



NSW Wind Energy Planning Framework

Australian Wind Alliance submission to NSW Department of Planning and Environment's Wind Energy Planning Framework

Friday 16th September 2016

Introduction

AWA welcomes the opportunity to participate in the consultation process for the Wind Energy Planning Framework in NSW.

We agree with the Department that the Draft Guidelines were leading to unacceptable delays in planning resolutions and note that NSW has not had a legislated planning instrument for wind farms for a period of nearly five years. This impasse contributed to a climate of conflict in local communities which has slowed the rollout of wind energy throughout the state. We therefore welcome the Department's endeavours to finalise this Framework and deliver increased certainty for regional communities, landholders and developers in regard to wind farm planning processes. On balance we believe this Framework improves substantially on the 2011 Draft Guidelines.

Wind energy has made a major contribution to the \$8 billion of investment that renewable energy has brought to NSW since 2001. It has paid millions of dollars to farmers and regional communities, both from wind farm construction and in annual payments and economic activity from ongoing wind farm operation. The magnitude of the economic opportunity for regional NSW should not be overlooked. Income from energy generation has brought valuable economic diversity to farming communities that have previously been susceptible to the vicissitudes of weather and agricultural markets. A substantial growth in wind farms in NSW will make our state's agricultural sector more resilient.

AWA wholeheartedly endorses the Framework's emphasis on promoting effective community consultation and encouraging benefit-sharing between wind farms and the communities in which they operate. We have been supporting and promoting these issues for many years.

We are concerned, however, that the assessment of 'visual impact' is given too much importance in the decision-making process. Perceived visual change to the landscape is highly subjective and many people enjoy the addition of wind turbines to the landscape. There is a danger that consideration of visual changes will outweigh the goal of facilitating more wind energy development in NSW and reduce the benefits to local communities and to the environment.

Clean energy objective

The Framework's purpose of securing the benefits of wind farm development for NSW is not articulated strongly enough.

- Section 1.3 *Strategic Context* of the Assessment Policy (p2) states:
 - “The NSW Government has made a commitment to contribute towards the national Renewable Energy Target of 20 percent by 2020.” and
 - “The *NSW Renewable Energy Action Plan* (2013) commits NSW to increasing the use of energy from renewable sources at least cost to the consumer and with maximum benefits to the State.”
- While the intent to invest in wind energy is useful, the extent to which this Framework needs to deliver a certain amount of wind energy is not stated.
- This is primarily an omission of NSW government policy. “Contribute towards the national Renewable Energy Target” and “increasing the the use of energy from renewable sources” offer no meaningful yardstick to judge whether or not sufficient new wind energy development has been achieved.
- Because the NSW government does not have a legislated target for the development of renewable energy in the state, the extent to which the Framework needs to deliver projects to meet this target is unclear. This leads to a situation where amenity issues such as ‘visual impact’ can be seen as more important than the larger goal of building renewable energy to reduce emissions.
- Where Departmental judgement of unacceptable visual change significantly reduces the number of approved projects and/or the number of turbines in those projects, this may impede the objective of adequately “increasing the use of energy from renewable sources”.
- While we acknowledge that a properly articulated renewable energy target for the state is beyond the scope of these guidelines, we are concerned that the benefits of each installed turbine - for emissions reduction, for improvements in health from cleaner energy generation, for economic benefits to regional NSW, etc - will be outweighed by the extensive assessment processes around ‘visual impact’.
- We therefore recommend that Section 1.3 restate these benefits, alongside recognition of “impacts on communities”, to properly acknowledge the merits of wind development.

Visual Impact Assessment Bulletin

This Bulletin places unreasonable restrictions on how close turbines can be to residences.

It is not clear that the benefits of an individual turbine in terms of emissions reduction, local economic benefits, etc are sufficiently considered against perceived ‘visual impact’.

- The use of the word ‘impact’ in the title of this Bulletin is unnecessarily negative and should be removed.
- Wind turbines are clearly a prominent feature of the landscape but many people - probably the majority - view them as a positive addition to the landscape. Visual impact is a subjective measurement and one that shouldn’t be allowed to overshadow the benefits of wind farm development.

