



# **Appendix Z**

## Economic Impact Assessment



# Tully Battery Energy Storage System Economic Impact Assessment

*Prepared for: RWE Renewables Australia*

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## Document Control

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# Executive Summary

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## Background and Purpose

Regional Economic Advisory Pty Ltd (REA) has been engaged by RWE Renewables Australia to develop this Economic Impact Assessment (EIA) of the Tully Battery Energy Storage System (BESS). The Tully BESS (henceforth the Project) will provide 200+ MW of battery storage to improve the reliability and security of the local electricity network by storing energy during periods of low demand and high supply and dispatching it during periods of peak demand and emergency events.

Input-Output (IO) modelling is applied to estimate the direct and flow-on impacts of the Project through construction works, ongoing operations, and decommissioning on the local (Cassowary Coast Local Government Area (LGA)), regional (Cairns Statistical Area Level 4), and State (Queensland) economies. Refer to Appendix A for further details on the IO modelling methodology applied.

The findings of this EIA will be used by RWE Renewables Australia to support future development/funding applications, as well as broader engagement and advocacy for the Project.

## The Tully BESS

The Project will be a standalone, lithium-ion BESS developed across 9 ha adjacent to Powerlink's Tully Substation. The project is expected to have a capacity of 200+ MW (enough to power circa 15,000 homes for 4 hours), making it the largest standalone BESS currently proposed for Far North Queensland.

Key aspects of the Project include:

- BESS Infrastructure:
  - BESS containers.
  - Inverters.
  - Medium Voltage (MV) transformers.
  - Cooling systems (as required).
  - Switchroom.
  - Substation.
- General Site Infrastructure
  - Switchyard.
  - Operations and Maintenance (O&M) buildings.
  - Site office and associated amenities (bathroom facilities, lunch/break room, and first-aid room).
  - Storage sheds.
  - Cabling.
  - Fencing.
  - Staff carpark.

The Tully Substation is a key node supplying power to North and Far North Queensland. The Tully BESS is a key piece of infrastructure supporting energy storage development in regional Australia and would underpin a secure energy supply for households and industry.



Figure ES.1: Tully BESS Concept



Source: RWE Renewable Australia

Initial planning and environmental studies for the Project have been completed, and ongoing stakeholder and community engagement is underway. Construction is planned over 18 months beginning in 2027 with a projected 20-year lifecycle.







## Economic Impact Assessment

### Local Economic Impacts

The Tully BESS is projected to generate the following economic impacts within the local economy, as summarised in Table ES.1 below.

Table ES.1: Local Economic Impacts Summary

Impact (Cassowary Coast LGA)	Construction (2027-2028)	Operations (2028-2047)	Decommissioning (2048-2049)
 <b>Output</b>	<b>\$31.9 million</b> (\$12.4 million direct impact)	<b>\$13.2 million p.a.</b> (\$6.3 million direct impact)	<b>\$6.1 million</b> (\$2.3 million direct impact)
 <b>Gross Regional Product</b>	<b>\$13.6 million</b> (\$4.6 million direct impact)	<b>\$4.7 million p.a.</b> (\$2.1 million direct impact)	<b>\$2.5 million</b> (\$0.8 million direct impact)
 <b>Incomes</b>	<b>\$7.1 million</b> (\$2.2 million direct income)	<b>\$1.2 million p.a.</b> (\$0.1 million direct income)	<b>\$1.4 million</b> (\$0.4 million direct income)
 <b>Employment</b>	<b>72 FTE jobs</b> (15 direct FTE)	<b>13 FTE jobs</b> (1 direct FTE)	<b>15 FTE jobs</b> (4 direct FTE)

Source: REA

### Lifecycle Impacts

The Project is projected to provide over its lifecycle (in Present Value):

- Circa \$75 million in Gross Regional Product (GRP) and 347 FTE person-years of employment within the local (Cassowary Coast LGA) economy (\$35.8 million to GRP and 39 Full-Time Equivalent (FTE) person-years of employment to the local economy directly).



- Over \$140 million in GRP and 664 FTE person-years of employment within the regional (Cairns SA4) economy (\$56.2 million to GRP and 69 FTE person-years of employment to the regional economy directly).
- Approximately \$215 million to GSP and 1,141 FTE person-years of employment across Queensland (\$71.9 million to Gross State Product (GSP) and 111 FTE person-years of employment to the state economy directly).

The Tully BESS will make a notable long-term impact on the local, regional and state economies. A summary of the impacts across the construction, operations, and decommissioning phases is provided in Table ES.2 (direct impacts) and ES.3 (direct + flow-on impacts).

**Table ES.2: Total Lifecycle Impacts (\$2025-26) – Direct Impacts**

Impact	Construction (Total) (2027-2028)	Operations (Annual) (2028-2047)	Decommissioning (Total) (2048-2049)	Total Lifecycle Impact (4% Real Discount Rate Applied to Monetary Values)
<b>Local Impacts</b>				
Output (\$M)	\$12.4	\$6.3	\$2.3	\$95.5
Gross Product (\$M)	\$4.6	\$2.1	\$0.8	\$35.8
Incomes (\$M)	\$1.7	\$0.1	\$0.4	\$3.1
Employment (FTE Person Years)	15	1	4	39
<b>Regional Impacts</b>				
Output (\$M)	\$52.6	\$8.2	\$9.2	\$162.6
Gross Product (\$M)	\$19.9	\$2.7	\$3.2	\$56.2
Incomes (\$M)	\$4.4	\$0.1	\$1.1	\$6.1
Employment (FTE Person Years)	39	1	10	69
<b>State Impacts</b>				
Output (\$M)	\$84.8	\$8.8	\$13.8	\$204.0
Gross Product (\$M)	\$32.6	\$2.9	\$4.8	\$71.9
Incomes (\$M)	\$6.5	\$0.2	\$1.5	\$9.6
Employment (FTE Person Years)	57	2	14	111

Note: Totals may not sum due to rounding

Source: REA

**Table ES.3: Total Lifecycle Impacts (\$2025-26) – Direct + Flow-On Impacts**

Impact	Construction (Total) (2027-2028)	Operations (Annual) (2028-2047)	Decommissioning (Total) (2048-2049)	Total Lifecycle Impact (4% Real Discount Rate Applied to Monetary Values)
<b>Local Impacts</b>				
Output (\$M)	\$31.9	\$13.2	\$6.1	\$206.4
Gross Product (\$M)	\$13.6	\$4.7	\$2.5	\$75.8
Incomes (\$M)	\$6.7	\$1.2	\$1.4	\$22.8
Employment (FTE Person Years)	72	13	15	347
<b>Regional Impacts</b>				



Impact	Construction (Total) (2027-2028)	Operations (Annual) (2028-2047)	Decommissioning (Total) (2048-2049)	Total Lifecycle Impact (4% Real Discount Rate Applied to Monetary Values)
Output (\$M)	\$113.4	\$18.3	\$20.3	\$358.9
Gross Product (\$M)	\$48.7	\$6.8	\$8.4	\$140.2
Incomes (\$M)	\$20.1	\$1.9	\$3.9	\$46.2
Employment (FTE Person Years)	221	20	43	664
<b>State Impacts</b>				
Output (\$M)	\$213.0	\$23.5	\$35.5	\$531.0
Gross Product (\$M)	\$93.4	\$9.0	\$14.9	\$215.5
Incomes (\$M)	\$39.1	\$3.0	\$6.8	\$80.4
Employment (FTE Person Years)	426	32	75	1,141

Note: Totals may not sum due to rounding

Source: REA

In addition to the substantial impacts assessed in the previous chapter, the Tully BESS is expected to generate a broad range of positive economic and community impacts:

- Employment for First Nations Australians and Businesses:** Significant opportunities for First Nations persons and businesses exist within the Project, particularly for employment during the construction (and in the long-term, decommissioning) phases. Both the local and regional economies have a substantial First Nations population (11.0% of Cassowary Coast LGA and 10.6% of the Cairns SA4 identify as Aboriginal and/or Torres Strait Islander compared to 4.6% across Queensland and 3.2% nationally). RWE Renewables Australia is committed to supporting First Nations businesses and outcomes and will endeavour to maximise employment and business/supply chain opportunities throughout the Project's lifecycle.
- Contribution to Broader Economic Development and Diversification Objectives:** By underpinning energy reliability and resilience, the Project will support a competitive industry structure within the Cassowary Coast, supporting both existing core industries such as agriculture, manufacturing and tourism, as well as attracting new investors.

The Project will underpin confidence in the local economy and may act as a catalyst for further rounds of investment, including in energy-intensive industries.

- Contribution to Energy Transition Targets:** The Tully BESS will underpin the reliability of the regional network by storing energy during periods of high generation/low demand and dispatching during key periods of need (including emergencies). This function is not only critical for grid stability but also substantially improves efficiency and enables a higher share of variable renewable energy, such as wind and solar.
- Upskilling and Training Opportunities:** The project will employ a broad range of occupations, including key electrical and construction trades. The long (20yr+) lifecycle of the Tully BESS will underpin significant opportunities for training and upskilling for key in-demand skills in a regional area experiencing significant skilled labour shortages.

The modelling undertaken in this analysis highlights that the Tully BESS is a significant regional project that will generate substantial economic impacts throughout construction, operations, and decommissioning for the local, regional, and state economies.



