

Our ref: SSD-10807896

Mr Stephen Barry

Planning Director – Independent Planning Commission

3 April 2024

Subject: Thunderbolt Wind Farm – Response to Request for Information

Dear Mr Barry

I refer to your letter dated 22 March 2024, seeking additional information on the proposed Thunderbolt Wind Farm (Project) for consideration of the NSW Independent Planning Commission (Commission). The Department also requested further information from the applicant (see Attachment A and Attachment B) relating to water availability for construction of the Project and potential impacts from the use of water from the Pine Creek Dam to the Namoi River Snapping Turtle (Bell's Turtle) on site, downstream or in Pine Creek Dam.

The Department's responses to each of the Commission Panel's questions are set out below. The Department also provides further information regarding the Voluntary Planning Agreements.

Question 1: Water Resource

Please provide the following:

- a) the estimated capacity of the Pine Creek Dam;
- b) details on what arrangements are in place for the Applicant to access the dam water.
Does this arrangement involve the holder of Water Access Licence 36029?;
- c) advise whether the Department is satisfied that use of water from the Pine Creek Dam as well as any potential erosion into waterways associated with the Project would not negatively impact the Namoi River Snapping Turtle (Bell's Turtle) on Site, downstream or in Pine Creek Dam;

The Pine Creek Dam has a surface area of approximately 32 hectares (ha) with depths up to 1.5 m. The total amount of water that would be required for the duration of Project construction (around 18 to 24 months) is estimated be approximately 80 to 100 ML. The Water Access Licence (WAL) 36029 has entitlement of 420 units or 420 ML / year which would be sufficient to meet the estimated water demands for construction of the Project without significantly impacting the water capacity within a dam.

Department of Planning and Environment

Neoen advised that it has a verbal agreement with the adjoining landowner who is the holder of WAL 36029 and the owner of the Pine Creek Dam and is currently in the process of confirming a formal agreement for temporary transfer of the volume of water entitlement required to meet construction demands (i.e. an assignment of unregulated water allocation) from the landowner to Neoen.

In regard to potential impacts on the project site, none of the creeks or drainage lines present within the Development Corridor of the site support the deep waterholes required for the Namoi River Snapping Turtle (Bell's Turtle). The project is not expected to impact on the suitable habitat for the Bell's turtle within the project site with the recommended conditions of consent to minimise erosion and sedimentation.

In regard to potential impacts on or from water use from Pine Creek Dam, the Department notes that a temporary above ground water pipe and pumping station would be installed to facilitate the project sourcing water for construction, and no disturbance works are proposed to the dam or in the vicinity of the dam. The proposed above ground pipeline and pump would be removed at the end of construction phase (18–24 months). As the surface area of the dam is large (32 ha) and the proposed water extraction of 100 ML is well below the current water allocation, it would not significantly lower the water level within the dam of this size. The dam can sustainably supply the Project's water requirements and the water within the dam would not be exhausted.

In addition, the Applicant has committed to design and implement the necessary mitigation measures relating to the pump being used in the Pine Creek Dam to avoid direct impact to fauna including the Bell's turtle. These mitigation measures would be prepared and detailed in the Biodiversity Management Plan (BMP) which is required under the recommended conditions and would likely include measures being installed on the inlet valve to the pump, such as a suitably sized and spaced filter, to avoid aquatic fauna species being impacted by the pumping process. The BMP is required to be prepared in consultation with Biodiversity Conservation Division. Given the above, the Department considers that the Project is not anticipated to significantly impact on Bell's Turtle.

Finally, the Department has recommended a condition requiring the Applicant to minimise erosion and sedimentation through designing appropriate controls in accordance with the relevant legislation. The Department's Water Group reviewed draft conditions and confirmed that they have no further comments. The Department, Water Group and the EPA are satisfied that, with the implementation of appropriate mitigation measures, the erosion risks of the Project can be adequately managed. The Department also notes that it is a strict liability offence to pollute any waters off the site under the *Protection of the Environment Operations Act 1997*.

