

Hawkesdale Community Meeting Presentation

22 September 2017

Andrew Dyer National Wind Farm Commissioner

www.nwfc.gov.au



- The role of the Commissioner
- Achievements to date
- Wind farm information
- Complaint statistics
- Annual Report Observations and recommendations
- Reforms and initiatives

Role

- Commenced in November 2015 for a three year term to:
 - Facilitate the handling of complaints from concerned community residents about planned and operating wind farms;
 - Identify and promote best practices for industry, government and related agencies to adopt with regard to the planning, operation and governance of wind farms; and
 - Improve information access and transparency about proposed and operating wind farms and the industry.
- National, independent role reporting directly to the Federal Minister for the Environment and Energy.
- Commissioner's Terms of Reference at <u>www.nwfc.gov.au</u>.

Achievements to date

- Establishment of office and employment of staff
- Implementation of complaint policy, systems and process
- Independent website launched <u>www.nwfc.gov.au</u>
- Extensive stakeholder engagement more than 600 stakeholders including government, community, industry and experts
- Site visits to numerous operating/proposed wind farms and complainants
- Received and handling a wide variety of complaints
- Identification of systemic issues and their resolution
- Identification and promotion of best practices
- Developed a range of preliminary observations & recommendations detailed in the Commissioner's 2016 Annual Report to Parliament.

Wind Farms Visited

*proposed

Victoria:

Ararat

Bald Hills

Cape Bridgewater

Hawkesdale*

Hepburn

Lal Lal*

Macarthur

Moorabool*

Oaklands Hill

Waubra

Wonthaggi

Willatook*

NSW: Bango* Collector* Coppabella* Crudine Ridge* Cullerin Range Gullen Range Gunning Jupiter*

South Australia:

Hallet Palmer* Snowtown Waterloo

Tasmania: Musselroe

Operating wind farms

State	Number of wind farms	Number of turbines	Total Capacity
VIC	18	602	1250
NSW	12	361	668
SA	19	689	1595
QLD	2	22	13
TAS	7	124	310
WA	21	308	491
NT	0	0	0
АСТ	0	0	0
TOTAL	79	2180	4803

Note: all data sourced from public domain

Proposed wind farms - approved

State	Number of wind farms	Number of turbines	Total Capacity
VIC	21	1027	2850
	8	929	
NSW	0	929	3265
SA	9	189	601
QLD	5	258	965
TAS	1	49	144
WA	1	22	55
NT	0	0	0
ACT	0	0	0
TOTAL	45	2474	7880

Note: all data sourced from public domain

Proposed wind farms - under assessment

State	Number of wind farms	Number of turbines	Total Capacity
VIC	5	183	451
NSW	4	258	863
SA	9	322	942
QLD	3	318	805
TAS	1	300	1000
WA	0	0	0
NT	0	0	0
ACT	0	0	0
TOTAL	22	1381	4061

Note: all data sourced from public domain

- Industry in Australia began in late 1990s, most wind farms built after 2000.
- Approximately 79 operating wind farms in Australia.
- Total current capacity = 4,803 MW (2,180 turbines).
- Some 67 wind farms in the 'development' pipeline.
- Approximately 12,000 MW of capacity and 3,800 turbines in pipeline.
- Majority of wind farms proposed are for VIC (26), SA (18) and NSW (12).
- Additional 4,000 MW (approx.) required to meet the 2020 RET.
- Industry comprises both prospective developers and longer term owner/operators.

Key Development Tasks

Pre-permit processes

- Site Selection
- Landowner agreements (hosts)
- Landowner agreements (easements)
- Weather monitoring
- Preliminary design
- Grid availability analysis
- Expert assessments and management plans, including:
 - o noise
 - o environmental impact
 - o amenity
 - o aviation
- EPBC Act referral (and possible assessment)
- Community engagement
- Neighbour agreements
- Permit application
- Planning panel
- Permit approval

Key Development Tasks (cont.)

