



Questions on Notice – Ordinary Council Meeting – 12 May 2026

6.1 DRAFT VOLUNTARY PLANNING AGREEMENTS - CALALA BATTERY ENERGY STORAGE SYSTEM AND THUNDERBOLT WIND FARM

QUESTION Cr Ryan Brooke - The report states that their monetary contribution must be used "for the funding of the construction of, or improvements to infrastructure in the Council's local government area and the vicinity of the Calala BESS." Can this be expanded upon further please.

This reads ambiguously. Could it be clarified if the draft agreement allows for funds to be spent both in the vicinity of the Calala BESS project and funds that can be spent on infrastructure in the wider LGA, or only on infrastructure in the vicinity of the project?

What's the definition of in the vicinity of the project?

Acting Director Liveable Communities Response

The wording is intended to provide Council with flexibility to allocate the VPA funds towards infrastructure within the Tamworth Regional Council Local Government Area, while also ensuring there is an appropriate relationship between the use of the funds and the area affected by the Calala BESS project.

It should not be interpreted as limiting the use of funds only to land immediately adjoining the project site or to a narrowly defined radius around the project. Rather, the intent is that the funds can be applied to infrastructure projects within the LGA that have a reasonable connection to the project's location, impacts, or the communities affected by renewable energy development and associated infrastructure.

Council is also currently reviewing its Renewable Energy VPA Policy and is considering a future framework that may include defined funding catchments, such as an Urban Future Fund and Regional Future Fund. Under this proposed approach, BESS projects in the Calala and Burgmanns Lane area would likely fall within an urban catchment, reflecting their proximity to Tamworth and the nature of impacts experienced in and around the urban area. Wind, solar, pumped hydro and other renewable energy projects outside the urban catchment would likely be considered within a regional catchment, with funds directed towards towns, villages and rural communities impacted by renewable energy development.

However, these catchments have not yet been adopted by Council and will be considered as part of the broader VPA policy update. Accordingly, for the purpose of the current draft agreement, the funds may be used for infrastructure within the Tamworth Regional Council LGA and in proximity to the development site, noting Council's future intention to establish a clearer catchment-based approach.

Is there any current planned uses of these funds by Council?

Acting Director Liveable Communities Response

There are no currently confirmed or allocated uses for these funds.

The intent is that VPA funds would be directed towards legacy infrastructure projects that provide lasting benefit to communities impacted by renewable energy development and the broader energy transition. Potential projects may include new infrastructure, upgrades to existing infrastructure, or projects already identified within Council's strategic planning, asset planning, budgeting processes, or existing development contributions plans.

Potential opportunities for the use of these funds would be assessed through Council's internal planning and budget processes, including input from relevant directorates. Projects would also be considered by the Development Contributions Coordination Group, which would provide recommendations regarding the allocation of funds.

A future focus will be the development of a more structured and community-informed approach to identifying social and community infrastructure priorities. This would assist Council in allocating planning contributions transparently and consistently, while ensuring funds are directed towards projects that deliver meaningful and lasting benefits for affected communities.

The report that went to the previous Council on the 13th of August 2024 went into length about how both projects are below the 1.5% of a project's total capital value called for in VPAs in council's Voluntary Planning Agreement Policy for Renewable Energy Projects 2023 (which also calls for 50% of that 1.5% contribution up front upon construction and the remaining 50% annually for the life of the project).

Further the report in this business paper compares the draft VPA to the DPHI's subsequently released Renewable Energy Planning Framework Benefit-Sharing Guideline which recommended payments of a set rate of per MW/annum of a projects output.

This leads to the question, is Council's Voluntary Planning Agreement Policy for Renewable Energy Projects 2023 still fit for purpose? Is it viewed that there is value having an VPA policy that sets out Council's ambition for VPAs, even if the policy varies from the Benefit-Sharing Guideline?

Acting Director Liveable Communities Response

The current endorsed Voluntary Planning Agreement Policy for Renewable Energy Projects 2023 is no longer considered fit for purpose in its current form.

Council staff have been working with external legal advisers and planning consultants to develop an updated VPA policy that better aligns with the NSW Government's Renewable Energy Planning Framework Benefit-Sharing Guideline. This includes moving away from a percentage of Capital Investment Value approach and towards a benefit-sharing model based on a dollar-per-megawatt calculation, consistent with the Guideline.

It is noted that some approved State Significant Development projects have VPA arrangements embedded within their consent conditions, which more closely reflect Council's existing 2023 policy. However, for proponents who are still progressing through the planning approval process, Council's current advice is that VPA offers should be prepared in line with the NSW Benefit-Sharing Guideline while Council finalises its updated policy.

Council is also developing standardised VPA templates for use by proponents. This will help ensure that future VPA offers and draft agreements are provided to Council in a consistent format, making them easier to assess, compare and understand. It will also improve transparency and accessibility for Councillors, Council staff and the broader community. The updated and policy and templates are expected to be in a future council report in the coming months.

There remains value in having a Council-endorsed VPA policy, even where it differs from or builds upon the State Guideline. A local policy allows Council to clearly articulate its expectations, provide consistency for proponents, and ensure that benefit-sharing outcomes reflect the specific cumulative impacts, infrastructure needs and community priorities of the Tamworth region.

7.6 SHEBA DAM SPILLWAY AND CHANNEL REMEDIATION - REQUEST TO LOWER SPOIL DISPOSAL CHARGES

QUESTION Cr Ryan Brooke:

The report states the following:

"Should Council agree, future fees and charges will include the opportunity for the gate fee for disposal of large quantities of contaminated waste to be negotiated by staff without reference to the elected Council."

To clarify is it considered that should Councillors approve the recommended motion, despite the recommendation making no mention to delegating reduced fees for large quantities to staff, that this delegation would be approved because of this inclusion in the body of the report?

Director Water and Waste Response

The Fees and Charges presented to Council for adoption in 26-27 will include, for disposal of contaminated material, a fee for small quantities, which will be price per tonne, and a fee for large quantities which will be – on application.

This is not unusual - there are already several gate fees and charges which are on application

If Councillors don't agree to allow the new fee then they will resolve this way when the fees and charges are finally adopted, or when Councilors agree to put the draft fees and charges on public display.

So, Councillors are not making a final decision about future charges levied for disposal of large quantities of contaminated waste as part of consideration of the report number 7.6 in the business paper.

7.6 SHEBA DAM SPILLWAY AND CHANNEL REMEDIATION - REQUEST TO LOWER SPOIL DISPOSAL CHARGES


QUESTION: Cr Charles Impey

I am just interested in knowing more about the mentioned community beneficial impact mentioned on page 27 of the agenda business paper, how is this calculated and what are the benefits to the community for this spoil to be removed? \$75,000 seems to be a large chunk lost as a favour to a NSW Government Department..... knowing what this community beneficial impact is and whether it is worth \$75,000 or perhaps even more valuable than \$75,000?

Director Water and Waste Response

Whilst this has not been advised, it is possible the project will not proceed, or less will be done because of the cost of disposal of the contaminated material. There is obviously a community benefit from the upgrading works that are being undertaken and therefore if the works was not undertaken, or if something less than the optimal level of work was undertaken, there would be a detrimental community benefit. Lowering the cost of disposal may see the full scope of work undertaken and the community realise the full benefit of the works.

I'm not aware of the total estimated cost of the project but based on the plans the cost of disposal and transport of the contaminated material will take a fair junk of the budget for the work.



So can't quantify the community benefit for you, you will have to make your own assessment. The more important consideration is I believe that because of the quantity of material involved we can accept the reduction in charged proposed for disposal and still cover our costs now and into the future.