Question 2: Firefighting Operations

- d) The potential for the turbines to restrict aerial firefighting in the locality has been raised in multiple submissions to the Commission. Is the Department confident that the development will not restrict aerial firefighting in the locality?;
- e) please clarify whether the proposed water tank capacity of 20,000L is sufficient for the firefighting needs of a wind farm development, including in times of drought and limited surface water access.

Throughout the assessment process of this Project, the Department consulted extensively with various State agencies, including the NSW Rural Fire Service (RFS) during assessment and preparation of the recommended conditions of consent.

The Department recommended a condition requiring the Applicant to develop a comprehensive Emergency Plan in consultation with RFS which should include details about emergency procedures for the Project. The recommended conditions require this plan be consistent with RFS's *Planning for Bushfire Protection 2019* (or equivalent) and a copy of the plan should be provided to the local Fire Control Centre.

The firefighting risks were assessed by the Applicant in the Aviation Impact Assessment (AIA) submitted with the Environmental Impact Statement (EIS). The AIA notes that a number of procedures can be implemented in an emergency event to assist aerial firefighting operators, for example, stopping the rotation of the turbine blades, where possible, in the 'Y' or 'rabbit ear' position, as this positioning allows an aircraft to manoeuvre underneath the blades and removes one of the blades as a potential obstacle. These procedures would be detailed in the Emergency Plan which is required by the recommended conditions of consent.

Regarding the recommended capacity of the water tank on site, this information reflects the RFS advice on the EIS which included a number of recommended conditions of consent, including a provision of a 20,000L water supply tank for firefighting purposes and establishing an appropriate asset protection zone (APZ) around wind farm infrastructure. These recommendations have been incorporated in the Department's recommended conditions of consent. The Department consulted with RFS on the draft conditions and RFS did not raise any concerns about the Project or recommended conditions.

As such, the Department is satisfied that aerial firefighting and the bushfire risks can be suitably controlled through the implementation of appropriate fire management measures and procedures.

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Question 3: Accommodation

f) the Commission is aware that EnergyCo operates a housing and accommodation working group. Is the Department aware of any policies, strategies or guidance available in relation to managing accommodation impacts associated with renewable energy projects?

The Department acknowledges cumulative impacts are a key concern of many of our stakeholders in renewable energy zones (REZs) and is working to ensure the matters are well understood and addressed holistically and strategically.

The Department is continuing to work closely with the Energy Corporation of NSW to jointly conduct cumulative impact studies for the New South Wales REZs. These studies will establish forecasted population increases from renewable projects, as well as other major developments, in the REZs and will use these to better understand and address the potential cumulative impacts and demands on permanent and temporary housing and accommodation, utilities and services, social services as well as other matters.

While the additional work would assist future projects, this work cannot be applied to the Thunderbolt Wind Farm. Consequently, the Department's recommended conditions of consent include an Accommodation and Employment Strategy for the project to be developed in consultation with relevant Councils.

Recommended Conditions of Consent

Following the recommendation to the Commission, the Department has been made aware that the Applicant has reached an in-principle agreement with Uralla Shire Council regarding the proposed Voluntary Planning Agreement (VPA) and provided a revised offer to Tamworth Regional Council (see **Attachment C**). As such, the Department recommends updating the conditions relating to the VPA as follows:

1. Replace Conditions A19 to A21 with the following:

A19. Prior to commencing construction, or other timeframe agreed by the Planning Secretary, the Applicant must enter into a VPA with Uralla Shire Council in accordance with:

(a) Division 7.1 of Part 7 of the EP&A Act; and

(b) the terms of the Applicant's offer to Uralla Shire Council dated 6 March 2024 summarised in Appendix 3;

A20. Within 6 months of the date of commencement of this development, or other timeframe agreed by the Planning Secretary, the Applicant must enter into a Community Benefit Fund or Voluntary Planning Agreement (VPA) with Tamworth Regional Council in accordance with:

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- (a) Division 7.1 of Part 7 of the EP&A Act; and
- (b) The terms of the Applicant's offer in Appendix 3.

