirect cost of development for the proposed BESS at Molong in NSW prepared by WTP Australia (2025). The direct costs of development included site clearance and general works, civil and building works, electrical works, substation, transmission line, testing and commissioning, while the indirect costs included contractors design and preliminaries. Total capital expenditure was estimated at \$201.8m after adjusting for contingency, escalation and margin. The impacts from these capital expenditures are expected to be:

- Cabonne Shire and surrounding region: \$30.6m (PV) in GRP over 22 months and an average of 134 FTE jobs annually
- New South Wales: \$78.5m (PV) in GSP over 22 months and an average of 250 FTE jobs annually.
- These total estimated impacts include both direct and flow-on effects.

Table ES-1 Economic impacts of the Project, construction and operation phase

Indicator	Construction (22 months)		Operation (30 years)	
	Cabonne	New South Wales	Cabonne	New South Wales
<i>GRP/GSP (PV 2025 \$m)</i>				
Direct	17.8	27.3	264.3	264.3
Flow-on	12.8	51.2	12.7	41.4
Total^a	30.6	78.5	296.4	327.1
<i>Employment (Average annual FTE jobs)</i>				
Direct	90	98	2	2
Flow-on	43	152	5	14
Total^a	134	250	7	16

^a Sums may not add to total due to rounding.

Source: BDO analysis

Operating phase

The Project is expected to operate for 30 years. The estimated impacts from the operational expenses of the Project are expected to be:

- Cabonne: \$296.4m (PV) in GRP over 30 years and an average of 7 FTE jobs
- New South Wales: \$327.1m (PV) in GSP over 30 years and an average of 16 FTE jobs.
- These are the total estimated impacts and include both direct and flow-on effects.

Impact on agriculture

The loss of potential agricultural production has been estimated. To assess this, an estimate of agricultural revenue loss was calculated based on the assumption that the disturbance footprint, totalling 9.459 hectares, would otherwise be used for sheep farming, with the primary revenue source being lamb sales. Of the disturbance footprint, approximately 5.561 hectares will be removed from sheep production by battery infrastructure and road construction,

The analysis determined that the potential agricultural revenue loss amounts to about \$12,880 per lambing season, assuming a 100 per cent lamb marking rate. However, this loss has not been included in the economic modelling due to its immateriality within the broader economic impact framework.

1. Introduction

1.1. Background

SLR Consulting Australia Pty Ltd. (SLR Consulting), on behalf of StorEnergy 3 Pty Ltd (Stor), has engaged BDO to undertake an economic impact assessment of the proposed construction and operation of a battery energy storage system (BESS) near Molong, in the Cabonne Shire and surrounding region ('the Project') as a requirement outlined in the *Environmental Planning and Assessment Act 1979 No 203* (Section 4.15). This report presents the findings of that assessment.

In particular, as part of the streamlined secretary's environmental assessment requirements (SEARs) the Department of Planning Housing and Infrastructure NSW requires "*an assessment of the economic impacts or benefits of the project for the region and the State as a whole and provide details of any proposed voluntary benefit sharing, having regard for the Benefit-Sharing Guideline 2024 and Private Agreement Guideline 2024*" (SLR Consulting, pers. comm., 2025).

This report provides an analysis of the economic impacts of the project for the region and the State as a whole¹.

The Project will provide critical grid stability, balance renewable energy generation and enhance system resilience in line with New South Wales decarbonisation goals.

1.2. Project description and scope of economic study

This analysis estimates the economic activity generated during the construction and operational phases of the Project. The assessment was conducted using the RISE (Regional Industrial Structure and Employment) model, an extended input-output framework. This model quantifies the impact of the Battery Energy Storage System (BESS) on Gross State Product/Gross Regional Product (GSP/GRP), and full-time equivalent (FTE) employment at both regional and state levels.

The Molong BESS, will be located near an existing photovoltaic cell array (with 40 MW capacity) near the town of Molong, around 290km northwest of Sydney. It will have an instantaneous power capacity of 150 MW and 730 Megawatt hours of power output (SLR Consulting, pers. comm., 2025). The Project is located within the Cabonne Shire Local Government Area (LGA) and spans approximately 9.5 hectares, with the battery installation, substation, and associated structures occupying about 5 hectares of land. The rest of the development footprint is accounted for by transmission line poles and a 45-metre easement for transmission lines to connect the BESS to the existing Transgrid substation.

