



Draft South East and Tablelands Regional Plan

*A submission to the NSW Government,
Department of Planning and Environment*

23rd August 2016

To the Executive Director, Resource Assessments & Business Systems, Department of Planning and Environment

Trustpower Australia Holding Pty Limited ("Trustpower") welcomes the opportunity to provide a submission to the Department of Planning and Environment on its *DRAFT South East and Tablelands Regional Plan* ("the draft Plan").

For any questions relating to the material in this submission, please contact:

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1.0 Introduction and Overview

- 1.1 By way of introduction, Trustpower, with a history dating back to 1915, is a New Zealand based renewable energy generator and multi-product retailer, offering electricity, gas and telecommunication services in the New Zealand market. We own and operate 41 hydro stations, 38 in NZ and 3 in NSW, Australia, along with 6 wind farms. Trustpower is predominantly a wind and hydro generator, and in the past 10 years, has invested in the order of AU \$1 billion in new generation development, the majority of which has been in wind power, most of which is located in Australia.
- 1.2 Trustpower's wind portfolio comprises 307 wind turbines with a total capacity of 582 MW. This includes the recently completed Snowtown Stage 2 Wind Farm located here in South Australia, a 270 MW, AU \$440 million investment – in conjunction with Stage 1, this 370 MW development is the largest in South Australia, and one of the largest operating wind farm developments in Australia. Trustpower also owns two small wind farms in NSW (Crookwell and Blayney) and some 200MW of capacity in New Zealand, including the Tararua Wind Farm which has been operating since 1999, in excess of 15 years. This makes us one of the most experienced developers, owners and operators of wind farms in Australasia
- 1.3 The assets in New South Wales were recently acquired by Trustpower. In July 2013 Green State Power Pty Ltd was established by the NSW Government to own and operate a portfolio of renewable generation assets, with a view to selling these assets. Trustpower successfully acquired these assets in July 2014.
- 1.4 Trustpower has completed five separate wind developments in the last ten years. Each of these has been completed on time and within budget, and all are now operated under strong and enduring contractual arrangements. Importantly, each of these projects also enjoys strong landowner and community support. This is something Trustpower prioritises not only during the development of any project, but also in perpetuity following commissioning.

2.0 Trustpower's Future Investment Aspirations

- 2.1 Trustpower is actively exploring wind farm investment opportunities at other sites across several Australian states. Within Australia, Trustpower has established a robust pipeline of well over 1,000 MW of wind projects at various stages of development which, when fully developed, will require investment in Australia in the order of \$2 billion.
- 2.2 Over the past few years Trustpower has advanced a number of these projects to various stages. Trustpower has invested heavily to purchase development options from initial developers, negotiate and secure landowner approvals, and lodge applications for Development Approvals.
- 2.3 In New South Wales, Trustpower has been actively pursuing development approval for the Rye Park Wind Farm, located in the hills East of Rye Park. The project was initially developed by Epuron since 2008 and Trustpower acquired the site from them in 2014. The proposed wind farm area crosses the Upper Lachlan Shire, Boorowa and Yass Valley Council areas.
- 2.4 The Rye Park Wind Farm has been determined to be a State Significant Development, with the decision on its application to be made by the NSW Minister for Planning.

3.0 Trustpower's Submission

- 3.1 Trustpower welcomes the opportunity to provide input into the Draft South East and Tablelands Regional Plan ("the draft Plan"). As highlighted above, Trustpower has considerable experience in renewable generation projects, and is well placed to provide meaningful and functional feedback on the draft Plan.
- 3.2 Trustpower is generally supportive of the draft Plan, and has provided comments on aspects relevant to renewable energy.