A21. If the Applicant and Tamworth Regional Council do not enter into a VPA or other agreement within the timeframe specified under condition A20, then within a further 3 months, the Applicant must make a Section 7.12 of the EP&A Act contribution to Tamworth Regional Council for a total of \$2,242,200. The amount is to be adjusted at the time of actual payment in accordance with the provisions of the Tamworth Regional Council Section 94 (Indirect) Development Contributions Plan 2013 and directed to infrastructure, services and community projects in towns, villages and rural areas within the Tamworth LGA.

2. Update the payment details for both councils in the table in Appendix 3 to be as follows:

For Tamworth Regional Council:

The total contribution of \$3,363,300 payable by the Applicant over the operational life of the project (adjusted annually to increases in CPI) paid either:

- *in annual payments with the first payment of \$112,111.00 to be made on or immediately following the start of commercial operation of the project and subsequent payments to be made annually (for a total of 30 years) on the anniversary of the commercial operations date;*
or
- *upfront and annually:*
 - *with \$1,167,632 (50% or $\$1,681,650 \times 0.69^*$) to be paid as a lump sum within 5 years of the project's commercial operations date if Tamworth Regional Council identifies and agrees with Neoen either a capital works project or an initiative that will benefit the local community or wider region, and whose purpose is to:*
 - *Provide a long-term legacy benefit, and*
 - *Aligns with the principles of providing clean energy, environmental enhancement, social cohesion and/or climate mitigation.*
 - *subsequent payments of \$38,921.07 ($\$56,055 \times 0.69^*$) to be made annually (for a total of 30 years) on the anniversary of the commercial operations date.*

** Note: the overall value of the contribution to Tamworth Regional Council has been discounted by 69.43% for both the upfront and annual payments to ensure that the Net Present Value (NPV) of both options are equal. The discount rate used to determine NPV is 8.5%.*

Administered through either:

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- a community benefit fund (administered by the Community Enterprise Foundation, a philanthropic arm of Bendigo and Adelaide Bank, which specialises in community benefit fund administration), and/or
- a Planning Agreement, with a suitable governance framework and transparency regarding how the monies are to be allocated and spent.

33% of its portion of the Contribution must be spent in and to the benefit of the immediate community. The Contribution must be spent with a view to providing long-term / legacy benefits in alignment with the above.

Neoen considers the 'local community' as being the communities within the Tamworth Regional Council LGA and up to Bendemeer, i.e. the area around the Thunderbolt Wind Farm project within a 20-minute drive. It is not required for Tamworth Regional Council to provide payments to the local community within the Uralla Shire Council LGA.

For Uralla Shire Council:

The total contribution of \$2,242,200 payable by the Applicant over the operational life of the project (adjusted annually to increases in CPI) paid annually with the first payment of \$74,740.00 to be made on or immediately following the start of commercial operation of the project and subsequent payments to be made annually (for a total of 30 years) on the anniversary of the commercial operations date.

Administered through a Planning Agreement, with a suitable governance framework and transparency regarding how the monies are to be allocated and spent.

33% of its portion of the Contribution must be spent in and to the benefit of the immediate community. The Contribution must be spent with a view to providing long-term / legacy benefits in alignment with the above.

Conclusion

Thank you for the opportunity to provide this additional information regarding the Project.

If you wish to discuss the matter further, please contact Nicole Brewer on (02) 9274 6374 or nicole.brewer@planning.nsw.gov.au.

Department of Planning and Environment

Yours sincerely,

Nicole Brewer



**Director
Energy Assessments**

Attachment A – Department request for further information dated 25 March 2024

Attachment B – Neoen response to request for further information dated 27 March 2024

Attachment C – Voluntary Planning Agreement correspondence

Our ref: SSD-10807896

Ms Emily Walker

State Leader, Development - NSW

Neoen Australia Pty Ltd

via email

25/03/2024

Subject: Thunderbolt Wind Farm - Request for Additional Information

Dear Ms Walker,

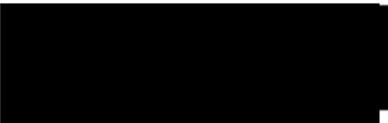
I refer to the Independent Planning Commission's assessment of the Thunderbolt Wind Farm (SSD-10807896) project. The Department has received a request for response from the Independent Planning Commission. To respond to this request, the Department requests you provide the following additional information:

- clarify the estimated capacity of the Pine Creek Dam;
- provide further detail on the arrangements in place to access water from Pine Creek Dam, and whether this arrangement involves the holder of Water Access Licence 36029; and
- demonstrate that the use of water from the Pine Creek Dam, as well as any potential erosion into waterways associated with the Project, would not negatively impact the Namoi River Snapping Turtle (Bell's Turtle) on-site, downstream or in Pine Creek Dam.

You are requested to provide the information to the Department by Wednesday 3 April 2024. If you cannot meet this deadline, please advise the Department via email as soon as possible.

If you have any questions, please contact Tatsiana Bandaruk 02 8275 1349 or via email at Tatsiana.Bandaruk@planning.nsw.gov.au.

Yours sincerely,



Nicole Brewer

Director

Energy Assessments

Nicole Brewer
Director, Energy Assessments
Department of Planning, Housing and Infrastructure (DPHI)

Sent by email to: Nicole.brewer@planning.nsw.gov.au, tatsiana.bandaruk@planning.nsw.gov.au

Dear Nicole,

Re: Thunderbolt Wind Farm – Response to RFI for IPC Case SSD-10807896

We confirm receipt of DPHI’s Request for Information (RFI) dated 25 March 2024. Please find below Neoen’s responses to the questions DPHI has received from the Independent Planning Commission (IPC).

RFI Question 1:	Clarify the estimated capacity of the Pine Creek Dam.
Neoen Response: Pine Creek Dam is a large dam with surface area of approximately 32 hectares. The water volume required for the Project (100 ML) will not significantly impact the water volume within a dam this size (i.e., the dam can sustainably supply the Project’s water requirements and the water within the dam will not be exhausted).	

RFI Question 2:	Provide further detail on the arrangements in place to access water from Pine Creek Dam, and whether this arrangement involves the holder of Water Access Licence 36029.
Neoen Response: Neoen currently has a verbal agreement with the adjoining landowner (the owner of the Pine Creek Dam) and is in the process of confirming a formal agreement for temporary transfer of the volume of entitlement required to meet construction demands (i.e., an assignment of unregulated water allocation) from the landowner for Water Access Licence (WAL) 36029 to Neoen. The volume of the entitlement held under WAL 36029 is 420 units (420 ML/year (assuming a full water allocation) which is more than adequate to meet the estimated water demands relevant to the construction phase of the Project. The transfer will apply to the volume required only (not the full entitlement) which will continue to be held by the adjoining landowner. WAL 36029 currently covers extractions from Pine Creek Dam and the transfer of part of this entitlement to Neoen for windfarm construction purposes will not result in any increased extraction from Pine Creek Dam over that which is currently authorised.	

