From:

To: Do-Not-Reply IPCN Submissions Mailbox
Subject: 240712\_IPC\_HOGWF\_Addit Material
Date: Friday, 12 July 2024 9:22:20 AM
Attachments: 240712\_IPC\_HOGWF\_Addit Material.pdf

Please receive my submission regarding SSD-9679 – Hills of Gold Windfarm.

This is attached file ref: 240712\_IPC\_HOGWF\_Addit Material



Tamworth NSW 2340

Lodgement via Email: submissions@ipcn.nsw.gov.au

\*\* To be Redacted

## SSD-9679 HILLS OF GOLD WINDFARM (HOGWF) - ADDITIONAL MATERIAL Closing 12pm 15 July 2024

This submission is lodged on a personal and individual basis. I am a resident of Tamworth.

In response to the advice dated 27 June 2024 regarding re-opening of Submissions for SSD-9679 Hills of Gold Windfarm (HOGWF) please find my submission below.

I have previously made a submission to the round closing 12 February 2024, ref **240212\_IPCC\_HOGWF\_Submission** and presented at the Public meeting held at Nundle on 01 and 02 February 2024.

My position remains opposed to the Approval/Project.

## Time for Response to this Submission

The timing given for a response has been significantly curtailed, initially being from 27 June 2024 until Noon on Monday 08 July 2024. This was subsequently altered to Noon on Monday 15 July 2024. It is noted (refer Department (DPHI) Response to questions regarding the Hills of Gold Windfarm (SSD 9679) dated 24 June 2024) Closing Comments and particularly Table 4, that the Applicant/Proponent (Engie) has contributed significantly to delays. It is noted the Department of Planning, Housing and Infrastructure (DPHI) made a request for further information from the Applicant/Proponent dated 22 February 2024, requesting this be provided by 05 March 202. The reply was dated 27 March 2024.

It is disappointing to see the general public pressured in time for response against the back-drop of the Applicant/Proponent's actions. It raises the question as to the conduct of the Applicant/Proponent and how this may manifest during the execution of the Project should approval be granted.

The question arises as to whether the pressure on time comes from the Applicant/Proponent or whether there are forces attributable to the Regulatory/Approval bodies or higher Government levels.

### Social Licence

During the gestation period of this referenced application, as pointed out in the above point "Time for Response to this Submission" there has been an upsurge of Public outcry about development of renewable energy projects. I write this from the point of view that society faces an urgency in adoption of alternatives to fossil fuel and someone from a construction background who is sympathetic to the task at hand. In over 40 years across the Construction sector covering a wide range of sectors and from both Client and Constructor perspectives, it is my personal experience that being proactive with the Public and responsive to their concerns has always produced the best outcomes.

I attribute the issues being experienced with HOGWF to several factors relating to the conduct of Developers/Applicants/Proponents and Approval/Regulatory bodies:

Failure to construct a competent application initially leading to an iterative process/pathway to
approval. In this case examples were areas of clearing, access and siteworks were drastically
understated, access had not been considered and the scale of earthworks with regard to the terrain
was not appreciated.

- There was an absolute failure to understand the complexity of the terrain and construction needs and methodology. Despite this being pointed out during the first round of Exhibition, it took until December 2023 for a very low key Construction Methodology to be provided, which again in the view of this writer was inadequate.
- Delays and drawn out response times as evidenced in DPHI Response dated 24 June 2024 and table 4 contained within that.
- Deference of detail to the Detailed Design Phase part of estimating Construction costs is to define the methodology of construction. This is a failure deliberately undertaken to avoid Public scrutiny of the proposal.

This gives rise to the perception that the failure to provide information and deference to the Detailed design phase is an attempt to avoid scrutiny and portrays an attempt to "do as we please".

The Applicant/Proponent does not present well in the eyes of the Public, leading to a loss of faith that the Applicant/Proponent will actually be compliant with the Project requirements and promises made to the Public. This has been amplified by the apparent lack of timely response and a failure to resolve reported issues including Constructability and Environmental performance/methodology.

## **The Revised Departmental Recommendation**

The revised Departmental Recommendation adds fifteen (15) turbines to the previously recommended forty seven (47).

It appears the Department (DPHI) has not challenged or sought advice regarding the Taralga Case nor the subject of DAD-01.

It is noted that legal advice presented by the Applicant/Proponent attempted reference to the policies of other Australian states regarding visual impacts.

### **Previous Submissions Made**

Having previously made a submission and a presentation, it appears that the points raised have been overridden in the quest to get this project across the line. Constructability issues remain without any further clarification along with the need for extensive environmental controls and performance. This very much goes to the point of withholding such information until after approval to give rise to a "do as we please" scenario.

Having a background of some 45 years in Construction (Civil) with two thirds in the "work winning" and precontract phases of Projects under very tight time-frames, I can say that five to six years versus three months at best would have represented comparative luxury to me timewise. This work was exclusively to the Profit/Loss outcome of projects requiring first principles estimating and sound engineering judgement.

During those years there have been huge advances in available technology which simplify the ability to define the scope of, for example, access and laydown areas. That the Applicant/Proponent has not used this opportunity to define such effects is a very poor outcome.