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# 1 Introduction

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## 1.1 Background and Purpose

Regional Economic Advisory Pty Ltd (REA) has been engaged by RWE Renewables Australia to develop this Economic Impact Assessment (EIA) of the Tully Battery Energy Storage System (BESS). The Tully BESS (henceforth the Project) will provide 200+ MW of battery storage to improve the reliability and security of the local electricity network by storing energy during periods of low demand and high supply and dispatching it during periods of peak demand and emergency events.

Input-Output (IO) modelling is applied to estimate the direct and flow-on impacts of the Project through construction works, ongoing operations, and decommissioning on the local (Cassowary Coast Local Government Area (LGA)), regional (Cairns Statistical Area Level 4), and state (Queensland) economies. Refer to Appendix A for further details on the IO modelling methodology applied.

The findings of this EIA will be used by RWE Renewables Australia to support future development/funding applications, as well as broader engagement and advocacy for the Project.

## 1.2 Structure of this Report

The remainder of this EIA is structured as follows:

- Chapter 2: Provides a brief overview of the Project and local economy to provide context for the EIA.
- Chapter 3: Outlines the key modelling assumptions used to generate the estimates of economic impacts.
- Chapter 4: Reports the EIA results for the local, regional, and state economies and considers broader impacts/benefits of the Project not captured within the IO modelling.
- Chapter 5: Provides commentary on additional benefits of the project that are not captured by the IO modelling.

## 1.3 Assumptions and Limitations

In developing this EIA, REA acknowledges the following assumptions and limitations:

- Data utilised for modelling economic impacts is derived from inputs provided by RWE Renewables Australia based on the current concept, costings, and projected operating revenues/costs and geographic mix for the Project.
- The energy market and local/macro economies are currently subject to significant uncertainty and volatility, including price variation, a changing policy environment, and generational investment into the renewable energy transition.
- Limitations of IO modelling: IO modelling relies on a range of key assumptions regarding economic and industry structure and has associated limitations in assessing economic impacts. Refer to Appendix A for further details.

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**Despite these limitations, this EIA aims to provide a robust assessment of the expected economic impacts of the Project at the local, regional, and state levels.**

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## 2 Project Context

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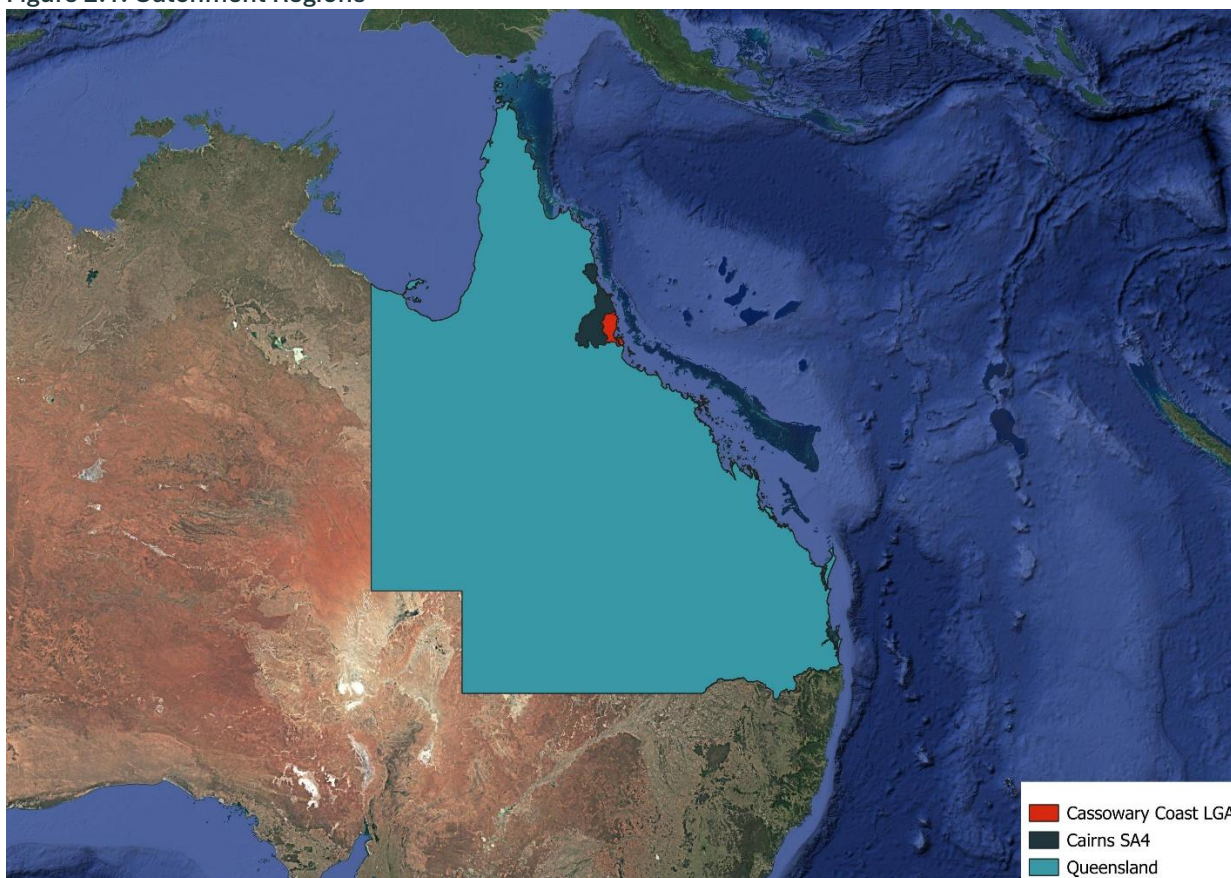
The following sections give a brief overview of the catchment economies and the Project to provide background context for the EIA.

### 2.1 Catchment Regions

The EIA assesses impacts at three geographic levels, as highlighted in Figure 2.1:

- Local Impacts: Cassowary Coast LGA.
- Regional Impacts: Cairns SA4.
- State Impacts: Queensland.

**Figure 2.1: Catchment Regions**



Source: REA

### 2.2 Regional Economy

The Cassowary Coast Local Government Area (LGA) is part of Far North Queensland (approximately 1,600 km north of the state capital, Brisbane, and 140 km south of the major regional population centre of Cairns). Cassowary Coast is a highly productive agricultural region, including sugarcane and high-value horticulture (including bananas, vanilla, and a variety of tropical fruits), and a notable tourism destination attracting over a million domestic and international visitor nights in 2024 (TRA, 2024). The local economy generated a Gross Regional Product (GRP) of \$2.1 billion during 2023/24 with growth averaging a robust 4.6% p.a. over the past five years (.id, 2025).



Cassowary Coast is a geographically vast LGA, including the iconic tourism destination of Mission Beach and the main population centres of Tully (central to the LGA), Cardwell to the south, and Innisfail to the North.

The local economy is characterised by:

- A population of ~30,000, which has experienced modest but largely consistent growth over the past 10 years (increasing in the post-COVID-19 period).
- A labour force of ~15,000 with an unemployment rate of 5.4%. The local unemployment rate has been steadily increasing since hitting a low of 3.7% in September 2023.
- Key industries include agriculture (>20% of employment), Health Care and Social Assistance (though substantially lower than regional and state benchmarks at 12.5% of employment) and Retail Trade (9.7% of employment).
- An older demographic with a median age of 46 years, which is typical of regional agricultural centres, with areas such as Mission Beach within the LGA also being popular retirement/lifestyle destinations.

Headline socioeconomic indicators for the local, regional, and State catchment economies are summarised in Table 2.1.

**Table 2.1: Socio-Economic Indicators**

Indicator	Cassowary Coast LGA	Cairns SA4	Queensland
Population (2024)	30,390	269,399	5,583,833
Median Age (2021)	46	41	38
Median Household Income (\$/Week 2021)	\$1,204	\$1,445	\$1,675
Unemployment Rate (Jun 2025)	5.4%	4.3%	4.0%
Largest Employment Sectors (Place of Work, % of employment 2021)	Agriculture, Forestry and Fishing (22.2%) Health Care and Social Assistance (12.5%) Retail Trade (9.7%) Education and Training (8.7%) Manufacturing (8.6%)	Health Care and Social Assistance (17.8%) Accommodation and Food Services (10.8%) Retail Trade (10.6%) Education and Training (9.7%) Construction (7.4%)	Health Care and Social Assistance (16.1%) Retail Trade (9.7%) Construction (9.5%) Education and Training (9.3%) Accommodation and Food Services (7.6%)

Source: QGSO (2025), .id (2025), ABS (2022)

## 2.3 Tully BESS Project

The Project will be a standalone, lithium-ion BESS developed across 9 ha adjacent to Powerlink’s Tully Substation. The project is expected to have a capacity of 200+ MW (enough to power circa 15,000 homes for 4 hours), making it the largest standalone BESS currently proposed for Far North Queensland.

Key aspects of the Project include:

- BESS Infrastructure:
  - BESS containers.
  - Inverters.
  - Medium Voltage (MV) transformers.