<p>RFI Question 3:</p>	<p>Demonstrate that the use of water from the Pine Creek Dam, as well as any potential erosion into waterways associated with the Project, would not negatively impact the Namoi River Snapping Turtle (Bell’s Turtle) on-site, downstream or in Pine Creek Dam.</p>
<p>Neoen Response:</p> <p>The Bell’s turtle (<i>Myuchelys bellii</i>) is listed as Endangered under the BC Act and Endangered under the EPBC Act. The NSW Atlas and Atlas of Living Australia were both reviewed for public records of the species. The closest public records of the species are from 2022 and occur approximately 1 kilometre south of the Project Area on Carlisles Gully within the Carlisle Gully Travelling Stock Reserve (TSR) (DPIE, 2024). Despite the proximity of this record, the aquatic habitat from which these records occur is distinctly different from aquatic habitat present in the Project Area. Carlisles Gully is a 7th order stream with flow contributions from numerous unnamed minor tributaries as well as, Spring Creek (4th order stream) and Pine Creek (5th order stream) which are located within the Project Area and ephemeral in nature.</p> <p>The Threatened Biodiversity Database Collection species profile for Bell’s turtle (DPIE, 2024) states that while the species can use shallow waterholes for foraging and moving between deeper waterholes, it requires waterholes at least 1.5 m deep to persist. Based on the biodiversity surveys undertaken across the Development Corridor, including aquatic habitat assessments, none of the creek lines or drainage lines present support the deep waterholes required for the Bell’s turtle. The creek lines within the Project Area are high order (4th and 5th) streams and ephemeral in nature with waterflow not being permanent.</p> <p>The exception to this is Pine Creek Dam, on the western extent of the Project Area where a temporary water pipe and pumping station will facilitate the Project sourcing water during the construction phase. Despite there being no public records of Bell’s turtle within Pine Creek Dam, it is possible that the species may occur. No disturbance works are proposed to the dam or in the vicinity of the dam. The proposed above ground pipeline and pump are temporary and will supply water during the construction phase only.</p> <p>Key threats identified to the Bells Turtle are egg predation by fox and pig (90% predation rate), agricultural and grazing development along banks causing sedimentation and loss of deep waterholes. Fox and pig have both been recorded multiple times within the Project Area during ecological surveys undertaken by Umwelt since 2020. Further, all creeklines within the Project Area are currently susceptible to direct or indirect impacts from historical, current and future agricultural and grazing land use. This is particularly relevant to Kyabra Station, where there is little to no stock fencing along the creekline habitat. This has resulted in the aquatic habitat within the majority of the Project Area being substantially degraded as a result of a long history of agricultural land uses.</p> <p>The Project will design and implement the necessary mitigation measures relating to the pump being used in Pine Creek Dam to source water for the Project construction phase to avoid direct impact to fauna including the Bell’s turtle. These mitigation measures will be prepared and</p>	

detailed in the Biodiversity Management Plan for the Project, however, will likely include a suitably sized and spaced filter being installed on the inlet valve to the pump to avoid aquatic fauna species being impacted by the pumping process.

Water extraction from the Pine Creek Dam has the potential to lower water levels within the Pine Creek Dam. Pine Creek Dam is a large dam (with surface area of approximately 32 hectares), the water volume required for the Project (100 ML) will not significantly impact the water volume within a dam this size (i.e., the dam can sustainably supply the Project's water requirements and the water within the dam will not be exhausted).

As outlined in Section 6.9.6 of the EIS the Project's waterway crossings will be designed to minimise impacts on stream stability, ensure water flow is maintained and fish passage and will be designed with reference to:

- *Guidelines for Controlled Activities on Waterfront Land (Department of Planning, Industry and Environment (DPIE) Water, 2018);*
- *Why Do Fish Cross the Road? Fish Passage Requirements for Waterway Crossings (NSW Department of Primary Industries (DPI) Fisheries, 2003); and*
- *Fisheries NSW Policy and guidelines for fish habitat conservation and management, (NSW DPI, 2013).*

For works on waterfront land (within 40m of top of bank of Spring Creek and Pine Creek) the following measures will be incorporated into the design of the works and controls included in the Soil and Water Management Plan:

- a site-specific erosion and sediment control plan will be prepared for all works on waterfront land;
- where practicable, infrastructure will be maintained outside of the vegetated riparian zone;
- utilise stream crossings for co-location of services to avoid the need to trench through stream beds wherever practicable;
- rehabilitate disturbed areas and provide scour protection to bed and banks as required to mitigate any areas with increased potential for erosion due to changes in flow regimes associated with Project infrastructure; and
- where practicable, undertake works on waterfront land from April to mid-October when fish passage is unlikely to occur.

During detailed design, consultation will be undertaken with DPI Fisheries to determine if any of the proposed waterway crossings require consideration of fish passage. For any crossings that do require consideration of fish passage, the relevant DPI Fisheries guidelines will be considered during the detailed design process.