Construction and operation of the BESS at Molong will source materials and labour from an area surrounding Cabonne, including Wellington and Orange. The economic modelling approach taken is flexible to this and includes inputs from these areas.

The economic impact assessment considers two geographic areas:

- Regional level: Focused on the LGA of Cabonne Shire and surrounding region
- State level: Covering the broader impacts across New South Wales.

¹ More information about SEARs can be found at <https://www.planningportal.nsw.gov.au/major-projects/projects/molong-battery-energy-storage-system-bess>, New South Wales Government (2025)

1.3. Report structure

The rest of the report is structured as follows: Section 2 outlines the assessment methodology, Section 3 details the modelling approach and presents the results of the economic impact analysis, Section 4 provides a brief analysis of the impacts of the BESS on agricultural sector and Section 5 concludes the report.

2. Assessment approach

Stor provided a project description and aggregated data on capital expenditure and operating expenditure. Data sources and assumptions used in the analysis are described in Section 2.2. The economic impact assessment method is described in Section 2.1.

2.1. Economic impact assessment approach

Impacts of the Project (i.e. the change to economic indicators between ‘with’ and ‘without’ scenarios of the Project) were analysed using economic models of New South Wales and Cabonne Shire² and surrounding region. This section introduces the models used and describes the economic activity indicators estimated in this analysis: GRP/GSP, employment (FTE jobs) and their components (direct, flow-on, and total contributions).

2.1.1. Economic activity

Economic activity indicators: The focus of this report is the generation of economic activity resulting from the Project. The key economic activity indicators considered in the analysis are employment and GRP/GSP.

Economic impact: changes in economic activity are referred to as economic impacts. Generally, changes in economic activity indicators result from some stimulus or external shock imposed. In this analysis, the economic impact includes the increases in contributions to the economy stimulated by the Project’s capital expenditures and by the income generated and operating expenditures made during the operation of the Project.

2.1.2. Indicators of economic activity

Gross regional product (GRP) is a measure of the contribution of an activity to the economy. GRP is measured as value of gross output (business revenue) less the cost of goods and services (including imports) used in producing the output. In other words, it can be measured as the sum of household income, gross operating surplus and gross mixed income net of payments to owner managers and taxes less subsidies on products and production. It represents payments to the primary inputs of production (labour, capital and land). Using GRP as a measure of economic impact avoids the problem of double counting that may arise from using value of output for this purpose. Gross state product (GSP) is the state equivalent to GRP.

Full-time equivalent (FTE) employment is a measure of the number of working proprietors, managers, directors and other employees, in terms of the number of full-time equivalent (FTE) jobs. FTE is a way to measure a worker’s involvement in a project. An FTE of 1.0 means that the person is equivalent to a full-time worker, while an FTE of 0.5 signals that the worker is half-time. In this report employment has been reported in terms of FTE units on a per annum basis.

2.1.3. Components of economic activity

This section describes the components (direct, flow-on and total contributions) of the economic indicators described in Section 2.1.2. Estimates of economic impact are presented in this study in terms of:

Direct impact is the initial round of output, employment and GRP generated by an economic activity.

² The Cabonne Shire LGA is representative of the Study Area of the Project although the impacts occur in adjacent areas as well.

During construction, direct employment and GRP is the employment in (and contribution to GRP by) those firms, businesses and organisations that are directly engaged in providing goods and services to the project. The employment occurs both on and off the project site.

Flow-on impact is the sum of production-induced effects and consumption-induced effects. Production-induced effects are additional output, employment and GRP/GSP resulting from spending by firms (e.g., electricity supply) that receive payments from the sale of goods and services to firms undertaking, for example, freight transportation services. Consumption-induced effects are additional output, employment and GRP/GSP resulting from re-spending by households that receive income from employment in direct and flow-on activities.

Total contribution is the sum of direct and flow-on contribution.

2.1.4. Economic impact modelling

Over the past decade, BDO has developed an extended Input-Output (IO) model known as the RISE model. The RISE model is updated annually to reflect changes in the economy's structure.

IO models are widely used to assess the economic contribution of existing levels of economic activity and the economic impacts of new activity (called “shocks”). The models are based on IO tables that describe the interdependencies between industries within the regional economy and with the economy outside of the region. The tables are published by Australian Bureau of Statistics and are considered official statistics. This robust data source and structure makes the comprehensive economic framework provided by the RISE model useful for disentangling the direct and flow-on effects of activity in a regional economy.