This is further expanded in the point "Conditions of Consent" below.

### **Conditions of Consent**

It is very evident that the State Significant Infrastructure definition is being used to curtail the application of practices and regulations which apply to others. Without exception, in 45 years experience each project I worked on had to meet defined regulations and outcomes.

If one were to lodge a Development Application for say a factory, plans and specifications of the final form of construction are required as part of the approval. Departure from these during construction is tightly controlled.

Attachment e) – recommended instrument of consent is couched in "soft terminology", examples being:

Reasonable Reasonable related to the application of judgement in arriving at a decision, taking into account: mitigation benefits, cost of mitigation versus benefits provided, community views and the nature and extent of potential improvements

### OBLIGATION TO MINIMISE HARM TO THE ENVIRONMENT

A1. In meeting the specific performance measures and criteria in this consent, all reasonable and feasible measures must be implemented to prevent, and if prevention is not reasonable and feasible, minimise, any material harm to the environment that may result from the construction, commissioning, upgrading, operation, rehabilitation or decommissioning of the development.

#### TERMS OF CONSENT

- A2. The development may only be carried out:
  - (a) in compliance with the conditions of this consent;
  - (b) in accordance with all written directions of the Planning Secretary;
  - (c) generally in accordance with the EIS; and
  - (d) generally in accordance with the Development Layout in Appendix 1.

Micro siting of Turbines with 100m of their nominated locations should be prevented. There has been sufficient time during the past 6 years to resolve any issues.

## **Financial Viability**

The Applicant/Proponent's submissions that a 47 turbine development is not financially viable is questioned. A recent news article is highlighted below.

The Patricks Plain Windfarm in Tasmania (47 Turbines) has recently been approved (Link: <a href="https://pulsetasmania.com.au/news/epa-approves-47-turbine-st-patricks-plains-wind-farm-in-tasmanias-central-highlands/">https://pulsetasmania.com.au/news/epa-approves-47-turbine-st-patricks-plains-wind-farm-in-tasmanias-central-highlands/</a>)

The Independent Expert Advisory Panel for Energy Transmission (IEAPET) presents a series of calculations which show:

- Case for 55 Turbines being financially marginal.
- Case for 62 Turbines being financially viable.
- This represents 7/55 = 12.7% in number terms. This includes the Landowner payments as fixed costs. These are linear as delete one, one less payment to a landowner (believed to be circa \$30k per turbine per annum)

It is noted from the limited information available:

- The IEAPET analysis does not apply any Cost Risk should construction costs over-run.
- From CSIRO GenCost 2023—2024 (final report it is noted that IEAPET used a draft version) table 8.1 shows \$3038 \$/kW (using the listed rate for 2023 as the beginning of the 2023-2024 financial year. Thus the rates referenced by IEAPET (at page 15) are at variance with Gen Cost 2023-2024 and are lower, 62 Turbines for 2630 \$/kW, 47 Turbines for 2790 \$/kW.
- Additionally CSIRO GenCost states an Aurecon uncertainty of +/-30%.

#### 2.2 Capital cost source

AEMO commissioned Aurecon (2024) to provide an update of current cost and performance data for existing and selected new electricity generation, storage and hydrogen production

GenCost 2023-24 | 27

technologies. We have used data supplied by Aurecon (2024) which is consistent with either the beginning of financial year 2023-24 or middle of 2023. Aurecon provides several measures of project capacity (e.g., rated, seasonal). We use the net capacity at 25°C to determine \$/kW costs. Aurecon state that the uncertainty range of their data is +/- 30%.

Furthermore the IEAPET analysis (at pg 12) states the Applicant/Proponent would need to spend a
further \$7million to reach a point where an investment commitment can be considered. This is at
variance with the Applicant/Proponent claiming that at 47 Turbines the Project is not viable, ie
why, having made such statement, has the necessary evaluation not been undertaken.

Within the "Additional material released for comment" the IEAPET analysis deals solely with the Levelised Cost Of Energy (LCOE) as a production cost.

The other component of financial viability relates to Income, ie. the sale of generated power. Financial viability of the Project is dependent upon income exceeding sales. Whilst currently all power generated can be sold, operational constraints such as time of demand, wind strength, quantum of demand are some of the factors involved. As saturation of the renewables market occurs in years to come, the basic principles of supply and demand should come into play. The point being made is that without analysis of the sale income financial viability cannot be assessed. Any evaluation is not possible from the "Additional material released for comment".

It is further noted from the CSIRO GenCost 2023-2024 (at pp 73) that for Onshore Wind the LCOE range is approximately 65 \$/ MWh to 110 \$/MWh (poor scale from figure). This means that the Hills of Gold Windfarm as tabulated for 62 Turbines (pg i) is at the top of the LCOE range. As such for wind it is relatively a high cost (top of range) producer competing in a market with lower cost producers.