In relation to the potential for sediment from areas disturbed by the Project to impact aquatic ecosystems, the risks associated with soil erosion from unsealed roads and other disturbed areas is well understood and were specifically addressed in the EIS for the Project (refer to Section 6.9.6.1 of the EIS). The Project will implement specific sediment and erosion controls designed in accordance with NSW Government 'Blue Book' guidelines specifically developed for the management of these risks: Managing Urban Stormwater: Soils and Construction Volume 1 (Landcom, 2004) and Volume 2 (DECC, 2008) (Particularly Volume 2A Installation of Services and

Volume 2C, Unsealed Roads). These guidelines require specific consideration of site slope and rainfall erosivity factors (including soil type) to determine the design specifications for erosion and sediment control measures. The requirement to design, install and maintain erosion and sediment controls in accordance with Blue Book requirements has been included as a condition of consent in the Draft Consent Conditions prepared by DPHI, as has the requirement for creek crossings to be constructed in accordance with the Guidelines for Controlled Activities on Waterfront Land (Department of Planning, Industry and Environment (DPIE) Water, 2018) (See Part B, Condition B20 of the Draft Conditions).

In response to submissions made regarding management of erosion risks, the Submissions Report for the Project included a draft framework for the Erosion and Sediment Control Plan (**ESCP**) that would be implemented for the Project (refer to Appendix 9 of the Submissions Report). The ESCP will be included as a component of the Construction Environmental Management Plan (**CEMP**) and Operations Environmental Management Plan (**OEMP**). This is now incorporated into the Environmental Management Strategy (EMS) which covers the CEMP and OEMP requirements. With implementation of these controls, sedimentation risks to downstream environments where Bell's turtle and other sensitive aquatic ecosystems are present are considered low and likely represents a reduced risk relative to existing farm tracks within the Project Area which will be used and upgraded as part of the Project.

The Project is therefore considered unlikely to impact on the suitable habitat for the Bell's turtle.

References

- *Landcom, 2004, Managing Urban Stormwater – Soils and Construction Volume 1,*
- *DECC, 2008 Managing Urban Stormwater – Soils and Construction Volume 2A Installation of Services,*
- *DECC, 2008, Managing Urban Stormwater – Soils and Construction Volume 2C Unsealed Roads,*
- *Department of Planning, Industry and Environment Water, 2018, Guidelines for Controlled Activities on Waterfront Land,*
- *Department of Primary Industries Fisheries, 2003, Why Do Fish Cross the Road? Fish Passage Requirements for Waterway Crossings, NSW*
- *NSW Department of Primary Industries, 2013, Fisheries NSW Policy and guidelines for fish habitat conservation and management.*

If you have any questions regarding this letter, please do not hesitate to contact me.

Kind regards,



Aaron Gutteridge

Project Manager Thunderbolt – NSW Development

Attachment C-1

Correspondence between Uralla Shire Council and Applicant



06th March 2024

Toni Averay, General Manager
Uralla Shire Council

Sent by email to: [REDACTED] and mayor@uralla.nsw.gov.au

Dear Toni,

Re: Thunderbolt Wind Farm – Benefit Sharing, Uralla Shire Council

Neoen would like to provide an update on the benefit sharing proposal to clarify proposed payments, and provide a clearer definition of the local community.

We would like to confirm our new benefit sharing offer:

Total amount	A total contribution of \$5,605,500.00 plus indexation to CPI over the 30-year life of the project (the Contribution) based on 1.5% of Capital Investment Value (CIV) as appended to the DA application.
Split between councils	<ul style="list-style-type: none">• 60% to TRC, and• 40% to Uralla Shire Council.
Timing of payments	<ol style="list-style-type: none">1. Annually – The first payment of \$74,740.00 plus indexation to CPI to be made on or immediately following the start of commercial operation of the project and subsequent payments to be made annually (for a total of 30 years) on the anniversary of the commercial operations date; or2. Upfront and annually –<ul style="list-style-type: none">• \$778,421.00 (\$1,121,100.00 x 0.69) plus indexation to CPI of the total Contribution to each council will be paid as a lump sum within 5 years of the project’s commercial operations date if USC identifies and agrees with Neoen either a capital works project or an initiative that will benefit the local community or wider region, and whose purpose is to:<ol style="list-style-type: none">i. Provide a long-term legacy benefit, andii. Aligns with the principles of providing clean energy, environmental enhancement, social cohesion and/or climate mitigation.• subsequent payments of \$25,947.38 (\$37,370.00 x 0.69) plus indexation to CPI to be made annually (for a total of 30 years) on the anniversary of the commercial operations date. <p>It should be noted that in selecting Option 2, the overall value of the Contribution to USC has been discounted by 69.43% for both the upfront and annual payments to ensure that the NPV of both offers are equal, the discount rate used to calculate the NPV was 8.5%.</p>