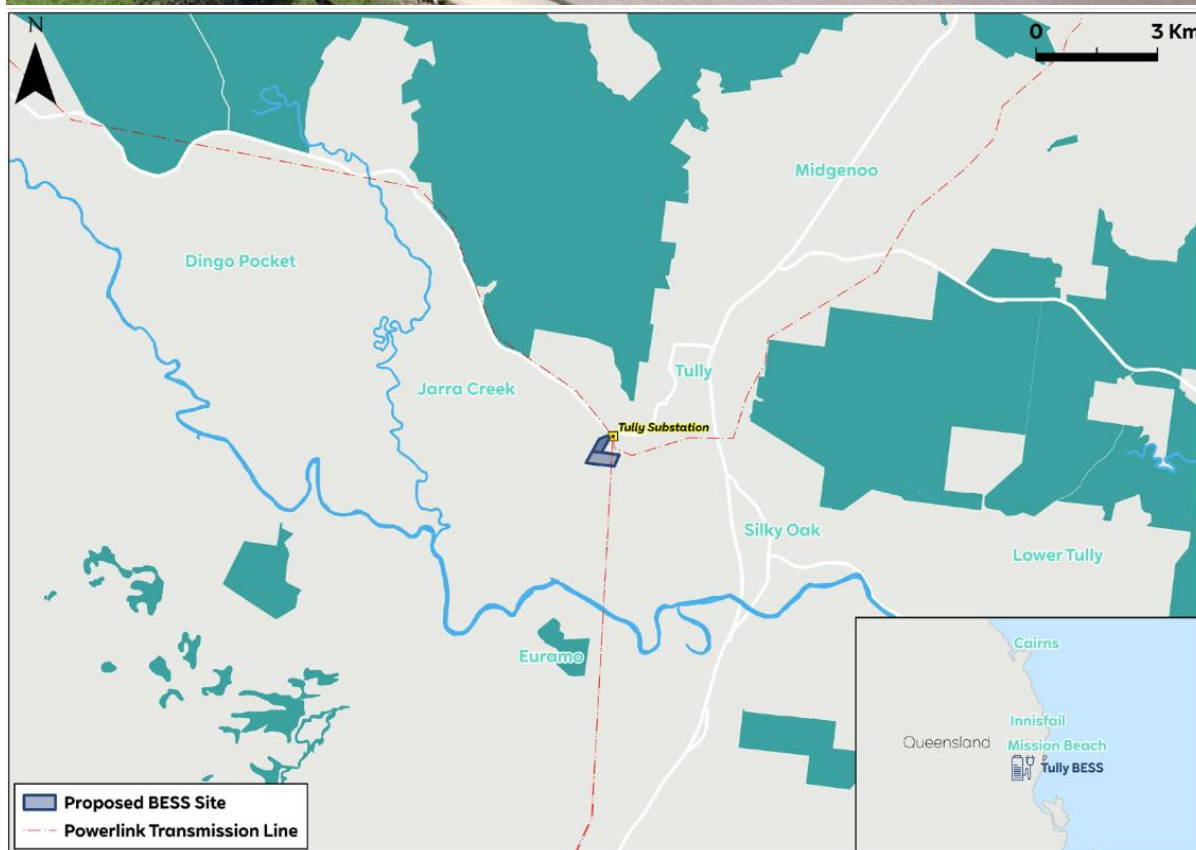


- Cooling systems (as required).
- Switchroom.
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- General Site Infrastructure
  - Switchyard.
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  - Site office and associated amenities (bathroom facilities, lunch/break room, and first-aid room).
  - Storage sheds.
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  - Staff carpark.

The Tully Substation is a key node supplying power to North and Far North Queensland. The Tully BESS is a key piece of infrastructure supporting energy storage development in regional Australia and would underpin a secure energy supply for households and industry.



Figure 2.2: Project Concept & Site



Source: RWE Renewable Australia



Initial planning and environmental studies for the Project have been completed, and ongoing stakeholder and community engagement is underway. Construction is planned over 18 months beginning in 2027 with a projected 20-year lifecycle.

**Figure 2.3: Development Timeframes**



Source: RWE Renewable Australia



## 3 Modelling Drivers and Assumptions

The following sections outline the key modelling drivers and assumptions that underpin the estimates of economic impacts. Economic impacts are assessed across the project lifecycle as follows:

- Construction phase.
- Operational phase.
- Decommissioning phase.

For each phase, consideration is given to where (within the geographic catchments or imported) activity is expected to occur and where labour will be sourced, to attribute economic activity appropriately. For non-local content in sectors likely to work on site (e.g. construction/civil works) non-local content is allocated 25% of production induced flow-on impacts (e.g. 25% of the local supply chain purchases of a local contractor), and 5% of the consumption induced flow-on impacts of a local operator (i.e. 5% of consumption purchases such as food and drink while working on site).

No flow-on activity is ascribed to industries unlikely to work on site (e.g., professional, scientific, and technical services activities that would likely work remotely).

### 3.1 Construction Phase Modelling Drivers

The Project is projected to cost \$288 million and be developed over 18 months. Project capital expenditure was allocated to the appropriate industries within the IO model, based on Australia and New Zealand Standard Industrial Classification (ANZSIC) categories, as summarised in Table 3.1.

**Table 3.1: Construction Phase Modelling Assumptions**

Item	Local (%)	Regional (%)	QLD (%)	Imported %	ANZSIC Allocation
<b>Development Spend</b>					
Project Development Costs (pre-FID/FC)	2%	10%	35%	53%	Professional, Scientific and Technical Services
<b>Construction Spend</b>					
Land Purchase Costs	100%	0%	0%	0%	Excl.



Item	Local (%)	Regional (%)	QLD (%)	Imported %	ANZSIC Allocation
Batteries, supply and delivery (Ex China/US)	0%	2%	3%	95%	Road Transport
Balance of Plant (Electrical, civil, substation, etc.)	10%	30%	20%	40%	Heavy and Civil Engineering Construction (80%) Construction Services (20%)
Construction Management (Internal)	5%	5%	15%	75%	Heavy and Civil Engineering Construction
Grid Connection	5%	40%	55%	0%	Heavy and Civil Engineering Construction
<b>Total</b>	<b>6%</b>	<b>14%</b>	<b>11%</b>	<b>69%</b>	-

Note: Totals may not sum due to rounding  
Source: RWE Renewable Australia, REA

### 3.2 Operational Phase Modelling Drivers

Annual operating expenditure associated with the Project is estimated at \$6 million and was modelled through the Electricity Transmission, Distribution, On Selling and Electricity Market Operation sector. For modelling purposes, the in-region expenditure provided was adjusted to a direct turnover estimate by REA using transaction table relationships.

The Project will support three ongoing FTE jobs (one located in the Cassowary Coast, one in broader Queensland, and one elsewhere).

**Table 3.2: Operational Phase Modelling Assumptions**

Item	Project Total (\$M)	Local (%)	Regional (%)	QLD (%)	Imported %	ANZSIC Allocation
Operational Spend in Region (\$M)	\$6	71%	21%	6%	2%	Electricity Transmission, Distribution, On Selling and Electricity Market Operation
Direct Operational Employment (FTE)	3	33%	-	33%	33%	As above

Note: Totals may not sum due to rounding  
Source: RWE Renewable Australia, REA



### 3.3 Decommissioning Phase Modelling Drivers

Decommissioning is projected to cost \$23 million and will take place over one year. Expenditure was allocated to appropriate industries within the IO model, based on ANZSIC categories as summarised in Table 3.3

**Table 3.3: Decommissioning Phase Modelling Assumptions**

Item	Project Total (\$M)	Local (%)	Regional (%)	QLD (%)	Imported %	ANZSIC Allocation
Decommissioning and Site Rehab	\$23	10%	30%	20%	40%	Heavy and Civil Engineering Construction (50%) Construction Services (50%)

Note: Totals may not sum due to rounding  
Source: RWE Renewable Australia, REA



## 4 Economic Impact Results

### 4.1 Modelling Approach

This assessment leverages IO modelling and considers the direct and flow-on economic activity associated with the Project during construction and once operational. Economic impacts have been assessed across the following geographic catchments:

- Local Impacts: Cassowary Coast LGA.
- Regional Impacts: Cairns SA4.
- State Impacts: Queensland.

Input-Output modelling describes economic activity by examining four types of impacts, as shown in the table below.

**Table 4.1: Economic Impact Indicators**

Indicator	Description
Output	The gross value of goods and services transacted, including the cost of goods and services used in the development and provision of the final product. Care should be taken when using output as an indicator of economic activity as it counts all goods and services used in one stage of production as an input to later stages of production, thus overstating economic activity.
Gross Product	The value of output after deducting the cost of goods and services inputs in the production process. Gross product (e.g. Gross Regional Product (GRP)/Gross State Product (GSP)) defines a net contribution to economic activity.
Incomes	The wages and salaries paid to employees as a result of the Project, either directly or indirectly.
Employment	Employment positions generated by the Project (either full time or part time, directly or indirectly). Employment is reported in terms of Full-Time Equivalent (FTE) positions (i.e. full-time person-years).

Source: REA

IO modelling estimates show the impacts of direct spending in a particular industry, as well as from Production-induced impacts (Type I) or Consumption-induced impacts (Type II):

- **Production-induced impacts (Type I)** show the industrial support effects of additional activities undertaken by supply chain industries increasing their production in response to direct spending.
- **Consumption-induced impacts (Type II)** estimate the re-circulation of labour income earned as a result of the initial spending through other industry impacts (or impacts from increased household consumption).

