

10 February 2011

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Department of the Senate
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Canberra ACT 2600
Australia

By email: community.affairs.sen@aph.gov.au

The Social and Economic Impact of Rural Wind Farms

Transfield Services is pleased to be able to provide this submission to the Senate Community Affairs Committee in relation to the Social and Economic Impact of Rural Wind Farms.

Transfield Services is an Australian company that delivers essential services to key industries in the Resources and Industrial, Infrastructure Services and Property and Facilities Management sectors, and is a leading global provider of operations, maintenance, and asset and project management services. Transfield Services is progressing the development of a number of wind farm developments throughout Australia, and undertakes operations and maintenance services for three operating wind farms owned by the Transfield Services Infrastructure Fund.

Transfield Services believes strongly in the concept of sustainability, and applies this to all aspects of our business. As providers of essential services, sustainability lies at the heart of our business. For us, sustainability means constantly working towards becoming a better service provider, a better neighbour and a better employer. Transfield Services believes the concept of sustainability can be used to successfully deliver wind farm projects in rural areas, but is concerned that the development process for wind farm developments is being obstructed by a high profile but vocal minority whose views are out of step with local and broader communities.

Strong support for wind farm developments in regional areas.

Transfield Services is actively progressing wind farm developments or undertaking operations and maintenance services for operating wind farms in Queensland, NSW, Victoria and South Australia. Transfield Services' experience is that there is strong support for wind farms in rural areas.

There is a large amount of evidence to support the Transfield Services' experiences on this subject. As well as utilising broader research and polling undertaken by the Clean Energy Council, Transfield Services has commissioned separate research in some specific areas where our developments are located. Auspoll Pty Ltd undertook polling in November 2010 in the Collector area of NSW and concluded that 68% of people polled strongly supported or supported the wind farm development proposed for the area, with only 14% opposed or strongly opposed. (The other 18% neither

opposed or supported, or did not know). The Auspoll Pty Ltd study is attached with this submission.

Significant benefits to the local communities from wind farms.

Transfield Services believes that wind farm developments bring significant economic benefits to rural communities, both during the construction phase and during the operations phase of the project lifecycle. Benefits include direct and indirect benefits such as:

Direct:

- Lease payments paid to local landowners
- Council rates paid on developed land
- Opportunities for contracting or employment with the project.
 Transfield Services maintains a register of parties who have expressed an interest in participating in the project, and regularly liaise with the Federal Government's Industry Capabilities Network

Indirect:

Indirect benefits typically arise from increased economic activity and the "multiplier effect" arising out of the construction works, operations and maintenance activities and other activities. Indirect benefits may be experienced by sectors such as:

- Accommodation
- Transport services and petrol stations
- Pubs, cafes, restaurants
- Tourism: Transfield Services' experience is that wind farms can be a focal point for tourist interest. A dedicated viewing area has been built to accommodate tourists near the Windy Hill Wind Farm, operated and maintained by Transfield services in Queensland. A renewable energy themed visitor centre concept is being developed in conjunction with one of the wind farm developments Transfield Services is progressing.

Many community concerns regarding rural wind farms not supported by available evidence.

Transfield Services' experience is that the key community concerns regarding rural wind farms include:

- Concerns regarding adverse impacts on health and wellbeing
- Concerns regarding the noise emitted by operating wind farms
- Concerns regarding adverse impacts on property valuations
- Concerns regarding the visual impact of wind farms on the rural landscape

Transfield Services has reviewed a large amount of research regarding these concerns and believes that many of these concerns cannot be supported by available evidence.

In Australia, the National Health and Medical Research Council (NHMRC) released a public statement in July 2010 concluding "there is no published scientific evidence to support adverse effects of wind turbines on health". Other studies have been prepared by other Government or world health bodies relating to the health impacts of operating wind farms and have come to the same conclusion. This includes research in countries where wind farms have been operating on a larger scale and for longer than in Australia.