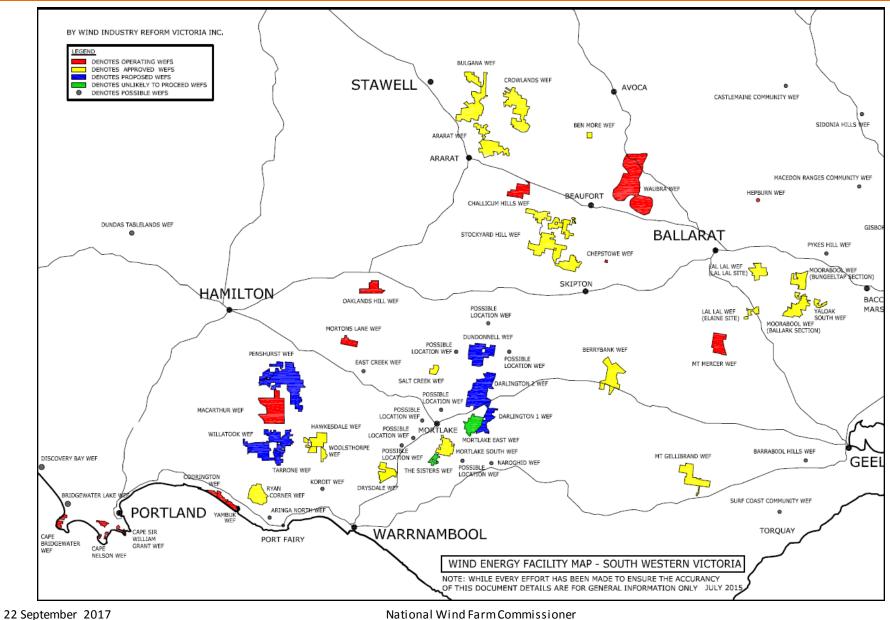
Post-permit processes

- Turbine selection
- Permit modifications
- Updates to assessments
- Background noise testing
- Construction plan
- Community Consultative Committee
- Approval of any modifications
- Grid connection application (Australian Energy Market Operator)
- Securing equity partners
- Securing debt providers
- Power purchase agreement and financial close
- Accreditation by Clean Energy Regulator
- Construction phase
- Post-construction compliance testing



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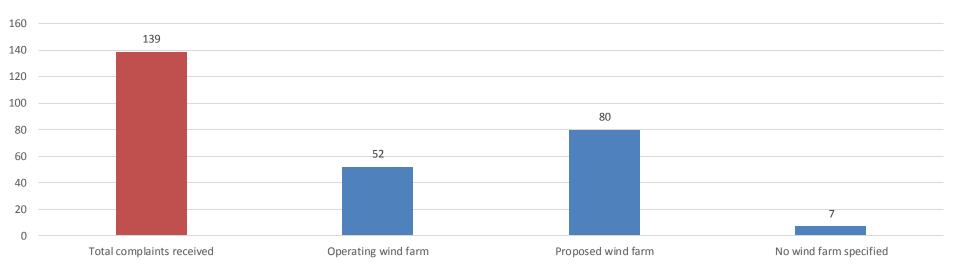


Wind Farms – Hawkesdale region

Wind Farm	Proponent	Status	Number and capacity of turbines	Tip height of turbines (max)	Comments
Hawkesdale	Global Power (Union Fenosa)	Permit approved, modification under assessment	26 x 4 MW (104 MW)	180m (proposed)	 Modification proposal to reduce to 26 turbines from 31 turbines. Commissioner seeking briefing with proponent.
Macarthur	AGL	Operating	140 x 3 MW (420 MW)	140m	Commissioned in 2013
Penshurst	RES Australia	Permit under assessment	223 x 3.4 MW (758.2 MW)	186m (proposed)	 Proposal announced in 2010, a number of media articles over years have highlighted community concerns Variation request made in 2013 during assessment process.
Ryan Corner	Global Power (Union Fenosa)	Permit approved, modification under assessment	56 x 4 MW (224 MW)	180m (proposed)	 Permit approved 2006, modification allowed in 2010 New modification proposal to reduce to 56 turbines from 68 turbines. Community submissions to Council open in June 2017.
Willatook	Wind Prospect	Proposed	98 x 3.6 MW (352.8 MW)	220m (proposed)	 Proposal announced in 2010, planning permit application expected to be submitted December 2017 Modification proposal to reduce to 98 turbines (220m tip height) from 145 turbines. Commissioner meeting with proponent on 12 September for briefing of project.
Woolsthorpe	Wind Farm Developments	Approved	20 x 3.1 MW (68 MW)	168m	 Permit approved 2006 Permit modification approved in May 2017, no current details as yet on construction schedule. Commissioner met proponent in August 2017

Complaint statistics

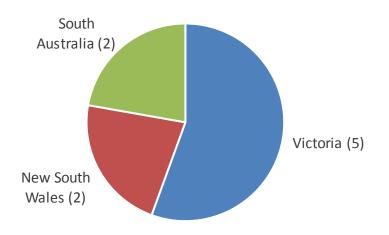
(as at 18 September 2017)



- 139 complaints received
- 52 complaints are from 9 operating wind farms
- 80 complaints are from 27 proposed wind farms
- 7 complaints did not specify a wind farm
- 106 cases closed, remaining 33 cases at various stages of our complaint handling process.

Complaint statistics – operating wind farms

- 52 complaints about nine operating wind farms:
 - Victoria 29 complaints
 - NSW 6 complaints
 - South Australia 16 complaints.
- 48 of these cases have been closed.