- We believe that the focus on visual impact obscures the fact that beyond their visual prominence, wind farms have a very small footprint. In comparison to other possible forms of rural development, wind farms create no dust, no smell, no detrimental health effects, minimal noise and any modifications to the landscape can be easily remediated.
- **While we acknowledge visual change does need to be considered we are concerned that the Screening Tools overstate the visual impact of wind turbines and the stipulated distances need to be reduced.**
 - The visual magnitude measurements that ‘red-flag’ turbines close to a residence should be eased. For example, a turbine with a 150m tip height at 2km, while prominent, should not be considered unacceptable. By way of comparison, a turbine of any height would be allowed at 1 km from a residence in Victoria and 1.5 km from a residence in Queensland.
 - The requirement for further assessment of cumulative impacts for wind farms out to 8 kms is excessive. This should be based on the definition of “Near Middleground” in Table 7, which is out to 4 kms.
- We support the Framework moving away from arbitrary buffer zones and we note that ‘further assessment’ does not automatically rule turbines out, but it is not clear how much impact is too much impact.
 - How is the ‘visual impact’ that’s asserted in this document balanced against the benefits that would accrue from that turbine going ahead - such as the emissions reductions? We would like to see greater clarity around this issue.
- We welcome the identification of financial agreements with neighbours to manage these issues as a step towards better benefit sharing. We address this more fully below in Community Engagement, Consultation and Benefit Sharing.
- There needs to be definitive recognition in the Framework of a landholder’s right to install turbines on their land. As many AWA members point out to us, “no one owns the view over my property and I have the right to develop my land for any reasonable use.” Wind farms are a permissible development on rural land. There is no ‘right to a view’.
- Under this Framework, wind farm projects are being subjected to additional restrictions that are not applied to other State Significant Developments. The visual amenity of a small number of people would not have a significant influence on other State Significant Developments.
- In Table 3, “Landscape Characteristics”, the “Pastoral Landscape” and the “Agricultural Landscape” are defined as expressing dominant “human created” features. This table includes a “Wind Energy Landscape”. This is a landscape where wind turbines exert a strong visual influence over the pre-existing character of the landscape. It is logical that these landscapes will include a recognition that Landscapes are not static and well may evolve to a “Wind Energy Landscape” in regions that have a good wind resource.
- The path to “voluntary acquisition” is not clear. Any “voluntary acquisition” requirements must be post construction, preferably a reasonable time after the completion of construction. This time lag will allow for a suitable period of “adjustment” for the opponent/applicant to assess the impact of the wind farm.

Project Modifications

The ability to modify permit conditions within existing project envelopes should not be impeded by any increase in visual restrictions in the Framework.

- This framework needs to allow a pathway for approved developments, especially those that were granted approval many years ago, to remain economically viable by adjusting permit conditions. We note that the Framework is to be applied to any significant modifications to previously approved projects.
- Many projects that were approved previously are now applying to increase tip heights to make use of larger, more efficient technology.
- We are concerned that a modified project, even though it may have a smaller number of turbines, will have difficulty meeting the increased stringency of this visual assessment.
- Any approved project that cannot meet the new framework will be left with specifications for outdated, uncompetitive technology. Project modifications that do meet the Framework may still see project viability threatened by a substantial reduction in the numbers of turbines.
- The Renewable Energy Target is highly competitive as projects from all states compete against each other on cost. Tighter visual requirements are likely to significantly reduce the number and size of projects in the \$7 billion NSW wind farm development pipeline that proceed to construction.
- We suggest a threshold test be applied for whether modifications need to be assessed against this Framework. An application to increase turbine tip height within the existing project envelope would not change the visual aspect of the project significantly and should not trigger application of the new framework.

Community Engagement, Consultation and Benefit Sharing

Benefit sharing that emphasises equality of outcomes coupled with strong and transparent community engagement will improve ongoing community acceptance and cohesion.

- We welcome the emphasis placed on 'early and effective' community engagement and consultation as outlined in Section 5 of the Assessment Policy. In our experience, open and transparent consultation is key to community acceptance of wind farm projects. However, just as important for ongoing community cohesion is the equitable distribution of financial benefits. We see community engagement and equitable benefit sharing as very much part of the same process.
- While the Framework's increased emphasis on shared benefits and negotiated agreements is welcome, we note that the approach to agreements with neighbours is based on 'compensation' for perceived impacts. We would prefer to see a model that goes beyond a 'compensation' model and takes equitable outcomes as its starting point. Such an approach would still include landholder lease agreements and community enhancement funds but would engage with surrounding landholders more as stakeholders than impacted residents, offering them a chance to invest in projects in their surrounding country.

