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Rec 2010

Mr S Gash

Chief Executive Officer

Shire of Kojonup

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RE PROPOSED FLAT ROCKS WINDFARM DEVELOPMENT APPLICATION

I refer to your letters dated 25 November 2010, and 17 December 2010 addressed to Robinson's Yarranup Pty Ltd, (Company) in which you requested our views and response on the proposed Flat Rocks Wind farm Development Application, whether supportive or not and invited any further comments in relation to the application.

I note that the documentation provided is a Development Approval (DA) to the Shire and that none of the Environmental approvals have yet been sought (local EPA/DEC AND Federal EPBC approvals).

I am advised by an experienced wind farm operator in this state, that normally the proponent would undertake all the relevant analysis and the obtaining of approvals before seeking the Shire's DA approval as at best, at least from the proponents standpoint, all the Shire can do is conditionally approve the project (land use etc) based on gaining all the necessary approvals.

Further the way the matter is currently proceeding the Shire may be put to enormous cost and effort in approving the application only to find the proposal does not get some other necessary regulatory approval.

BACKGROUND

My husband and I are the joint directors of the Company, the Company as to two thirds and myself as to one third are the joint registered proprietors of 20 separate rural property lots, known collectively as the farm Yarranup, which are directly affected by the Flat Rocks Wind farm Development Application.

The portfolio of properties run roughly in a east west configuration bordering and serviced and accessed to the north by the Yarranup road, Yarranup is also bisected North South by Potts road and a number of individual properties are serviced by this road.

In total the 20 properties ,comprise a total of some 3200 acres, upon which there is currently erected the original homestead ,shearers quarters and a collection of the usual associated farm buildings and improvements grouped together on a single title See attached map .The properties are also well serviced by 2 power lines and a large number of permanent potable water dams .

Various classes of shareholders of the Company include my children and collectively there are now approximately 20 people who now have a direct relevant interest in the Company in one form or another .

As a part of my estate planning and the ongoing business of the Company consideration has been given to my successors and the Company shareholders so that they could potentially inherit an individual lot and deal with an individual lot as they like, albeit as a lifestyle lot with the potential to lease back the farming rights to the Company or a family member as a central commercial farming operator of a number or all of the 20 individual properties .

I have also received unsolicited strong genuine interest for the purchase of an individual lot or lots and see the individual lots as an important property interest for my successors and the Companies shareholders , that can be developed or divested or leased to the Company as farm manager as the need or as circumstance arise.

The properties are predominately park-land cleared land following the valleys and creek lines with granite outcrops and is therefore pretty undulating valley country more suited to grazing and lifestyle amenities than large cleared flat or gently undulating broad acre cropping type properties associated with the wheat belt proper . Large numbers of trees have been retained for shade and cropping has not been the mainstay other than small oat crops to supplement sheep feed .

I have had 70 years continuous involvement with Yarranup which my father owned for some years prior to that. Prior to that the area was grazed by my great, great grandfather .My children have a very strong connection and emotional attachment with the properties having spent vacations there and pursuing a range of recreational pursuits as well as having working holidays there. They continue to have an active interest in the management and development of the properties .

Yarranup is conservatively farmed with only a small oat cropping program with programs in place for replanting trees eradicating the few areas of salt that have come in from neighboring properties .

Yarranup has for the past 85 or so years runs a highly successful commercial fine wool operation and in recent times has extended its operations to include a fat lamb producing operation .

I currently reside in Perth and am actively involved in the running of the property under its manager Paul Durack who has a strong connection with the property having spent his entire childhood there as his father worked on the property when my father operated it and he has worked the past 30 years there in the capacity of manager .

Your initial correspondence is the first I have ever heard of this proposal ,enquiries with the Companies farm manager Paul Durack has revealed that he had limited knowledge of the Shire application but was

recently visited by a director of the proponent in November 2010 and given a brief overview and was able to ascertain that there was nothing of benefit to be derived by the Company from the development proposal .

My enquiries in early December 2010 ,of the editorial staff of the Kojonup News, monthly community news publication which I read to keep abreast of developments within the Shire revealed that they were unaware of the Flat Rocks wind farm application ,which appears odd given the enormity of the project and the proponents mission statement to involve local businesses and the community .