The estimates of economic impacts consider both production and consumption-induced flow-on impacts. Consumption-induced impacts are commonly considered to overstate economic activity, and therefore, the types of flow-on impacts are reported separately.

### 4.2 Construction Phase Impacts

Over the 18-month construction phase, the Project is estimated to generate the following impacts to the local Cassowary Coast LGA economy:

- \$31.9 million in output (\$12.4 million directly).



- A \$13.6 million contribution to GRP (\$4.6 million direct contribution).
- \$7.1 million in incomes and salaries to local workers (\$2.2 million in direct income).
- 72 FTE jobs (15 direct FTE).

Estimated impacts increase significantly across the regional and State economies as summarised in Table 4.2. It should be noted that the reported impacts represent the total (18-month) construction phase and are not an average annual estimate.

**Table 4.2: Construction Phase Impacts (\$2025-26)**

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTE)
<b>Local Impacts</b>				
Direct	\$12.4	\$4.6	\$1.7	15
Production Induced	\$14.9	\$6.3	\$3.7	39
Consumption Induced	\$4.6	\$2.6	\$1.3	18
<b>Total Impact</b>	<b>\$31.9</b>	<b>\$13.6</b>	<b>\$6.7</b>	<b>72</b>
<b>Regional Impacts</b>				
Direct	\$52.6	\$19.9	\$4.4	39
Production Induced	\$39.2	\$16.9	\$9.8	100
Consumption Induced	\$21.5	\$11.9	\$5.9	82
<b>Total Impact</b>	<b>\$113.4</b>	<b>\$48.7</b>	<b>\$20.1</b>	<b>221</b>
<b>State Impacts</b>				
Direct	\$84.8	\$32.6	\$6.5	57
Production Induced	\$73.9	\$32.2	\$18.4	183
Consumption Induced	\$54.3	\$28.6	\$14.3	186
<b>Total Impact</b>	<b>\$213.0</b>	<b>\$93.4</b>	<b>\$39.1</b>	<b>426</b>

Note: Totals may not sum due to rounding

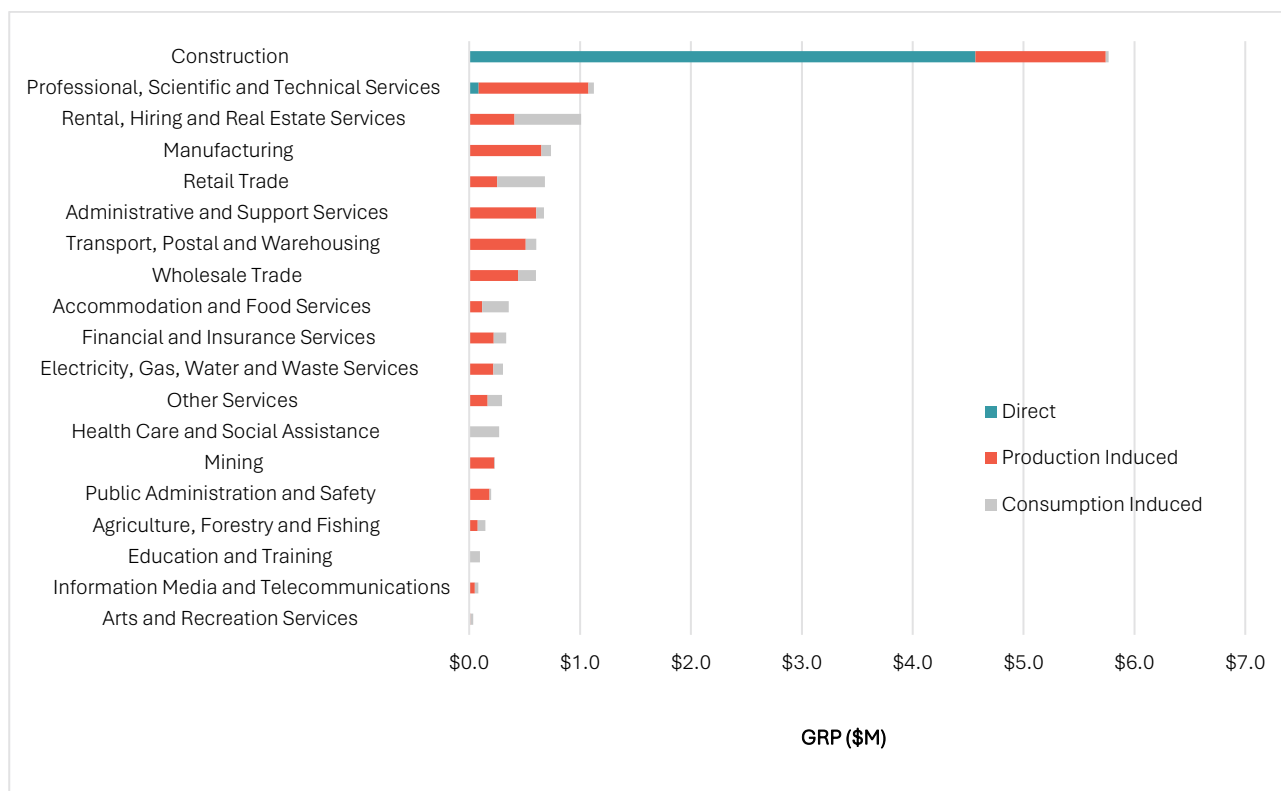
Source: REA

Major local industry beneficiaries during the construction phase include:

- Construction: \$5.8 million direct and indirect GRP.
- Professional, Scientific and Technical Services: \$1.1 million direct and indirect GRP.
- Rental, hiring and real estate services: \$1.0 million in indirect GRP.



Figure 4.1: Construction GRP Impacts by Industry (Cassowary Coast LGA)<sup>1</sup>



Source: REA

### 4.3 Operational Phase Impacts

Over the 20-year operating life, the Project is projected to continue to make a notable impact to the local Cassowary Coast LGA economy:

- \$13.2 million per annum in output (\$6.3 million directly).
- A \$4.7 million per annum contribution to GRP (\$2.1 million direct contribution).
- \$1.2 million per annum in incomes and salaries to local workers (\$0.1 million in direct income).
- 13 FTE jobs (1 direct operational FTE locally).

Estimated operational impacts increase significantly across the regional and state economies as summarised in Table 4.3.

Table 4.3: Operational Phase Impacts (\$2025-26)

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTE)
<b>Local Impacts</b>				
Direct	\$6.3	\$2.1	\$0.1	1
Production Induced	\$5.7	\$2.0	\$0.8	7
Consumption Induced	\$1.2	\$0.7	\$0.3	5
<b>Total Impact</b>	<b>\$13.2</b>	<b>\$4.7</b>	<b>\$1.2</b>	<b>13</b>

<sup>1</sup> Refer to Appendix B for regional and State GRP/GSP impacts by industry.

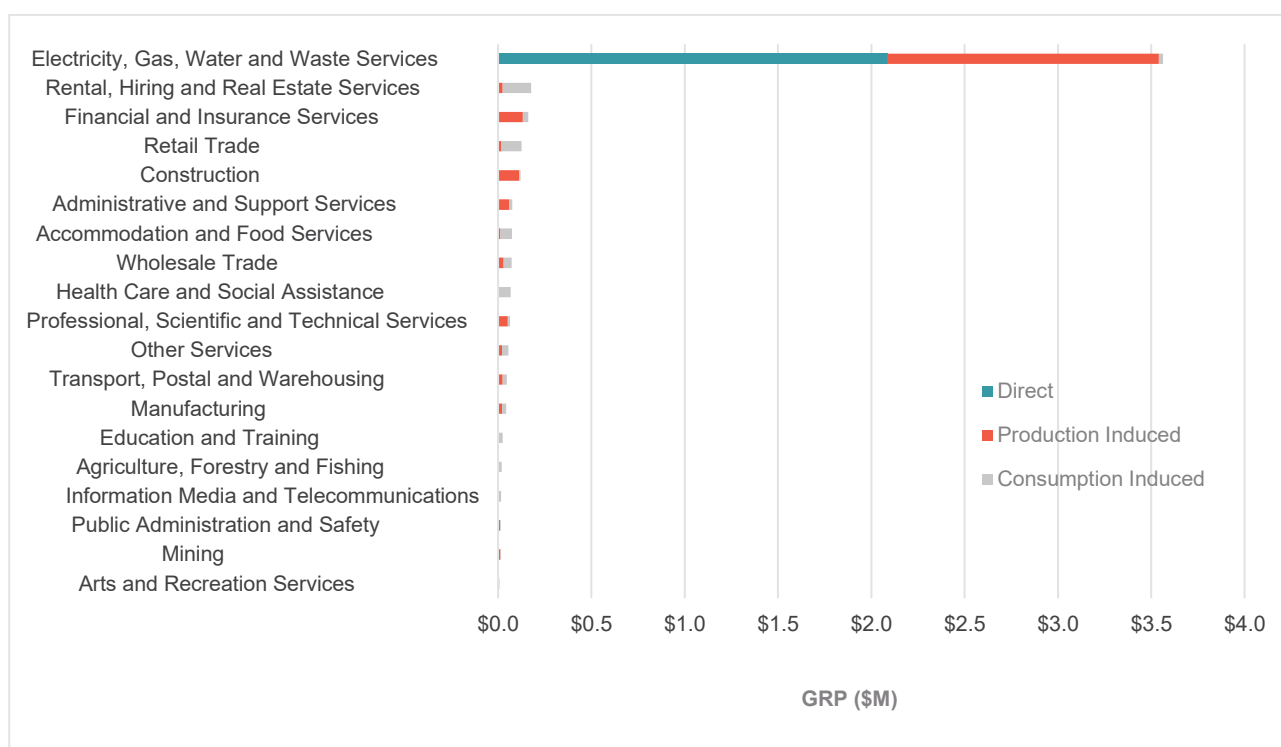


Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTE)
<b>Regional Impacts</b>				
Direct	\$8.2	\$2.7	\$0.1	1
Production Induced	\$8.0	\$2.9	\$1.2	11
Consumption Induced	\$2.1	\$1.2	\$0.6	8
<b>Total Impact</b>	<b>\$18.3</b>	<b>\$6.8</b>	<b>\$1.9</b>	<b>20</b>
<b>State Impacts</b>				
Direct	\$8.8	\$2.9	\$0.2	2
Production Induced	\$10.8	\$4.1	\$1.8	16
Consumption Induced	\$3.9	\$2.1	\$1.0	13
<b>Total Impact</b>	<b>\$23.5</b>	<b>\$9.0</b>	<b>\$3.0</b>	<b>32</b>

