

Parliament of Australia

Senate Inquiry The Social and Economic Impact of Rural Wind Farms

From Glenelg Shire Council

Introduction

I appreciate the opportunity for Glenelg Shire Council to provide a submission to the Inquiry into the Social and Economic Impact of Rural Wind Farms.

This submission outlines Council's policy in relation to rural wind farms, provides an overview of the Shire and its economic profile and discusses the benefits of the industry to the community. In addition the submission details complaints from residents living in proximity to wind farms in the Glenelg Shire.

Regional Context

Glenelg Shire, located in the south west Victoria, is an important part of the *Green Triangle Economic Region*. The Green Triangle spans the border area between South Australia and Victoria and covers southwest Victoria and the south-east of South Australia.

It includes: Warrnambool, Horsham, Mt Gambier, Portland, Hamilton, Naracoorte, Bordertown, Millicent and Penola.

Glenelg Shire covers a total area of 6200 square kilometres. The area includes agricultural lands, pine plantations and national parks (inland and coast). The major areas of settlement are Portland, Casterton, Heywood, with population located in small villages including Dartmoor and Nelson.

Major industries in the region include timber, agriculture (grazing, dairy farming), commercial fishing, manufacturing (aluminium smelter and engineering) and service industries. Tourism is another activity in the region with some potential to grow.¹

The total population of the LGA was estimated at around 21,000 persons in 2008.

Employment in the Shire

There are a number of key sectors in the Glenelg LGA, and these are the Port of Portland, the Portland Aluminium Smelter, renewable energy, timber production and processing, commercial fishing, agribusiness and tourism.⁴ There is also a significant service sector, which is providing a range of services to residents in the LGA

There were a total of 7944 jobs located in the Glenelg LGA in 2006 and 8894 Glenelg residents who were in employment. The major concentrations of jobs were in manufacturing 1607 (20%), agriculture 1194 (15%), retail 900 (11%), health care and social assistance 859 (11%), and education and training 512 (6%). Males held 4401 jobs or 55.4% and females held 3543 jobs or 44.6%.

The industries of employment of male and females were substantially different. Males were mainly employed in goods producing (58.3%) or goods related industries (10.5%), with the major sectors being manufacturing (1354); agriculture, forestry and fishing (772); and transport and logistics (347). Females were mainly employed in: in-person services (2290 or 64.6%), with the major sectors being: retail (900); health care and social assistance (859); accommodation and food services (473); and education and

training (512).

There was some commuting to jobs in the region. Of the 7941 jobs in the Shire, 95% are filled by Glenelg Shire residents and 5% by persons travelling into the region. Around 15% of Glenelg Shire residents commute outside of the LGA for employment. Of 8903 employed persons living within Glenelg Shire, 1367 commuted to jobs in locations outside of the Shire.

In all 66% of jobs were located in the Portland SLA. This reflected a number of factors: the share of the regional population in the Portland area, its role as a service centre and the concentration of manufacturing (including the smelter) and transport activity (the Port and logistics).

Major Industries

There are a number of key sectors in the Glenelg LGA, and these are the Port of Portland, the Portland Aluminium Smelter, renewable energy, timber production and processing, commercial fishing, agribusiness and tourism. There is also a significant service sector, which is providing a range of services to residents in the LGA.

Glenelg Shire has become a major renewable energy hub through the Portland Wind Energy Project and the wind farm activities of Pacific Hydro Limited. Keppel Prince Engineering is involved in the fabrication and maintenance of towers and turbines.

Wind Power

The Coastal region around Glenelg Shire has become a major centre for wind power generation as climatic conditions (wind speeds) make the region suitable.

The *Portland Wind Energy Project*, which is currently being developed by Pacific Hydro, is constructing wind farms in Glenelg Shire in four stages. The first three stages have been completed. With the completion of all four stages, these wind farms would generate a total of up to 670 gigawatt hours per annum or the equivalent of powering 120,000 households each year.