The basic IO method used as a base for the RISE model has been extended to incorporate population and unemployment changes. Modelling population change allows for the estimation of impacts on population driven sectors, such as government administration, health, defence and education. Modelling unemployment change allows estimation of an offsetting effect on consumption-induced flow-on impacts as some new employees may have previously claimed unemployment benefits in the region, and some may be new to the region. These extensions improve the reliability of RISE model estimates compared to conventional IO models.

RISE models based on the 2022/23 financial year of Cabonne Shire and surrounding region, and New South Wales were used to make economic estimates of the respective regions. The financial year of the model is the most recently available data. It is worth noting that the RISE models are representative of the entire economy of the respective region; the impacts for New South Wales include those for the Cabonne Shire and surrounding region. So, the economic impacts should not be added across these regions.

Modelling assumptions

In addition to the assumptions embodied in the IO model itself, it was necessary to make several other general assumptions in estimating the economic impacts:

- The impacts were measured using models that represents the structure of the various economies for the year in which the most recent models developed (2022/23). However, over time there are likely to be improvements in primary factor productivity in these economies. To allow for the improvements, an across-the-board (all sectors) labour productivity improvement rate of 0.5 per cent per annum for subsequent years of the construction and operation phases has been incorporated into the modelling.
- When new jobs are created, it should be determined where the people come from to fill those jobs. In some cases, the jobs will be taken by previously unemployed locals or by someone who is currently employed locally but whose own job is taken by a previously unemployed local. In both cases the

impact of the newly created job and associated income is partially offset by the fact that someone who was previously receiving unemployment benefits for example is no longer doing so. To calculate this effect requires estimates of a parameter measuring the proportion of new jobs that are likely to be filled by previously unemployed locals. The estimated values of this parameter vary depending on the economy represented in the RISE model. The value for New South Wales was assumed to be 0.9 and the Cabonne Shire and surrounding region value was assumed to be 0.5.

2.2. Data and assumptions

Assessment period

The assessment period for construction is 2026/2027 and 2027/2028, corresponding to the expected Project construction period of 22 months and the expected commencement of operations in August 2028. The assessment period for operations and maintenance spans from 2028/29 to 2057/58, approximately 30 years (SLR Consulting, pers. comm., 2025).

Project capital expenditure

WTP Australia (2025) provided an estimate of total development cost, disaggregated into direct costs, indirect costs, the cost of contingency, and potential cost escalations. Several assumptions have been made based on Stor's guidance and comments, which are summarised accordingly in Table 2-1.

The first assumption concerns the contingency rate. This is a potential cost that is added to the capital expenditure. Stor suggested reducing the contingency allowance. This was assumed as 7.5 per cent of total costs in the economic analysis.

The second assumption is about an estimate for potential cost escalations. This was also estimated at around 10 per cent. Stor suggested reducing the value to the middle of the Reserve Bank of Australia's target inflation band (or 2 per cent). This is also consistent with the most recently published producer price index for civil engineering outputs. However, the BESS at Molong is being installed in a regional area; costs in such areas for similar projects often escalate significantly as the build progresses. Based on professional judgement and institutional knowledge, an escalation of 4 per cent was deemed appropriate and was used for the economic analysis.

An assumption has been made regarding the cost of battery cells, based on a comment included in the provided data. Unfortunately, specific data on the anticipated cost reduction of battery cells by Stor could not be obtained. Instead, pricing information has been sourced from Factor This, an aggregator of research and news in the energy industry. The data from this website, originally sourced from BloombergNEF, indicates that battery prices have decreased by an average of 15 percent annually since 2013. It is assumed that this trend in price reduction will continue.

Table 2-1 Capital expenditure assumptions

Assumption	Value	Source
Contingency rate	7.5%	Comment in information provided
Escalation rate	4%	Based on Jun-Jun civil engineering PPI published by ABS and BDO professional judgement noting that the BESS is in a regional area
Battery cell price reduction	-15%	Average per annum reduction in price of batteries from Factor This

After adjusting for the assumptions, the capital costs used in the analysis are provided in Table 2-2. The capital costs have been adjusted for margin, contingency, and escalation.