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ACN 160 905 706

Level 21 – 570 George Street – NSW 2000 SYDNEY – Australia

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	The payment values provided has incorporated the split between councils.
% of contribution spent locally vs. regionally	That USC will ensure that 33% of its contribution to the Contribution will be spent on the benefit of the immediate community. The Contribution must be split with a view to providing short term / legacy benefits in alignment with Option 2(i) and (ii) above.
Administration of the Contribution	Through a Planning Agreement , with a suitable governance framework and transparency regarding how the monies are to be allocated and spent.

In the above terms, Neoen considers the 'local community' as being the communities of Kentucky and up to Uralla – the area around the project within a 20minute drive. We acknowledge that it is not required for USC to provide payments to the local community within the TRC LGA boundaries.

If you have any questions regarding the proposal, please do contact me or Emily Walker (State Leader, NSW development).

Please can USC provide written confirmation (either by email or in a letter) of its acceptance of this proposal as soon as practicable. We understand that there are several internal approval processes within USC, but your support on this matter is greatly appreciated.

Kind regards,



Aaron Gutteridge

Project Manager Thunderbolt – NSW Development

NEOEN AUSTRALIA PTY. LTD.

ACN 160 905 706

Level 21 – 570 George Street – NSW 2000 SYDNEY – Australia

From: Toni Averay [REDACTED]
Sent: Thursday, 7 March 2024 7:52 PM
To: Clay Preshaw; Nicole Brewer
Cc: Mayor Uralla; Wendy Westbrook
Subject: Thunderbolt: Updated Draft Proposal
Attachments: 20240306_THU01_Ltr_to_USC_Benefit_Sharing V1.0.pdf

Good afternoon Clay and Nicole

Further to our discussions today Nicole, I'm pleased to advise that Council resolved as follows at an Extraordinary meeting tonight:

1. *Notes the revised letter of offer to Uralla Shire Council from Neoen energy regarding the Thunderbolt Wind Farm proposed community benefit agreement.*
2. *Resolves that the agreement should be progressed as follows:*
 - (a) *Option 1 - annually as per the revised letter of offer from Neoen Energy dated 6th March 2024;*

The first payment of \$74,740 plus indexation to CPI to be made on or immediately following the start of commercial operation of the project and subsequent payments to be made annually (for a total of 30 years) on the anniversary of the commercial operations to date.
3. *Authorises the Mayor and GM to continue negotiations with the proponent to finalise the proposed draft planning agreement.*
4. *Notes that the draft planning agreement will be reported to a future Council meeting prior to public exhibition.*

The Mayor and I are meeting with BAL tomorrow to progress the draft document to be submitted to Neoen for review by their legal representatives.

Accordingly it is requested that the draft conditions of consent be updated to reflect the above terms.

I have also advised Neoen of the outcome of tonight's meeting.

Thanks

Best regards

Toni Averay
General Manager
Uralla Shire Council | PO Box 106 Uralla NSW 2358

[REDACTED] | www.uralla.nsw.gov.au



Attachment C-2

Revised offer to Tamworth Regional Council



21st March 2024

Paul Bennett, General Manager
Tamworth Regional Council

Sent by email to: [REDACTED] and [REDACTED]

Dear Paul,

Re: Thunderbolt Wind Farm – Benefit Sharing, Tamworth Regional Council

Neoen would like to thank Tamworth Regional Council (TRC) for its letter dated 4th March in response to the email Neoen provided on the 16th February 2024. Neoen would like to provide an updated proposal such that the inconsistencies raised are resolved.