Transfield Services is supportive of the thorough noise assessment that each proposed wind farm undergoes during the planning stages. Australian jurisdictions presently assess the noise from wind farms under a range of standards and guidelines applicable to each State and Territory. These standards and guidelines are stringent in comparison to international guidelines. The base noise level requirement of 35 or 40dB (A) provided in the main assessment tool in Australia is already significantly more stringent than the World Health Organisation's recommended guideline value of 45dB (A).

A "Preliminary Assessment of the Impact of Wind Farms on Surrounding Land Values" was prepared for the NSW Valuer General in August 2009. "The main finding was that the wind farms do not appear to have negatively affected property values in most cases". The findings of the NSW Valuer General are consistent with international studies in the United States and United Kingdom that also found no statistical evidence of reduction in property values associated with the development of wind farms.

Transfield Services places significant emphasis during the project design phase on minimising and mitigating the visual impacts of the wind farm on the rural landscape. Transfield Services is supportive of the thorough visual assessment that each proposed wind farm undergoes during the planning stages.

Without wind farms Australia will not be able to cost effectively deliver its LRET targets.

Australia has committed to increasing its renewable energy generation under the legislated and widely popular LRET scheme. Under the LRET Australia has committed to significantly increasing the amount of energy generated from accredited renewable sources. The generation targets ramp up significantly until the requirement is 41,000 GWH per annum by 2020.

Year	Target (GWh)
2011	10 400
2012	16,338
2013	18,238
2014	16 100
2015	18 000
2016	20,581
2017	25,181
2018	29,781
2019	34,381
2020-2030	41,000

Wind farms are the most commercially viable of all the large scale renewable generation technologies, and for this reason are widely perceived to be the main technology that will be able to provide the new generation capacity required. In November 2010 the Commonwealth Government Department of Resources, Energy and Tourism released a Factsheet assessing Australian Electricity Generation Technology Costs in the period 2010 to 2030 as a part of the Energy White Paper process. The factsheet clearly outlines the cost effectiveness of wind energy alongside other renewable and non-renewable sources.

1000 Levelized COE Weighted cost of capital (real before tax 900 900 8.4% Excludes financial support mechanisms CO2 Emissions 800 Excludes grid connection, transmission and firming (standing COE(Constant A UD/MAN eserve requirements 700 Excludes carbon price Includes a notional allowance of 7.5% 800 600 for site-specific costs Baselgad technologies assumed to have 500 500 a capacity factor of 85% NOTE: Simplified pro-forma technology costs, Individual projects may lie outside 400 this range Avel Ded 900 201 200 200 100 The state of the s par land was have do COST COS do ACCES BOW State of States WIROTH SCHOOL

Figure 2: Technology Cost Ranges (2015)

Source: FACTSHEET AUSTRALIAN ELECTRICITY GENERATION TECHNOLOGY COSTS www.ret.gov.au/energy/Documents

Without a stable and efficient planning and approvals process enabling the development of wind farms, Australia will be unable to cost effectively meet its renewable energy targets and its legislated LRET obligations.

Consistent treatment for wind developments with other major infrastructure developments.

Transfield Services believes it is important that wind farm development be treated consistently with other major infrastructure projects in terms of planning requirements and constraints. Transfield Services is does not support concepts such as the proposed arbitrary 2km setback for wind turbines from residential properties. Transfield Services believes each proposed infrastructure development should be treated and reviewed on a site-by-site basis, utilising a consistent set of planning guidelines.

Closing remarks.

Transfield Services is committed to the concept of sustainability, and is committed to working closely with the communities in areas where our projects are located to ensure this concept is successfully delivered. Transfield Services believes wind farm developments can enhance local communities, and in particular believes:

- There is strong local support for rural wind farm developments
- Wind farm developments can bring significant direct and indirect benefits to local communities
- Many of the common community concerns regarding rural wind farms are not supported by available evidence
- Without wind farms Australia will not be able to cost effectively deliver its LRET targets

- Consistent treatment for wind developments with other major infrastructure developments is needed to enable Australia deliver its renewable energy targets and to meet its goal of reducing carbon emissions

Further information on Transfield Services' wind farm activities can be found at: www.windfarms.net.au or at www.transfieldservices.com.au.

Yours Sincerely

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