The latest 17 December 2010 edition now gives coverage to the issue by way of a number of letters to the editor .

The Yarranup properties are in our view severely effected by the proposal as the attached map clearly shows the properties are surrounded to the North ,South and East by the proposal with certain lots boundaries being as close as a couple of hundred metres from a windmill .

I confirm that the information that I have been provided accompanying your letter comprised a number of Planning Application forms and the Executive Summary, however the full text of the report was not provided being the Flat Rocks Wind Farm Planning Environmental Report referred to on page 11 in the conclusion. Please arrange for a copy of the Report to be forwarded to us.

SUMMARY OF VIEWS IN OPPOSITION TO THE DEVELOPMENT APPLICATION

The Company and I do not support the Development Application as detailed in the Reasons and Comment section detailed below .

In summary it is submitted that,

The Development Application should be refused

The Development Application to the Shire is premature .

The nature and scale of the development is enormous ,comprising up to 74 windmills up to 146 metres high (comparable to say a 40 storey skyscraper) and 112 metres wide in diameter and is on a scale larger than say the Perth city CBD skyline .

The Council needs to carefully consider the enormity and impact of the scale of this development .

The Council should await the outcome of the findings of the current Federal Government enquiry on wind farms and consider its findings and recommendations prior to making any determination in the discharge of its responsibilities to residents and ratepayers .

The Kojonup rural and visual amenity will be severely altered if the application is approved .

There are issues relating to noise ,increased fire risk and radio interference that need to be properly addressed .

The negative effect on surrounding rural property values needs to be addressed .

Visual impact studies need to be prepared by the proponent relating to each individual effected property .

The Development Application area surrounds small farming lots, in this case our properties are surrounded on 3 sides by the proposal and the proposed development site is not in our opinion conducive to this style of development, other wind farms in the state are situated on large flat broad acre farms .

Not enough is currently known about the widely reported adverse health effects associated with wind farms .

If the development is to be approved the Shire should impose a 3 kilometre exclusion buffer from any property boundaries to any proposed windmill .

The Company and I am not currently able to undertake a proper review of the Development Application as all the supporting reports referred to in the Development Application have not been obtained as detailed hereunder .

Common sense suggests that further time is warranted for effected parties such as ourselves to work with the proponents to effectively work through the outstanding issues ,given current time constraints over the Christmas New Year period this has not yet occurred .

REASONS FOR OBJECTION AND COMMENTS ON APPLICATION

Both the Company and I have up until December 2010 , being after the development Application was lodged , received no communication with the proponent or adjoining landowners in relation to the application .

I have not received any of the detailed reports referred to in the Development Application , many of which still seem to be in the process of being prepared . I respectfully request copies of all these reports so we can adequately respond in due course .

To much is currently unknown about the impacts of noise that wind farms have and I am awaiting the outcome of the current Federal Parliamentary Enquiry and strongly recommend that the council do likewise .

With Yarranup having being the victim of a serious bushfire I am concerned about the devastation of the increased fire risks through the reported increased likelihood of lightning strikes associated with the erection of the wind mills .

The area perhaps because of its elevated topography and /or underlying geology is currently particularly susceptible to lightening strikes and my research shows that the erection of such high metal structures such as windmills particularly increases the risk of lightening strikes and associated fires .

No fire planning or fire risk reduction strategies has been undertaken as outlined in the Executive Summary or provision or undertakings for the holding of comprehensive insurances .

Importantly no independent expert reports as to the increase or decrease in property values has been considered in the Executive Summary. I would like the opportunity to present a report and detailed submissions to the Shire in that regard in due course . The Company's accountant who has had experience with clients being similarly effected has advised that property values are severely effected .

As a director of the Company I have a fiduciary duty to shareholders to ensure that the underlying value in the Company is not diminished through the reduction in property values .

Any ensuing reduction in property values will also have a negative impact on the Companies current and ongoing ability to raise or extend finance against the value of the properties .

The property value of the 20 affected properties will in the Companies view be substantially reduced if the Development Application proceeds .

The rural amenity will be severely compromised by the Development Application proposal .

