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Department of the Senate  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
Australia

Dear Senators,

## Community Affairs Reference Committee Inquiry into the Social and Economic Impacts of Rural Wind Farms

### Submission with Reference to the ACCC

#### Terms of Reference of the Committee

That the following matter be referred to the Community Affairs References Committee for inquiry and report by 30 April 2011:

The social and economic impacts of rural wind farms, and in particular:

- (a) Any adverse health effects for people living in close proximity to wind farms;
- (b) Concerns over the excessive noise and vibrations emitted by wind farms, which are in close proximity to people's homes;
- (c) The impact of rural wind farms on property values, employment opportunities and farm income;
- (d) The interface between Commonwealth, state and local planning laws as they pertain to wind farms; and
- (e) Any other relevant matters.

#### 1.0 Introduction

Wind farms are increasing across rural Australia as a result of government schemes designed specifically to give financial assistance to the wind industry. Taxpayers and consumers are required to pay additional money to provide the incentives and create the physical infrastructure that widely dispersed rural wind farms require.

#### Intended Purpose of the Submission

It is claimed that wind farms reduce CO2 emission but after careful investigation the Community Affairs Reference Committee will become aware that the social, economic and environmental impact of wind farms cannot be justified.

I would like the parliament to consider the response of the ACCC to a complaint made by me against the claims made in support of the wind industry and ensure that the ACCC commences to act to prevent further unnecessary costs being imposed on taxpayers and consumers. If the ACCC decides to act then rural communities and their environment will be protected from unnecessary and unjustified harm.

## 2.0 A Brief Outline of My Submission to the ACCC and AER

My **Complaint Against Claims Made in Support of the Wind Industry 9 April 2007** lodged with the ACCC was scrutinised by its staff from 12 November 2007 to 4 April 2008.

During that period the ACCC requested:

- The mathematical analysis to support my claims,
- my professional curriculum vitae, even though my complaint was as an individual and
- that my name be presented to a Commission meeting along with prepared material.

My interpretation was that after the ACCC's officers and legal people investigated my complaint over such a protracted period they found merit in it and were going to take action.

On 9 April 2008, following the Commission meeting, I was contacted by ACCC and told they were not going to proceed any further. Apparently an officer from AER provided reasons why action should not be taken which included the following two comments.

- "spinning reserve was an urban myth" put around by people who opposed the wind industry and
- "all wind farms needed to do was to generate electricity and put it into the grid and it did not matter what happened at any other power station".

These matters are fundamental to any assessment of CO2 savings so I immediately sought advice from three electrical engineers with experience in the electrical power generation industry. They disputed ACCC's claim about spinning reserve and gave me enough information, and reason, to ring ACCC back and challenge its claim, which I did.

On 15 April 08 I received a further phone call from ACCC and the person said he wanted to assure me that the ACCC did not disagree with my complaint.

I requested a formal written request response to my complaint and the ACCC 12 August 2008 response contained the following:

**"Carbon emission reductions caused by wind power"**

***..... "After consulting with staff of the Australian Energy Regulator who are active in monitoring the electricity network for Eastern Australia, I have been assured that the current wind farm sourced electricity does result in the direct replacement of less environmentally friendly sources of electricity."***

On 5 November 2008 I sent a letter to ACCC asking for empirical evidence to support claims of CO2 savings but no evidence was provided. In a further letter of 12 December 2008 asking for the empirical evidence that supported their position ACCC responded on 18 December 2008 and stated:

.....

***"I have previously advised that there is no reason for the ACCC to investigate or further research this issue. I appreciate you seek empirical evidence that supports the stance taken by the ACCC. I do not have such evidence nor am I able to identify any need to obtain it."***

.....

Given the ACCC is responsible for preventing commerce and industry from using false and misleading statements it seems inappropriate for them to use such sweeping statement and then refuse to substantiate their own claims. One can only wonder why there was such a turnaround at and following the Commission meeting. Perhaps the Community Affairs Reference Committee can ask ACCC when it is going to commence to use empirical evidence as a basis for decision making.

Copies of all correspondence with the ACCC, letters and emails, can be made available if required.

### 3.0 The ACCC and AER's Claimed Area of Interest

Extracts from the ACCC website: <http://www.accc.gov.au/content/index.phtml/itemId/54137>

#### ***Role and activities***

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The ACCC promotes competition and fair trade in the market place to benefit consumers, business and the community. It also regulates national infrastructure industries. Its primary responsibility is to ensure that individuals and businesses comply with the Commonwealth's competition, fair trading and consumer protection laws.

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#### ***ACCC and the Trade Practices Act***

The Trade Practices Act's purpose is to enhance the welfare of Australians through the promotion of competition and fair trading and provision for consumer protection.

The Act deals with almost all aspects of the marketplace: the relationships between suppliers, wholesalers, retailers, competitors and customers.

