

A few
words.

Mr Stephen Palethorpe
Committee Secretary
Senate Environment, Communication and the Arts Committee

1 June 2010

Dear Mr Palethorpe,

AGL welcomes the opportunity to provide a supplementary submission to the Senate Environment, Communications and the Arts Legislation Committee hearing on Friday 28 May 2010. This submission provides an answer to the question on notice outlined by Senator McEwen (Chair).

Employment and economic benefits of renewable energy targets

AGL recently engaged Sinclair Knight Merz Pty Ltd (SKM) to perform an Economic Impact Assessment (EIA) to assess the economic impact that the Hallett Wind Farm projects are having on the economy in the region and more broadly. The Hallett Wind Farms are in various stages of development (Hallett 2 was officially opened on 29 May 2010), are planned to total some 850MW in capacity and are located north of Adelaide, near Burra in South Australia. The SKM study detailed results on employment both directly in the region and in other parts of the economy.

In terms of regional employment in South Australia, the SKM study found that the Hallett 1, 2, 4 and 5 Wind Farms:

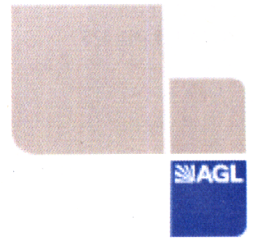
- Have provided average direct employment of 233 construction roles, together with 15 operations positions; and
- Final completion will increase these employment numbers on direct construction employment to 266 and 36 in operations per annum over the life of the wind farms.

In addition to the direct employment in the region the SKM study found that the wind farms generate manufacturing and support jobs in other parts of South Australia, nationally and overseas. The total direct workforce including construction and manufacturing is estimated to be:

- To date some 185 people on average and 900 FTE job years of work;
- Upon final completion of Hallett 1, 2, 4 and 5 some 200 people on average and 1,000 FTE job years;

The SKM EIA study also identified considerable broader benefits to the local economy, including transport operators, general labourers and concrete businesses.





Yours sincerely

Simon Kelley
Manager Energy Policy and Regulation