Table 2-2 Annual capital expenditure assumptions used in analysis (\$m)

Cost	Value
Site clearance and general works	2.1
Civil and building	12.8
Electrical works	158.6
Substation	11.8
Transmission line	3.2
Testing and commissioning	2.2
Contractors design	2.2
Preliminaries	9.0
Total	201.8

Source: BDO analysis, Stor, pers. comm., (2025).

Construction of the BESS at Molong is expected to commence in late 2026 and is anticipated to take approximately 22 months to complete, comprising 14 months construction and 8 months commissioning. For economic impact modelling, it was assumed that capital expenditure is equal in each financial year of construction.

Project revenue

The expected revenue of the Project was provided by Stor as an estimated Net Present Value (NPV) over 20 years. This was extrapolated to 30 years, the expected life of the project. For the economic analysis in this report, the NPV calculation was reversed to estimate an average annual revenue figure. The revenue used in the analysis is summarised in Table 2-3. The BESS is assumed to begin operation in August 2028, with

revenue generation assumed to commence concurrently. The first year of revenue was reduced by 16.7 per cent³ to reflect this assumption.

Table 2-3 Estimated project revenue assumptions used in analysis (\$m)

Year of operation	Estimated revenue per year (\$m)
2028/29	21.7
2029/30	26.0
2029/30 - 2057/58	26.0

Source: BDO analysis, Stor, pers. comm., (2025)

Project operating expenditure

Stor provided an estimate of the operating expenditure disaggregated among several key categories. The categories were mapped to existing industries following a robust methodology consistent with previous BESS projects. The Project is expected to employ two FTEs annually once operational (SLR Consulting pers. comm., 2025). Annual wages have been estimated based on \$130,000 per worker provided by Stor.

Table 2-4 presents the estimated operational expenditures used in the analysis. The BESS is expected to begin operation in August of 2028, operating expenditure assumed to begin concurrently. The first year of operating expenditure was reduced by 16.7 per cent⁴ to reflect this assumption.

Table 2-4 Annual operational expenditure assumptions used in analysis (\$m)

Operating expenditure category	2028/29	2029/30	2030/31	2031/32 - 2057/58
Supplier service agreement	1.56	1.87	1.87	1.87
Operations and Maintenance Contract	0.89	1.07	1.07	1.07
Asset management fees	0.29	0.35	0.35	0.35
Insurance	0.95	0.95	0.95	0.95
Wages	0.26	0.26	0.26	0.26
Total	3.95	4.50	4.50	4.50

^a Sums may not add to total due to rounding.

Source: BDO analysis, Stor/SLR Consulting, pers. comm., (2025)

Discount rate

For all present value calculations, a discount rate of seven per cent has been used. This value is the same as prescribed in Commonwealth of Australia (2013).

³ The RISE model is based on financial years, construction is planned to be completed in August 2028, which is 2 months into the 2028/29 financial year. To correct for this, the revenue was multiplied by 10/12.

⁴ See footnote 3.

3. Potential impacts

3.1. Potential economic effects on Cabonne area and New South Wales - project construction

Impacts of the Project (i.e. the change to economic indicators between ‘with’ and ‘without’ the Project) were analysed using RISE IO models. Impacts were estimated for the infrastructure development of the Project on both the Cabonne Shire and surrounding region and the New South Wales economy. Impacts were measured in terms of the following economic indicators:

- GRP/GSP
- Employment (FTE jobs).

The direct FTE estimates of employment are a combination of on-site and off-site employment by businesses that directly supply the Project with goods and services. These estimates are based on RISE model estimates of direct FTE jobs, which reflect the economy-wide effects of the capital expenditure profile of the Project. The same principles apply regarding GRP/GSP estimates.

Cabonne Shire and surrounding region

Table 3-1 shows the estimated economic impacts of the Project’s construction on the regional economy. The total impact on the regional economy over the 22 months of construction for GRP is estimated to be \$16.9m in each financial year or a present value (PV) of \$30.6m over two years. Of this, \$9.8m is estimated as direct impact, and \$7.1m as flow-on impact each year. The average annual total impact on employment in the regional economy during the construction period is estimated to be 134 full-time equivalent (FTE) jobs. Of this, 91 FTE jobs are expected to be created directly across the Cabonne Shire and surrounding region economy, and 44 FTE jobs from the flow-on impacts of construction in the first year of construction. Following assumed gains in labour productivity, the FTE impact in the second year of construction reduces to 90 FTEs directly employed, and 43 FTEs employed as a result of flow-on effects.