No consideration to micro climate change has been given through potential wind reduction velocities in the Executive Summary ie moisture and dew levels at important germination times .

I am concerned about future development restrictions on the 20 properties that may be imposed by the Shire should the development proceed and welcome the Shires view on this as well as the proponents views in order that I can make a proper and informed comment .

In particular I query whether that in the event the Development Application proposal is approved whether the Company would be restricted from enjoying a similar economic benefit enjoyed by the proponent by being restricted ourselves from developing a wind farm on the Companies properties on the hills on the southwest of the property ie accessing the prevailing southwesterly winds prior to them reaching the proposed areas .

The effected area comprises small title lots and are not broad acre farmland lots like the Merredin or Emu downs Wind farms and are not conducive to this development .

The length of the anticipated project is considerable being a minimum of 20 years unlike other activities such as extractive industries that have a plan to revert the area back to its previous format in a relatively short space of time ,ie in all probability the time span of this development will last at least generation .

I have attached for the Shire's reference the model guide line rules for your consideration .

In light of my research it seems that 3 kilometre buffers are appropriate to existing residences or from the boundaries of properties where a residences might be able to be constructed in the future .

I am unable to find any information in the Application of the water requirements and source of such water for the development

Going through the Executive Summary I make the following comments in support of my views

Following the Executive Summary's numbering

1 Introduction

Moonies Hill Pty Ltd is a private company and has not revealed any apparent previous experience in wind farming or significant capital raisings of this magnitude being in the order of \$400m.

The layout of the wind farm surrounds our properties on 3 sides .

No timeline or indication is given as to when /if the Flat Rock Wind Farm Planning and Environmental report has been submitted or to whom.

2 Proponent - Moonies Hill Energy Pty Ltd

No capability statement or financial backing statement is provided.

I refer Council to the proponents of the Merridin Wind farm where the capabilities and experience are clearly demonstrated and there is a website for transparency and enables the effective involvement and engagement of the local community .

The critical success of this project will be determined by the obtaining of an electrical supply off take agreement to Synergy or Verve and no details of this critical component are given .

I am advised by an experienced industry player that Synergy will not need a new large renewable facility for a few years (likely 2013/2014 and there may be stiff competition from other wind farms to the north additionally there have been some recent discussions on significant market reform and rule changes that will have very large impacts on wind farm returns. The SWIS/WEM market is subject to very high regulatory risk potential investors will want proponents to have a good understanding of the risks.

Does the locally owned company intend to raise the development costs itself or is a trade sale once the necessary approvals are in place contemplated as was the case even with the Meredin wind farm.

3 Government Policy

On a Federal level the Council should be aware that Senator Steve Fielding has referred the issue of wind farms to a Federal Parliamentary enquiry to review and should properly await the outcome of that enquiry prior to making a determination .

4 Flat Rocks Wind Farms benefits

The project appears to be underpinned by the Grange South down Magnetite Iron Ore project that is planned to produce 10 million tons per annum of magnetite iron ore which reportedly will be transported to Malaysia to be treated by coal fired processing plants which will generate enormous amounts of CO₂ which will have a negative adverse effect on greenhouse gas emissions worldwide .

No detail as to how the \$30 m will be injected into the local community is given .

No details relating to the Communities Fund are given and how or whether any successor to the proponent will be bound to any such commitment .

5 Site Location

The area is not on large flat open farmland type properties but rather surrounded by small property landholdings .

6 Site selection and Iterative Design Process

I have not been consulted or involved in any site selection process .

No overview of the supporting data is given that demonstrates that there is an economic wind resource to support a 150 mwt , which is an enormous farm by world standards .

No information is given as to the diurnal nature of the wind resource ie predominately day or night and which direction ,this is crucial in assessing noise related issues .

150 mwt is a very large and ambitious project Emu Downs is only about half the size .

A number of the Companies freehold lots situated in valleys with windmills proposed on both sides are wholly within the proposed 2 km exclusion buffer , with some boundaries within a couple of hundred metres of a windmill . I am currently in the process of lodging a development application with the Shire for the construction of a single residence on one effected lots surrounded to the North east and South s by the application and I query whether this will be effected in any way .