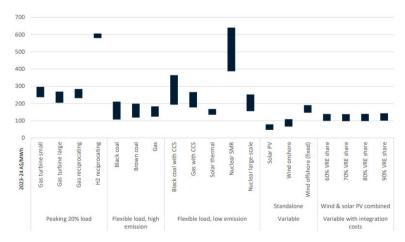


Figure 5-3 Calculated LCOE by technology and category for 2023

Based on the above, the financial analysis does not consider the income side of the viability question and the Project is a high LCOE cost producer.

## **Financial Viability – Construction Costs**

I am unable to connect the apparent lack of detail regarding Construction Costs considering the elapse of six (6) years. The convenient excuse offered of waiting for Detailed Design is a misnomer.

The IEAPET analysis states that roadworks costs were based on a linear rate based on a selection of options. This is fallacious from any consideration of sound Cost Planning techniques. If that is the best information available at this stage of the Proposal, there is considerable risk of cost over-runs. Some of the terrain is "difficult". It is my view and practice that specific consideration needs to be given to each site regarding the access methodology for the exact equipment and materials at each site. In my submission to the Amended Exhibition #2 I provided some detailed considerations regarding the "Constructability" report. This will not be repeated here, suffice to say that if not given regard, there will be substantial cost increases. To reiterate certain haul roads are too narrow for the task, earthworks quantities will increase correspondingly and if as indicated little Vertical and Horizontal design has been incorporated it is highly probable there will be additional issues.

The use of "rates" can be applicable in "high level" estimates provided that a suitable range of "risk" is applied ie a recognition that the outcome can be plus or minus. This could be +30%/-10% typically used in this type of scenario.

As such there is high potential for Construction Cost over-runs.

### **Public Interest**

Noting the inclusion of the Taralga Case and the Public Interest discussion, I counter that Public Interest also includes the Environment, Biodiversity, Viewing Vista's, Amenity and the ability to enjoy the unique undisturbed nature of the area(s) around Nundle.

It is estimated Nundle and environs attract 100,000 visitors annually.

The area is unique in many ways: village life, it is largely unspoiled, history and biodiversity.

It is also in the Public Interest that a precedent is not set regarding Voluntary Acquisition as this could expand potentially Australia wide.

The Project at 372 MW installed is relative to 22,000 MW in the development pipeline ie 1.7%.

The Project is located outside any REZ.

Part of the Public Interest equation also revolves about keeping prices for consumers low by considering the viability and cost of production. As pointed out elsewhere this project is a high LCOE cost producer.

In the case of the Hills Of Gold Windfarm compared to Taralga there are considerably stronger arguments in the Public Interest that the Project not proceed.

## **Illegal Clearing**

It is very disappointing that a landowner could ultimately benefit from the illegal clearing which was undertaken to facilitate this Application. Extract from page 10 of 17 Department (DPHI) report: Response to questions regarding the Hills of Gold Windfarm (SSD 9679) dated 24 June 2024.

The Department continued to receive complaints through the EIS preparation up to referral about the Applicants approach to engagement (such as missing Timor and Crawney). This was also further hampered by claims of unlawful clearing of land that were consequently found to have weight.

The Public and the Environment have little recourse on the outcome of this, action rests with Regulatory and Approval bodies, and ultimately the Government(s).

Conveniently, this illegal clearing means some Bio-diversity costs will be avoided.

# **Closing Comments**

The fact that more than six (6) years on Turbine locations have not been defined and construction access remains poorly defined is an indictment on the Applicant/Proponent. Ordinarily for a Development Application (DA) it is the norm that a fully designed and documented proposal be submitted for approval. It is noted that a SSI is treated somewhat differently to take the DA out of the hands of Local government. Whilst the reasoning for this is sound, it is a reasonable expectation that the Approval Body deal with the Application in a manner similar to Local Government.

My analysis concludes the Applicant/Proponent has failed to demonstrate a sound level of responsiveness, and demonstrates considerable downside around the timely resolution of issues, as supported by the comments made the Department (DPHI) in their response to the IPC dated 24 June 2024.

Voluntary Land Acquisition provisions are likely to set a precedent despite DPHI stating it does not wish this case to be a precedent. This precedent has ramifications for property owners potentially Australia wide.

For other non-associated Neighbors/properties screening is the only mitigation for Visual Assessment, despite there not being an agreement nor consideration of Bushfire Risk.

Cherry picking between the 2016 and 2023 versions of the Noise and Visual guidelines appears to have occurred.

Approval of this Project will reward a landowner for having illegally cleared land to facilitate the Project.

Whilst an analysis of the Project viability was undertaken, this was on the cost side, without consideration of the income side. Furthermore whilst presenting a case for additional turbines the Applicant/Proponent outlines a need to expend an additional \$7 million to reach a point where an investment commitment can be considered. Meanwhile the Applicant/Proponent seeks Development approval allowing the Project to proceed.

I have previously made a submission and a public presentation. None of the points raised within appear to have been considered/actioned. Nothing in the additional information provided changes my position.

At 372 MW installed the Project represents 1.7% of the current 22GW Renewable Energy pipeline. There are many projects eclipsing the scale of this development currently by factors of two or three.

For the reasons provided within this submission it is my view that the Project be rejected.

Thank you for considering my submission.

