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Bendigo BESS Economic Impact Assessment

Prepared by Urban Enterprise for Pacific Blue Australia Developments

May 2026

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Bendigo BESS

Pacific Blue Australia Developments

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Acknowledgment of Country:

We acknowledge the traditional custodians of the land on which our work is based and pay our respects to their Elders past and present. We extend that respect to all First Nations people.

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Executive Summary

Pacific Blue Australia Developments (**PBAD**) engaged Urban Enterprise to prepare an Economic Impact Assessment (**EIA**) of the proposed Bendigo BESS (the project). The purpose of the assessment is to identify, assess and quantify the suite of economic impacts that could be generated by the project over the duration of its lifecycle.

Project Overview

- The proposed project comprises a 201 MW / 866 MWh utility scale Battery Energy Storage System (BESS); located in Golden Square, Bendigo.
- The project will include a utility-scale BESS using Lithium-ion battery technology and associated infrastructure, including a substation and transmission line connection to the 220 kV Bendigo Terminal Station; which is directly adjacent to the west of the site.
- The 8.7 ha site is approximately 3.6 km southwest of the Bendigo CBD and 1.8 km from Golden Square Activity Centre.
- The BESS will be located within a proposed industrial estate, which will be developed in accordance with a proposed subdivision (DS/448/2024) of the northern portion of the site. The subdivision proposes to create eight lots, as well as a drainage reserve and internal access road.
- The total project lifecycle has an indicative timeframe of 24.5 to 30.5 years, but will be subject to planning, approval and construction timeframes.
- The total capital expenditure to deliver the project is estimated at \$416 million (AUD, 2026 dollars).
- For the purposes of the EIA, the primary impact area encompasses the Greater Bendigo Local Government Area. The secondary impact area includes the state of Victoria (excluding Greater Bendigo). These represent the main areas in which economic impacts are likely to flow.

Strategy & Policy Context

- The project broadly aligns with local, regional, state and national strategic, and economic priorities relevant to the energy transition, reducing greenhouse gas emissions, and mitigating negative environmental and economic costs associated with climate change and extreme weather events.
- The project will provide business and employment opportunities during the various stages of development and operation, in turn contributing to the viability and growth of the renewable energy sector in Greater Bendigo and Victoria.
- Importantly, the project will deliver much needed battery storage in a highly suitable location. Once operational, the project will enable the storage and release of energy during peak periods, improving grid stability, reducing price volatility, and supporting the integration of renewable energy sources such as wind and solar.

Demographic & Economic Profile

- Greater Bendigo's economy is underpinned by manufacturing, construction and mining, along with population-service and knowledge sectors such as health, education, professional and financial services, retail and hospitality.
- The business and employment base is of a scale that could support discrete supply chain requirements of the project throughout its lifecycle. There are several industrial precincts that are proximate to the subject site that are well placed to assist with facilitating the construction and operational requirements of the project, including civil engineering and works, earth works and site preparation, construction trade and services, electrical and technical services, construction machinery and equipment hire and servicing, parts manufacturing and retailing and waste services.
- If local businesses are utilised for the project, the project has the potential to benefit the existing business base, workers and local economy through increased demand, which will generate additional output and value-add, and support the existing employment base.
- A proportion of the labour force in Greater Bendigo hold occupations that are relevant to some of the requirements of the project, especially during the construction phase. This is particularly the case with jobs roles required during construction such as 'technicians and trade workers' and 'labourers'.

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- The unemployment rate illustrates a tight labour market in Greater Bendigo. If the project overlaps with major infrastructure or large-scale renewable energy projects, this may result in an increase in competition for labour that could affect the efficient delivery of projects and/or draw labour from other sectors of the economy.

Economic Impact Summary

The economic impacts that are expected to be generated by project are summarised in Table 1. The summary includes a general description, the main stakeholders or parts of the economy that are likely to be impacted, as well as the areas where impacts are anticipated to flow and accrue. Economic impacts have also been rated using a significance matrix, which combines the magnitude (scale or severity) of the impact with the sensitivity of the impact (i.e. the importance of the affected part of the economy).

Several mitigation measures have also been recommended to maximise the positive economic benefits of the project, and minimise potential negative impacts. These are outlined in Section 6 of this report.

Table 1. Economic Impact Summary

No.	Impact	Description & Impact	Stakeholders/ Industries affected	Extent (impact area)	Impact Rating
Construction Phase					
1	Economic stimulus from construction phase investment	Capital expenditure incurred to construct the BESS will stimulate the construction sector and related supply-chain industries. The investment and economic stimulus will generate direct and indirect economic output, employment and value-add during the construction phase. The total economic impacts estimated to be generated within Victoria during the construction phase of the project are estimated as follows: \$514.7 million economic output, comprising: \$242.2 million direct output \$272.5 million indirect output 943 jobs (FTE), comprising: 298 direct jobs 645 indirect jobs \$206.3 million value added, comprising: \$74.2 million direct value-added \$132.1 million indirect value-added	- Construction trades and services - Civil construction - Electrical - Earthworks - Manufacturing - Transport & logistics	Greater Bendigo, Rest of Victoria, International	High (positive)
2	Uplift in demand for accommodation	The project is anticipated to draw workers from outside Bendigo, increasing short-term demand for temporary accommodation and rentals. This will benefit accommodation providers but may place pressure on rental availability and affordability for local residents. Accommodation impacts are expected to be minor and positive, reflecting a modest increase in short-term demand from non-local construction workers. Greater Bendigo benefits from a substantial accommodation base and room capacity. Existing accommodation providers are expected to absorb the additional demand without materially affecting availability. As a result, the impact is likely to result in a modest uplift in occupancy rates and revenue for local providers, particularly during weekday periods.	Commercial accommodation sector.	Greater Bendigo	Low (positive)
3	Competition for labour force	Some jobs and skills required to deliver the project are relevant and similar other major projects and sectors of the economy. If the project's construction phase overlaps with other renewable energy or major infrastructure projects, it has the potential to increase competition for local labour, which could lead to tensions or delays across projects. Negative labour force impacts are expected to be minor, resulting from the potential overlap of construction phases for other major projects planned in-region. This has the potential to increase demand for workers and place upward pressure on wages, and increase reliance on non-local labour. However, the overall impact is expected to be negligible and temporary, given the substantial local construction workforce and the uncertainty around the construction timing for major projects in the region.	Major projects planned in-region.	Greater Bendigo	Low (negative)

No.	Impact	Description & Impact	Stakeholders/ industries affected	Extent (impact area)	Impact Rating
Operational Phase					
4	Economic stimulus from BESS operations	Ongoing operation of the BESS will generate economic activity associated with operations, including asset monitoring, maintenance, grid compliance and asset management. Annual operational expenditure will generate direct and indirect economic output, on-site employment (FTE) and value-add over the operating life of the project. Ongoing economic impacts to the Victorian economy during the operational phase of the project are estimated as follows: - \$10.3 million economic output, comprising: - o \$5.0 million direct output; and - o \$5.3 million indirect output. - 19 jobs (FTE), comprising: - o 7 direct jobs; and - o 12 indirect jobs. - \$5.1 million value added, comprising: - o \$2.4 million direct value-added; and - o \$2.7 million indirect value-added.	- Electricity services - Professional & technical services.	Greater Bendigo, Rest of Victoria	Low (positive)
5	Uplift in municipal revenue	The project will generate an ongoing annual uplift in Council's rate income through a Payment in Lieu of Rates (PiLoR), providing additional revenue to Council that can be reinvested into local infrastructure and services to support the community. The total rate liability for the project is estimated at \$0.37 million per annum. The total contribution equates to \$7.41 million over the 20 year operating life of the project. The rate income will provide additional funding for Council that can be reinvested into local infrastructure, services and community programs.	City of Greater Bendigo	Greater Bendigo	Low (positive)
6	Energy market benefits	The project is anticipated to deliver up to 200MW of battery storage capacity. The facility will enable energy to be stored and dispatched to support grid reliability, manage peak demand and facilitate greater integration of renewable energy in Victoria. The project will contribute to more stable wholesale electricity prices. It will also support the integration and expansion of renewable energy generation by reducing curtailment risk and improving system flexibility. Based on typical residential energy consumption, the system could provide sufficient stored energy to support the equivalent of tens of thousands of homes during peak periods.	State-wide energy consumers.	Victoria	Moderate (positive)
7	Community benefit fund	The proponent has committed to establishing a community fund associated with the operational phase of the facility. This will be used to support local projects and programs for positive community outcomes. The impact of the community benefit fund is expected to be minor and positive overall. While the scale of funding will be relatively modest, it will provide a targeted mechanism to support local projects and initiatives. This is expected to deliver incremental benefits to community wellbeing and generate small-scale economic stimulus through local spending.	Local community groups	Greater Bendigo	Low (positive)

Source: Urban Enterprise, 2026

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1. Introduction

1.1. Overview

Pacific Blue Australia Developments (PBAD) propose to develop the Bendigo Battery Energy Storage System (BESS); a 201 MW / 866 MWh utility scale project located in Golden Square in Greater Bendigo.

The proposal comprises a utility-scale BESS using Lithium-ion battery technology and associated infrastructure, including a substation and transmission line connection to the 220 kV Bendigo Terminal Station.

1.2. Engagement & Scope

PBAD engaged Urban Enterprise to prepare an Economic Impact Assessment (**EIA**) of the proposed Bendigo BESS (the project).

The purpose of the assessment is to identify, assess and quantify (where possible) the suite of economic impacts that could be generated by the project over the duration of its lifecycle.

The scope of this EIA is as follows:

- **Project description & phasing** - Provide an overview of the proposed project, including project area, location, scale and design layout. Define the key phases of the project's lifecycle, including planning and design, construction, operation and decommission. Summarise the anticipated supply chain requirements, estimated expenditure and indicative timing of each phase.
- **Strategy & policy review** - Review local, state and national strategies and policy. Summarise existing priorities as they relate to the proposal and the EIA. Comment on the extent to which the project aligns with strategic objectives.
- **Impact areas** - Establish logical impact areas to guide the assessment of economic impacts.
- **Existing environment** – Assess the existing economic environment as it relates to the economic impact assessment, including employment, business, population and demographics.
- **EIA framework** - Prepare an economic impact framework to identify and describe the suite of impacts that could occur as a result of the project.
- **Quantify impacts** – Using the Input-Output method of analysis, quantify economic impacts (where possible) for the construction, operational and the decommissioning phase.
- **Impact evaluation** – Evaluate the significance of impacts by considering the expected magnitude and the sensitivity of the impact during each phase of the project's lifecycle.
- **Mitigation measures** - Recommend mitigation measures that seek to optimise positive economic benefits and minimise or avoid potential adverse economic impacts of the project.

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1.3. Methodology

Approach

- Define and describe the key phases to facilitate the project, including a description of the phase, potential supply chain capabilities and needs, and the indicative timeframe.
- Establish and define impact areas to guide the assessment.
- Characterise the existing environment relevant to the EIA, including the current state of play for the economy, business base, labour force and demographics.
- Prepare an economic impact framework to identify and describe the suite of impacts that could occur as a result of the project. Each impact will include an overview / description, the stakeholders who are likely to be impacted and the rationale.
- Identify, assess and quantify the suite of economic impacts that could be generated by the project.
 - Model the direct and indirect impacts of the proposal using the input-output method of analysis. Impacts will be expressed as economic output, jobs (FTE) and value-added.
 - Estimate where impacts are likely to flow and accrue, over what time period and the stakeholders who are likely to be impacted.
- Evaluate the significance of impacts by considering the expected magnitude (low, moderate and high) and the sensitivity of the impact during each phase of the project's lifecycle.
- Where relevant, recommend mitigation measures that seek to optimise positive economic benefits and minimise adverse impacts.

Information Sources

The following sources of information have been relied upon and used to inform this EIA:

- Project information and description, Pacific Blue Australia Developments, 2026;
- Estimated capital and operational expenditure, Pacific Blue Australia Developments, 2026;
- Census of Population & Housing, Australian Bureau of Statistics, 2011-2021;
- Business Counts, ABS, 2025;
- Estimated Resident Population, ABS, 2025;
- Unemployment rate and participation rate, National Skills Commission, 2025;
- Renewable Energy Projects, Victoria, DTP, 2026;
- Australian Accommodation Monitor, STR, 2022-23

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1.4. Assumptions & Limitations

Certain assumptions and limitations of this EIA are acknowledged, and are summarised below.