Table 3-1 Potential economic impacts of Project construction, Cabonne area

Indicator	2026/2027	2027/2028
<i>GSP (\$m)</i>		
Direct	9.8	9.8
Flow-on	7.1	7.1
Total^a	16.9	16.9
PV		30.6
<i>Employment (FTE jobs)</i>		
Direct ^b	91	90
Flow-on	44	43
Total^a	134	134
Average annual		134

^a Sums may not add to total due to rounding.

^b Direct FTE estimates of employment are both on-site and off-site employment by businesses directly supplying the Project with goods and services and use RISE model estimates of direct FTE jobs based on the economy-wide effects of the Project capital expenditure profile.

Source: BDO analysis

New South Wales

Table 3-2 shows the estimated economic impacts of the Project's construction on the New South Wales economy. The total impact over the 22 months of construction on the GSP of New South Wales is estimated to be \$43.4m in each financial year or a PV of \$78.5m over two years. Of this, \$15.1m is estimated as the direct impact, and \$28.3m as the flow-on impact each year. The average annual impact on employment in New South Wales during the construction period is estimated to be 250 FTE jobs. Of this, 98 FTEs are expected to be supported in the New South Wales economy due to the direct effects, and 152 FTEs is expected to be supported due to the flow-on effects.

Table 3-2 Potential economic impacts of Project construction, New South Wales

Indicator	2025/26	2026/27
<i>GSP (\$m)</i>		
Direct	15.1	15.1
Flow-on	28.3	28.3
Total^a	43.4	43.4
PV		78.5
<i>Employment (FTE jobs)</i>		
Direct ^b	98	98
Flow-on	152	152
Total^a	250	250
Average annual		250

^a Sums may not add to total due to rounding.

^b Direct FTE estimates of employment are both on-site and off-site employment by businesses directly supplying the Project with goods and services and use RISE model estimates of direct FTE jobs based on the economy-wide effects of the Project capital expenditure profile.

Source: BDO analysis

3.2. Potential economic effects on Cabonne Shire and surrounding region and New South Wales - project operation

Impacts of the Project (i.e. the change to economic indicators between 'with' and 'without' the Project) were analysed using RISE IO models.

Impacts were estimated for the expected regional expenditure (two FTE staff residing in the region, repairs and maintenance of equipment, administration) and the income from electricity supply by the Project on the regional economy (Cabonne Shire and surrounding region) and the New South Wales economy.

Impacts were measured in terms of the following economic indicators:

- GRP/GSP
- Employment (FTE jobs).

The results following are reported for every fifth year of operation.

Cabonne and surrounding region

Table 3-3 presents the estimated economic impacts of the Project's operation on Cabonne Shire and surrounding region. The GRP is estimated from the revenue and operating expenses in Section 2.2. The impact on GRP in the first year of operation is expected to be \$21.6 million, rising to \$25.9 million in subsequent years, or \$296.4 million in PV over thirty years. The BESS at Molong is expected to support 7 FTEs in the first year of operation (2 FTEs directly and 5 FTEs flow-on), rising to 8 per year until 2039 and 7 FTEs every year subsequently due to modelled increases in labour productivity.

Table 3-3 Potential economic impacts of Project operation, Cabonne area

	2028/29	2033/34	2038/39	2043/44	2048/49	2053/54	2057/58
GSP (\$m)							
Direct	20.6	24.7	24.7	24.7	24.7	24.7	24.7
Flow-on	1.0	1.2	1.2	1.2	1.2	1.2	1.2
Total ^a	21.6	25.9	25.9	25.9	25.9	25.9	25.9
PV							296.4
Employment (FTE jobs)							
Direct	2	2	2	2	2	2	2
Flow-on	5	6	6	5	5	5	5
Total ^a	7	8	8	7	7	7	7
Average annual							7

^a Sums may not add to total due to rounding.

Source: BDO analysis

New South Wales

Table 3-4 presents the estimated economic impacts of the Project's operation on the New South Wales economy. The impact on GSP is estimated to be \$23.8m in the first year of operation, reaching \$28.6m per year, or \$327.1m in PV over thirty years.