I am also advised by established industry players that a 3 kilometre buffer zone from an existing residence or from the boundary of an individual undeveloped property where a residence may be erected under local government planning bylaws at some time in the future is industry norm .

I query whether if the Company or subsequent owner was to lodge applications for the construction of a single residence on a lot with the Shire would those applications be compromised in any way by the wind farm .

7 The Project

7.1Infrastructure

The nature and scale of the proposal is enormous with up to 74 windmills with total heights up to 146 metres high the equivalent of multi storey inner city office towers and with diameter widths of up to 112 metres .

No details on how the turbines are interconnected is given ie will there be above ground transmission lines connecting the turbines ,who will be legally responsible for them ,a government agency or a private company ,if a private company are there adequate guarantees in place in relation to legal liabilities in the event there is a fire or other such accident .

7.2 Aviation Obstruction Lights

Noted

7.3 Traffic and Route to Site

Noted

7.4 Grid Connection

Noted . I query whether land owners in the corridor effected by this have been consulted .

8 Consultation

As an immediate neighbor I have not received any invitation to attend any of the Information Sessions referred to although I intend to now meet with proponents at their invitation following the Christmas New Year break .

I have not received any information that was able to be viewed at the Information Sessions .

I have not had an adequate opportunity to raise my concerns and carry out my own research and due diligence .

As detailed herein I have a large number of questions that need answering before I can properly respond to your letter .

I have not received any environmental impact statements .

I firmly believe that the local community has not been actively engaged or had the requisite reports to be properly informed and engaged .

9 Environmental Assessment

I query whether this application has been referred to the EPA under Section 38 for assessment .

I note that no reports are attached to the DA and request copies of the same when completed .

8.1 Landscape and Visual effects

I would like an assessment carried out by the proponent for our consideration on the existing Yarranup homestead and each of the effected other individual properties in the event residences are constructed on those lots in the future .

I am concerned about the impact on the micro climate as result of the reduction of the velocity and energy from the wind being harnessed by the turbines and effect on moisture levels .

I request a copy of the Landscape and Visual Impact assessment when completed .

9.2 NOISE

I request a copy of the Noise impact Assessment when completed .

I am concerned about the noise to the existing residence and any residence that may be applied for development on other lots .

I refer the Council to Dr Nina Pierpont's research in the United States in relation to the adverse health effects to humans caused by low frequency vibrations and noise.

The buffers should relate to the individual property boundaries s not the residences erected now as the Company or its successors will therefore be deprived of any future development opportunities within the buffers.

9.3

Terrestrial Flora and Vegetation

Noted

9.4 Fauna

Noted

9,5 Aboriginal Cultural Heritage

No survey report has been provided

9.5.1 Ethnology

Noted

9.5.2 Archeology

Noted

9.6 Electromagnetic Interference

I am concerned about interference with the two way radios employed in the operations of our farming activities and emergency functions such as bush fire control and request more details on this point in order to be properly informed .

Noted

9.7 Aviation Safety Issues

Noted

I note that there is an existing airstrip in very close proximity to a number of the windmills and enquire whether this will result in increased air traffic over the Yarranup properties to avoid collision with the windmills proposed

9.8 Shadow Flicker

Noted

9.9 Social Economics

In relation to the claim that MHE is committed to maximizing local involvement I have had no local involvement.

No details of the Sustainability Fund is given or what proportion of annual revenue of electricity will be given back

10 Conclusion

The report referred to in this section has not been provided

SUMMARY

I confirm that I have had short notice to prepare this response I have not received the entirety of the Development Application or the reports referred in it and respectfully request the same ASAP .

I hereby reserve all my rights to make future submissions and give the Council formal notice that I intend to add to this response when more reports and information becomes available as well as the information I have requested .

On the basis of the information I have received by the Shire I respectfully submit that the application be refused .

Further I respectfully submit that the DA is premature and should not be lodged or considered by the Shire until all the reports referred to in the Executive Summary are prepared and circulated for proper and informed comment and all the necessary approvals are obtained ie local EPA /DEC AND Federal EPBC approvals . The Company reserves all of its legal rights in relation to adherence to legal due process in that regard .