- Financial and operational information pertaining to the project such as the anticipated capital expenditure and operational expenditure relates to a point in time (2026), and relies on information supplied by PBAD. This information forms the key inputs that underpin the Input-Output modelling. Final information will not be known until the project is committed, and contractors and sub-contractors are appointed to construct and operate the project. As a result, this information could change throughout the planning, design phase and construction phases.
- The impact identification framework is based on a combination of existing research and literature, and examples of other comparable projects.
- It is acknowledged that the decommissioning phase will incur expenditure to decommission the project. This will generate associated economic impacts such as output, value-add and employment (jobs). However modelling of economic impacts associated with the decommissioning phase cannot be undertaken and has been excluded, as expenditure estimates are unavailable, and cannot be estimated.
- All publicly available secondary data presented in this EIA is sourced from the most recent available at the time of writing. Some data sources such as information from the Census of Population and Housing published by Australian Bureau of Statistics is from the most recent Census (i.e. 2021).
- Common limitations to Input-Output modelling are outlined in **Appendix B**.

2. Project Description

2.1. Introduction

This section provides a description of the project, including an overview of the site and its location in the context, the anticipated project phasing and supply-chain requirements, along with estimated costs to construct the project.

This section also defines the impact areas to guide the assessment of economic impacts.

2.2. Project Description

The proposed project comprises a 201 MW / 866 MWh utility scale Battery Energy Storage System (BESS); located in Golden Square, Bendigo.

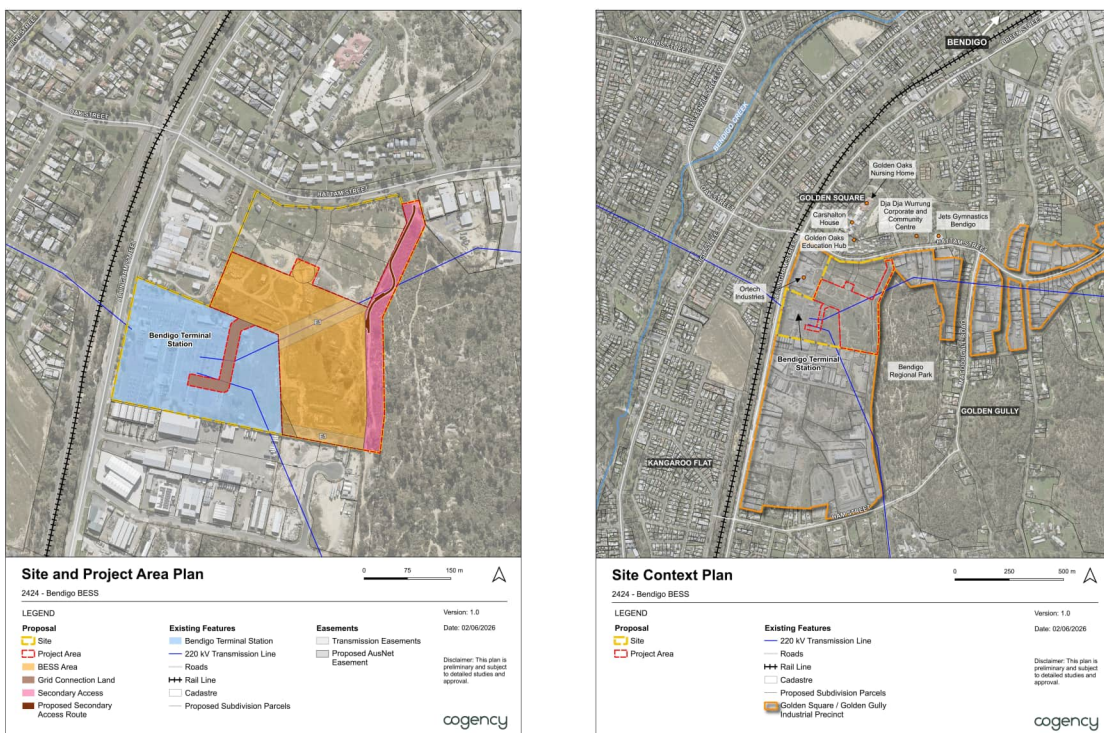
The project will include a utility-scale BESS using Lithium-ion battery technology and associated infrastructure, including a substation and transmission line connection to the 220 kV Bendigo Terminal Station; which is directly adjacent to the - west of the site.

2.3. Site & Location Context

The site is located at 20 Hattam Street, Golden Square in Greater Bendigo. The 8.7 ha site is approximately 3.6 km southwest of the Bendigo CBD and 1.8 km from Golden Square Activity Centre.

The BESS will be located within a proposed industrial estate, which will be developed in accordance with a proposed subdivision (DS/448/2024) of the northern portion of the site. The subdivision proposes to create eight lots, as well as a drainage reserve and internal access road.

Figure 1. Subject Site & Context



Source: Cogency, 2026

2.4. Project Phasing

An overview of the key phases that will be required to develop, construct, operate and decommission the project are outlined in Table 1.

The total project lifecycle has an indicative timeframe of 24.5 to 30.5 years, but is subject to planning, approval and construction timeframes, which can vary.

The project will draw on a range of professional and technical services, manufactured components, construction trades and services, labour, machinery and equipment services over the duration of the project's operating life.

Specialised components and services will need to be procured from state and global networks. According to the proponent, local suppliers will be utilised where possible to encourage economic benefits that flow to the local economy, and reduce costs associated with transport and haulage. The extent to which local suppliers can be utilised will depend on the location, expertise, cost and capacity of businesses to deliver the necessary inputs and services.

Table 2. Project Phasing, Bendigo BESS

Phase	Overview of Phase	Supply Chain Needs	Indicative Timing	Catchment(s)
Planning and Design	- Site selection - Environmental and feasibility studies - Engagement - Securing permits and approvals - Design finalisation - Procurement planning - Risk and safety planning	Professional and technical services: - Environmental and engineering consultants - Geotechnical surveyors - Civil engineers - Legal and regulatory advisors - Financial services - Design consultants	3-3.5 years	Regional and State
Construction	- Engagement - Site preparation - Civil works - Electrical infrastructure and installation - Grid connection works - Commissioning - Secondary conditions and pre-construction approval requirements	Specialised manufacturing, installation services, general construction, civil, engineering and transport and logistics: - Heavy equipment suppliers - Concrete and steel providers - Battery component manufacturers - Electrical components (transformers, cables, substations) - Transport and logistics - Construction labour	1.5-2 years	Regional, State, International
Operation	- Engagement - System and performance monitoring - Maintenance scheduling - Repairs and upgrades - General operations and maintenance for infrastructure and site. - Compliance and safety planning	Operation and maintenance services: - Technical staff (electrical and mechanical) - Spare parts suppliers - Condition monitoring systems - Remote diagnostics - Energy and grid services	20-25 years	Regional and State
Decommissioning	- Engagement - Dismantling of battery units and electrical systems - Removal of infrastructure, equipment, and handling of waste. - Remediation, rehabilitation and repair of the site.	Deinstallation services: - Trade and labourers - Transport and logistics - Waste services.	1-2 years	Regional and State

Source: Urban Enterprise / PBAD 2026

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2.4.1. Estimated Capital Investment & Expenditure

The total estimated capital expenditure to deliver the project is estimated at \$416 million (AUD, 2026 dollars).

The itemised capital expenditure for the project is summarised in Table 2. It is important to note that key expenditure items have been provided for the purpose of this EIA, and will be subject to a final commercial decision once permits are received, and construction contractors are committed.

Table 3. Estimated Capital Expenditure, Bendigo BESS

	Capital Expenditure (\$M)
Development & pre-construction	\$5.9
Battery system & equipment supply	\$158.4
Balance of plant & connection works	\$237.5
Other development costs	\$14.6
Total	\$416.4

Source: PBAD, 2026

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2.5. Impact Areas

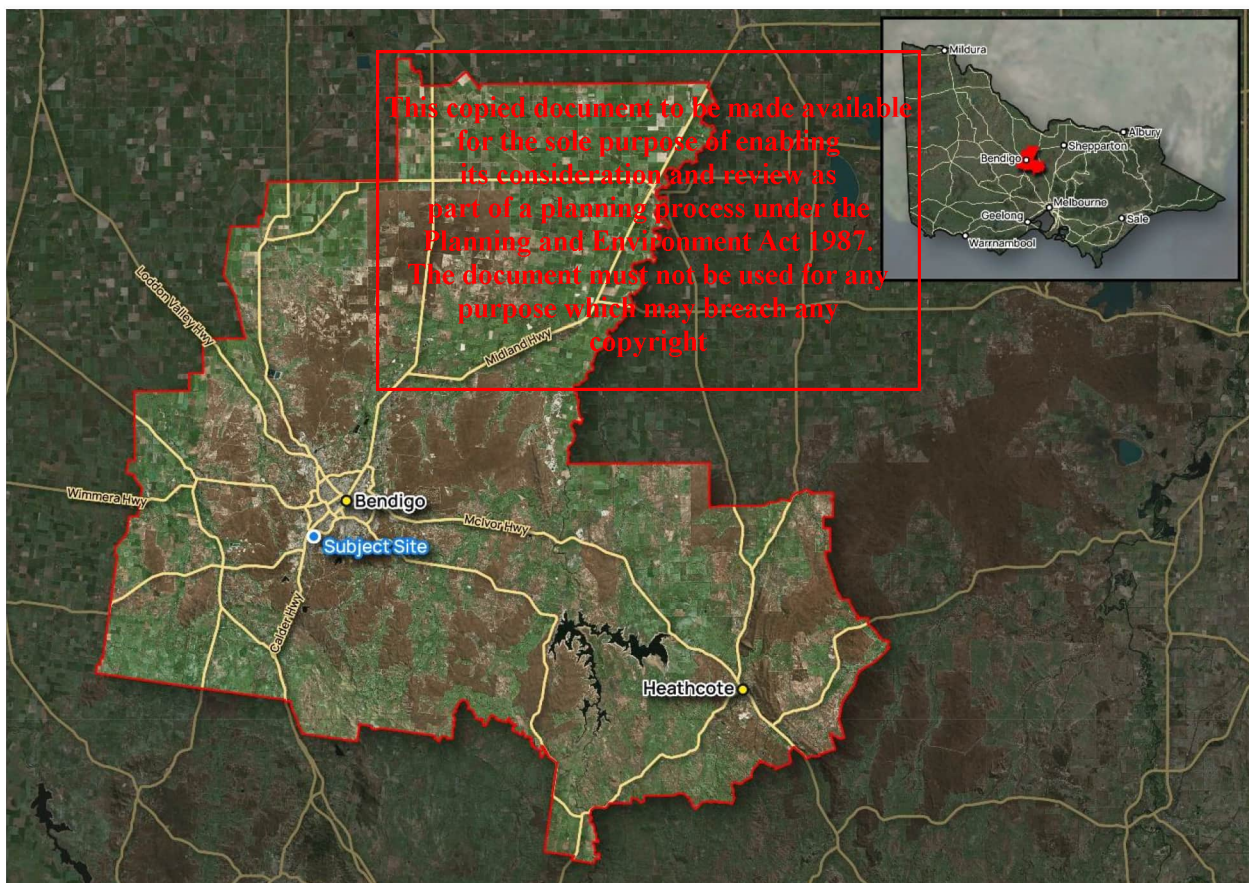
Impact areas are established to determine how and where the project could interact with the economy through supply-chain requirements, and identify where impacts are likely to accrue and flow. A primary impact area and a secondary impact area have been adopted for the project.

The defined impact areas for the project have been informed by the following:

- **Project phases and supply chain needs** – Establish the key project phases for the project (i.e. planning/design, construction, operation and decommissioning) by reference to other comparable BESS projects.
Define the suite of economic capabilities, industry sectors and job roles that will be required to deliver each phase.
- **Location context** – Profile the scale of the population, business and employment base within the primary impact area.
- **Regional capabilities** – Assess the economic, business and employment capabilities across the impact areas to determine the extent to which the project's supply chain aligns with regional economic and employment capabilities, and the potential for suppliers to be utilised.

Having regard to the above, the primary impact area encompasses the Greater Bendigo Local Government Area. The secondary impact area includes the state of Victoria (excluding Greater Bendigo). Although the project will draw on national and international locations, the focus for the EIA is local and state impact, and locations that are outside of the impacts areas have been excluded from the assessment.

Figure 2. Primary and Secondary Impact Area, Bendigo BESS



Source: Urban Enterprise / PBAD 2026

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3. Strategy & Policy

3.1. Introduction

This section provides a summary of federal, state, regional and local strategy and policy that is relevant to the Bendigo BESS project.

3.2. Strategic and Policy Priorities & Project Alignment

Table 3 provides a summary of the strategic policy context for the Bendigo BESS, outlining the objectives that are relevant to the project. A more detailed summary is provided in **Appendix A**.

The project broadly aligns with local, regional, state and national strategic and economic priorities relevant to the energy transition, reducing greenhouse gas emissions, and mitigating negative environmental and economic costs associated with climate change and extreme weather events. Further, the project will provide business and employment opportunities during the different stages of development and operation, in turn contributing to the viability and growth of the renewable energy sector in Greater Bendigo and Victoria.