Note: Totals may not sum due to rounding  
Source: REA

Major local industry beneficiaries during the operational phase include Electricity, Gas, Water and Waste Services, generating direct and indirect GRP of \$3.6 million p.a.

**Figure 4.2: Operational GRP Impacts by Industry (Cassowary Coast LGA)**



Source: REA

## 4.4 Decommissioning Phase Impacts

Over the decommissioning phase, the Project is estimated to generate the following impacts to the local Cassowary Coast LGA economy:

- \$6.1 million in output (\$2.3 million directly).
- A \$2.5 million contribution to GRP (\$0.8 million direct contribution).



- \$1.4 million in incomes and salaries to local workers (\$0.4 million in direct income).
- 15 FTE jobs (4 direct FTE).

Estimated impacts increase significantly across the regional and state economies as summarised in Table 4.4.

**Table 4.4: Decommissioning Phase Impacts (\$2025-26)**

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTE)
<b>Local Impacts</b>				
Direct	\$2.3	\$0.8	\$0.4	4
Production Induced	\$2.9	\$1.2	\$0.7	8
Consumption Induced	\$0.8	\$0.5	\$0.2	3
<b>Total Impact</b>	<b>\$6.1</b>	<b>\$2.5</b>	<b>\$1.4</b>	<b>15</b>
<b>Regional Impacts</b>				
Direct	\$9.2	\$3.2	\$1.1	10
Production Induced	\$7.5	\$3.1	\$1.8	19
Consumption Induced	\$3.7	\$2.0	\$1.0	14
<b>Total Impact</b>	<b>\$20.3</b>	<b>\$8.4</b>	<b>\$3.9</b>	<b>43</b>
<b>State Impacts</b>				
Direct	\$13.8	\$4.8	\$1.5	14
Production Induced	\$13.1	\$5.6	\$3.1	32
Consumption Induced	\$8.7	\$4.5	\$2.3	30
<b>Total Impact</b>	<b>\$35.5</b>	<b>\$14.9</b>	<b>\$6.8</b>	<b>75</b>

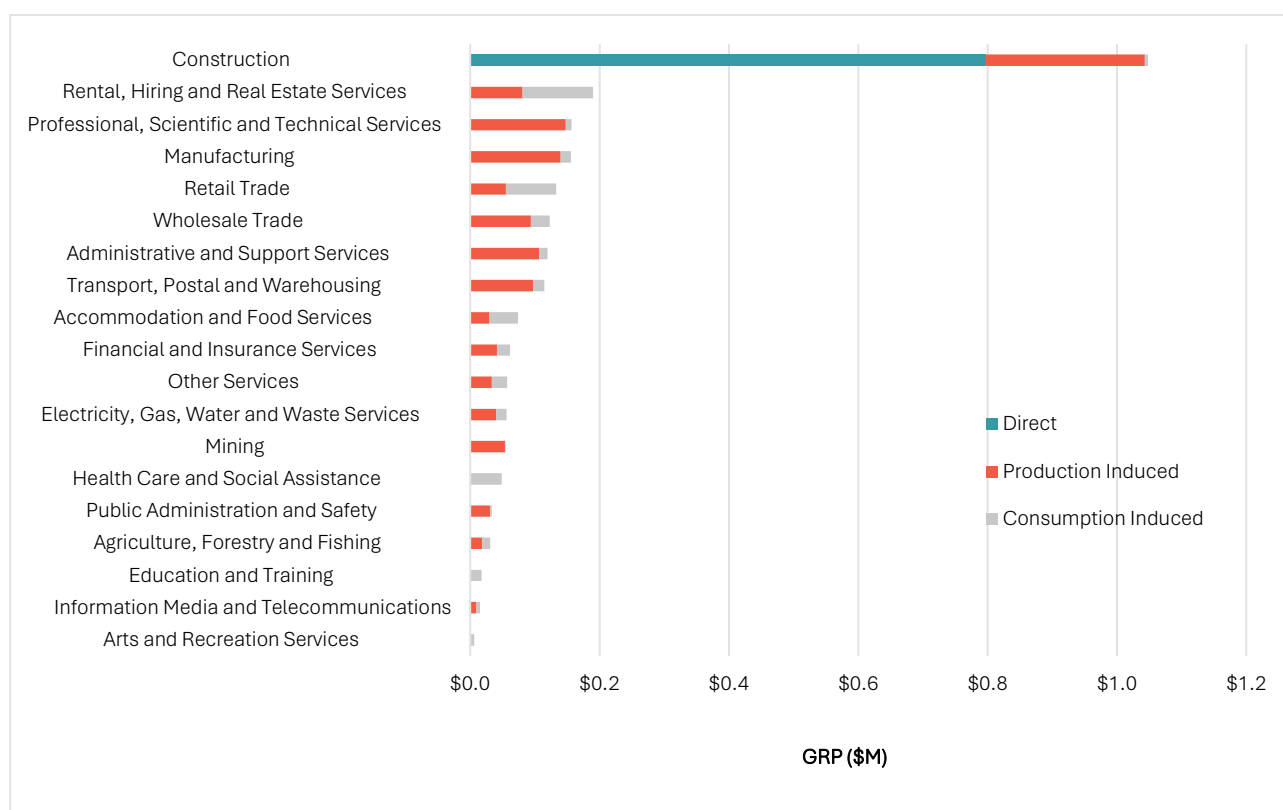
Note: Totals may not sum due to rounding

Source: REA

Major local industry beneficiaries during the decommissioning phase include the construction sector, generating direct and indirect GRP of \$1.0 million.



**Figure 4.3: Decommissioning GRP Impacts by Industry (Cassowary Coast LGA)**



Source: REA

## 4.5 Summary of Lifecycle Economic Impacts

The Project will make a notable long-term impact on the local, state and regional economies. A summary of the impacts across the construction, operations and decommissioning phases is provided in Table 4.4 4.5 and 4.6. To account for the time value of economic impacts, lifecycle economic activity is discounted by applying a 4% real discount rate to monetary values.

The Project is projected to provide over its lifecycle:

- Over \$75 million in GRP and 347 FTE person-years of employment within the local (Cassowary Coast LGA) economy (\$35.8 million to GRP and 39 FTE person-years of employment to the local economy directly).
- Over \$140 million in GRP and 664 FTE person-years of employment within the regional (Cairns SA4) economy (\$56.2 million to GRP and 69 FTE person-years of employment to the regional economy directly).
- Approximately \$215 million to GSP and 1,141 FTE person-years of employment across Queensland (\$71.9 million to GSP and 111 FTE person-years of employment to the state economy directly).

**Table 4.5: Total Lifecycle Impacts (\$2025-26) – Direct Impacts**

Impact	Construction (Total) (2027-2028)	Operations (Annual) (2028-2047)	Decommissioning (Total) (2048-2049)	Total Lifecycle Impact (4% Real Discount Rate Applied to Monetary Values)
<b>Local Impacts</b>				
Output (\$M)	\$12.4	\$6.3	\$2.3	\$95.5
Gross Product (\$M)	\$4.6	\$2.1	\$0.8	\$35.8



Impact	Construction (Total) (2027-2028)	Operations (Annual) (2028-2047)	Decommissioning (Total) (2048-2049)	Total Lifecycle Impact (4% Real Discount Rate Applied to Monetary Values)
Incomes (\$M)	\$1.7	\$0.1	\$0.4	\$3.1
Employment (FTE Person Years)	15	1	4	39
<b>Regional Impacts</b>				
Output (\$M)	\$52.6	\$8.2	\$9.2	\$162.6
Gross Product (\$M)	\$19.9	\$2.7	\$3.2	\$56.2
Incomes (\$M)	\$4.4	\$0.1	\$1.1	\$6.1
Employment (FTE Person Years)	39	1	10	69
<b>State Impacts</b>				
Output (\$M)	\$84.8	\$8.8	\$13.8	\$204.0
Gross Product (\$M)	\$32.6	\$2.9	\$4.8	\$71.9
Incomes (\$M)	\$6.5	\$0.2	\$1.5	\$9.6
Employment (FTE Person Years)	57	2	14	111

