Jarra Hicks

To: The Community Affairs Reference Committee

Regarding the enquiry into
"The social and economic impact of rural wind farms"

We write on behalf of the Community Power Agency, a newly established Australian social enterprise that acts to support the development of community-owned renewable energy in Australia. We strongly support wind farms and the benefits they bring to rural Australian communities.

Our work in the field of community renewable energy has led me to research, visit and/or interview owners from over 30 rural wind farms across the world. Our experience is that these wind farms, if developed in a community-oriented way that is sensitive to the needs of the local people and ecology, are overwhelming positive. Rural wind farms offer benefits on many fronts, including:

- Opportunities for diversified income flows into rural communities, with flow on effects for rural regeneration (see AWEA; Hicks 2010) ;
- Distributed energy generation that acts to stabilise the grid network, bringing more reliable energy sources to rural areas;
- Creating new local jobs;
- Aiding the transition from existing electricity generation systems that pose more material and proven threats to local people's health and the environment (see Higginbotham et al 2010 and Connor et al 2009); and
- Building clean and renewable source of electricity.

Renewable energy is an essential part of our response to climate change, and wind power is currently the most commercially and technically viable form of renewable energy.

Peer-reviewed research collated and conducted by the NSW Government Department of Environment, Climate Change and Water (2010) shows that wind farms are safe and pose no health risks for people living in close proximity. They also show that noise levels of wind farms are similar to other ambient noise levels that already exist in an average country setting (2010: 9). This finding is supported by the American Wind Energy Association (2008:11), they explain: "Modern wind turbines have better insulation, lower rotation speeds, fewer moving parts, no gearboxes, and more efficient blades that make them much quieter than their ancestors. Today's turbines emit sound that is barely discernible from ambient noise, even with a decibel (dB) meter."

Studies have found no statistical evidence that wind farms negatively affect property values. In fact, a studies in the USA found that "the presence of wind turbines increases neighbouring property values" (REPP 2003) and that "most people are interested in or willing to pay more for homes equipped with solar panels or wind turbines" (CEC 2001).

Long-term experience in Denmark, the UK, Germany, and more recently, the US has proven that land owners benefit from new sources of income, such as wind farms

(See Hicks 2010). Such examples show no measurable impact on farming operations, and indicate that turbines can be easily integrated, especially on pasture land. In the case of the Minwind investor companies in Minnesota, USA, local farmers collectively invest in wind turbines and the dividends from the sale of the electricity helps them guarantee a steady source of income for themselves and their families, along side the season ups and downs of farming income (Hicks 2010). The Minwind experience over the past ten years indicates that farming families with other sources of income (such as windfarm shares) are more likely to stay on the land, keeping rural communities strong and vibrant.

Communities benefit from job creation, local investment and the community funds that are commonly implemented by project proponents. In particular, community-ownership or co-ownership of wind farms brings greater economic benefit to local people, through share dividends. The National Renewable Energy Laboratory (2005: 7), under contract to the U.S. Department of Energy, identified 20 studies of the economic impact of wind farms and concluded that "wind installations create a large direct impact on the economies of rural communities, especially those with few supporting industries"

Different scales and ownership models for wind farms affect the local (rural) community in different ways. I would encourage the senate to investigate the differing economic, social and environmental benefits to rural communities of different scales and ownership models of wind farms. It has been proven from case studies across the world that the social acceptance and the local economic benefits of wind farms are greatest where local people own a significant stake in the wind farm (Walker et al 2007; Gipe 2011). Embark, an Australian not-for-profit group, has done extensive research into the potential benefits of community-ownership of renewable energy in Australia and is actively encouraging this scale of development as a means for maximum social and environmental benefit.

I would encourage the senate to investigate ways of supporting wind development in Australia that will enable best benefit for the most people. For example, Germany, the UK and Ontario state in Canada, have sliding scale 'Advanced' Feed-in-Tariff systems that act to encourage smaller scale, locally owned wind farms. This model of wind development brings greater social and economic returns to the communities where wind farms are located, which, most often, is in rural areas (Gipe 2011).

The Senate Committee should not propose provisions that would unnecessarily make the development of the Australia wind industry more difficult or onerous.

Sincerely,

Jarra Hicks & Nicky Ison

Community Power Agency

References:

American Wind Energy Association (2008) *In the Public Interest: How and Why to Permit for Small Wind Systems.* Available www.awea.org .

CEC,California Energy Commission (2001) *Renewable Energy Study* http://www.energy.ca.gov/ p. 28

Connor, L.**,** Higginbotham, N. and Freeman, S. (2009) *Not Just a Coalmine: Shifting Grounds of Community Opposition to Coalmining in Southeastern Australia..* Ethnos*,*74(4), pp. 490-513.

Gipe, p. (2011) [Variety of wind issues and articles] www.wind-works.org

Hicks, J. (2010) *Mindwind Case Study*. Available www.embark.com.au

Higginbotham, N., Freeman, S., Connor, L. and Albrecht, G. (2010) *"Environmental Injustice and air pollution in coal affected communities, Hunter Valley, Australia".* Health and Place 16, pp. 259-266.

NSW Government, Department of Environment, Climate Change and Water (2010) *The Wind Energy Fact Sheet*. Available www.environment.nsw.gov.au

National Renewable Energy Laboratory (2006) *Analysis: Economic Impact of Wind Applications in Rural Communities*. Available www.windpoweringamerica.gov

REPP, Renewable Energy Policy Project (2003) *The Effect of Wind Development on Local Property Values*, Available at http://www.crest.org/ articles/static/1/ binaries/wind_online_final.pdf.

Walker, G., Hunter, S., Devine-Wright, P., Evans, B. and Fay, H. (2007) Harnessing Community Energies: Explaining and Evaluating Community-Based Localism in Renewable Energy Policy in the UK. Global Environmental Polics, Vol. 7 Iss. 2.