Importantly, the project will deliver much needed battery storage in a highly suitable location. Once operational, the project will enable the storage and release of energy during peak periods, improving grid stability, reducing price volatility, and supporting the integration of renewable energy sources such as wind and solar.

Table 4. Strategic and Policy Summary

	Strategy	Purpose	Relevance to Bendigo BESS
National	Climate Change Act, 2022	Legislates an emissions reduction framework, targeting 43% emissions reduction by 2030 and net zero by 2050.	- Provides long-term policy certainty supporting investment in BESS projects. - Commits Australia to a more ambitious 2030 target; and commitment to net zero emissions by 2050;
	Rewiring the Nation, 2022	National program to upgrade and expand transmission infrastructure to enable Renewable Energy Zones and major interconnector projects.	- Identifies the increasing need for storage to manage intermittency, congestion and system stability. - Seeks to modernise the electricity grid through attracting investment in new and upgraded infrastructure.
	National Battery Strategy, May 2024	To position Australia as a globally competitive battery producer by 2035, focusing on manufacturing, supply chains, skills and sustainability.	- Provides strong Commonwealth support for utility-scale battery deployment as critical energy infrastructure. - Identifies Battery storage as a major growth opportunity.
	Capacity Investment Scheme	To accelerate investment in renewable energy generation and storage capacity by reducing financial risk for developers and increasing investor confidence to fund new projects.	- Seeks to support the development of 14GW of large-scale battery storage capacity by 2030.
State	Victorian Climate Change Act, 2017	Legislative framework for net zero by 2045, with interim targets of 65% reduction by 2030 and 95% by 2035.	- Establishes energy storage targets of 2.6 GW by 2030 and 6.3 GW by 2035.
	Victorian Climate Change Strategy, 2026 - 2030	Accelerate emissions reduction, climate adaptation and clean energy transition. Focuses on reducing emissions, lowering energy costs and supporting clean energy jobs and infrastructure.	- Emphasises the need to balance renewable generation with energy storage to ensure grid reliability. - Reduce cost of living by lowering energy and business costs.

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	Victoria's Electricity Future, 2024	Roadmap to transition Victoria to a renewable energy electricity system, including coal phase-out, renewable expansion and system reliability planning.	- Identifies energy storage as critical for firming capacity, system reliability and affordability.
	Victorian Transmission Plan, 2025	Long-term transmission and Renewable Energy Zone (REZ) development plan enabling up to 5.7–9.6 GW wind, 9 GW offshore wind, 2.3–8.9 GW solar and 4.8–7.7 GW storage by 2040.	- Sets out the 6 proposed renewable energy zones including the Central North REZ, which partly includes Greater Bendigo. - REZ are the most suitable locations to host new renewable energy generation and storage.
	Victorian Energy Jobs Plan Consultation Paper, 2024	Workforce strategy to support 95% renewable electricity by 2035, focusing on skills development, training pathways and attracting clean energy investment.	- Supports regional job creation and workforce development linked to renewable and storage infrastructure.
	Victoria's Infrastructure Strategy 2025 - 2055	Sets out recommendations to guide the Victorian Government in delivering infrastructure.	- Provides support for investment and development of battery energy storage infrastructure to support the transition away from coal power.
Regional	Loddon Campaspe Regional Economic Development Strategy, 2022	Diversify the economy, encourage innovation and growth in key sectors such as agriculture, tourism and renewable energy.	- Identifies renewable energy as a diversification opportunity. - Notes that transmission infrastructure remains weak which can negatively impact investment and growth
	Loddon Mallee Region Renewable Energy Roadmap, 2020	Framework for transitioning to renewable energy, focusing on solar, wind, storage, grid upgrades.	- identifies battery storage as a key enabler and essential to unlocking renewable investment. - Identifies storage as essential for balancing renewable generation and demand and supporting grid stability.
	Loddon Mallee Zero Emissions Roadmap, 2023	Regional pathway to achieve net zero across energy, transport, agriculture and land use, focusing on electrification and renewable energy expansion.	- Energy including generation and storage is one of the five priority action areas to support the achievement of net-zero.
	Loddon Mallee Regional Climate Adaptation Strategy, 2021	Build regional resilience to climate change impacts through preparedness, infrastructure resilience and decentralised energy systems.	- Prioritises more energy resilient towns and rural cities. - Increased disaster preparedness through energy microgrids and battery storage.
Local	Greater Bendigo Council Plan, 2025 - 2029	Council vision for a sustainable, inclusive and climate-resilient community, focusing on emissions reduction, environmental stewardship and partnerships.	- Supports transition to renewable energy and climate action. - Prioritising renewable energy use and uptake.
	Bendigo Economic Development Strategy, 2020 - 2030	Focus on sustainable jobs, innovation, circular economy and investment attraction, including positioning Bendigo as a leader in environmental and climate initiatives.	- Positions clean energy as a growth sector. - Support for investment attraction, energy security and development of a regional clean energy economy.
	Greater Bendigo Climate Change & Environment Strategy, 2021 - 2026	Framework to transition Greater Bendigo to a zero-carbon, climate-resilient city, structured around energy, transport, biodiversity and circular economy.	- Supports expansion of local renewable energy and enabling infrastructure. - Targets zero emissions by 2030.
	Greater Bendigo 2030 Zero Emissions Roadmap, 2023	Plan to achieve net zero emissions by 2030, focusing on electrification, renewable energy uptake and energy efficiency.	- Supports large-scale uptake of renewable electricity. - Emphasises need for energy resilience and reliability

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4. Demographic & Economic Profile

4.1. Introduction

This section provides a profile of the economy, employment, population and demographic characteristics within the impact areas to identify potential opportunities and challenges to serve different phases of the project.

4.2. Population & Labour Force

Table 4 provides a summary of headline population and labour force indicators for Greater Bendigo and Victoria. Key observations are as follows:

- The population of Greater Bendigo is approximately 126,000. The Local Government Area recorded consistent resident growth over the five-year period between 2019 and 2024 (average of 1.3% per annum).
- The most prominent cohorts living in Greater Bendigo are 'parents and homebuilders' (18%), 'young workforce' (13%), followed by 'older workers/pre-retirees' (12%) and 'empty nesters/retirees' (12%).
- There are approximately 59,000 people in the labour force, which grew by an average of 2.3% per annum between the most recent Census periods (2016-21).
- The rate of unemployment is 4.1% which is lower compared with Victoria (4.7%). Further, Greater Bendigo has a lower labour force participation rate (63%) compared with Victoria (66%).
- Occupations and qualifications held by employed residents are relatively mixed, but weighted towards knowledge, population services, industrial and trade-based roles and skills.

Although the unemployment rate in Greater Bendigo is low, there is a significant expressed workforce and population base that could be drawn on for the project. Further, the population and labour force is growing; meaning that the pool of workers should continue to increase.

The existing skills profile and occupations held by local employed residents highlights crossover opportunities with the requirements of the project. This is particularly the case with jobs roles required during construction such as technicians and trade workers and labourers.

Table 5. Population and Labour Force, Greater Bendigo and Victoria.

	Greater Bendigo	Victoria
Estimated Regional Population (2024)	126,000 (+1.3% p.a. 2019–24)	6,979,000 (+1.3% p.a. 2019–24)
Median Age (years)	40	38
Age Profile (Top 5)	Parents & homebuilders (35 to 49): 18% Young workforce (25 to 34): 13% Older workers & pre-retirees (50 to 59): 12% Empty nesters & retirees (60 to 69): 12% Seniors (70 to 84): 11%	Parents & homebuilders (35 to 49): 21% Young workforce (25 to 34): 15% Older workers & pre-retirees (50 to 59): 12% Empty nesters & retirees (60 to 69): 11% Seniors (70 to 84): 10%
Labour Force (2021)	59,000 (+2.3% p.a. 2016–21)	3,331,000 (+2.2% p.a. 2016–21)
Unemployment Rate (Sept 2025)	4.1%	4.7%
Participation Rate (2021)	63%	66%
Occupations (top 5)	Professionals: 21% Technicians and Trades Workers: 14% Community & Personal Service Workers: 13% Clerical and Administrative Workers: 12% Labourers: 12%	Professionals: 25% Managers: 14% Technicians and Trades Workers: 13% Clerical and Administrative Workers: 12% Community & Personal Service Workers: 13%
Qualifications (top 3)	No qualification: 40% Vocational: 23% Bachelor or Higher degree: 20%	No qualification: 36% Vocational: 17% Bachelor or Higher degree: 29%

Sources: ABS Census, 2016–2021; Small Area Labour Markets, Department of Employment and Workplace Relations, Sept 2025; ABS Regional Population Estimates, 2023/24.

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4.3. Economic Profile

This section provides a profile of the economy and employment base in Greater Bendigo, and benchmarked with Victoria. The purpose of this section is to assess the scale and composition of the local economy to determine the extent to which the project can draw on local suppliers to assist with construction and operations.

Greater Bendigo is a Regional City in Victoria and accommodates approximately 126,000 residents and 55,000 local jobs. In 2025, Greater Bendigo generated \$10.95 billion in Gross Regional Product (GRP), more than \$23 billion in output, \$7 billion in export value, and \$10 billion in value added.

Greater Bendigo's economy is driven by a combination of manufacturing, construction and mining, professional and financial services, along with population services that are commensurate with a Regional City such as health, care, education and retail.

Table 6. Key Economic Metrics, Greater Bendigo & Victoria, 2025

	Gross Regional Product	Economic Output	Employment	Export Value	Value-added
Greater Bendigo	\$10.95 Billion	\$23.43 Billion	55,000	\$7.05 Billion	\$10.19 Billion
Victoria	\$637.44 Billion	\$1.39 Trillion	3,164,000	\$204.35 Billion	\$596.46 Billion

Source: REMPLAN Economy, Greater Bendigo, released Feb 2026.

Table 7. Economic Metrics by Industry, Greater Bendigo & Victoria, 2025

	Economic Output		Employment		Export Value		Value-added	
	Greater Bendigo	Victoria	Greater Bendigo	Victoria	Greater Bendigo	Victoria	Greater Bendigo	Victoria
Manufacturing	18%	19%	8%	7%	29%	36%	7%	7%
Construction	15%	15%	10%	10%	10%	18%	9%	10%
Mining	9%	1%	2%	0%	28%	5%	7%	2%
Health Care & Social Assistance	9%	6%	21%	15%	7%	0%	13%	9%
Rental, Hiring & Real Estate Services	8%	8%	1%	2%	1%	2%	14%	14%
Financial & Insurance Services	6%	8%	4%	4%	7%	10%	10%	10%
Public Administration & Safety	5%	5%	6%	6%	0%	1%	6%	6%
Electricity, Gas, Water & Waste Services	4%	4%	1%	1%	5%	4%	4%	3%
Retail Trade	4%	3%	11%	10%	0%	1%	5%	5%
Professional, Scientific & Technical Services	4%	7%	4%	9%	0%	1%	4%	8%
Education & Training	4%	4%	9%	9%	2%	3%	6%	6%
Transport, Postal & Warehousing	3%	5%	3%	5%	2%	5%	3%	5%
Agriculture, Forestry & Fishing	2%	2%	2%	2%	3%	5%	2%	3%
Wholesale Trade	2%	3%	2%	3%	1%	2%	2%	3%
Accommodation & Food Services	2%	2%	7%	6%	1%	1%	2%	2%
Information Media & Telecommunications	2%	4%	1%	2%	1%	4%	2%	3%
Other Services	2%	2%	4%	4%	1%	1%	2%	2%
Administrative & Support Services	1%	1%	3%	3%	0%	0%	1%	2%
Arts & Recreation Services	1%	1%	1%	2%	0%	1%	1%	1%

Source: REMPLAN Economy, Greater Bendigo, 2025, released Feb 2026.

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4.4. Business & Employment

Greater Bendigo's employment profile is weighted towards industry drivers such as construction, manufacturing, health care, education and retail trade.

Industry sectors that are relevant to the supply chain requirements for the project account for more than 30% of jobs in Greater Bendigo. The highest employing sectors include construction (10%), manufacturing (8%) and professional, scientific and technical services (4%). Together, these sectors include more than 11,100 jobs.

A similar case exists for the business base. There are more than 4,100 businesses across industry sectors that are directly relevant to the project, indicating potential for supply chain integration.