Note: Totals may not sum due to rounding  
Source: REA

**Table 4.6: Total Lifecycle Impacts (\$2025-26) – Direct + Flow-On Impacts**

Impact	Construction (Total) (2027-2028)	Operations (Annual) (2028-2047)	Decommissioning (Total) (2048-2049)	Total Lifecycle Impact (4% Real Discount Rate Applied to Monetary Values)
<b>Local Impacts</b>				
Output (\$M)	\$31.9	\$13.2	\$6.1	\$206.4
Gross Product (\$M)	\$13.6	\$4.7	\$2.5	\$75.8
Incomes (\$M)	\$6.7	\$1.2	\$1.4	\$22.8
Employment (FTE Person Years)	72	13	15	347
<b>Regional Impacts</b>				
Output (\$M)	\$113.4	\$18.3	\$20.3	\$358.9
Gross Product (\$M)	\$48.7	\$6.8	\$8.4	\$140.2
Incomes (\$M)	\$20.1	\$1.9	\$3.9	\$46.2
Employment (FTE Person Years)	221	20	43	664
<b>State Impacts</b>				
Output (\$M)	\$213.0	\$23.5	\$35.5	\$531.0
Gross Product (\$M)	\$93.4	\$9.0	\$14.9	\$215.5
Incomes (\$M)	\$39.1	\$3.0	\$6.8	\$80.4
Employment (FTE Person Years)	426	32	75	1,141

Note: Totals may not sum due to rounding  
Source: REA



## 5 Other Economic and Community Impacts

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In addition to the substantial impacts assessed in the previous chapter, the Tully BESS is expected to generate a broad range of positive economic and community impacts. Key factors include the following.

### **Employment for First Nations Australians and Businesses**

RWE Renewables Australia is committed to supporting First Nations businesses and outcomes and will endeavour to maximise employment and business/supply chain opportunities throughout the development's lifecycle.

Significant opportunities for First Nations persons and businesses exist within the Project, particularly for employment during the construction (and in the long-term, decommissioning) phases. Both the local and regional economies have a substantial First Nations population (11.0% of Cassowary Coast LGA and 10.6% of the Cairns SA4 identify as Aboriginal and/or Torres Strait Islander compared to 4.6% across Queensland and 3.2% nationally).

Applying Census employment by industry estimates to the jobs created by the Project provides a baseline estimate of:

- **Local Impacts:** One direct and four indirect FTE jobs through construction (<1 FTE through operations and ~1 FTE during decommissioning directly + indirectly) for First Nations Australians.
- **Regional Impacts:** Two direct and 11 indirect FTE jobs through construction (~1 FTE through operations and ~2 FTE during decommissioning directly + indirectly) for First Nations Australians.
- **State Impacts:** Estimates are largely in line with the regional impacts (while Project employment impacts are larger across Queensland, the share of First Nations employment is much higher within the Cairns SA4 region).

### **Contribution to Broader Economic Development and Diversification Objectives**

By underpinning energy reliability and resilience, the Project will support a competitive industry structure within the Cassowary Coast, supporting both existing core industries such as agriculture, manufacturing and tourism, as well as attracting new investors.

The Project aligns closely with the goals of the Cassowary Coast Economic Development Strategy (2023-2033), specifically **Goal 1: "A Sustainable and Resilient Economy** – We will grow a strong economy that supports traditional industries, encourages innovation and prioritises measured diversification to ensure a resilient future. This growth comes with an unwavering commitment to environmental and social sustainability to protect what makes the region unique".

The Project also aligns with key regional and state priorities, including the goals of the Tropical North Queensland Economic Development Strategy (2024-2029):

- **Goal 1:** A dynamic economy, adapting to 21st century challenges and transitioning in the face of climate change.
- **Goal 2:** Northern Australia's most productive region.
- **Goal 3:** A resilient community with an abundant and healthy natural environment.

### **Contribution to Energy Transition Targets**

The Tully BESS will underpin the reliability of the regional network by storing energy during periods of high generation/low demand and dispatching during key periods of need (including emergencies). This function is not



only critical for grid stability, but it also substantially improves efficiency and enables a higher share of variable renewable energy generation, such as wind and solar.

The project's proposed capacity of 200+ MW is enough to power circa 15,000 homes for 4 hours.

### **Upskilling and Training Opportunities**

The project will employ a broad range of occupations, including key electrical and construction trades. The long (20y+) lifecycle of the Tully BESS will enable significant new opportunities for the upskilling and training of key in-demand professions in a regional area experiencing significant skilled labour shortages.



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Appendices



## Appendix A Input-Output Modelling Methodology

Input-Output models are a method to describe and analyse forward and backward economic linkages between industries based on a matrix of monetary transactions. The model estimates how products sold (outputs) from one industry are purchased (inputs) in the production process by other industries.

The analysis of these industry linkages enables estimation of the overall economic impact within a catchment area due to a change in demand levels within a specific sector or sectors.

Impacts are traced through the economy via:

- Direct impacts, which are the first round of effects from direct operational expenditure on goods and services.
- Flow-on impacts, which comprise the second and subsequent round effects of increased purchases by suppliers in response to increased sales. Flow-on impacts can be disaggregated to:
  - Industry Support Effects (Type I) derived from open Input-Output models. Type I impacts represent the production induced support activity as a result of additional expenditure by the industry experiencing the stimulus on goods and services, and subsequent round effects of increased purchases by suppliers in response to increased sales.
  - Household Consumption Effects (Type II) derived from closed Input-Output Models. Type II impacts represent the consumption induced activity from additional household expenditure on goods and services resulting from additional wages and salaries being paid within the catchment economy.

Economic impact analysis considers the following four types of impacts.

**Table A.1: Economic Activity Indicators**

Indicator	Description
Output	The gross value of goods and services transacted, including the cost of goods and services used in the development and provision of the final product. Care should be taken when using output as an indicator of economic activity, as it counts all goods and services used in one stage of production as an input to later stages of production, thus overstating economic activity.
Gross Product	The value of output after deducting the cost of goods and services inputs in the production process. Gross product (e.g. Gross Regional/State Product (GRP/GSP)) defines a net contribution to economic activity.
Incomes	The wages and salaries paid to employees as a result of the Project, either directly or indirectly.
Employment	Employment positions generated by the Project (either full-time or part-time, directly or indirectly). Employment is reported in terms of Full-Time Equivalent (FTE) positions (i.e. full-time person-years).

Source: REA

### Regional Model Development

Multipliers used in this assessment have been created using a regionalised Input-Output model derived from the 2022-23 Australian transaction table (ABS, 2025a). Where required, values were converted to current dollars using CPI (ABS, 2025b).

Estimates of gross industry production in the catchment area were developed based on the share of employment (by place of work) of the Catchment Area within the Australian economy (ABS, 2022) using the Flegg Location



Quotient and Cross Hauling Adjusted Regionalisation Method (CHARM). See Norbert (2015) and Kronenberg (2009) for further details.

### **Modelling Limitations and Assumptions**

Input-Output modelling is subject to a number of key assumptions and limitations (ABS, 2025a):

- **Lack of supply-side constraints:** The most significant limitation of economic impact analysis using multipliers is the implicit assumption that the economy has no supply-side constraints. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or near capacity.
- **Fixed prices:** Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. Prices are assumed to be unaffected by policy and any crowding out effects are not captured.
- **Fixed ratios for intermediate inputs and production:** Economic impact analysis using multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. As such, impact analysis using multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. In reality, however, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount.
- **No allowance for purchasers' marginal responses to change:** Economic impact analysis using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints:** Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints.

