ENVIRONMENTAL IMPACT STATEMENT FOR HUNTER TRANSMISSION PROJECT

DRAFT SUBMISSION 2
HUNTER REGION LANDCARE NETWORK
24 SEPTEMBER 2025

The primary concern of Hunter Region Landcare Network (HRLN) is that the Environmental Impact Statement (EIS) of the Hunter Transmission Project (HTP) may reasonably disclose the environmental impacts of the project but has failed to present a case that it has a viable plan to fully offset those impacts. There is no disclosed plan and the proponent has given no assurance that enough money will be provided to properly fund any such plan.

Biodiversity offset schemes such as will occur as a consequence of this EIS have often been found to fail to deliver sufficient on-ground outcomes to achieve an overall net positive environmental outcome as required under the Biodiversity Conservation Act, nor does it demonstrate that it even complies with the previous requirement to have no net loss to the environment.

We call for the consent process for the HTP to be suspended until a credible plan has been presented, and exposed to public scrutiny, and that the proponent can demonstrate that this plan will be properly funded.

1. SCALE OF THE ENVIRONMENTAL IMPACT

The project's proponent has clearly demonstrated that the project causes large scale damage to environmental assets.

A large tract of forest, affecting four state forests, will be cleared. The EIS document suggests that the area to be cleared is already degraded. Up to a point this may be true, but these forests are still environmentally valuable, even in their current state. The comment appears to be an attempt to trivialise the deforestation of established native forests. Its sentiment is at odds with the Forestry Commission's own website assertions that it recognises and protects the environmental values of the native forests under its management. Moreover, highly valued national parks in the immediate area, such as Werakata National Park, came into being relatively recently out of similarly "degraded" state forests.

But the EIS clearly shows that by far the greatest impact lies beyond the immediate area to be cleared. The four nominated forests are connected to each other **and** adjacent national parks **and** numerous adjacent forests on private land. The HTP will create a large continuous break in the canopy of the forest and disrupt the free movement of many species throughout the broader landscape. This means the impacts cannot be considered local. The impact is regionally significant.

Previous planning processes respected the connectedness of the four state forests and their connection to nearby national parks and private forests. This proposal marks a watershed in our regional planning processes. If this proposal proceeds in its current form, a clear signal will be sent that planning processes no longer respect interconnectedness of habitat.

This action would fly in the face of the Federal Government's current national intention to restrict development to "go zones" and prevent development in "no go" zones, because the HTP would clearly be classed as proposing to go through the heart of a "no go" zone.

2. BIODIVERSITY OFFSET SCHEME

The Biodiversity Offset Scheme being used in this assessment has been routinely criticised as inadequate and regularly failing to achieve its intended objectives. The clearest evidence of this occurred in 2022 when the Auditor General of NSW declared that the offset scheme in operation at that time was a spectacular failure. Subsequent to that report the NSW Government has initiated a range of reforms. Most of these changes have been administrative. One amendment raised the standard required from no net loss to overall net positive "over time". There is no evidence to date that any of these amendments to the Biodiversity Conservation Act has any substantial effect on the ground.

The Biodiversity Offset Credits identified in the EIS have been meticulously calculated and we do not challenge the number of credits identified.

But there is no description of how these credits become a plan to offset.

If the proponent is required to offset the damage caused by the development proposed, where is the **plan** for success? How do we know that the actual dollars triggered by these credits will be enough to do the job?

The proponent must be required to disclose a coherent plan, and be able to demonstrate that it will provide the actual dollars needed to push that plan to success.

The public cannot be left to just trust that the Credits will sort the problem out.

The plan and costings should have already been disclosed in the EIS and therefore consent must not proceed until this has been publicly exhibited.

3. RECOMMENDATION FOR THE NEXT STEPS

The HRLN prefers that the umbrella planning document for the Hunter Region, "Hunter Plan 41" be reopened so that a supplementary region wide environmental plan is developed. Currently, that plan provides very little environmental detail for the middle and upper Hunter. Once this process is completed, HTP would be able to select the most relevant assets from the plan to demonstrate a targeted offset proposal. The revised Hunter Plan 41 would help inform all future development proposals, and may indeed help speed up those consent processes.