Table 8. Employment by Industry, Greater Bendigo and Victoria, 2025

Industry sector	Greater Bendigo		Victoria	
	#	%	#	%
Direct Industries				
<i>Construction</i>	5,344	10%	312,000	10%
<i>Manufacturing</i>	4,321	8%	232,000	7%
<i>Professional, Scientific & Technical Services</i>	2,368	4%	280,000	9%
<i>Transport, Postal & Warehousing</i>	1,817	3%	155,000	5%
<i>Mining</i>	1,378	2%	9,000	0%
<i>Wholesale Trade</i>	984	2%	94,000	3%
<i>Electricity, Gas, Water & Waste Services</i>	737	1%	38,000	1%
Total Direct Industry Employment	16,949	31%	1,119,000	35%
Indirect Industries				
<i>Accommodation & Food Services</i>	3,964	7%	205,000	6%
<i>Other Services</i>	2,163	4%	115,000	4%
<i>Administrative & Support Services</i>	1,642	3%	104,000	3%
Total Indirect Industry Employment	7,769	14%	425,000	13%
Other Industries				
<i>Health Care & Social Assistance</i>	11,543	21%	467,000	15%
<i>Retail Trade</i>	5,803	11%	313,000	10%
<i>Education & Training</i>	5,020	9%	291,000	9%
<i>Public Administration & Safety</i>	3,078	6%	187,000	6%
<i>Financial & Insurance Services</i>	2,042	4%	135,000	4%
<i>Agriculture, Forestry & Fishing</i>	1,133	2%	70,000	2%
<i>Arts & Recreation Services</i>	799	1%	57,000	2%
<i>Rental, Hiring & Real Estate Services</i>	567	1%	49,000	2%
<i>Information Media & Telecommunications</i>	539	1%	52,000	2%
Total Other Industry Employment	30,524	55%	1,620,000	51%
Total Employment	55,242	100%	3,164,000	100%

Source: REMPLAN Economy, Greater Bendigo, 2025, released Feb 2026.

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Table 9. Businesses by Industry, Greater Bendigo and Victoria, 2025

Industry sector	Greater Bendigo		Victoria	
	#	%	#	%
Direct Industries				
<i>Construction</i>	1,974	22%	126,800	17%
<i>Professional, Scientific and Technical Services</i>	872	10%	95,000	13%
<i>Transport, Postal and Warehousing</i>	659	7%	82,600	11%
<i>Manufacturing</i>	381	4%	23,600	3%
<i>Wholesale Trade</i>	187	2%	23,200	3%
<i>Mining</i>	42	0%	900	0%
<i>Electricity, Gas, Water and Waste Services</i>	28	0%	2,500	0%
Total Direct Industry Businesses	4,143	45%	354,500	47%
Indirect Industries				
<i>Other Services</i>	547	6%	35,500	5%
<i>Accommodation and Food Services</i>	452	5%	32,500	4%
<i>Administrative and Support Services</i>	364	4%	36,500	5%
Total Indirect Industry Businesses	1,363	15%	104,400	14%
Other Industries				
<i>Health Care and Social Assistance</i>	951	10%	57,700	8%
<i>Rental, Hiring and Real Estate Services</i>	832	9%	82,200	11%
<i>Agriculture, Forestry and Fishing</i>	651	7%	37,600	5%
<i>Retail Trade</i>	579	6%	47,300	6%
<i>Financial and Insurance Services</i>	297	3%	37,200	5%
<i>Arts and Recreation Services</i>	148	2%	11,600	2%
<i>Education and Training</i>	125	1%	12,000	2%
<i>Information Media and Telecommunications</i>	47	1%	7,000	1%
<i>Public Administration and Safety</i>	26	0%	2,200	0%
Total Other Industry Businesses	3,656	40%	294,800	39%
Total Businesses	9,162	100%	753,700	100%

Source: Business Counts, ABS 2025

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4.5. Employment Precincts

Bendigo is the major employment and industrial hub in northern Victoria, with several employment precincts dispersed across the municipality. The Greater Bendigo Industrial Land Development Strategy (2025) profiles employment precincts within the LGA, and categorises them based on their economic role, scale and business mix.

Within the hierarchy of industrial precincts, **Municipal areas** are significant precincts that provide for a range of uses and employment for the broader municipality and region also allowing for the conglomeration of associated businesses.

Secondary areas are precincts generally containing a range of industrial uses and employment opportunities, often located in areas with residential development nearby, limiting very heavy industry. Comparatively, **Local areas** are small scale precincts comprising low impact industrial and associated businesses, and employment opportunities suitable for a local area.

There are several key industrial precincts in Greater Bendigo that are proximate to the subject site, and include some economic activities and business types that are well matched to some of the requirements of the project. Some examples of business types that could be utilised locally include:

- Civil engineering and construction services;
- Earthworks and fencing;
- Construction machinery and equipment hire and services;
- Construction trades and services;
- Electrical services;
- Recycling and waste services;
- Parts manufacturing;
- Transport and freight.

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Table 10. Key Employment Precincts, Greater Bendigo

Precinct	Category	Distance from project	Jobs*	Economic Role	Relevant Business Examples
East Bendigo	Municipal	8km	2,375	- Manufacturing - Retail and trades supplies - Building material - Automotive parts and service - Transport and logistics - Warehousing	- Crane services - Civil Engineering - Heavy equipment hire - Steel fabrication - Geotechnical testing
Kangaroo Flat West	Secondary	4km	265	- Construction - Concrete - Automotive servicing and repair - Engineering - manufacturing	- Engineering and construction - Concrete and paving materials - Steel fabrication
Golden Square	Secondary	500m	1,295	- Trades supplies - Civil engineering - Transport and logistics - Automotive servicing and repair	- Electrical engineering - Earthworks - Electrical supplies - Cultural Heritage
Bendigo North	Secondary	7km	390	- Concrete - Manufacturing - Retail	- Fencing - Steel fabrication
Epsom	Secondary	12km	685	- Recycling - Machinery sales and servicing - Engineering	- Heavy equipment hire - Recycling - Electrical supplies

Source: Greater Bendigo Industrial Land Development Strategy, 2025

* Estimated by collecting employment data for a collection of Destination zones that most closely align with industrial precincts, ABS Census, 2021

4.6. Key Points

- Greater Bendigo's economy is underpinned by manufacturing, construction and mining, along with population-service and knowledge sectors such as health, education, professional and financial services, retail and hospitality.
- The business and employment base is of a scale that could support discrete supply chain requirements of the project throughout its lifecycle. There are several industrial precincts that are proximate to the subject site; that accommodate business types that are well placed to assist with facilitating the construction and operational requirements of the project, including:
 - Civil engineering and works;
 - Earth works and site preparation;
 - Construction trade and services;
 - Electrical and technical services;
 - Construction machinery and equipment hire and servicing;
 - Parts manufacturing and retailing; and
 - Waste services.
- If local businesses are utilised for the project, the project has the potential to benefit the existing business base, workers and local economy through increased demand, which will flow through to generating output and supporting the existing employment base.
- A proportion of the labour force hold occupations that are relevant to some of the requirements of the project, especially during the construction phase. This is particularly the case with jobs roles required during construction such as 'technicians and trade workers' and 'labourers'.
- The unemployment rate illustrates a tight labour market in Greater Bendigo. If the project overlaps with major infrastructure or large-scale renewable energy projects, this may result in an increase in competition for labour that could affect the efficient delivery of projects and/or draw labour from other sectors of the economy.

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5. Economic Impact Assessment

5.1. Introduction

This section provides an assessment of economic impact for the project, and include:

- Economic impact framework;
- Economic impact assessment; and
- Economic impact evaluation.

5.1.1. Methodology

This section identifies, assesses and quantifies (where possible) the suite of economic impacts that are anticipated to be generated throughout the development, construction, operation and decommissioning of the project.

Construction and operational impacts have been estimated using the Input-Output (I-O) method of analysis. An I-O model is a quantitative economic model that analyses the interdependencies between different sectors within an economy, illustrating how outputs from one sector become inputs to others. They are used to assess the economic consequences of changes in specific sectors or industries, including the direct and indirect impacts.

An overview and description of Urban Enterprise's Input-Output model is summarised in **Appendix B**.

Please note that not all quantifiable impacts can be modelled, such as those that are direct payments. Impacts have been modelled for economic stimulus impacts resulting from capital and operational investment to deliver and operate the project.

For the purpose of this assessment, quantifiable modelled impacts are expressed as direct and indirect economic output, jobs (FTE) and value-added. Definitions of key terms are provided in **Appendix C**.

The adopted impact areas are the primary and secondary impacts outlined in Section 2.5.

All values are expressed in 2026 Australian dollars (AUD).

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5.2. Economic Impact Framework

An economic impact framework has been prepared to identify and describe the economic impacts that could occur as a result of the project. Each impact includes a general description, the main stakeholders or parts of the economy that are likely to be impacted, as well as the areas where impacts are anticipated to flow and accrue.

The framework considers both short term economic impacts that could be generated through the construction phase of the project (i.e. 1.5 years) and ongoing impacts that could be generated during the operational phase of the project (i.e. 20 years).

Table 11. Economic Impact Framework, Bendigo BESS

No.	Impact	Description & rationale	Main stakeholders/ industries affected	Impact Area(s)	Quantified
Construction Phase					
1	Economic stimulus from investment in construction	Capital expenditure incurred to construct the BESS will stimulate the construction sector and related supply-chain industries. The investment and economic stimulus will generate direct and indirect economic output, employment and value-add during the construction phase.	- Construction trades and services - Civil construction - Electrical - Earthworks - Manufacturing - Transport & logistics	Greater Bendigo, Rest of Victoria	✓
2	Uplift in demand for commercial accommodation	Given specialised skill requirements and tight local labour market conditions, the project is anticipated to draw workers from outside Bendigo, increasing short-term demand for temporary accommodation and rentals. This will benefit accommodation providers but may place pressure on rental availability and affordability for local residents.	Commercial accommodation sector.	Greater Bendigo	
3	Competition for labour force	Some jobs and skills required to deliver the project are relevant and similar other major projects and sectors of the economy. If the project's construction phase overlaps with other renewable energy or major infrastructure projects, there is the potential to increase competition for local labour, which could lead to tensions or delays across projects.	Major projects planned in region.	Greater Bendigo	
Operational Phase					
4	Economic stimulus from operations	Ongoing operation of the BESS will generate economic activity associated with operations, including asset monitoring, maintenance, grid compliance and asset management. Annual operational expenditure will generate direct and indirect economic output, on-site employment (FTE) and value-add over the operating life of the project.	- Electricity services - Professional & technical services.	Greater Bendigo, Rest of Victoria	✓
5	Uplift in municipal revenue	The project will generate an ongoing annual uplift in Council's rate income through a Payment in Lieu of Rates (PiLoR), providing additional revenue to Council that can be reinvested into local infrastructure and services to support the community.	City of Greater Bendigo	Greater Bendigo	✓
6	Energy market benefits	Once operational, the project is anticipated to deliver up to 200MW of battery storage capacity. The facility will enable energy to be stored and dispatched to support grid reliability, manage peak demand and facilitate greater integration of renewable energy in Victoria. Based on typical residential energy consumption, the system could provide sufficient stored energy to support the equivalent of tens of thousands of homes during peak periods.	State-wide energy consumers.	Victoria	
7	Community benefit fund	The proponent has committed to establishing a community fund associated with the operational phase of the facility. This will be used to support local projects and programs for positive community outcomes.	Local community groups	Greater Bendigo	

Source: Urban Enterprise, 2026

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5.3. Impact Assessment

5.3.1. Economic Stimulus: Construction Phase

The direct capital investment to develop and construct the Bendigo BESS and associated infrastructure will stimulate the economy by generating output, value-add and employment during the construction phase. The direct capital expenditure will also generate indirect flow-on impacts to the economy.

The capital expenditure to construct the project is estimated at \$416 million. The itemised breakdown of capital expenditure, along with the anticipated apportionment of expenditure is summarised in Table 11.

To understand the localised economic impacts of the construction phase of the project, construction expenditure has been disaggregated as follows:

- **Primary Impact Area:** economic activity within the Greater Bendigo LGA;
- **Secondary Impact Area:** economic activity within the rest of Victoria; and
- **International:** economic activity outside of Australia. Note this expenditure has not been modelled.

The following should be noted in respect of capital expenditure apportionment for the purpose of modelling economic impacts:

- Key expenditure items have been provided for the purpose of this assessment and will be subject to a final commercial decision once permits are received, and construction has been committed.
- Assumptions relating to expenditure apportionment are based on initial advice provided by PBAD and the analysis in Section 4.
- PBAD have not provided direct input in regard to assumptions for the disaggregation of Victorian expenditure.
- To estimate economic impacts, the relevant capital expenditure estimates have been input into the corresponding industry sector within the Input-Output model.
- All modelled impacts across the various impact areas are separate. In other words, the impacts are not double counted.