Table 3-4 Economic impacts, operation, New South Wales

	2028/29	2033/34	2038/39	2043/44	2048/49	2053/54	2057/58
GSP (\$m)							
Direct	20.6	24.7	24.7	24.7	24.7	24.7	24.7
Flow-on	3.2	3.9	3.9	3.9	3.9	3.9	3.9
Total ^a	23.8	28.6	28.6	28.6	28.6	28.6	28.6
PV							327.1
Employment (FTE jobs)							
Direct	2	2	2	2	2	2	2
Flow-on	13	15	15	14	14	13	13
Total ^a	15	17	17	16	16	15	15
Average annual							16

^a Sums may not add to total due to rounding.

Source: BDO analysis

The BESS at Molong is expected to support 15 FTEs in the first year of operation, rising to 17 FTEs with full operation by 2038/39 before falling slightly to 16 FTEs out to 2048/49 and 15 FTEs subsequently, due to increases in labour productivity. This is equivalent to an average of 16 FTEs per year.

4. Impact on agriculture

A projected loss in agricultural revenue was calculated using publicly available data, based on the assumption that the land would otherwise be used for sheep farming (SLR Consulting Pers. comm. 2025), with lamb sales as the main income source.

The BESS at Molong has a total footprint of 9.459 hectares, of which 4.997 hectares will be covered by the batteries and other equipment, and 0.564 hectares will be removed for a road. The remaining land is accounted for by transmission poles and an easement for transmission lines, which will be available for grazing. The total agricultural land assumed to be removed from sheep production is 5.561 hectares.

The analysis, summarised in Table 4-1, estimated a potential agricultural revenue loss of approximately \$12,880 per lambing season. This assumes each sheep raises, on average, one lamb per lambing season (i.e. 100 per cent lamb marking rate).

This revenue loss to agriculture has not been included in the economic analysis in Section 3. This amount is not material to the economic impact analysis of BESS and is therefore not included in the analysis; however, it is reported separately to provide an estimate of the size of the impact.

Table 4-1 Potential agricultural revenue lost per lambing season, data and calculations

	Value	Source
BESS footprint + road (ha)	5.561	SLR Consulting pers. comm. (2025)
Sheep per ha (stocking rate)	10	NSW Department of Primary Industries (2022)
Total lambs raised	56	BDO analysis
Lamb weight (dressing weight of lamb) (kg)	23	McLeod, B. (2016), BDO analysis
Lamb carcass price (\$ per kg)	10	Meat & Livestock Australia (2021)
Price per lamb (\$)	230	BDO analysis
Total revenue lost (\$)	12,880	BDO analysis

Source: BDO analysis

5. Conclusions

This report provides an analysis of the economic impacts of the construction and operation of the BESS. Including the impacts on gross regional product/gross state product (GRP/GSP), and full-time equivalent (FTE) jobs, for the Cabonne Shire and surrounding region, and New South Wales.

During the construction phase, the project is expected to generate \$30.6 million in GRP for Cabonne Shire and surrounding region and \$78.5 million in GSP for New South Wales, along with creating an average of 134 full-time equivalent (FTE) jobs annually in Cabonne and 250 FTE jobs annually in New South Wales.

Once operational, the BESS will contribute an estimated \$296.4 million (PV) in GRP for Cabonne Shire and surrounding region and \$327.1 million (PV) in GSP for New South Wales over 30 years, supporting an average of 7 FTE jobs in Cabonne and surrounding region, and an average of 16 FTE jobs in New South Wales.

Under the assumption that the project will be constructed on land currently used for sheep farming, estimated that the Project will result in approximately \$12,880 revenue foregone per lambing season. This amount is not material to the economic impact analysis of BESS and is therefore not included in the analysis; however, it is reported separately to provide an estimate of the size of the impact.

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Disclaimer

The assignment is a consulting engagement as outlined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 17. Consulting engagements employ an assurance practitioner's technical skills, education, observations, experiences and knowledge of the consulting process. The consulting process is an analytical process that typically involves some combination of activities relating to: objective-setting, fact-finding, definition of problems or opportunities, evaluation of alternatives, development of recommendations including actions, communication of results, and sometimes implementation and follow-up.

The nature and scope of work has been determined by agreement between BDO and the Client. This consulting engagement does not meet the definition of an assurance engagement as defined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 10.

Except as otherwise noted in this report, we have not performed any testing on the information provided to confirm its completeness and accuracy. Accordingly, we do not express such an audit opinion and readers of the report should draw their own conclusions from the results of the review, based on the scope, agreed-upon procedures carried out and findings.

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