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Extracts from the AER website: <http://www.aer.gov.au/content/index.phtml/tag/aerAboutUs/>

#### ***About us***

The AER regulates the wholesale electricity market and is responsible for the economic regulation of the electricity transmission and distribution networks in the national electricity market (NEM).

The office of the AER is responsible for providing timely, quality advice to the Board to support its decision-making responsibilities. The office of the AER in consultation with the Board is responsible to the ACCC for governance and efficient management of resources.

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### 4.0 Subsequent Studies into the Effectiveness of Wind Farms

Wind farm proponents claim that the electrical power generation facilities are required because they reduce CO2 emissions. Since my complaint was lodged with the ACCC studies by professionals qualified and experienced in the field of electrical power generation find that wind farms do little if anything to reduce CO2 emissions. The following are some of the reasons why wind farms are not as effective as claimed by the wind industry.

- Wind generated electricity fluctuates widely within short periods of time,
- Wind generated electricity cannot be forecast with sufficient accuracy to contribute to the electricity generators market,
- Weather patterns can be of a scale that means widely distributed wind generation facilities all can fail to generate electricity at one time,
- From time to time wind farms consume more electrical power than they produce,
- Wind farms need to be shut down at high wind speeds,
- Wind generated electricity output does not match the demand for electricity,
- Wind farms require back up generators to cover times when their electrical generation is low or zero,
- Wind farms do not displace generators that produce high CO2 emissions,
- Generators required to cover the fluctuations in wind generated electricity are required to run in an inefficient mode,
- The widely dispersed electricity transmission network creates high losses,
- The embodied CO2 of wind farms and the electricity collection network is significant but often ignored by proponents.

The conclusions reached by electrical engineers suggest that gas powered generators are not only a more efficient and more effective way of reducing CO2 but do not cost as much.

The cost of wind farms to taxpayers and consumers cannot be justified on any grounds. It is simply not fair trading to foist this ineffective infrastructure on communities using subsidy schemes.

The ineffectiveness of wind farms at reducing CO2 emissions will be articulated in other submissions.

## 5.0 Social, Economic and Environmental Impacts

The ACCC using the advice of AER is of the opinion, or were following my complaint, that “the current wind farm sourced electricity does result in the direct replacement of less environmentally friendly sources of electricity.” but could not provide evidence to support that view.

I live in a rural community and although I’m not directly affected by a wind farm I’ve listened to people who live, or lived, near the Toora and Wonthaggi wind farms speak of their concerns. Their complaints include but are not limited to the following:

### **Social**

- Disruption to social fabric in small rural towns where cohesive communities are essential part of primary industry and
- Drawn out statutory approval process that people have been invited to participate in, at large expense to them, but have predetermined outcome that ignores their concerns.

### **Health**

- Noise from the turbines in both audible and non audible frequencies causing ill health and
- Shadow flicker and blade glint also contributing to ill health.

### **Economic**

- Reduced property values and
- Disruption to primary production.

### **Other Environmental**

- Loss of local wildlife when wind turbines kill birds and bats and cause wildfires and erosion.

People in the wider community:

- pay higher taxes so that additional power lines can be built to collect the widely dispersed wind generated electricity and
- consumers pay for the additional inefficient generation of electricity required to support the fluctuating, unpredictable and unreliable electricity output from wind farms.

I find it hard to see how wind farms could be a more environmentally friendly form of power generation than say, a comparative gas fired generator and contend the AER or ACCC did not undertake the required investigations to support their claim.

There will no doubt be a considerable amount of advice provided to the Community Affairs Reference Committee from professional experts independent of the wind industry who have assessed the adverse impacts of wind farms and also from people who have suffered adverse effects on their lives.

## 7.0 Summary

It is claimed by some that the CO2 emissions from human activities are causing global temperatures to rise and that it is significant enough to be a bad thing. The purpose of wind generated electricity is to reduce CO2 emissions thereby reducing the rise in global temperatures. The perspective held by the ideologues that support wind power, and the wind industry, is that “the end justifies the means”. In response I provide the following comments.

- When the electricity generation performance of wind farms is examined in detail it becomes clear that there is no merit in “the end” at all. That is, the goal of achieving the claimed reduction in CO2 does not happen.
- When it comes to the “means”, the path that causes the identified level of harm to taxpayers and consumers, local communities and the environment it cannot be justified.
- Further, because wind farms do not achieve their claimed goal in “the end” no harm should be allowed and the means cannot be justified.

If the ACCC acted in 2007 then a substantial amount of taxpayer and consumer money could have been saved and less harm would have been inflicted on rural communities.

Why the ACCC acted the way they did can only be a matter for speculation. Its time the ACCC acted in a responsible manner and it may be up to the parliament to ensure that happens.

Yours faithfully  
Andrew Chapman