Table 12. Capital Expenditure & Apportionment, Bendigo BESS

	Primary Impact Area (Greater Bendigo)	Secondary Impact Area (Rest of Victoria)	International	Total
Development & pre-construction (\$M)	\$0.6	\$5.3	\$0.0	\$5.9
Battery system & equipment supply (\$M)	\$0.0	\$7.9	\$150.5	\$158.4
Balance of plant & connection works (\$M)	\$47.5	\$166.3	\$23.8	\$237.5
Other development costs (\$M)	\$1.5	\$13.1	\$0.0	\$14.6
Total (\$M)	\$49.6 (12%)	\$192.6 (46%)	\$174.2 (42%)	\$416.4 (100%)

Source: PBAD, 2026 / Urban Enterprise, 2026

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Primary Impact Area (Greater Bendigo)

Economic impacts that could be generated in the primary impacts area (as a result of expenditure incurred in the impact area) during the construction phase of the project are estimated as follows:

- **\$108.3 million economic output**, comprising:
 - \$49.6 million direct output; and
 - \$58.7 million indirect output.
- **221 jobs (FTE)**, comprising:
 - 75 direct jobs; and
 - 146 indirect jobs.
- **\$43.8 million value added**, comprising:
 - \$16.1 million direct value-added; and
 - \$27.7 million indirect value-added.

It should also be noted that PBAD will seek to work with Bendigo TAFE, DJAARA, local contractors and suppliers and other key local stakeholders to explore opportunities that support workforce participation, skills development and inclusive employment outcomes.

Table 13. Economic Impacts, Construction Phase, Primary Impact Area, Bendigo BESS

	Direct	Indirect	Total
Output (\$M)	\$49.6	\$58.7	\$108.3
Employment (Jobs, FTE)*	75	146	221
Value-added (\$M)	\$16.1	\$27.7	\$43.8

Source: Urban Enterprise, 2026 *Note the direct jobs estimate relates to all jobs associated with the capital expenditure, not just those on-site.

Rest of Victoria

Economic impacts that could be generated in the rest of Victoria during the construction phase of the project are estimated as follows:

- **\$406.4 million economic output**, comprising:
 - \$192.6 million direct output; and
 - \$213.8 million indirect output.
- **721 jobs (FTE)**, comprising:
 - 222 direct jobs; and
 - 499 indirect jobs.
- **\$162.5 million value added**, comprising:
 - \$58.1 million direct value-added; and
 - \$104.4 million indirect value-added.

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Table 14. Economic Impacts, Construction Phase, Secondary Impact Area, Bendigo BESS

	Direct	Indirect	Total
Output (\$M)	\$192.6	\$213.8	\$406.4
Employment (Jobs, FTE)*	222	499	721
Value-added (\$M)	\$58.1	\$104.4	\$162.5

Source: Urban Enterprise, 2026 *Note the direct jobs estimate relates to all jobs associated with the capital expenditure, not just those on-site.

Summary

Total economic impacts that could be generated in the primary impact area (Greater Bendigo) and the rest of Victoria during the construction phase of the project are estimated as follows:

- **\$514.7 million economic output**, comprising:
 - \$242.2 million direct output; and
 - \$272.5 million indirect output.
- **943 jobs (FTE)**, comprising:
 - 298 direct jobs; and
 - 645 indirect jobs.
- **\$206.3 million value added**, comprising:
 - \$74.2 million direct value-added; and
 - \$132.1 million indirect value-added.

The sectors that are expected to be the main beneficiaries include construction trades and services, civil construction, electrical services, earthworks, manufacturing, transport & logistics, and professional services.

Table 15. Summary, Economic Impacts, Construction Phase, Bendigo BESS

Region	Metric	Direct	Indirect	Total
Primary Impact Area (Greater Bendigo)	Output (\$M)	\$49.6	\$58.7	\$108.3
	Employment (Jobs, FTE)*	75	146	221
	Value-added (\$M)	\$16.1	\$27.7	\$43.8
Rest of Victoria	Output (\$M)	\$192.6	\$213.8	\$406.4
	Employment (Jobs, FTE)*	222	499	721
	Value-added (\$M)	\$58.1	\$104.4	\$162.5
Total	Output (\$M)	\$242.2	\$272.5	\$514.7
	Employment (Jobs, FTE)*	298	645	943
	Value-added (\$M)	\$74.2	\$132.1	\$206.3

Source: Urban Enterprise, 2026 *Note the direct jobs estimate relates to all jobs associated with the capital expenditure, not just those on-site.

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Construction Workforce Demand

It is important to note that direct employment during the construction phase will include a combination of on-site and off-site roles. The number of on-site construction jobs are anticipated to fluctuate throughout the duration of the construction phase, and undergo periods of higher and lower demand based on the staging of construction activities and the associated labour force requirements.

Based on information provided by PBAD related to previously completed BESS projects and industry standard benchmarks, it is estimated that peak demand for construction workers will reach approximately 120 workers. It should be noted that this workforce estimate does not relate to full time equivalent workers for the entire project, rather this relates to the peak number of workers on-site during the construction phase.

Other Major Construction Projects

There are a number of major infrastructure and renewable energy projects planned across the Bendigo region. Approved renewable energy projects in the region include¹:

- VNI West (major transmission project);
- Axedale Solar Farm (180MW);
- Campbells Forest Solar Farm (200MW);
- Cooba Solar Farm (300MW);
- Derby Solar Project (85MW);
- Fosterville Solar Farm (100MW);
- Muskerry Solar Farm (250MW); and
- Ravenswood Solar Farm (63MW).

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In addition, several major non-energy projects are expected to commence in the short term, including

- Bendigo Art Gallery redevelopment (\$54 million);
- Virginia Hill housing project (\$50 million) and;
- Osborne Street housing project (\$48 million).

The timing of commencement and duration of construction works for these projects is uncertain. Individually, these projects are unlikely to disrupt the local economy or affect specific projects. However, if multiple projects progress concurrently, there is potential for cumulative demand for workers and suppliers to place pressure on the availability of construction labour and resources within the region. The potential impacts of cumulative demand on accommodation and labour force competition is discussed in Section 5.4.

5.3.2. Uplift in Demand for Commercial Accommodation

The project is likely to utilise suppliers from within Victoria and may draw a proportion of its workforce from outside of Greater Bendigo. This is expected to generate short-term demand for commercial accommodation during the construction phase.

At present, the Bendigo rental market is highly constrained, with vacancy rates across suburbs ranging from 0.4% to 1.7% as at March 2026.² This limited capacity reduces the ability of the private rental market to absorb additional demand from non-local workers.

As a result, it is likely that a greater share of worker accommodation demand will be directed toward short-stay and commercial accommodation such as hotels, motels, serviced apartments and self-contained short term rental properties (e.g. AirBNB, Stayz), rather than long-term rental housing.

A temporary uplift in demand generated from construction phase workers may lead to:

- Higher occupancy rates and revenue for accommodation providers; and/or
- Greater competition for commercial accommodation if multiple major projects are constructed concurrently.

¹ Renewable Energy Projects, Victoria, DTP, 2026

² SQM Research, 2026

These factors could lead to implication such as upward pressure on room rates.

In 2022-23, the Bendigo tourism region had approximately 45 accommodation establishments with 1,271 rooms³, equating to around 469,000 available room nights, with an average occupancy rate of 73%. This dataset excludes smaller accommodation operators (i.e. fewer than 10 rooms), suggesting that total accommodation capacity is slightly understated.

The scale of additional demand generated by the project is expected to be modest. Given the scale and profile of the Bendigo economy, it is estimated that approximately 20% of the peak construction workforce (around 24 workers) will be sourced from outside the impact area. Relative to the existing accommodation base, this level of demand is unlikely to materially disrupt the market.

On balance, the project is expected to provide a marginal uplift in occupancy and revenue for accommodation providers, particularly during off-peak weekday periods, rather than create significant displacement effects. While some cumulative pressure could arise if construction overlaps with other major projects, the relatively small scale of non-local workforce demand suggests any such impacts would be limited.

5.3.3. Competition for Labour Force

As outlined above, there is a pipeline of infrastructure and renewable energy projects planned across the Bendigo region. Should a number of these projects progress concurrently, there is potential for cumulative impacts on the construction sector, primarily through increased demand for suppliers and competition for labour.

If this materialises, it may result in upward pressure on wages and construction costs, increase the reliance on non-local labour, and potential delays to project delivery where workforce availability is constrained.

However, this risk is considered relatively low given the depth of the local construction workforce. Construction is the third largest employing industry in Greater Bendigo, supporting more than 5,000 jobs (approximately 11% of total employment), providing a strong foundation to accommodate increased demand.

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³ Australian Accommodation Monitor, STR, 2022-23. Note: this includes other LGAs, including Loddon, Central Goldfields, Mount Alexander

5.3.4. Economic Stimulus: Operational Phase

The direct operating expenditure required to operate and maintain the project will stimulate the economy by generating output, value-add and employment during the operational phase. The direct operating expenditure will also generate indirect flow-on impacts to the economy. The apportioned breakdown of operating expenditure is summarised in Table 15.

Table 16. Operating expenditure and apportionment, Bendigo BESS

	Impact Area	Rest of Vic.	International	Total
Operational expenditure	\$2.8	\$2.2	\$0.6	\$5.5

Source: PBAD 2026 / Urban Enterprise, 2026

Primary Impact Area (Greater Bendigo)

The project is estimated to generate the following economic impacts within the primary impact area (Greater Bendigo) during the operational phase of the project:

- **\$5.8 million economic output**, comprising:
 - \$2.8 million direct output; and
 - \$3.0 million indirect output.
- **10 jobs (FTE)**, comprising:
 - 4 direct jobs; and
 - 6 indirect jobs.
- **\$2.8 million value added**, comprising:
 - \$1.3 million direct value-added; and
 - \$1.5 million indirect value-added.

Table 17. Economic Impacts, Operational Phase, Greater Bendigo, Bendigo BESS

	Direct	Indirect	Total
Output (\$M)	\$2.8	\$3.0	\$5.8
Employment (Jobs, FTE)	4	6	10
Value-added (\$M)	\$1.3	\$1.5	\$2.8

Source: Urban Enterprise, 2026

Rest of Victoria

The project is estimated to generate the following economic impacts within the rest of Victoria during the operational phase of the project:

- **\$4.6 million economic output**, comprising:
 - \$2.2 million direct output; and
 - \$2.4 million indirect output.
- **9 jobs (FTE)**, comprising:
 - 3 direct jobs; and
 - 6 indirect jobs.
- **\$2.3 million value added**, comprising:
 - \$1.1 million direct value-added; and
 - \$1.2 million indirect value-added.

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Table 18. Economic Impacts, Operational Phase, Rest of Victoria

	Direct	Indirect	Total
Output (\$M)	\$2.2	\$2.4	\$4.6
Employment (Jobs, FTE)	3	6	9
Value-added (\$M)	\$1.1	\$1.2	\$2.3

Source: Urban Enterprise, 2026

Summary

Total economic impacts that could be generated in the primary impact area (Greater Bendigo) and the rest of Victoria during the operational phase of the project are estimated as follows:

- **\$10.3 million economic output**, comprising:
 - \$5.0 million direct output; and
 - \$5.3 million indirect output.
- **19 jobs (FTE)**, comprising:
 - 7 direct jobs; and
 - 12 indirect jobs.
- **\$5.1 million value added**, comprising:
 - \$2.4 million direct value-added; and
 - \$2.7 million indirect value-added.

Table 19. Summary of Economic Impacts, Operational Phase, Rest of Victoria

Region	Metric	Direct	Indirect	Total
Impact Area	Output (\$M)	\$2.8	\$3.0	\$5.8
	Employment (Jobs, FTE)	4	6	10
	Value-added (\$M)	\$1.3	\$1.5	\$2.8
Rest of Victoria	Output (\$M)	\$2.2	\$2.4	\$4.6
	Employment (Jobs, FTE)	3	6	9
	Value-added (\$M)	\$1.1	\$1.2	\$2.3
Total	Output (\$M)	\$5.0	\$5.3	\$10.3
	Employment (Jobs, FTE)	7	12	19
	Value-added (\$M)	\$2.4	\$2.7	\$5.1

Source: Urban Enterprise, 2026

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5.3.5. Uplift in municipal revenue

Municipal rates will be payable to the City of Greater Bendigo as a result of the project. The Payment in Lieu of Rates (PiLoR) framework allows councils and electricity generators to negotiate annual payments. A methodology currently exists under section 94(6A) of the EI Act for estimating payments. The methodology combines a fixed charge with a variable charge based on the MW capacity of the project.

The total rate liability for the project is estimated at \$0.37 million per annum. This equates to \$7.41 million over the 20-year operating life of the project. The uplift in rate revenue for Council provides additional funding that can be reinvested into local infrastructure, services and programs.

It should be noted that PiLoR rates are subject to change, with consultation currently underway to develop a specific rate for BESS projects.

