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Ministerial Advisory Committee for the Inquiry into the Environment Protection Authority PO Box 21428 Little Lonsdale Street

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Submission on the Independent Inquiry into the Victorian Environmental **Protection Agency**

Dear Committee

Thank you for the opportunity to provide this submission into the Independent Inquiry ("the Inquiry") of the Environmental Protection Agency of Victoria ("the EPA").

Trustpower Limited (Trustpower) is supportive of the role the EPA plays in regulating and enforcing pollution, and ensuring the environmental impacts from licensed premises is minimised.

1 **Overview**

Trustpower is New Zealand's fifth largest electricity generator and retailer and sits within the top 15 companies by market capitalisation on the New Zealand Stock Exchange. Trustpower owns and operates an Australian and New Zealand generation portfolio which is primarily powered from renewable sources.

Trustpower is one of the most experienced wind farm developers and operators in Australasia and our involvement in wind energy dates back to 1999 (New Zealand's Tararua Wind Farm). Trustpower has a strong track record of asset development, enhancement, operation and maintenance and has led the wind energy industry in lowering costs and improving reliability.

2 **Trustpower in Australia**

Trustpower has been active in Australia for the past 11 years. Trustpower oversees a growing generation portfolio with a wind energy project pipeline of over 1,000 MW. When fully developed, these projects will constitute an investment of approximately \$2 billion in Australia.

Trustpowers' growing wind energy portfolio includes three established and four proposed, including the Dundonnell and Salt Creek Wind Farm proposals in Victoria. The table below summarises Trustpowers' current and proposed wind projects.

| Wind Energy Project | Turbines | Installed Capacity | Annual Output |
|--|----------|-----------------------|---------------|
| Crookwell Wind Farm, Goulburn, NSW | 8 | 4.8 MW | 8 GWh |
| Blayney Wind Farm, Carcour Lake, NSW | 15 | 9.9 MW | 18 GWh |
| Snowtown Wind Farm, Snowtown, South Australia | 138 | 370 MW | 1,335 GWh |
| Palmer Wind Farm (Proposed), East of Adelaide, South Australia | 114 | 375 MW | 1,300 GWh |
| Rye Park Wind Farm (Proposed), Rye Park, NSW | 109 | 327 MW | 1031 GWh |
| Salt Creek Wind Farm (Proposed), Woorndoo, Victoria | 15 | 30 MW | 100 GWh |
| Dundonnell Wind Farm (Proposed) | 104 | 312 MW | 1,000 GWh |

3 Trustpower in Victoria

Trustpower has two proposed wind energy projects in Victoria. The Dundonnell Wind Farm, northeast of Mortlake and the Salt Creek Wind Farm near Woorndoo. Both of these projects will constitute a significant investment into South West Victoria.

When operating, Dundonnell Wind Farm is expected to power the equivalent of 150,000 average Victorian homes. The three year construction phase is estimated to employ 200 direct and 100 indirect full time jobs and contribute \$309 million to Gross State Product. An additional ten direct and six indirect jobs will be required to operate and maintain the wind farm.

Dundonnell Wind Farm is has recently completed a Planning Enquiry (closed 20th October 2015) to consider the project's Environmental Effects Statement (EES) and planning permit application. The planning panel will provide recommendations to the Minister for Planning as to whether the project should be approved.

When operating, Salt Creek Windfarm is expected to power the equivalent of 30,000 homes and will contribute \$30 million through operating costs to the economy for the life of the project.

4 Trustpower's Submission to the Independent Inquiry

Trustpower would like to submit to the inquiry the suggestion that the EPA commences a regulatory role in the compliance of wind farms with noise conditions and limits applied in their operating permits.

The noise compliance of wind farms continues to be a topic of discussion in local authorities and some members of the communities surrounding wind farms. While windfarms in Australia adhere to some of the most stringent guidelines in the world regarding their siting, operation and noise emissions, there is a perception that there is a lack of transparency in the monitoring and compliance processes associated with noise compliance.

As the Committee will be aware, the revised Renewable Energy Target ("RET") was passed in legislation by Parliament in June 2015. One of the agreements with the crossbench was to progress

reforms relating to improving the science relating to noise monitoring and transparency of information.

Following this, the Senate Select Committee on Wind Turbines carried this sentient through in their recommendations to the Department of the Environment. One recommendation proposed the responsibility for monitoring wind farms be shifted from local council to the state EPA, and that a feefor-service licence system be payable by windfarm operators to the state EPA.

Currently local Councils hold the compliance regulator responsibilities for operational wind farms, yet do not possess the appropriate expertise to undertake this role. Trustpower understands that some Councils within Victoria have previously voiced their concerns with the current situation to the Victorian EPA. Trustpower would like to see the EPA take an active compliance regulator role with respect to operational wind farms, as is currently the case in NSW and SA. This is particularly prevalent with operational noise compliance, and in a similar manner that the EPA currently has with other major industries.

As an example, the South Australian EPA undertake all compliance regulatory functions relating to industry and noise emissions. They will investigate any complaints received, undertake monitoring where required, and will undertake enforcement measures where appropriate if noise levels are exceeding permitted levels. In SA the EPA will do the final endorsement of noise compliance as demonstrated by the wind farm operator in accordance with the EPA guidelines and the conditions of approvals for wind farms without a fee for service associated.

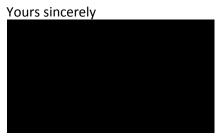
Trustpower supports the recommendation that the state EPA picks up the responsibility of endorsing compliance with noise standards for wind farms. Trustpower does not necessarily support the fee-for-service licencing system, and notes that the South Australian EPA carries out a similar function and does not charge operators a fee for this role.

5 Conclusion

Trustpower welcomes the Inquiry into the EPA and its future role in environmental compliance and regulations, and for acknowledging the changing role and demands of the EPA.

We hope our comments are helpful in the Inquiry process, and would welcome the opportunity further participate in the development of related initiatives.

Please contact the undersigned should you have any questions regarding Trustpower's submission.



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