Goal 2: Protect and enhance the region's natural environment

- 3.3 Trustpower supports Direction 2.1 to protect the regions diverse environmental values, as part of responsible and appropriate environmental management. However, it needs to be acknowledge that the impacts of Climate Change on the natural environment is a significant risk that needs mitigating against.
- 3.4 The development of renewable energy needs to be acknowledged and promoted in this plan as a major contributor to mitigating against the adverse impacts of climate change.
- 3.5 While Trustpower generally supports Action 2.1.1 to avoid, minimise and offset the impact of development on significant environmental assets, we note that renewable energy development generally has a lower environmental impact than other energy resource development. Therefore Trustpower supports the continued recognition of the use of offsets as a way of managing environmental impacts which cannot be avoided.
- 3.6 In regards to the specific functioning of the offsets regime in NSW, Trustpower would like to see a more strategic approach to individual project offsets be implemented, to allow maximum value to the environment be achieved.
- 3.7 The current approach of having specific specie requirement for offsets leads to various patches of land being placed under land management agreements to offset the specific specific and ratios required. The long term benefits and values in this approach is debateable.
- 3.8 Trustpower would suggest a more sustainable approach would be to strategically identify long term biodiversity pressures, locations and/or species under treat and which are requiring protection. Then develop and use project specific offsets which contribute towards a larger regional objective being achieved.
- 3.9 Whilst this may not result in the exact species or ratios being offset, it would achieve a much more beneficial outcome in long run. Trustpower supports the concept of an environmental offset fund being established where projects can contribute into as part of the offset requirement, which my help achieve this goal.
- 3.10 Trustpower supports the use of spatial mapping of high environmental value areas, and supports the Departments criteria for what constitutes high value. Trustpower hopes to see ongoing reviews and updates to mapping continued.
- 3.11 Trustpower also generally supports Action 2.1.2 to protect the regions biodiversity corridors in local planning controls.

Goal 3: Strengthen the economic opportunities of the region

- 3.12 Trustpower supports Direction 3.1 to promote the growth of the tourism industry. As part of that promotion, the role that renewable energy generation can play in the tourism sector should be acknowledge. New South Wales is fast becoming the hub of renewable generation activities and projects, and can positively contribute to tourism. Partnerships between renewable developers and the tourism industry should be fostered so that mutually beneficial outcomes can be achieved.
- 3.13 Trustpower supports Direction 3.3 to support the productivity and capacity of the region's abundance of renewable energy resources; and its associated Action 3.3.1 to implement the NSW Renewable Energy Action Plan.
- 3.14 However, there appears to be little focus afforded to renewable energy, and both the economic and environmental benefits this industry will bring to the region.
- 3.15 If NSW is committed to achieving its targets for renewable energy, and its aspirations as outlined in the Renewable Energy Action Plan, alongside the federal government commitment to reducing the effects of climate change, as agreed in the Paris Climate Agreement, then more emphasis and strong regulatory direction favourable to renewable energy technology needs to be implemented.
- 3.16 While Trustpower supports the intention of Action 3.3.2 in identifying energy and mineral resource lands to support ... diversification of NSW energy supplies, Trustpower submits that the Department should seek industry input into this task.
- 3.17 The identification of sites suitable for renewable energy development, particularly wind development and to a lesser extent solar development requires specialist skill sets and a robust data monitoring programme. In addition, sites need to be of a suitable scale and size in order to achieve economic viability.
- 3.18 Identification of sites suitable for energy supply could also be achieved through a permissive planning framework, which allows preliminary site assessments and monitoring (such as meteorological monitoring) to be undertaken on a permitted basis (albeit with some general controls on size and duration).
- 3.19 In regards to Action 3.3.3, while Trustpower remains silent on the protection of mineral and extractive resources, equal recognition of the protection of renewable energy resources needs to be afforded. Trustpower submits that there should be equal consideration on the impact rezoning of land has on areas suitable for renewable energy development, or where renewable energy facilities already exist.
- 3.20 In particular, areas which have been identified as being suitable for renewable energy development, as per Action 3.3.2 above, need to have objectives, policies and land use zoning put in place. This would provide appropriate acknowledgement of renewable energy developments being a suitable and acceptable land use activity, and to prevent the renewable potential of this land being diminished by incompatible land uses establishing in the immediate vicinity.
- 3.21 In a similar theme, Action 3.3.4 needs to incorporate the ongoing productive use of land for renewable energy generation and incorporate life stage planning into land use planning activities.

4.0 Conclusion

- 4.1 Overall, Trustpower is supportive of the draft South East and Tablelands Regional Plan, and trust that the Department finds this feedback useful. Trustpower looks forward to actions form the plan being put in place, and in particular, to see the NSW Renewable Energy Action Plan implemented across the State.