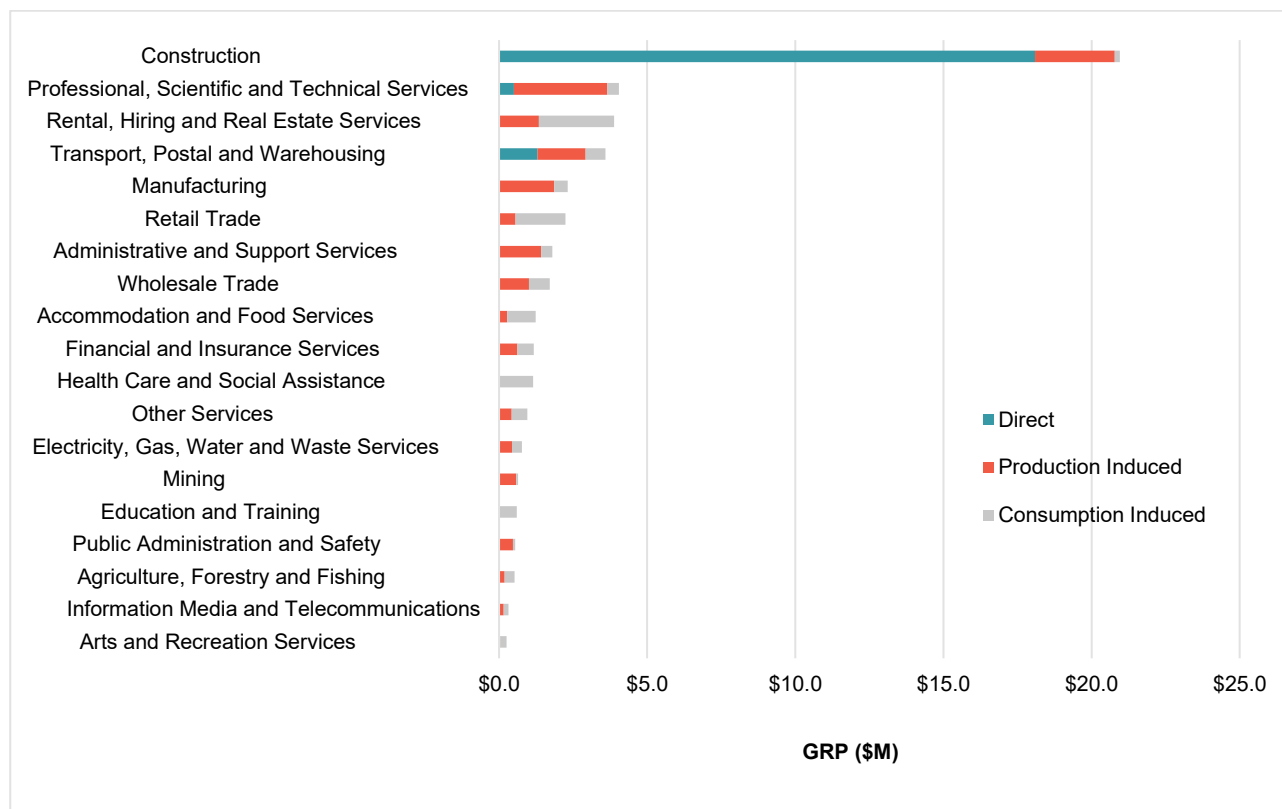
Despite these notable limitations, Input-Output techniques provide a solid approach for assessing the direct and flow-on economic impacts of a project or policy that does not result in a significant change in the overall economic structure.



## Appendix B Regional and State Gross Product Impacts

### Construction Phase Impacts

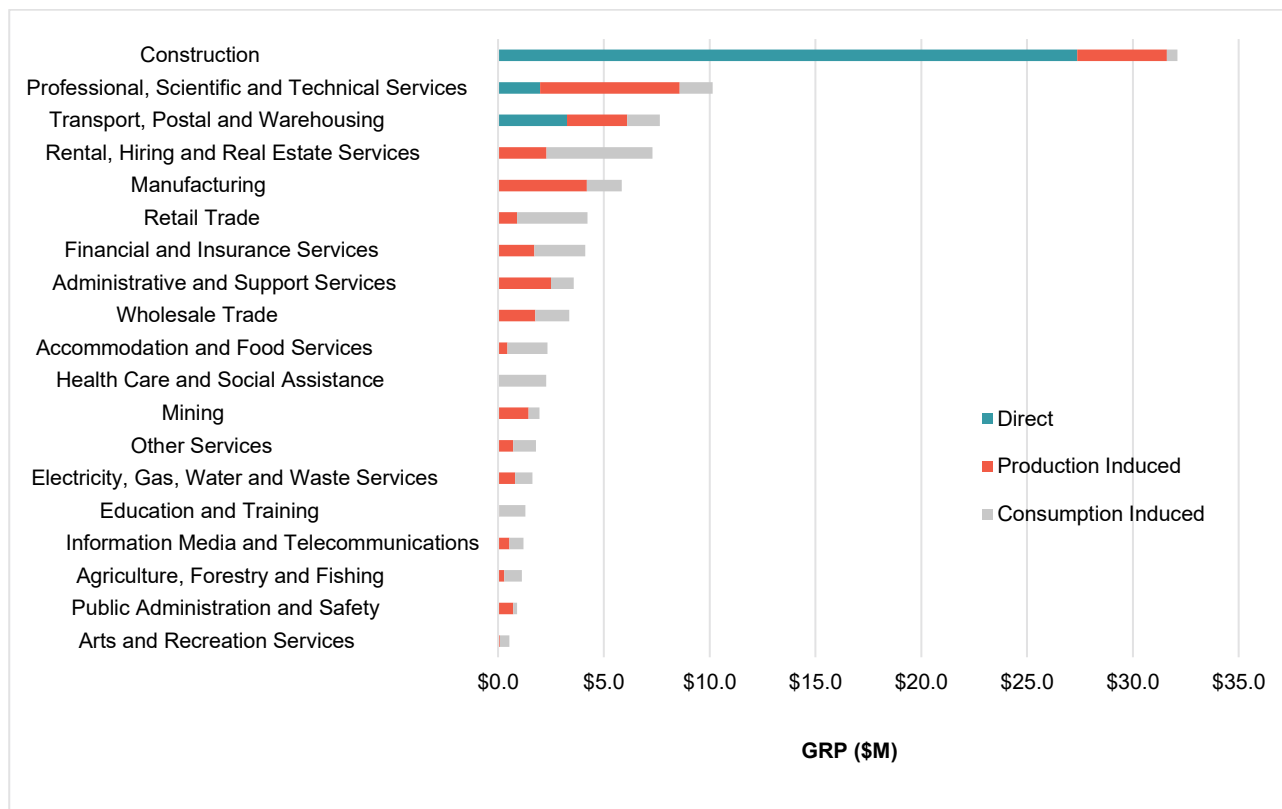
Figure B.1: Regional Construction Phase GRP (\$M)



Source: REA



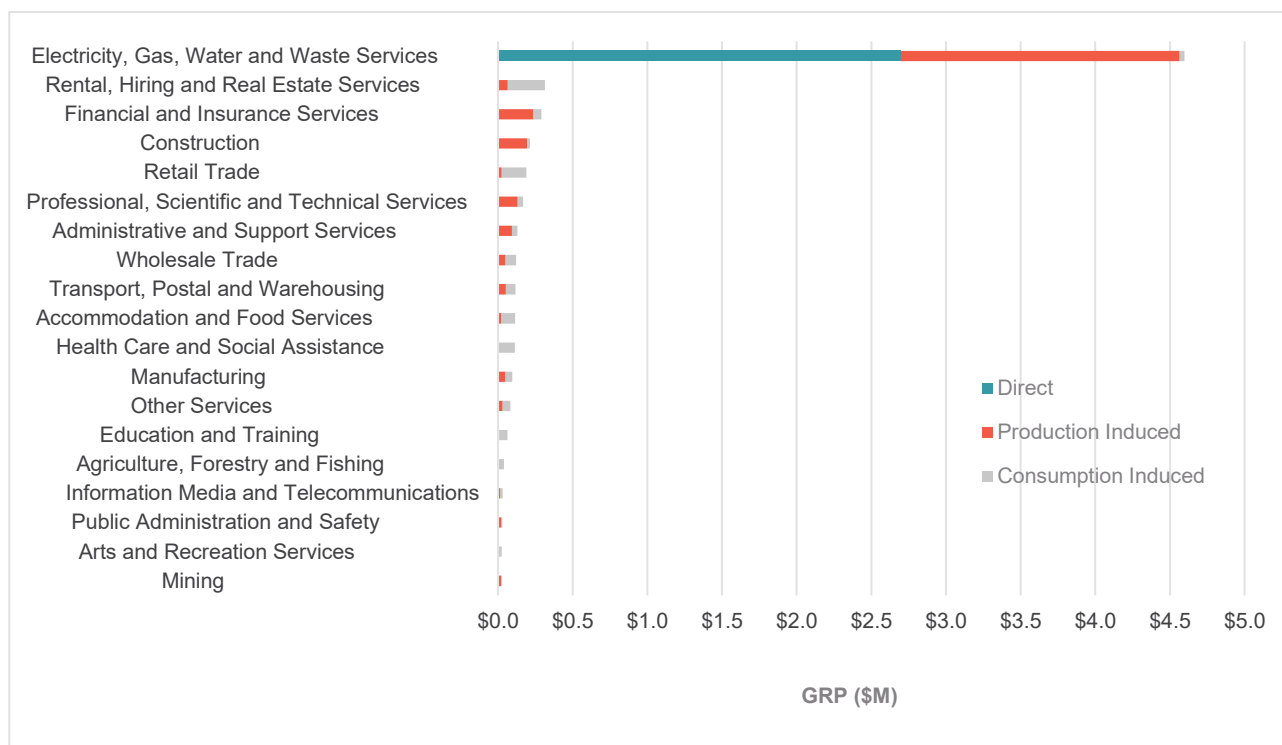
Figure B.2: Queensland Construction Phase GSP (\$M)