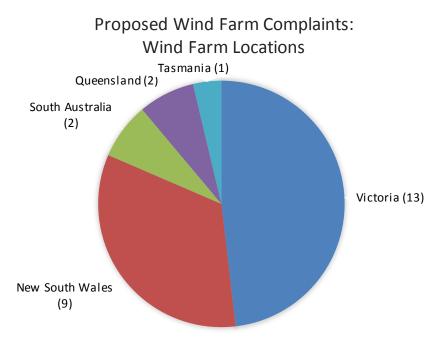


Operating Wind Farm Complaints:

Wind Farm Locations

Complaint statistics – planned wind farms

- 80 complaints about 27 proposed wind farms:
 - Victoria 45 complaints
 - NSW 25 complaints
 - South Australia 7 complaints
 - Queensland 2 complaints
 - Tasmania 1 complaint.
- 52 of these cases have been closed.



Top 8 complaint issues

- Complaint issue type in order of prevalence:
 - Noise and annoyance from operations (including noise testing process and noise standards)
 - Health concerns
 - Planning process and transparency
 - Economic loss (property & opportunity)
 - Amenity and impact on views
 - Vibration
 - Natural environment
 - Community engagement.
- Resolutions range from provision of helpful information through to commercial settlements.

2016 Annual Report Observations and Recommendations

- 1. Host landowner negotiations
- 2. Neighbour consultation and agreements
- 3. Community engagement
- 4. Length and renewal of planning permits
- 5. Governance and compliance of standards and permit conditions
- 6. Selection and use of experts
- 7. Complaint handling and emergency procedures
- 8. Site selection
- 9. Health matters

Observations and Recommendations 1. Host Landowner Negotiations

- Landowner expectations should be properly managed from the outset (eg. advised of risks of reduction of turbines).
- Agreements should:
 - be fair and reasonable (landowner should also obtain independent advice prior to entering agreement)
 - be written in plain English
 - clearly outline responsibilities relating to liability insurance, decommissioning (including sources of funding for decommissioning) and other applicable rates, taxes and levies.
- Developers should consider providing a level of compensation to all potential host landowners, regardless of final turbine layout.

Observations and Recommendations 2. Neighbour agreements

- All neighbours within a vicinity of 5km of the wind farms proposed turbines should be identified and consulted.
- Planning authorities and investors should require evidence of effective neighbour consultations as part of due diligence and approval criteria.
- If used, neighbour agreements should:
 - be negotiable
 - be fair, reasonable and in plain English
 - not restrict neighbours from making complaints about the wind farm
 - not allow the wind farm to subject neighbours to conditions that exceed permit limits (unless neighbour is an involved participant).
- Proposed mitigation measures such as screening solutions should be realistic and effective.

Observations and Recommendations 3. Community Engagement

- Developers should invest in community engagement as early as possible. Operators considering purchasing established wind farms should also assess effectiveness of community engagement undertaken by the original developer prior to purchase.
- In developing an engagement plan, proponents should consider the following:
 - establish relationships with key community stakeholders
 - establish a Community Consultative Committee (CCC)
 - establish a range of information opportunities for the community
 - establish a transparent and effective complaints handling process
 - assess appropriate 'make-good' activities and beneficial improvements in local infrastructure (eg. mobile phone services)
 - establish and maintain a community engagement fund
 - provide evidence to planning authorities and other stakeholders of community engagement plans and outcomes.
- Councils and State Governments should also proactively engage with community and promote community engagement initiatives.

Observations and Recommendations 4. Planning Permits

- Developers should require a licence to prospect and develop a wind farm project.
- Developers should be transparent about requested permit changes in cases where there are material changes to wind farm design and provide updated impact assessments where necessary.
- Planning authorities should carefully review pre-construction assessments and apply current policies and standards when assessing renewals of permits.
- Planning authorities should carefully consider cumulative impacts of other wind farms when assessing permit renewals and modifications.
- Vendors selling properties should disclose known wind farm proposals that are in proximity.
- Maximum period between issue of a wind farm permit and completion of construction should be 7.5 years (based on an initial permit period of 5 years plus an extension period of 2.5 years to complete construction).

Observations and Recommendations 5. Governance and Compliance

- State Governments should review current arrangements for setting environmental standards and how compliance is enforced.
- States should consider the role of independent compliance authorities, such as the EPA, to include:
 - Set and maintain the noise and environmental standards applied to wind farms
 - Review planning applications and recommend permit conditions
 - Where practical, issue and monitor license conditions for the operation of the wind farm
 - Facilitate peer review/independent audit of reports, testing and modelling programs (e.g. noise testing, shadow flicker, environmental impact) that are required for permit
 - Receive and investigate noise and environmental complaints as well as other alleged breaches of compliance
 - Confirm, or otherwise, compliance of a wind farm with regard to noise and environment permit requirements to the appropriate bodies.

Observations and Recommendations 5. Governance and Compliance (cont.)