Table 20. PiLoR Liability, Bendigo BESS, 2025-26

	PiLoR Estimate (25-26)
Fixed charge	\$0.07 million
Variable charge	\$0.30 million
Total (annual)	\$0.37 million
Total (project life)	\$7.41 million

Source: Urban Enterprise 2026, derived from PiLoR, DEECA

Note: Fiscal impacts are inherently captured within the broader ongoing economic activity of the facility; however, they have been presented separately to highlight their significance for Council.

5.3.6. Energy market benefits

Once operational, the facility will deliver up to 200MW of dispatchable storage capacity, supporting Victoria's energy transition. While the facility does not generate electricity, it enables the storage and release of energy during peak periods, improving grid stability, reducing price volatility, and supporting the integration of renewable energy sources such as wind and solar.

From an economic perspective, the project contributes through several key channels:

- **Energy market efficiency and price stabilisation:** Stores energy during low-demand periods and dispatches at peak times, smoothing wholesale prices and reducing extreme price events for households and businesses.
- **Facilitation of renewable energy investment:** Reduces curtailment risk and improves revenue certainty for renewable generators, supporting further investment in wind and solar projects across Victoria.
- **Reliability and avoided outage costs:** Provides fast-response capacity to stabilise the grid, reducing outage risks and associated economic costs to businesses and households.
- **Support for peak demand management:** Lowers peak network loads, deferring or avoiding costly transmission and distribution upgrades, with flow-on cost savings to energy users.

In practical terms, a 200MW BESS could store and dispatch sufficient energy to support the equivalent of tens of thousands of homes during peak demand periods, reinforcing its role as enabling infrastructure within a more reliable, lower-emissions energy system.

5.3.7. Community Benefit Fund

The proponent is committed to establishing a community fund during the operational phase to support local projects and initiatives that deliver positive community and economic outcomes. This will provide a mechanism for targeted local investment, directing funding toward community infrastructure, services, and programs aligned with local priorities.

Over time, the fund is expected to enhance community wellbeing by supporting social, recreational and cultural initiatives, while also generating modest local economic stimulus as funding flows to local organisations, suppliers and service providers.

According to PBDA, ongoing consultation with the local community will continue to determine the most appropriate mechanism for the fund.

In addition to the Community Benefit Fund, PBDA will continue to identify opportunities for the project to deliver benefits to the local community throughout the project's lifecycle. Opportunities may include the use of local logistics and service providers, such as local printing and letterbox distribution businesses, local venues for community engagement activities, local catering providers and other regionally based goods and services to support project delivery and community engagement activities.

PBDA has also commenced early engagement with DJAARA and intends to continue working collaboratively with the organisation towards the development of a Partnership Statement to support ongoing engagement and identify opportunities for meaningful participation, shared benefit and long-term outcomes associated with the project.

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5.4. Impact Evaluation

Economic impacts have been rated using a significance matrix, which combines the magnitude (scale or severity) of the impact with the sensitivity of the impact (i.e. the importance of the affected part of the economy).

Magnitude relates to the scale or degree of change from the existing condition as a result of the impact. The following criteria has been used to assess the magnitude of impacts:

- **Change** – The degree of change to the relevant sector or component of the economy in terms of output, value or employment.
- **Duration** – The project phase and timeframe over which the impact occurs or the frequency of potential impacts.
- **Extent** – The geographical area, impact area or the range and number of stakeholders affected.

For the purpose of this EIA, the **rating** of each impact has been categorised and applied as follows:

- **Low** – the economic impact will be relatively insignificant or minor in the context of the degree of change, duration and extent of the impact. That is, the impact will not materially impact the current role, size (i.e. value) and productivity of the economy.
- **Moderate** – the economic impact will be moderate in the context of the degree of change, duration and extent of the impact. That is, the impact will moderately impact the current role, size (i.e. value) and productivity of the economy.
- **High** – the economic impact will be relatively significant or major in the context of the degree of change, duration and extent of the impact. The impact will materially impact the current role, size (i.e. value) and productivity of the economy.

The evaluation and rating of impacts are discussed and summarised in Table 21. Please note that economic impacts that cannot be quantified are not able to be evaluated.

Table 21. Impact Evaluation, Economic Impacts for Bendigo BESS

No.	Impact	Extent (impact area)	Magnitude	Discussion	Impact Rating
	Construction Phase				
1	Economic stimulus from investment in construction	Greater Bendigo, Rest of Victoria.	High	The level of investment to deliver the project is significant. The level of investment that is estimated to be spent within Greater Bendigo is in the order of \$50 million, and a further \$193 million in the rest of Victoria. The subsequent stimulus that is likely to flow to regional businesses that are aligned to the project's supply chain needs during the construction phase will support business operations, job creation, as well as sustain existing jobs. The industry sectors that are expected to be the main beneficiaries during the construction phase include construction, electricity services, manufacturing, transport, professional & technical services. Although this impact will not endure beyond the duration of the construction phase (1.5 years), the economic benefits are expected to be high.	High (positive)
2	Uplift in demand for accommodation	Greater Bendigo	Minor	This impact has not been quantified. While the project will generate some additional short-term demand from non-local workers, this demand is relatively small in the context of the existing accommodation market. As a result, it is unlikely to materially disrupt availability or pricing. Instead, the impact is expected to modestly benefit local accommodation providers through modest temporary increases to occupancy rates and revenue, particularly during weekday periods. The project is expected to deliver a minor (positive) benefit to the accommodation sector.	Low (positive)
3	Competition for labour force	Greater Bendigo	Minor	This impact has not been quantified. While concurrent construction of major projects could increase demand for construction workers, the scale and timing uncertainty of the pipeline reduces the likelihood of significant overlap. Any impacts are likely to be limited to modest upward pressure on wages and a small increase in reliance on non-local labour. Given the relatively large local construction workforce base, these effects are	Low (negative)

No.	Impact	Extent (impact area)	Magnitude	Discussion	Impact Rating
				expected to be manageable and short-term. The impact on labour force competition is expected to be minor in magnitude overall.	
	Operational Phase				
4	Economic stimulus from BESS operations	Greater Bendigo, Rest of Victoria	Minor	Within Greater Bendigo, the operational phase of the project is estimated to generate direct output in the order of \$2.8 million per annum, and support 4 ongoing jobs (FTE). This is minor in the context of the output, value and scale of the economy. Direct impacts to the rest of Victoria include \$2.2 million economic output and 3 ongoing FTE jobs. The industry sectors that are expected to be the main beneficiaries during the operational phase include electricity services, professional & technical services.	Low (positive)
5	Uplift in municipal revenue	Greater Bendigo	Minor	The total rate liability for the project is estimated at \$0.37 million per annum. The total contribution equates to \$7.41 million over the 20 year operating life of the project. The impact is considered low in the context of Greater Bendigo's rate base.	Low (positive)
6	Energy market benefits	Victoria	Moderate	This impact has not been quantified. The impact on the energy market is expected to be moderate in magnitude and positive overall. The BESS will enhance grid reliability and efficiency by enabling energy storage and dispatch during peak periods, contributing to more stable wholesale electricity prices. It will also support the integration and expansion of renewable energy generation by reducing curtailment risk and improving system flexibility. Collectively, these benefits represent a meaningful contribution to Victoria's transition to a lower-emissions energy system.	Moderate (positive)
7	Community benefit fund	Greater Bendigo	Minor	This impact has not been quantified. While the scale of funding is expected to be relatively modest, it will provide a targeted mechanism to support local projects and initiatives. This is expected to deliver incremental benefits to community wellbeing and generate small-scale economic stimulus through local spending. The impact of the community benefit fund is expected to be minor in magnitude and positive overall.	Low (positive)

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5.5. Economic Impact Summary

Table 22. Economic Impact Summary, Bendigo BESS

No.	Impact	Description	Main stakeholders/ industries affected	Extent (impact area)	Impact Rating
Construction Phase					
1	Economic stimulus from investment in construction	The total economic impacts estimated to be generated within Victoria during the construction phase of the project are estimated as follows: - \$514.7 million economic output, comprising: - o \$242.2 million direct output; and - o \$272.5 million indirect output. - 943 jobs (FTE), comprising: - o 298 direct jobs; and - o 645 indirect jobs. - \$206.3 million value added, comprising: - o \$74.2 million direct value-added; and - o \$132.1 million indirect value-added.	- Construction trades and services - Civil construction - Electrical - Earthworks - Manufacturing - Transport & logistics	Greater Bendigo, Rest of Victoria, International	High (positive)
2	Uplift in demand for accommodation	Accommodation impacts are expected to be minor and positive, reflecting a modest increase in short-term demand from non-local construction workers. Greater Bendigo benefits from a substantial accommodation base and room capacity. Existing accommodation providers are expected to absorb the additional demand without materially affecting availability. As a result, the impact is likely to result in a modest uplift in occupancy rates and revenue for local providers, particularly during weekday periods.	Commercial accommodation sector.	Greater Bendigo	Low (positive)
3	Competition for labour force	Labour force impacts are expected to be minor and negative, driven by the potential for overlapping construction activity to increase demand for workers. This may place some upward pressure on wages and increase reliance on non-local labour; however, the overall impact is expected to be negligible and temporary given the relatively significant local construction workforce and the uncertainty around the construction timing for major projects in the region.	Major projects planned in-region.	Greater Bendigo	Low (negative)
Operational Phase					
4	Economic stimulus from BESS operations	Ongoing economic impacts to the Victorian economy during the operational phase of the project are estimated as follows: - \$10.3 million economic output, comprising: - o \$5.0 million direct output; and - o \$5.3 million indirect output. - 19 jobs (FTE), comprising: - o 7 direct jobs; and - o 12 indirect jobs. - \$5.1 million value added, comprising: - o \$2.4 million direct value-added; and - o \$2.7 million indirect value-added.	- Electricity services - Professional & technical services.	Greater Bendigo, Rest of Victoria	Low (positive)
5	Uplift in municipal revenue	The total rate liability for the project is estimated at \$0.37 million per annum. The total contribution equates to \$7.41 million over the 20 year operating life of the project. The rate income will provide additional funding for Council that can be reinvested into local infrastructure, services and community programs.	City of Greater Bendigo	Greater Bendigo	Low (positive)
6	Energy market benefits	The BESS will enhance grid reliability and efficiency by enabling energy storage and dispatch during peak periods, contributing to more stable wholesale electricity prices. It will also support the integration and expansion of renewable energy generation by reducing curtailment risk and improving system flexibility.	State-wide energy consumers.	Victoria	Moderate (positive)

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No.	Impact	Description	Main stakeholders/ industries affected	Extent (impact area)	Impact Rating
7	Community benefit fund	The impact of the community benefit fund is expected to be minor and positive overall. While the scale of funding will be relatively modest, it will provide a targeted mechanism to support local projects and initiatives. This is expected to deliver incremental benefits to community wellbeing and generate small-scale economic stimulus through local spending.	Local community groups	Greater Bendigo	Low (positive)

Source: Urban Enterprise, 2026

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6. Mitigation Measures

6.1. Introduction

Mitigation measures refer to clear actions that are implemented that seek to avoid, minimise, manage or monitor impacts.

The mitigation hierarchy has been used to guide the approach for limiting or avoiding negative impacts and optimising positive impacts:

- Avoid – Measures taken to avoid creating impacts from the outset, such as careful spatial placement of infrastructure, or timing construction sensitively to avoid or disturbance.
- Minimise – Measures taken to reduce the duration, intensity and/or extent of impacts that cannot be completely avoided.
- Maximise – Measures proposed to optimise and maximise positive economic impacts that flow to the regional and state economy.
- Offset - Measures taken to compensate for any residual, adverse impacts.
- Manage and monitor - Measures aimed to improve a degraded environment following exposure to impacts that cannot be completely avoided or minimised and adoption of monitoring to review outcomes.