Source: REA

### Operational Phase Impacts

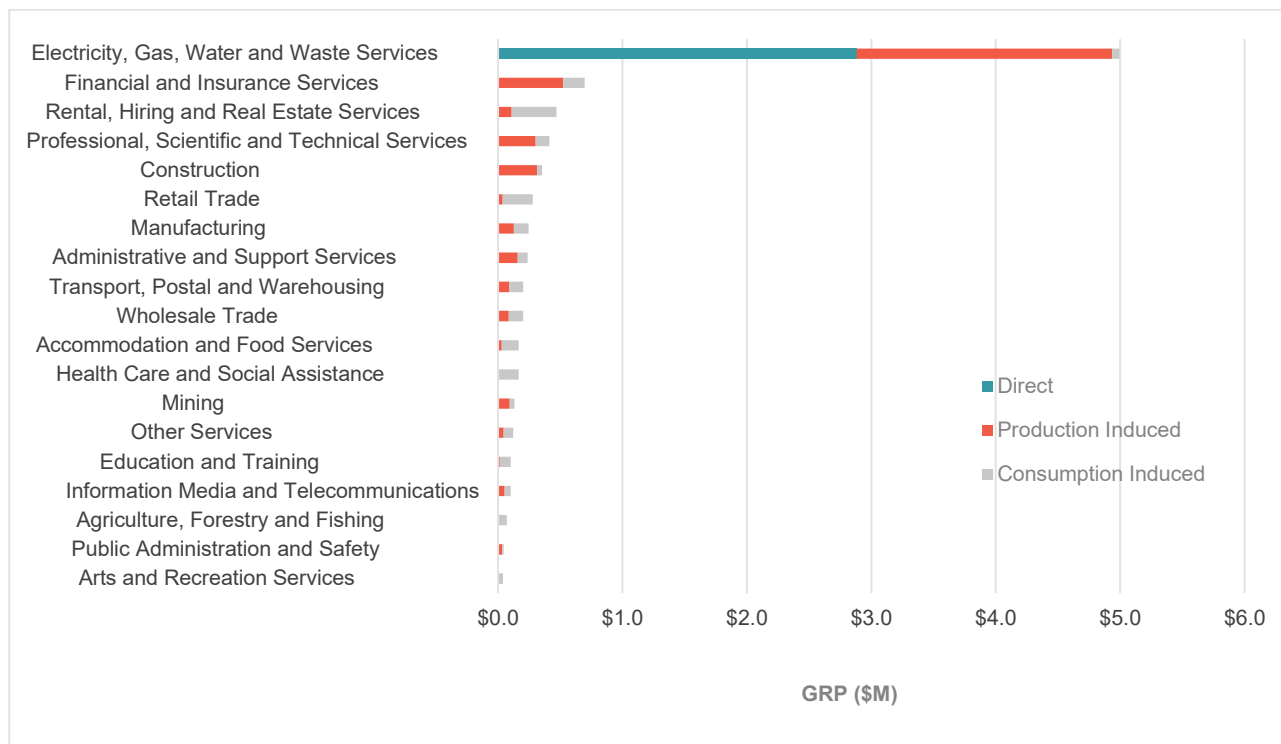
Figure B.3: Regional Operational Phase GRP (\$M)



Source: REA



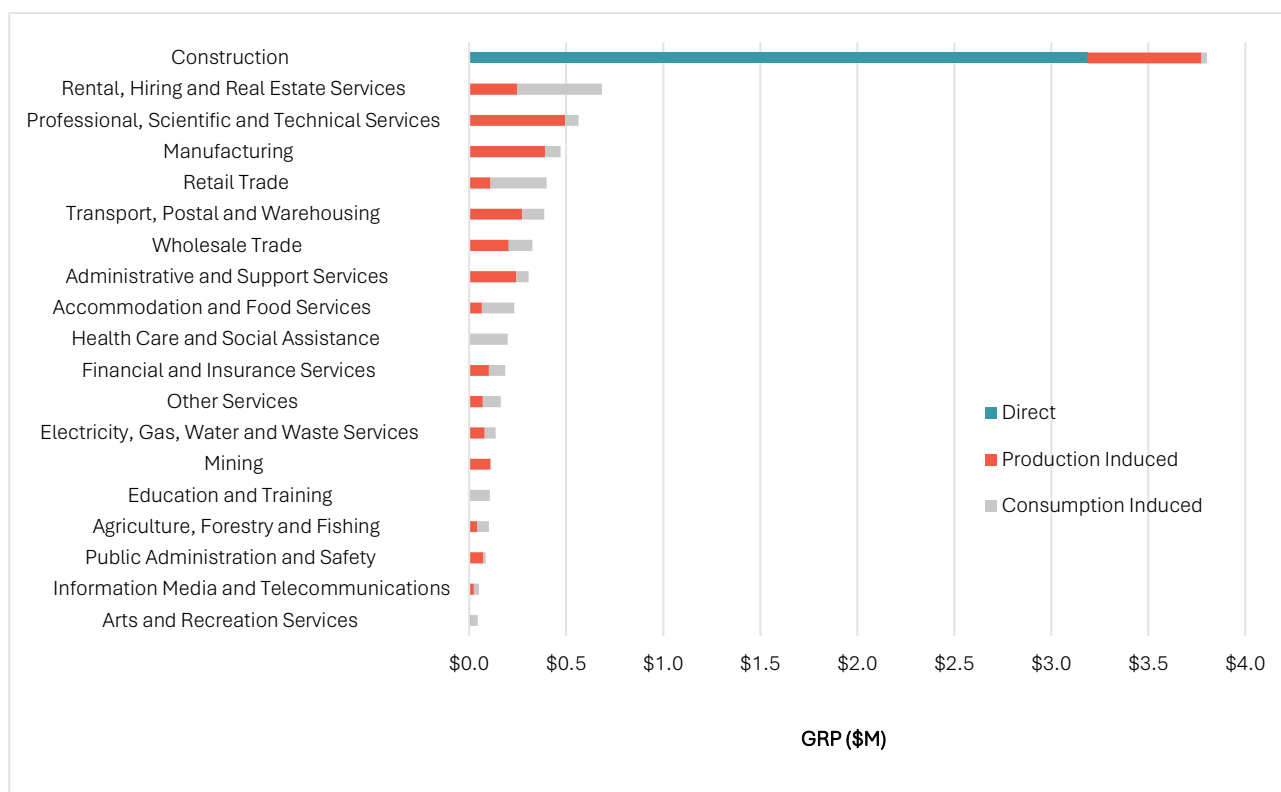
Figure B.4: Queensland Operational Phase GSP (\$M)



Source: REA

### Decommissioning Phase Impacts

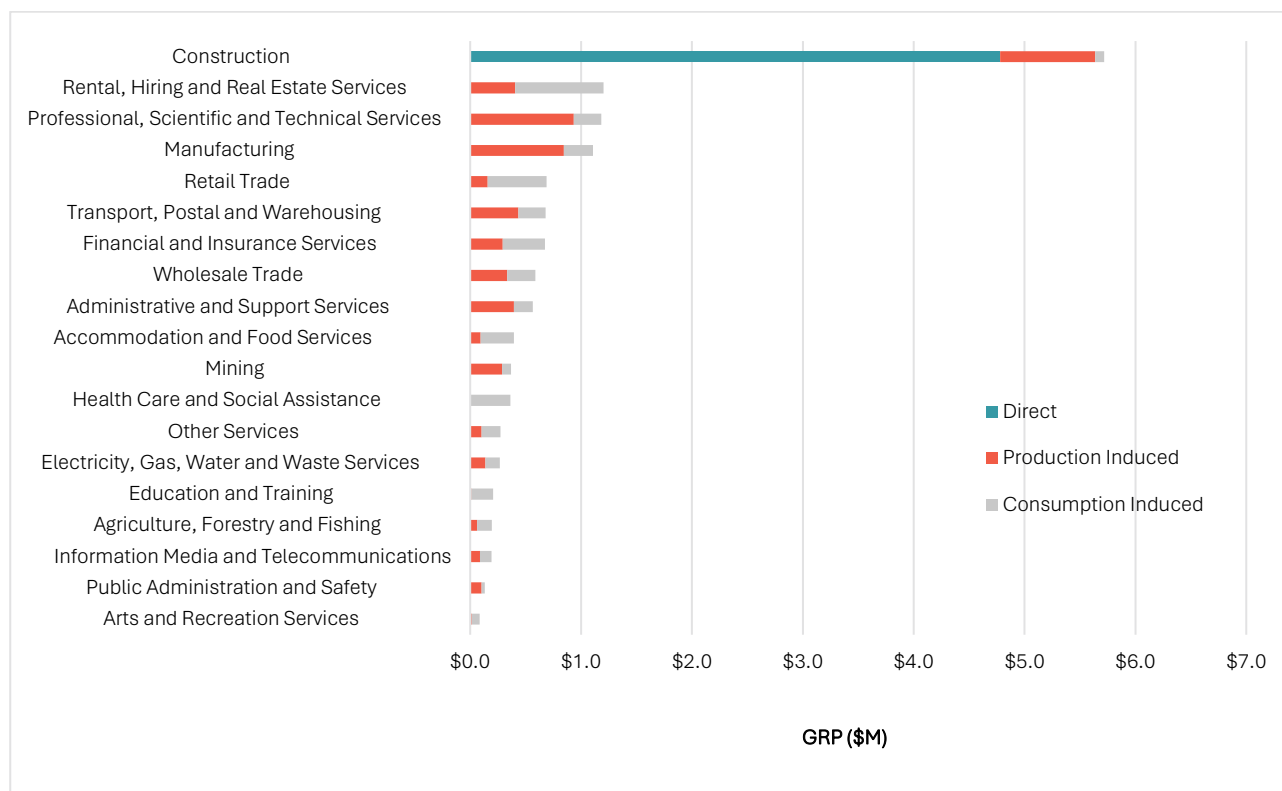
Figure B.5: Regional Decommissioning Phase GRP (\$M)



Source: REA



Figure B.6: Queensland Decommissioning Phase GSP (\$M)



Source: REA



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