- Permits should outline responsible authorities for compliance, processes for lodging alleged breach complaints and processes to be followed if wind farm is found to be non-compliant.
- Opportunity to also harmonise noise and environmental standards across jurisdictions – yielding consistent approach for industry, experts, planners as well as standards to be expected by the community.
- Recommended standards and limits include:
 - noise 35 dB(a) or background noise plus 5 dB(a)
 - shadow flicker 15 hours per year and no more than 30 minutes on a given day
 - set-back distances 1.5km from residence and 200m from property boundary
 - infrastructure set-back distances 100m from a residence (eg. transmission lines).
- New NSW Visual Amenity Guidelines will also contribute to planning outcomes.

Observations and Recommendations 6. Experts

- Process relies on predictive modelling during the planning phase (to obtain the permit) and then post-construction testing to confirm accuracy of models and therefore compliance. Experts are often the same for both pre-assessments and post-construction testing.
- Can create the perception of conflict of interest, both in the commercial arrangements between proponent and expert, as well as the fact that the expert tests their own modelling for accuracy.
- States should consider:
 - Independent selection of experts used during the planning phase (e.g. from an approved panel)
 - Requirement to use a different expert to assess the operating wind farm (postconstruction) from the predictive modelling expert
 - Peer review of expert's process and reports by an independent governmentappointed auditor at both design and post-construction stages
 - Ability of auditor to identify and determine compliance or non-compliance and advise the primary compliance authority.

Observations and Recommendations 7. Complaint Handling and Emergency procedures

- Typically, complaint management conditions and permits are limited to noise and construction complaints only.
- Our Office has observed that, while complaint handing procedure documents do exist, few have been published on websites and procedures are not being followed by wind farm operators.
- We have approached a number of wind farms and requested their complaint handling procedure be published – all have complied/agreed to date.
- States should consider modifying permit conditions to reflect:
 - Expanding complaint handling procedure requirements to include all complaint types in a prominent section of the permit
 - Introducing a permit condition requiring the complaint handling procedure to be published
 - Introducing a permit condition requiring the complaint handling procedure to be followed
 - The ability and powers to audit a wind farm's complaint handling activities and complaints register to confirm compliance with the procedures and therefore the permit.

Observations and Recommendations 7. Complaint Handling and Emergency procedures (cont.)

- Operators should have capacity to handle emergency complaints and have appropriate controls, protocols and procedures in place.
- In developing emergency procedures and protocols, operators should consult emergency services authorities.
- Wind farm access roads to turbines provided to be both an effective firebreak and enabled on the ground access to fight the fire.
- Turbines not likely to present a hazard to aerial fire-fighting they can be clearly identified by pilots.
- Turbines should be locked in the 'rabbit ear' or 'Y' position to maximise air space for low level flight between the turbines.
- Communication protocols between the wind farm operators and emergency response need to be clear with regard to wind farm shut down instructions.
- While wind turbines can be readily identified, other assets such as meteorological masts, transmission lines and radio towers are more difficult to identify and need to be transparent from the air.

Observations and Recommendations 8. Site Selection

- Our experience so far indicates there is a much higher likelihood of issues and community concerns when proposed or operating wind farms are located near or in more populated areas.
- There can be also multiple proposed wind farms in a region, having the potential to surround a resident leading to compounding noise, amenity and other issues.
- Conversely, there are minimal issues with wind farms located on large land holdings or land areas well away from neighbours and residents
- According to CEC/CEFC data, there is approximately 3-4x the amount of wind generation capacity in the project pipeline versus capacity required to meet 2020 RET targets.
- Prospectors should obtain prior approval from planning authorities before initiating a potential project in a community.

Observations and Recommendations 8. Site Selection (cont.)

- States and stakeholders should consider:
 - A review of wind farm project pipelines and prioritising those projects which are least likely to affect residents and communities.
 - Once a wind farm has been approved and has commenced construction, re-review the appropriateness of adjoining proposed wind farm projects for any compounding affects on residents and reserve rights to vary permit approvals.
 - Processes to obtain clear evidence from the proponent and other sources of consultations with affected landowners and that appropriate host and neighbour agreements are in place.
 - Adopting a wider range of criteria in assessing and prioritising site selection, including consideration of benefits to local industries and improved power and infrastructure.
 - A review of current and planned transmission infrastructure and grid augmentation to provide grid locations/connections in more appropriate locations for wind farm development.
 - Use of 'reverse auction' schemes (e.g. ACT) to encourage and support wind farm projects in preferred locations as well as promote best practice community engagement.

Observations and Recommendations 9. Health Matters

- Governments should continue to review and assess health research outcomes to inform standards and policies.
- Residents with health issues should be encouraged to seek appropriate medical advice to treat their condition and ensure that the known causes of the conditions are being addressed.
- Medical practitioners should report any possible causational links between diagnosed health conditions and wind farm operations.

Questions?