

**Penny Sharpe**

Minister for Climate Change, Minister for Energy  
Minister for the Environment, Minister for Heritage  
Leader of the Government in the Legislative Council

**Media Release****Deal is sealed for Australia's first Renewable Energy Zone****Friday, 4 April 2025**

Australia's first declared Renewable Energy Zone (REZ) will formally commence construction within months after the NSW Government awarded ACEREZ the contract and reached financial close to deliver the Central-West Orana REZ transmission project.

This landmark project will establish critical infrastructure that will connect solar and wind farms and energy storage to the NSW electricity grid. It's central to the Minns Labor Government's delivery of a reliable, affordable energy system that benefits communities and the economy.

EnergyCo has appointed ACEREZ – a consortium of ACCIONA, COBRA, and Endeavour Energy – to design, build and finance the Central-West Orana REZ transmission project and operate and maintain it for the next 35 years.

The project will deliver at least 4.5 gigawatts of new network capacity by 2028, to connect 7.7 gigawatts of wind and solar projects, which is enough to power more than 2 million homes each year.

It will generate a significant economic boost in the Central-West Orana region and NSW as a whole, supporting more than 5,000 construction jobs at its peak and bringing \$20 billion in private investment into the region by 2030.

This milestone of reaching contract and financial close follows a robust procurement process overseen by the Australian Energy Regulator.

This project is the first competitively sourced REZ transmission project in Australia. EnergyCo implemented a tailored procurement model, that incentivises early delivery and cost efficiency for the network operator, safeguarding long-term interests of energy consumers.

Early works on the project started in February, and construction is scheduled to start mid-year.

The NSW Government is investing \$128 million in communities which will host the Central-West Orana REZ, through grants for Councils as well as community and First Nations groups and projects. The recipients of the first round of grants will soon be announced, to inject funding into the area before major construction starts.

**Quote attributable to Minister for Climate Change and Energy, Penny Sharpe:**

“Getting this deal done brings us closer to delivering more affordable and reliable renewable energy to NSW households and businesses.

“With three out of four of the state's remaining coal-fired power stations set to close in less than 10 years, this Renewable Energy Zone will help us meet our future energy needs in order to keep the lights on and avoid price spikes.

“The project will also inject billions of dollars in private investment into the Central-West Orana region by 2030, along with thousands of jobs and opportunities for local suppliers.”

**Quote attributable to EnergyCo chief executive officer, Hannah McCaughey:**

“We look forward to continuing our relationship with ACERERZ as we move into the delivery phase for the state’s first Renewable Energy Zone, which will harness our abundant wind and solar resources to power NSW.

“The Central-West Orana Renewable Energy Zone is part of a once-in-a-generation extension of the NSW electricity grid. It’s a major step in securing our energy future and keeping the lights on as coal-fired power stations retire.”

**Quote attributable to ACERERZ chief executive, Trevor Armstrong:**

“This is a significant milestone and ACERERZ is proud to play a role in powering homes and businesses in NSW for generations to come.

“We will work alongside Central-West Orana communities to provide jobs and economic growth and lasting benefits across the region.”

**Further information:**What is a Renewable Energy Zone?

Renewable Energy Zones will group new wind and solar power generation into locations where it can be efficiently stored and transmitted across NSW. Five zones have been identified and will keep NSW electricity reliable as coal-fired power stations retire, delivering large amounts of new energy to power our regions and cities.

REZs will help deliver lower wholesale electricity costs and place downward pressure on customer bills through increased competition, while supporting local jobs and business opportunities during construction and operation.

Where is the Central West Orana Renewable Energy Zone?

The state’s first REZ is in the Central-West Orana region, centred by Dubbo and Dunedoo. It also takes in cities and towns including Gulgong, Mudgee, Wellington and Gilgandra.

It is expected to bring up to \$20 billion in private investment to the Central-West Orana region by 2030.

At its peak, this REZ is expected to support around 5,000 construction jobs in the region, as well as opportunities for local suppliers.

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