- In this spirit, we recommend the Proximity Rent Model outlined in a report recently commissioned by the NSW Government on Benefit Sharing Models for Wind Farms¹. Payments are made to all landowners within a specific distance from turbines including landowners which host turbines and their neighbours. Some of the model's strengths are:
 - Conceptually simple and expressed in common terminology (\$ per hectare). It is therefore easy to communicate to stakeholders
 - Money is distributed according to a profile that benefits those closest to turbines
 - The model scales well and is equally effective for larger and smaller wind farms
 - There is potential to enhance land values of properties neighbouring turbines
 - The 'foundation rent' is a bilateral contract and it is reasonable that this be a confidential lease. However, the proximity rent applies to all landholders, including those with turbines, with a known formula that is negotiated with the eligible landholders (preferably as a group). This minimises community division, which is a particularly negative side effect of landowner lease payments.
- We also commend the approach taken by developer, [Windlab](#), at their [Coonooer Bridge](#) and [Kiata](#) Wind Farms. Both projects were successful in achieving deep and widespread community support, which was recognised in their respective winning bids for the ACT and Victoria wind energy auction processes. Some of the key elements of their approach have been:
 - Initial consultation with the community is conducted through a public meeting that focusses on how financial benefits might be shared in the community (such a meeting could also be used for the early community consultation around local landscape values).
 - Decision making by the project company is made transparent by giving the local community a Board Observer position on the company's board, building trust between the developer and the community.
 - All host and neighbouring landholders within 3 km of the wind farm were offered shares. All of these shares were accepted. Landholders were able to purchase additional shares if they chose.
 - Decisions around allocation of community grants and allocation of shares under the community share scheme are made by a community committee.

Community Enhancement Funds

- We are concerned that the community plays little role in the negotiation of the Voluntary Planning Agreements (VPAs) that establish funds to enhance the community, ie Community Enhancement Funds (CEFs). In most cases developers and councils successfully set up effective Community Enhancement Fund VPAs, however we are aware of instances where the community does not feel adequately represented by their local council in these negotiations. We therefore recommend community involvement in negotiation of these VPAs, perhaps through the project's Community Consultative Committee, to ensure that community wishes are properly represented.

¹ [Strategic options for delivering ownership and benefit sharing models for wind farms in NSW](#), Ernst & Young, (September 2014) p24

- The Yass Valley Council is the only local government in NSW to have a formal policy to establish and manage CEFs. AWA supports the transparency and accountability this document gives to all stakeholders.
- The history of Community Enhancement Funding in NSW is useful. It was initially set up to share the benefits of wind farms in the Upper Lachlan Shire, particularly the Cullerin Range Wind Farm (2007) and the Gullen Range Wind Farm (2009). These wind farms did not have any benefit sharing mechanisms in place, so one was imposed from the Department of Planning. This model brings benefits for all stakeholders and has been replicated for other wind farms in NSW.
- Benefit sharing schemes such as those we describe in the previous section should be taken into consideration when determining the amount of funding for CEFs. Any direct benefit sharing beyond landholder lease payments should be considered to be part of the community funding envelope, not in addition. This will be an important incentive for wind farm developers to help achieve the Framework's objective to "encourage benefit sharing...in the communities in which they operate".

Noise

- Bringing the noise guidelines more into line with South Australian Environmental Noise Guidelines 2009 is a welcome step towards standardising regulations across state boundaries
- The justification offered for noise limits beyond SA 2009 of 'greater population densities' is imprecise and may lead to unnecessary constraints on wind farm development
- The pass/fail methodology around low frequency noise runs counter to the acknowledgement in the Bulletin that low frequency noise is not typically a significant feature of modern wind turbine noise.

Health

- We commend the Framework's treatment of the issue of health. The references to the positions of the National Health and Medical Research Council and NSW Health Department that there is no evidence of wind turbines causing adverse impacts on health is appropriate.

About AWA

The Australian Wind Alliance is a community advocacy group for wind energy. We have around 650 members across the country, with a large number in NSW, who are a mix of farmers, wind workers, local businesses and community members. We advocate for greater uptake of wind energy to deliver economic benefits to regional Australia and clean up Australia's energy supply. We represent a community voice of support for wind which is distinct from that of industry.