6.2. Recommended Mitigation Measures

Table 23. Mitigation Measures, Economic Impacts, Bendigo BESS

Impact	Measure	Recommendation	Timing
Economic stimulus: Construction phase	Maximise (regional economic impacts)	Encourage and advocate for the use of local suppliers (where possible) using platforms such as the Industry Capability Network (ICN). The ICN is an independent, non-profit organisation funded by the Federal Government to support business opportunities, including linking suppliers to project contracts at a local level through its ICN Gateway website where details of work packages are advertised. Potential local opportunities include civil engineering and works, earth works and site preparation, construction trade and services, electrical and technical services, parts manufacturing and retailing and waster services.	Prior to construction phase
		Widely advertise and promote contracts through various platforms, including an expression of interest form through the project's website or other channels. This will allow local and regional businesses to register their interest in providing services to assist with construction, operations and maintenance.	Prior to construction phase
Uplift in demand for accommodation	Avoid or Minimise (periods of overlap with major projects to avoid high competition for accommodation)	Engage with Greater Bendigo Council and local accommodation providers to notify of accommodation requirements, and expected periods of high worker demand during the construction period. Engage with other proponents of proposed renewable energy projects in the primary impact area to ensure that cumulative impacts associated with workforce accommodation are considered.	Prior to construction phase
Competition for Labour Force	Minimise (periods of overlap with major projects to avoid high competition for labour force)	Engage with other proponents of proposed renewable energy projects to ensure that potential cumulative impacts associated with labour force needs are considered, and worker availability challenges are understood.	Prior to construction phase

Economic stimulus: Operational phase	Maximise (regional economic impacts)	Encourage and advocate for the use of local suppliers (where possible) using platforms such as the Industry Capability Network (ICN). The ICN is an independent, non-profit organisation funded by the Federal Government to support business opportunities, including linking suppliers to project contracts at a local level through its ICN Gateway website where details of work packages are advertised. Widely advertise and promote contracts through various platforms, including an expression of interest form through the project's website or other channels. This will allow local and regional businesses to register their interest in providing services to assist with construction, operations and/or maintenance.	Prior to operational phase
Municipal rate revenue (PiLor)	n/a	n/a	
Energy market benefits	n/a	n/a	
Community benefit fund	Maximise	The proponent proposes to make voluntary contributions to support local community projects, initiatives and programs via a Community Benefit Fund. Contributions are anticipated to include annual payments throughout the operational phase of the project. Regularly engage with the local community to gather views about how the funds should be distributed. Consider projects, initiatives and programs that: - Improve economic and socioeconomic outcomes for residents, workers and businesses; - Create legacy benefits; and - Minimise potential negative economic and social impacts of the project.	Prior to operational phase

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Appendices

Appendix A: Strategic Review

Federal

Climate Change Act, 2022

The Federal Government has committed to national targets on greenhouse gas emission reductions. The *Climate Change Act 2022* legislates Australia's greenhouse gas emission reduction targets, which include reducing Australia's net greenhouse gas emissions to 43% below 2005 levels by 2030, and net zero emissions by 2050.

An updated Nationally Determined Contribution (NDC) was lodged with the United Nations Framework Convention on Climate Change (UNFCCC) secretariat in 2022. This forms part of Australia's obligations under the Paris Agreement, which is a legally binding international treaty on climate change adopted in 2015, with 196 parties, including Australia, aiming to strengthen the global response to the threat of climate change. Its primary goals are to hold the increase in global average temperatures over time.

The NDC:

- Commits Australia to a more ambitious 2030 target;
- Reaffirms Australia's commitment to net zero emissions by 2050;
- Commits the government to providing an annual statement to parliament on progress towards these targets; and
- Restores Australia's Climate Change Authority as a source of independent policy advice.

Federal Government policies will build on existing emissions reduction programs, provide industry with a comprehensive and consistent policy framework and encourage households, businesses and communities to embrace opportunities to transition to net zero.

Rewiring the Nation

Rewiring the Nation is an Australian Government program that seeks to invest in new transmission lines to transport renewable energy to cities, towns and regional communities. The aim of the program is to invest in modernising the electricity grid and deliver new and upgraded grid infrastructure.

Rewiring the Nation investment has prioritised up to \$2.25 billion to support Victorian projects. This includes Renewable Energy Zones (REZ) in Victoria and the Victoria-New South Wales Interconnector (VNI West). VNI West is a proposed new overhead 500 kV double circuit transmission line, which is proposed to run from the Dinawan substation in New South Wales to Bulgana in Victoria, where it will connect to the Western Renewables Link (WRL) via a new terminal station. Construction of the project is anticipated to commence in 2026, and be fully operational by 2029.

The Regulatory Investment Test for Transmission (RIT-T) for VNI-West estimates that the preferred option will deliver approximately \$1.4 billion in expected net market benefits to consumers and producers of electricity. The preferred option will unlock significant transmission transfer capacity for the Murray River REZ and Western Victoria REZ.

By 2050, modelling estimates that the preferred option will deliver:

- Between 2.3 GW and 2.9 GW in renewable energy generation in the Murray River REZ; and
- Between 1.1 GW and 1.3 GW in renewable energy generation in the Western Victoria REZ.

National Battery Strategy

The National Battery Strategy was developed by the Australian Government Department of Industry, Science and Resources (DISR) as part of the Future Made in Australia agenda. The Strategy aims to expand Australia's battery manufacturing and building skills.

The vision of the Strategy is:

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By 2035, Australia becomes a globally competitive producer of batteries and battery materials, delivering secure supply chains, affordable and secure energy, productivity growth, and wealth creation as part of the global energy transition.

The Strategy is structured around five priority areas: manufacturing, knowledge and skills, global supply chains, sustainability, ESG and circular economy and Government Coordination. The strategy also identifies four high value opportunities for Australia which include:

- Stationary storage - building Energy Storage Systems to firm renewable power generation in the national grid and for communities, businesses and homes.
- Provide battery active materials to the world by upgrading raw minerals into processed battery components to strengthen battery supply chains.
- Leveraging our world-leading know-how to build safer and more secure batteries connected to the grid.
- Building batteries for our transport manufacturing industry, including heavy vehicle manufacturing.

While primarily focused on strengthening domestic battery manufacturing capability, the strategy identifies stationary energy storage as a nationally significant growth opportunity and signals strong Commonwealth support for battery deployment to support the transition to renewables and grid reliability.

Capacity Investment Scheme

The Capacity Investment Scheme (CIS) is an Australian Government initiative designed to accelerate investment in renewable energy generation, including wind and solar, as well as clean dispatchable capacity such as battery storage.

The scheme provides a long-term revenue safety net that decreases financial risk for investors. This ensures more renewable energy projects get built.

The scheme aims to support renewable generation and dispatchable projects to:

- Help deliver the Australian Government's 82% renewable electricity by 2030 target;
- Deliver an additional 40 GW of capacity by 2030;
- Support electricity generation growth and reliability as demand grows and ageing coal power stations retire; and
- Place downward pressure on electricity prices.

The scheme was originally designed to support 32 gigawatts (GW) of new electricity capacity by 2030. In July 2025, this target was increased to 40 GW to help meet growing electricity demand and support the transition away from coal-fired power stations.

The scheme operates through a series of auctions held between 2024 and 2027. The overall program is expected to support around \$73 billion of investment in Australia's electricity sector.

State

Victorian Climate Change Act, 2017

The *Victorian Climate Change Act 2017* aims to achieve net zero greenhouse gas emissions and a climate resilient community and economy to mitigate and adapt to the impacts of climate change. The Victorian Government introduced the Victorian Renewable Energy Targets (VRET) to provide greater policy certainty and investor confidence for the renewable energy sector in Victoria.

Victoria's Climate Change Act 2017 establishes a long-term target of net-zero greenhouse gas emissions by 2050, with five-yearly interim emissions reduction targets. The Victorian Government's foundational target was for emissions in 2020 to be 15–20% below 2005 levels along with a 40% reduction by 2025, a 50% reduction by 2030, and net zero emissions by 2050.

In October 2022, the Victorian State Government announced more ambitious reduction commitments than those outlined in the Act. These include 65% below 2005 levels by 2030, 95% below 2005 levels by 2035, and net zero by 2045.

The State government also outlined Energy storage targets for Victoria of at least 2.6 GW of energy storage capacity by 2030, and at least 6.3 GW by 2035.

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Victorian Climate Change Strategy, 2026 – 2030

Victoria's Climate Change Strategy 2026 – 2030, is the state government's five-year climate action roadmap that sets out how Victoria will reduce greenhouse gas emissions, adapt to climate impacts, and support a low-carbon economy. It builds on previous climate strategies and is backed by over \$8.5 billion in funding.

The strategy aims to:

- Cut emissions significantly on the pathway to net-zero by 2045.
- Reduce cost of living by lowering energy and business costs.
- Future-proof the economy by investing in clean energy, jobs and infrastructure.
- Protect communities and vulnerable groups from climate impacts.

The Strategy emphasizes the need to balance renewable generation with energy storage to ensure grid reliability, highlighting the critical role of large-scale batteries in supporting both renewable integration and overall system stability.

Victoria's Electricity Future, 2024

Cheaper, Cleaner, Renewable: Our Plan for Victoria's Electricity Future is Victoria's overarching electricity transition roadmap. It sets out how the state will transform its electricity system to be cleaner, more affordable, and more reliable, providing a clear pathway to achieving its renewable and storage targets through 2035.

The roadmap outlines government actions, strategic priorities, and investment opportunities to guide the transition toward a renewable-based system. It identifies energy storage as a critical enabler for maintaining affordability, reliability, and sustainability, noting that a balanced combination of renewable generation and storage will be essential to the state's electricity system.

Victorian Transmission Plan, 2025

The Victorian Transmission Plan (VTP) is a long-term strategic plan for transmission and renewable energy zone development in Victoria. The VTP sets out the plan for Victoria's renewable energy zones and the transmission infrastructure required to enable the energy transition.

By 2040, Victorian is planning to accommodate an estimated:

- 5.7 – 9.6 GW of new onshore wind energy capacity;
- 9 GW of new offshore wind energy capacity;
- 2.3 – 8.9 GW of new utility-scale solar capacity; and
- 4.8 – 7.7 GW of new short and long duration (utility) storage capacity.

The plan sets out the 6 proposed renewable energy zones: Central Highlands, Central North, Gippsland, the North West, the South West and the Western. These areas are identified as the most suitable to host new renewable energy generation, such as wind turbines, solar farms and battery storage.

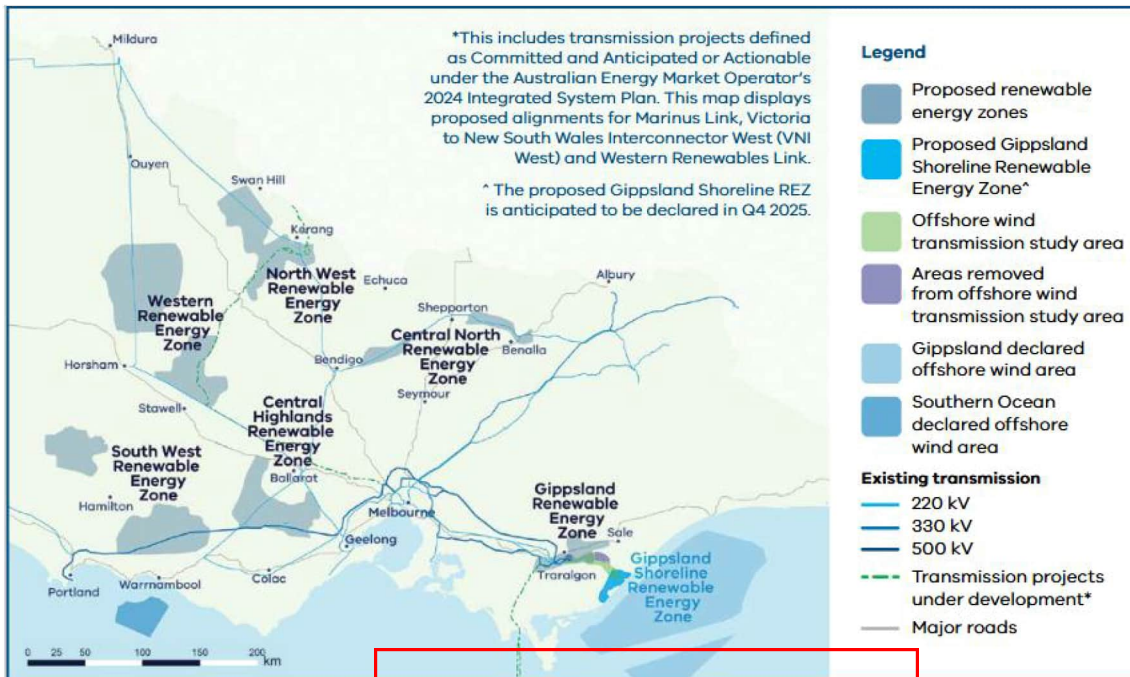
The proposed renewable energy zones are shown in Figure 1:

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Victoria's Renewable Energy Zones



Victorian Energy Jobs Plan Consultation Paper

The Victorian Government is preparing for the future of renewable energy with the *Victorian Energy Jobs Plan*. This plan aims to build the workforce needed to achieve Victoria's ambitious target of 95 percent renewable electricity generation by 2035. It also seeks to boost investment confidence to facilitate a smooth energy transition.

The Plan outlines specific actions to support Victoria's transition to renewable energy, including:

- Enhancing workforce development initiatives;
- Improving visibility and understanding of the current and future energy workforce in Victoria;
- Assisting individuals in entering and thriving in the energy sector;
- Aligning education and training programs with the needs of the renewable energy industry;
- Enabling local communities across Victoria to gain from the growing workforce; and
- Boosting industry confidence in Victoria's renewable energy workforce and attracting more renewable energy investments to the state.