A less satisfactory alternative would be for the HTP proponent to develop an ad hoc proposal and put that proposal on public display. Landcare would willingly participate in that process.

While HRLN prefers a broader assessment process as outlined above, there is one other alternative available. The reason many offset schemes have failed to achieve their intended

offset level might simply be that not enough money was made available to ensure they succeed. The NSW Government could simply increase the amount of money set aside for the purpose and supplementing that with other non-financial contributions. While this does not guarantee that the mandated target is achieved, it at least increases the likelihood of success.

4. INCREASES TO FINANCIAL OFFSETS

The initial project estimate for the HTP was $926 million, of which $150 million was set aside for environmental works and offsets. Biodiversity offset costs are therefore not critical to the viability of the project. Since that time, the overall cost of the project has spiralled, some estimating an overall lift above 50% of engineering costs. Of all costs associated with the project, it appears only environmental costs have been required to comply with the original cost estimates.

If the project is so critical that it was considered important enough that four state forests must be fragmented and degraded, then it should also be true that the project is so important that a generous offset plan with an increased chance of success should be built into the consent process, funded by the HTP.

We propose that an increase of 50% over the initial $150 million allocation is reasonable. This scale of increase is no more onerous than is already expected and tolerated for rising costs in other cost components of the HTP.

These funds would be available to:

a) Provide funding to the balance of the affected state forests to accelerate the integrity of biodiversity values in those forests
b) Increase the protection of significant nearby environmental assets
c) Increase the status and condition of critical wildlife corridors linking (a) and (b)
d) Increase the status and condition of other wildlife corridors radiating out from these areas into the broader landscape
e) Might also be used to support recent or new environmental initiatives, such as completion of the Hunter Valley section of the Atherton to the Alps project (a nationally significant climate adaptation initiative)

In any event, we are in an era of regional scale natural disasters arising from climate change, on top of a range of other significant challenges. Individual species are being pushed ever closer to extinction. The dollar value of biodiversity offsets ***should*** be increasing rapidly over time – to reflect the increasing rarity of our flora and fauna.

5. INCREASES TO NON-FINANCIAL OFFSETS

The four state forests affected by the proposal have historically provided a lower-than-average return to the Forestry Commission, mainly because it is in a lower rainfall area. From a commercial perspective, the removal of these forests from the Forestry Commission's

jurisdiction is unlikely to harm, and may indeed improve the overall profitability of the Forestry Commission.

These four state forests are currently not being actively logged, so a change in their use is unlikely to lead to a loss of dependent industries.

We therefore propose that these forests should be transferred to a purely conservation role, potentially being rededicated to a form of National Park. Current forestry practice harvests trees before they can age enough to develop tree hollows. Re-dedication would eventually allow hollow bearing trees to occur across the entire landscape, rather than a select few trees, and generally allow these forests to reach peak environmental value and resilience over time.

We also recommend that funding is made available to support the new reserve areas.

6. FIRE MANAGEMENT

The placement of critical infrastructure into a fire prone landscape that is also quite rugged throws up challenges for fire management. We are struck by how cavalier the proponent is towards fire management. A frequent response is that if fire damage occurs, it can be quickly repaired. But the prospect of data centres and their demand for high penalties for even the smallest outages points to the possibility that reliability of supply must be held to a higher standard than has applied in the past.

If the HTP is to proceed more or less as planned, we believe there is every likelihood that over time there will be increased pressure to better manage fires in the areas immediately adjacent to the actual easement. We recommend that cultural (cool) burns in these areas should be actively considered in these areas – because if it is successful, this will cause the least impact on those forests.

7. CONCLUSION

To pause the consent process at this moment is an opportunity to get outcomes on the ground right, at a time when the environment is straining under all its challenges. HRLN acknowledges the challenges facing all governments trying to come to terms with climate change impacts, and the urgent need to roll out renewable energy infrastructure, including this infrastructure. We do not oppose this infrastructure – we just think there is a better way to both build desperately needed infrastructure and save our environment at the same time.