The four stages of the Portland Wind Energy Project are as follows:

Table 46. Major Wind Energy Projects

| Stages | |
|---|--|
| Stage 1: Yambuk Wind Farm | Completed in January 2007, the Yambuk Wind Farm of 20 generators is located adjacent to Port Fairy's Codrington Wind Farm. According to Pacific Hydro, the project employed a building and maintenance crew of 60 people at the peak of construction and injected \$20 million into the regional economy. ¹⁰³ |
| Stage 2 :Cape Bridgewater Wind Farm | Located north-west of Portland off the Portland-Nelson Road, the Cape Bridgewater Wind Farm was completed in November 2008. This wind farm consists of 29 generators, with an annual capacity of approximately 195 gigawatt hours. ¹⁰⁴ |
| Stage 3: Cape Nelson South Wind Farm | Completed in May 2009, the Cape Nelson South Wind Farm includes 22 generators and employed a total of 300 persons during the twelve months of construction. ¹⁰⁵ |
| Stage 4: Cape Nelson North/Cape Sir William Grant Wind Farm | The fourth stage of construction of the Portland Wind Energy Project has undergone significant revision since first proposed. This stage was originally to consist of a total of 58 generators across the two sites. However, in response to concerns on the projects impact upon the aesthetic quality of the local environment as well as any potential environmental impact (i.e. upon birds or plant life), the final proposal is for 11 generators at Cape Nelson North and 16 at Cape Sir William Grant - a total of 27 (which equates to a reduction of more than 50%). In addition to changing the number of generators to be constructed, revisions also impact upon the precise locations and size of the generators. ¹⁰⁶ |

Source: Pacific Hydro – Portland Wind Energy Project site - <http://www.pacifichydro.com.au/en-us/our-projects/australia-pacific/Portland-wind-energy-project>

Table 47. Profile of Portland Wind Energy Project

| Stage | Location | No of Winds Generators | Capacity |
|---------|--|------------------------|----------|
| Stage 1 | Yambuk | 20 | 30MW |
| Stage 2 | Cape Bridgewater | 29 | 58MW |
| Stage 3 | Cape Nelson South | 22 | 44MW |
| Stage 4 | Cape Nelson North/Cape Sir William Grant | 27 | 40-54MW* |

*Depends on number of 1.5MW and 2 MW generators used

Source: Pacific Hydro and Buchan Consulting analysis

Economic Impacts of Wind Farms

Rating Value to Glenelg Shire Council

Pacific Hydro has a rating agreement with the Glenelg Shire Council for the two wind farms. For the 2010/2011 rating year they paid rates of \$187,774.45.

Economic benefits

These can be both direct and indirect, from the engineers and trades people working on site through to businesses supplying products and services or local cafes making lunches for workers.

Jobs have been created in the Shire that are as a direct result of wind energy such as at Keppel Prince Engineering, Port of Portland importing and exporting wind tower components, local electricians in operations and maintenance, and ancillary economic benefits such as from accommodation, food and beverage, tourism etc.

This is in addition to rental payments for landholders hosting turbines (creating another income stream for

farmers) and the grants program offered for the life of the projects which currently stands at \$90K pa which goes to support local community groups in the Shire and is managed in consultation with the Shire

Health Impacts

Whilst there may have been other complaints lodged directly with the Wind Farm operator a check of Council's Environmental Health Complaint's Register indicates there have been 5 complaints against the wind farms.

Four of these complaints have been lodged from one family and have related to issues such as noise, low frequency noise and an oil leak.

The additional complaint was in relation to noise from the wind turbines.

Council's Position on Wind Farms

Council has supported the construction of wind farms in the Shire and considers that they make an important contribution to the Shires economy and community through the rate revenue and community grants. In addition, Council also acknowledges that turbines can impact adversely on neighbouring residents and is of the view that careful planning is needed to ensure these adverse impacts for future developments are minimized.

Council also advises that it is not the Responsible Authority for the determination of major wind farm planning applications and as such does not hold the data relating to the impacts of wind farms. This data is held by the State government's Department of Planning and Community Development.