Victoria's Infrastructure Strategy 2025 – 2055

The 30-year infrastructure strategy sets out recommendations to guide the Victorian Government in delivering infrastructure that improves access to opportunities, supports community health and safety, protects and enhances the natural environment, and drives a more productive economy.

The strategy notes that Victoria's energy demand will double by 2050 and the State will need 20 times more battery storage by 2035.

Key recommendations and future options identified in the report include:

- Facilitate increased investment in large-scale battery storage to support the electricity transmission network.
- As coal-fired power stations retire, ensure Victoria replaces lost generation capacity with a reliable mix of renewable energy and storage. This includes identifying the most efficient policy and investment pathways to deliver sufficient long-duration energy storage.
- Provide targeted support for long-duration energy storage to strengthen system reliability and energy security.

- It is estimated that assessing long-duration energy storage requirements and developing appropriate policy and investment responses will cost between \$1 million and \$5 million over a two-year period. This estimate includes costs associated with investigation, policy development, stakeholder consultation, and determining future actions by the Victorian Government.

Regional

Loddon Campaspe Regional Economic Development Strategy (REDS)

The Loddon Campaspe REDS aims to identify medium to long term strategic directions to drive economic growth and development in the Loddon Campaspe region of Victoria.

The Loddon Campaspe REDS defines five strategic directions for economic development in the region, including:

1. Support growth in agriculture and food product manufacturing to enhance value adding throughout the supply chain.
2. Pursue diversification of the tourism sector by leveraging natural, cultural and built endowments.
3. Maximise gains in the 'employment and innovation corridor' to attract professional services workers and entrepreneurial activity.
4. Foster better links between education providers, industry, research, employers and students to develop pathways and a workforce that meets the future needs of the region.
5. Leverage local opportunities to strengthen value chains and diversify into new industries, including in mining and renewable energy and waste processing.

The Strategy highlights strong regional support for renewable energy and circular economy initiatives, presenting clear local opportunities. However, it also notes that transmission infrastructure remains weak, and that limited access to efficient, reliable clean energy can negatively impact investment and growth in the region.

Loddon Mallee Region Renewable Energy Roadmap

The Loddon Mallee Renewable Energy Roadmap is a Victorian Government-supported regional strategy that sets the long-term direction for the region's renewable energy transition. It provides a shared framework for government, industry, communities and investors to support the shift from a centralised fossil-fuel system to a decentralised, renewable-led energy economy.

The Roadmap identifies large-scale solar, battery storage, grid upgrades and distributed energy resources as key enablers, with a strong focus on community benefit, local ownership, energy resilience and economic development through job creation, supply-chain growth and increased local revenues.

Battery energy storage is identified as an important enabler for stabilising the grid, managing high solar output and shifting supply to peak demand periods, alongside community-scale storage to improve reliability, support microgrids and strengthen local self-sufficiency. The Roadmap recognises energy storage as essential to unlocking further renewable investment and easing transmission and distribution constraints across the region.

Loddon Mallee Zero Emissions Roadmap

The Loddon Mallee Zero Emissions Roadmap sets out a regional pathway to reach net-zero emissions as quickly as possible by focusing on collaboration, regional capacity building and equitable access, rather than prescribing specific infrastructure projects.

It prioritises five action areas:

- Leadership;
- Energy;
- Transport;
- Agriculture; and
- Land & Environment.

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There is strong alignment between the roadmap and battery energy storage systems as enabling infrastructure, supporting renewable generation, neighbourhood batteries, microgrids and grid resilience in Renewable Energy Zones; while also facilitating community benefit sharing, energy equity outcomes and local clean-energy jobs.

Loddon Mallee Regional Climate Adaptation Strategy

The *Loddon Mallee Regional Climate Adaptation Strategy* outlines directions for regional adaptation to mitigate and avoid the impacts of climate change. Its purpose is to guide coordinated action across government, industry and communities to manage climate risks and build long-term regional resilience.

The Strategy prioritises more resilient towns and cities, increased community disaster preparedness through energy microgrids and battery storage, deployment of renewable Stand-Alone Power Systems to strengthen the grid and cut emissions, and support for businesses transitioning to low-emission and circular economy supply chains.

Local: Greater Bendigo

Greater Bendigo Council Plan, 2025-2029

The Greater Bendigo Council Plan sets the direction for council for 2025 to 2029, and aims to deliver on the Greater Bendigo Community Vision. The Plan provides a refreshed community vision:

Greater Bendigo celebrates and respects our diverse and growing community. We aim to be welcoming, sustainable and flourishing. Walking hand-in-hand with our First Nations communities. Building on our heritage for a safe and happy future.

The Plan has four themes: Responsible, Healthy, Thriving and Welcoming.

Key goals relevant to the project include supporting an efficient and sustainable city, and taking action against climate change. This involves prioritising renewable energy use and uptake, fostering local partnerships, and increasing the community's adoption of sustainable practices to ensure the region benefits from renewable energy.

Bendigo Economic Development Strategy, 2020-2030

The Bendigo Economic Development Strategy is a ten-year strategy of key pillars and a long-term vision for sustainable economic growth in the Shire.

The key pillars are:

- Grow sustainable jobs and investment;
- Increase liveability for all;
- Better link jobs, education, skills and training offerings to the needs of the City and the region;
- Become a leader in innovation, environmental and climate change initiatives.

Leading low carbon and circular economy initiatives is a key initiative of the Economic Development Strategy. The following actions are relevant:

- Develop locally based opportunities and enterprises for industry to deliver local jobs through waste reduction, waste utilisation technology and deliver a circular approach to local waste;
- Development of a circular economy, inclusive of food, energy, water and waste, that captures more local expenditure and the creation of new industries;
- Prepare and implement plans that manage the growth of Greater Bendigo to support a population of 200,000 people and a population of 400,000 people across the Loddon Campaspe region; and
- Support investment in a circular economy approach for food, energy, water and waste.

The Strategy also recognises the significant opportunity to transition to a regionally owned renewable energy economy, helping to deliver lower-cost energy for local businesses and households. This includes catalysing a local renewable energy network to strengthen the regional economy, improve energy security through a more distributed and resilient system, and reduce carbon emissions.

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Greater Bendigo Climate Change and Environment Strategy, 2021-2026

The Climate Change and Environment Strategy 2021–2026 establishes Council’s high-level strategic direction for addressing climate change while protecting and enhancing the natural environment.

The Strategy aims to transition Greater Bendigo to a zero-carbon, climate-resilient city while restoring natural systems and supporting a strong local economy. It is structured around six action areas: biodiversity and regeneration; zero carbon; circular economy; sustainable and active transport; sustainable food systems; and water-sensitive Bendigo. A central focus is achieving zero carbon emissions by 2030, driven by electrification, renewable energy, and reduced reliance on fossil fuels.

Key elements relevant to the Bendigo BESS include:

- Rapid expansion of locally generated renewable energy, with increasing capacity well beyond local demand over time.
- Strong emphasis on energy resilience, local ownership, and community benefit.
- Support for enabling infrastructure that stabilises renewable supply, reduces peak demand, and underpins electrification of buildings, transport and industry.

Greater Bendigo 2030 Zero Emissions Roadmap

The Greater Bendigo 2030 Zero Emissions Roadmap sets out a coordinated, whole-of-community plan for reducing greenhouse gas emissions to net zero by 2030, focusing on energy, transport, buildings and land use. Its purpose is to guide Council, businesses and the community in accelerating electrification, increasing renewable energy use, and improving energy efficiency while strengthening local economic and environmental outcomes.

The project aligns strongly with the Roadmap:

- Supports large-scale uptake of renewable electricity, which creates an operational need for storage to manage intermittency and peak load.
- Emphasises energy resilience and reliability as part of emissions reduction, particularly as the community electrifies buildings, transport and industry.
- Encourages local energy solutions that allow Greater Bendigo to capture more value from locally generated renewables.
- Aligns with outcomes such as reduced energy costs, emissions reduction, and future-proofing the electricity system.

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Appendix B: Input-Output Model Methodology & Limitations

Urban Enterprise's Input-Output Model is a quantitative economic model that represents the interdependencies between different sectors of the Victorian economy. The model helps measure the ripple effects of a change in demand for one industry, such as an increase in construction activity, and how it affects other industries, as well as household expenditure.

The Productivity Commission of Australia states that “input-output tables can be used to compute output, employment and income multipliers. These multipliers take account of one form of interdependence between industries — that relating to the supply and use of products. The numbers add up the direct and indirect impacts of a change in final output of a designated industry on economic activity and employment across all industries in an economy.”

A summary of the key steps involved in the development of the model is outlined below:

- 1. Data collection:** Input-output tables are sourced from the Australian Bureau of Statistics (ABS). These tables detail the flows of goods and services between industries, including domestic production, imports, and exports, using the Australian and New Zealand Standard Industrial Classification (ANZSIC).
- 2. Regionalisation:** Location quotients (LQs) are applied to adjust the national input-output tables to reflect regional economic structures. The model utilises the Adjusted Flegg Location Quotient (AFLQ) formula to estimate regional economic interactions. The AFLQ modifies traditional location quotient methods by incorporating a scaling factor that accounts for regional size and economic diversity.
- 3. Matrix calculation:** The core of the model involves calculating the Leontief Inverse Matrix. First, a technical coefficient matrix (A) is derived, representing the input requirements of each industry per unit of output. This matrix is then subtracted from an identity matrix (I) and inverted to produce the Leontief Inverse Matrix $(I - A)^{-1}$, which captures the total direct and indirect impacts of changes in final demand on all industries.
- 4. Multipliers:** The Leontief Inverse Matrix is used to calculate multipliers for the key economic indicators of output, employment and value-added, showing how changes in demand for one industry's flow through the economy, affecting production in other sectors, as well as household expenditure.

Limitations

Input Output models have several limitations that should be acknowledged when being utilised:

- **Fixed Production Relationships:** The model assumes constant input-output ratios, meaning industries always use the same mix of inputs to produce outputs, regardless of changes in technology or scale.
- **No Price Adjustments:** The model does not account for price changes. It assumes that prices remain constant, which limits its ability to reflect real-world adjustments to supply and demand shifts.
- **Static Nature:** The I-O model represents a snapshot of the economy at a single point in time. It doesn't account for long-term dynamic changes, such as productivity improvements or shifts in consumer preferences.
- **No Supply Constraints:** The model assumes that industries can increase output without facing constraints, such as labour shortages or supply chain bottlenecks.
- **Homogeneous Products and Sectors:** It assumes that all products within a sector are identical, disregarding variations in product types, quality, or production methods within industries.

For these reasons, input-output (I-O) modelling is better suited to assess the economic impacts of smaller projects due to its straightforward methodology and capacity to detail inter-industry relationships within an economy.

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Appendix C: Glossary of Terms and Acronyms

Table 24. Acronyms

Acronym	Expanded
AAG	Average Annual Growth
AAGR	Annual Average Growth Rate
ABS	Australian Bureau of Statistics
AVE	Average
EIA	Economic Impact Assessment
FTE	Full Time Equivalent
I-O	Input-Output
LGA	Local Government Area
MW	Mega Watt
NDC	Nationally Determined Contribution
NSC	National Skills Commission
REZ	Renewable Energy Zone
SA	Statistical Area
VRET	Victorian Renewable Energy Targets
VTIF	Victorian Transmission Investment Framework
VTP	Victorian Transmission Plan

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Table 25. Glossary of Terms

Term	Definition
Direct Impact	Direct economic impacts resulting from investment (e.g. construction investment or program investment)
Employment	Employment data represents the number of people employed by businesses/organisations in each of the industry sectors in a defined region. Employment data presented in this report is destination of work data. That is, no inference is made as to where people in a defined region reside. This employment represents full-time equivalent jobs, based on a 38-hour work week.
Indirect Impact	Indirect impact, also known as the multiplier effect, includes the re-spending of dollars within the local economy as a result of the investment. This includes supply chain effects: the increased output generated by servicing industry sectors in response to the direct change in output and demand; and consumption effects: As output increases, so too does employment and wages and salaries paid to local employees. Part of this additional income to households is used for consumption in the local economy which leads to further increases in demand and output region
Input-Output	An input–output model is a quantitative economic model that represents the interdependencies between different sectors of a national economy or different regional economies. The method is often used to estimate the impact of capital investment, household, business and visitor spending.
Output	Represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region
Value-Add	The marginal economic value that is added by each industry sector in a defined region. Value-Added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the Wages & Salaries paid to local employees, the gross operating surplus and taxes on products and production. Value-Added by industry sector is the major element in the calculation of Gross Regional Product / Gross State Product / Gross Domestic Product.

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