

9 February 2011

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

Attn: Senate Community Affairs Committee

Dear Sir/Madam

Submission: The Social and Economic Impact of Rural Wind Farms

The writer is pleased to present this submission to the Committee regarding the above. Over the past 10 years the writer in his capacity as a solicitor in rural NSW has advised and continues to advise landowners and commercial wind farm developers in regard to at least 9 proposed wind farms for NSW ranging from 1-2 turbines to 1000+ turbines.

This submission considers the social and economic impacts of rural wind farms and other now more relevant matters. The submissions are summary in form and content and can be elaborated upon if required. They are based upon the results of 10 years of communications with wind farm industry participants, personal observations and industry research.

1. Health effects for people living in close proximity to wind farms.

The Committee would be aware there is voluminous literature and studies in respect of this issue. It is obvious from the literature and studies (and common sense which does not require PhD standard proof) that any potentially adverse health effects will only arise if wind turbines are located too close to residences. It is generally accepted that 1,000 to 1,500 metres is more than sufficient distance from permanent human habitation to eliminate genuine potential health threats to the weakest of the human species.

2. Concerns over excessive noise, vibrations and flicker.

As for 1. above applied to noise, vibration and flicker. Countless studies (again to prove no more than common sense) have shown that non-turbine noise created on windy days (such as from tree leaves blowing in the wind) drown out much if not all noise from the turbines on such days. Vibration and flicker are also non-issues when turbines are located a suitable distance away from permanent human habitation.

3. Impact on property values, farm income and employment opportunities

All genuine expert reports reviewed and considered by the writer on this issue are professionally neutral in their conclusions. Valuers recognise that for many purchasers of land, wind turbines are at worst a non-issue and at best an elegant feature of the landscape when considering a purchase.

Financial returns from wind farms to landowners may generate increases in property values depending on the nature and size of the returns. Each proposed wind farm for NSW considered by the writer contains excellent potential returns to landowners. Wind developers generally agree that the one-off and periodic land occupation charges are immaterial to the overall development cost.

The employment opportunities arising from wind farm development and operation are also obvious and do not warrant further justification here.

4. Commonwealth, State and Local Planning Laws

Planning must be co-ordinated. The wind industry participants already know the optimal locations for wind farms in Australia, so all that's required is to ensure that the planning approvals are co-ordinated to ensure the best and biggest sites are developed to maximise green power generation, subject to the usual environmental issues. Ad hoc planning approvals (which are already happening in NSW) will result in too many sub-optimal wind farms built more for appearances than serious green power generation.

5. Economics for wind farms

A few facts. The real economics of wind farms is founded on the premise that power is an "essential product and service", (as is water, for example). There is no genuine substitute or alternative or competitor to electricity as a product or service. Every economist knows that the economic modelling and markets for essential services are vastly different to the economics and markets for competitive products and services. The public and private sectors know how much power is required in Australia for any given time and purpose.

These facts, if understood, explain why the current polarised debate between free market carbon pricing versus fiscal carbon tax policy, as a means of driving green power investment, is futile, and why either a carbon credit market or a carbon tax will fail to reduce pollution and promote green energy. The carbon market/tax theories and arguments are illusory because they all dismiss the fact that power is an essential product and service.

Economic policy for essential services, such as power, must be driven by the need to supply demand, not to demand supply (as for non-essential competing products and services). (Think hard on this point if necessary.) It follows that power generators, wholesalers and retailers should be issued licences or allocations, in an equitable manner, in order to produce and distribute the power supply needed and demanded by Australians. If it is otherwise left to the free

market, power supply and distribution will be based only on the desire to maximise profits, not to maximise access to power by Australians. Policy failure will lead to market failure as always (see for example GFC).

Properly considered legislation to govern the generation, wholesale and retail of power is the only effective means of enabling green power sources to develop without the fear of fossil fuelled market capture, and for the supply of power to all Australians equitably. Such a legislative regime will also enable fossil fuelled corporates to plan ahead for a profitable but reduced pollution future.

6. Politics of wind farms.

The world knows that wind farms can be extremely efficient and friendly generators of power compared to other methods. Australia lags far behind other countries in adopting wind power for political reasons.

First, the fossil fuel corporates don't control the best wind farm sites in Australia, therefore they will throw as much money and influence as needed for government to delay wind/green power generation. Secondly, they engage in lawful scaremongering as seen in the very many hysterical news articles about wind farms over the past 10 years. Thirdly, the fossil corporates drive the debate on green power and create distractions to delay green energy policy. These distractions include, for example, "clean coal", solar energy car races (ever noticed and wondered why the tortoise shell car designs have not changed over 20 years?), carbon sequestration and this Inquiry.

We all know that green energy power and especially wind will not gain any serious momentum in Australia whilst the current major private sector energy corporates remain in control of energy public policy. With the private sector now controlling the public sector through "outsourced" consultancies, "public private partnerships", ACCC, other statutory bodies, and the unguarded sales of public asset essential service utilities, all governments are rendered ineffective until they reclaim their mandate with legislation for the good government of the whole nation and not just the fortunate few.

Wind farm economics and politics are the real issues now. Any suggestion that further reviews of health effects, noise and other impacts of wind farms are needed is further evidence of how deep into government the private power corporates are stalling the debate on green power policy. This Inquiry is so late and redundant that it is further proof that the Senate has long ago sold out its mandate as house of review. No doubt the world will need and or want coal and other fossil fuelled energy for the next 100-200 years, but this needs to be tempered by the desire to eventually live without the need to pollute. Pollution profit will remain high for years to come even with green energy allowed to prosper. Fossil corporates and their cronies know this and are laughing all the way to the bank. And the Senate Committee knows this too. Which is sad.

Yours sincerely
Hugh Piper