I am happy to meet with the relevant officers of the Shire to elaborate or clarify any of the matters raised herein at a mutually convenient time ,

For the sake of transparency and good neighborly relations I propose to furnish a copy of this submission to the proponent when we meet so that they are aware of our position .

Yours faithfully

Company secretary

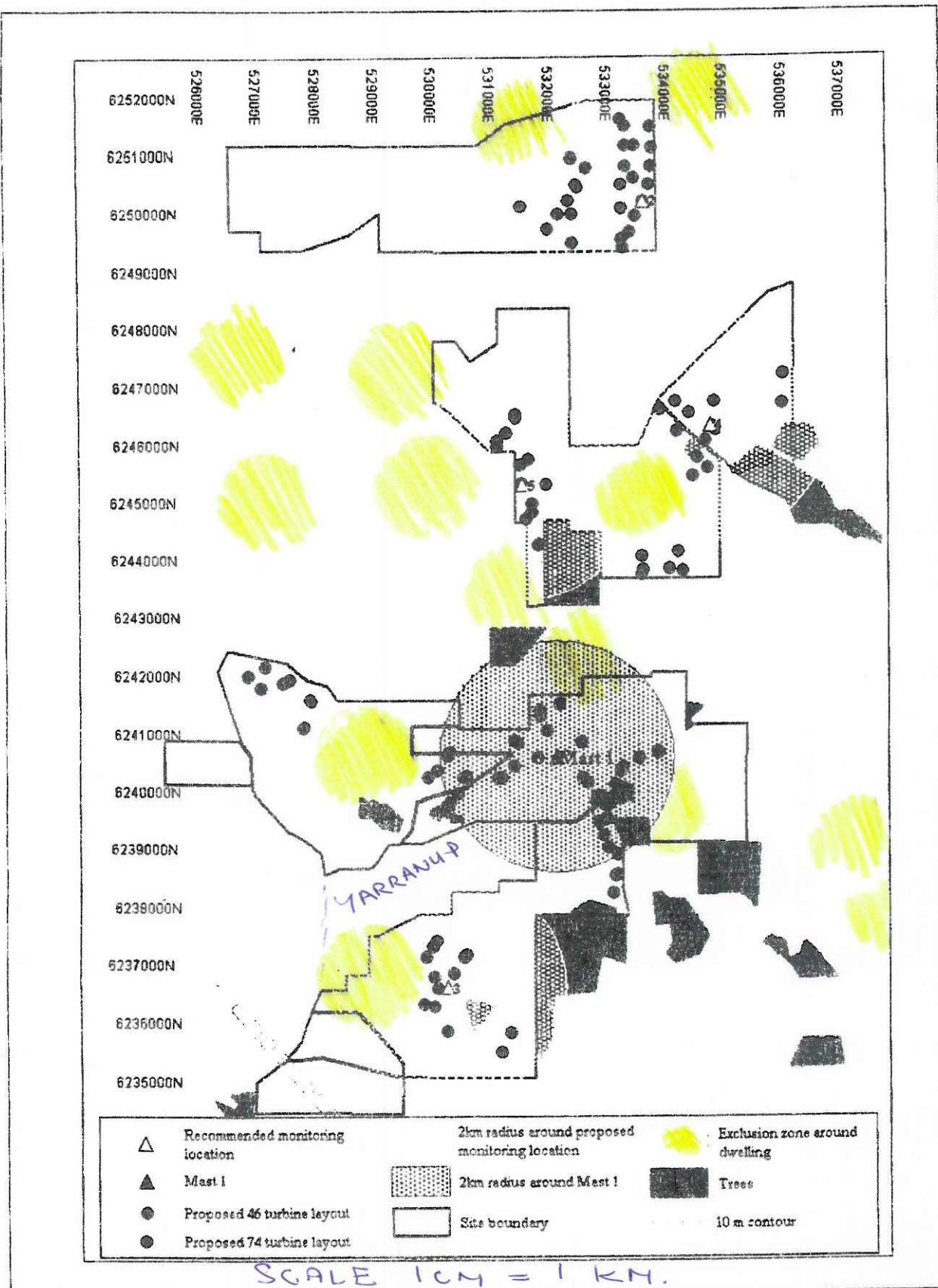


Figure 4 Recommended locations for additional wind speed monitoring