In response to TRC’s specific comments in its 4th March letter:

Point 1	We have amended Option 1 to the correct Contribution amount.
Point 2	Please see our responses to Points 3-7 below.
Point 3	We have amended Option 2 to 50% upfront if an appropriate capital works project or an initiative is identified and agreed.
Point 4	We have amended the wording of Option 2 to “will be paid”.
Point 5	We have clarified the meaning of ‘local community’ as being the communities within the TRC LGA and up to Bendemeer – i.e. the area around the Thunderbolt project within a 20-minute drive.
Point 6	We have also acknowledged that it is not required for TRC to provide payments to the local community within the Uralla Shire Council LGA.
Point 7	We are not sure we fully understand this comment and are happy to discuss it if need be.

We would like to confirm our new benefit sharing offer as following:

Total amount	A total contribution of \$5,605,500 <u>plus</u> indexation to CPI over the 30-year life of the project (the Contribution) (based on 1.5% of Capital Investment Value (CIV) as appended to the DA application.
Split between councils	<ul style="list-style-type: none">• 60% to TRC, and• 40% to Uralla Shire Council.
Timing of payments	Either: Option 1 – Annually – The first payment of \$112,111.00 plus indexation to CPI to be made on or immediately following the start of commercial operation of the project and subsequent payments to be made annually

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	<p>(for a total of 30 years) on the anniversary of the commercial operations date; Or</p> <p>Option 2 – Upfront and annually –</p> <ul style="list-style-type: none"> • \$1,167,632 (\$1,681,650 x 0.69*) plus indexation to CPI of the total Contribution to TRC will be paid as a lump sum within 5 years of the project’s commercial operations date if TRC identifies and agrees with Neoen either a capital works project or an initiative that will benefit the local community or wider region, and whose purpose is to: <ol style="list-style-type: none"> i. Provide a long-term legacy benefit, and ii. Aligns with the principles of providing clean energy, environmental enhancement, social cohesion and/or climate mitigation. • subsequent payments of \$38,921.07 (\$56,055 x 0.69*) plus indexation to CPI to be made annually (for a total of 30 years) on the anniversary of the commercial operations date. <p>*It should be noted that in selecting Option 2, the overall value of the Contribution to TRC has been discounted by 69.43% for both the upfront and annual payments to ensure that the Net Present Value of both Option 1 and Option 2 are equal. The discount rate used to determine NPV is 8.5%.</p>
<p>% of contribution spent locally vs. regionally</p>	<p>That TRC will ensure that 33% of its portion of the Contribution will be spent in and to the benefit of the immediate community. The Contribution must be spent with a view to providing long-term / legacy benefits in alignment with Option 2(i) and (ii) above.</p> <p>Neoen considers the ‘local community’ as being the communities within the TRC LGA and up to Bendemeer – i.e. the area around the Thunderbolt project within a 20-minute drive. We acknowledge that it is not required for TRC to provide payments to the local community within the Uralla Shire Council LGA.</p>
<p>Administration of the Contribution</p>	<p>Through either: (preferred option) a community benefit fund (administered by the Community Enterprise Foundation, a philanthropic arm of Bendigo and Adelaide Bank, which specialises in community benefit fund administration), and/or a Planning Agreement, with a suitable governance framework and transparency regarding how the monies are to be allocated and spent.</p> <p>Through the Community Consultative Committee for Thunderbolt (in place since August 2021) and through our Community Liaison Officer, we have had detailed discussions with the community on how the benefit sharing should contribute to the community in closest proximity to the project and suggested ways in which the monies could be spent.</p>

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	<p>Based on the feedback we have received it is the community's overwhelming preference that the money is administered through a community benefit fund. We will be pleased to share these suggestions with TRC.</p>
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If you have any questions regarding the proposal, please do contact me or Emily Walker (State Leader, NSW development).

Please can TRC provide written confirmation (either by email or in a letter) of its acceptance of this proposal as soon as practical. We understand that there are several internal approval processes within TRC, but your support on this matter is greatly appreciated.

Kind regards,

Aaron Gutteridge

Project Manager Thunderbolt – NSW Development

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