

## Landowner Hosts – Caveat Emptor

This is an assembly of information for Landowners who are contemplating entering into agreements to lease their land to the developers of wind projects, solar projects and battery storage projects.

### **Project – Possible Modus Operandi**

The Applicant Company, Baldon Wind Farm Pty Ltd (Lessee) would probably enter into a leasing agreement with the host/landowner (Lessor) to enable construction of wind turbines and infrastructure on the host/landowners property. The Applicant company is beneficially owned by Goldwind International Holdings (HK) Pty Ltd as 8 September 2024 (Source ASIC).

Without a Demolition or Rehabilitation Bond there is no incentive for the Applicant company to demolish and remove the wind turbines and infrastructure and rehabilitate the land to its original condition at the end of life of the project. The present-day cost of demolition of one now larger wind turbines has been estimated by law firm, McCullough and Robertson, to be between \$450,000 and \$600,000 (Weekly Times – 9 August 2024).

NSW Planning draft wind turbine demolition and rehabilitation calculator, in their example, estimate the cost per turbine at \$259,493. For the proposed 180 turbine Baldon Wind Project the total demolition and rehabilitation cost (not including disposal costs) would be **\$46,708,740!** Using the McCullough and Robertson lower per turbine figure of \$450,000, for 180 turbines the total demolition and rehabilitation cost would be, **\$81,000,000**. At \$600,000 per turbine the cost would be, **\$108,000,000!**.

As previously stated, there is no incentive for the Applicant Company, Baldon Wind Farm Pty Ltd, to demolish and remove the wind turbines and infrastructure at the end of the operational life of the project. It is plausible that the Applicant Company, Baldon Wind Farm Pty Ltd would distribute dividends to the beneficial owner, Goldwind International Holdings (HK) Pty Ltd, from the income generated by Baldon Wind Farm Pty Ltd during the operational life of the project, such that at the end of operational life of the project, the Applicant Company, Baldon Wind Farm Pty Ltd (Lessee) would not have the financial capability to demolish and remove the 180 wind turbines and would be liquidated, thus leaving the host/landowner (Lessor) with 180 wind turbines and infrastructure on their land and the cost of demolishing and removing them. The Holding Company, Goldwind International Holdings (HK) Pty Ltd, not being a party to the Lease Agreement, would have no responsibility for the demolition and removal of the 180 wind turbines.

### **Decommissioning Calculations based on NSW Planning and Environment Calculator for Wind Projects**

#### **180 Turbine Wind Energy Decommissioning Calculation**

180 turbine wind project x \$259,493 per turbine (cost at February 2024) = **\$46,708,740**

When determining any planning application, primary consideration should be given to the principles of ecologically sustainable development as stated in:

#### **Federal Legislation - Environment Protection and Biodiversity Conservation Act 1999**

**3A (c) the principle of inter-generational equity—that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;**

Wind projects are short-term installations whereas the site is zoned RU1 Primary production and is used for grazing activities. Properly managed, this site can be used for food production for centuries. (2015 Paris Agreement. Article 2.1(b) - **in a manner that does not threaten food production**).

## Potential and Current Host Landowners – Caveat Emptor

### Estimated Decommissioning Costs

08-Sep-24

	Source of Decommissioning and Rehabilitation Estimates	NSW Planning - Cost per turbine	Weekly Times 9/8/24 - McCullough & Robertson - Estimate per turbine	NSW Budget Estimates 21/2/24 - Cost per turbine
State	Projected Number of Wind Turbines	\$259,493.89	\$500,000.00	\$600,000.00
Queensland	2,700	\$700,633,503	\$1,350,000,000	\$1,620,000,000
NSW	3,744	\$971,545,124	\$1,872,000,000	\$2,246,400,000
Victoria	5,422	\$1,406,975,872	\$2,711,000,000	\$3,253,200,000
Tasmania	773	\$200,588,777	\$386,500,000	\$463,800,000
South Australia	1,522	\$394,949,701	\$761,000,000	\$913,200,000
	Sub Total	\$3,674,692,976	\$7,080,500,000	\$8,4180,600,000

	Source of Decommissioning and Rehabilitation Estimates	NSW Planning - Cost per MW	NSW Planning - Cost per MW	Green Clean Solar - USA. Cost per MW
State	Projected Capacity of Solar Panels (MW)	\$234,073.09	\$234,073.09	\$565,000.00
Queensland	24,097	\$5,640,459,250	\$5,640,459,250	\$13,614,805,000
NSW	19,766	\$4,626,688,697	\$4,626,688,697	\$11,167,790,000
Victoria	7,850	\$1,837,473,757	\$1,837,473,757	\$4,435,250,000
Tasmania	598	\$139,975,708	\$139,975,708	\$337,870,000
South Australia	4,136	\$1808,126,300	\$1808,126,300	\$2,336,840,000
	Sub Total	\$13,212,723,711	\$13,212,723,711	\$31,892,555,000
Australia	Total	\$16,887,416,688	\$20,293,223,711	\$40,389,155,000
4% Inflation per year	Total at 20 Years	\$35,579,239,933.77	\$42,754,761,654	\$85,093,857,931
Australia	Total	\$35 billion +	\$42 billion +	\$85 billion +
		State Totals	State Totals	State Totals
Queensland	Wind + Solar	\$6,341,092,753	\$6,990,459,250	\$15,234,805,000
NSW	Wind + Solar	\$5,598,233,821	\$6,498,688,697	\$13,414,190,000
Victoria	Wind + Solar	\$3,244,449,628	\$4,548,473,757	\$7,688,450,000
Tasmania	Wind + Solar	\$340,564,485	\$526,475,708	\$801,670,000
South Australia	Wind + Solar	\$1,363,076,001	\$1,729,126,300	\$3,250,040,000

<b>Reference</b>	<b>NEM Generators Schedule</b>	<a href="https://aemo.com.au/energy-systems/electricity/national-electricity-market-nem/nem-forecasting-and-planning/forecasting-and-planning-data/generation-information">https://aemo.com.au/energy-systems/electricity/national-electricity-market-nem/nem-forecasting-and-planning/forecasting-and-planning-data/generation-information</a>		
<b>Reference</b>	<b>USA Green Clean Solar - Solar Panel Decommission</b>	<a href="https://www.greenclean-solar.com/post/end-of-life-solar-pv-panel-decommissioning-recycling">https://www.greenclean-solar.com/post/end-of-life-solar-pv-panel-decommissioning-recycling</a>		
<b>Reference</b>	<b>NSW Planning - Wind Turbine and Solar Panel Decommission</b>	<a href="https://www.planningportal.nsw.gov.au/draftplans/under-consideration/draft-energy-policy-framework">https://www.planningportal.nsw.gov.au/draftplans/under-consideration/draft-energy-policy-framework</a>		

**Conclusion:**

If the Application is successful, a Demolition or Rehabilitation Bond, sufficient to cover the Demolition and Rehabilitation Costs for the removal of all project infrastructure, must be lodged with the appropriate local authority or host/landowner to ensure that any approval condition for Demolition of project infrastructure and Rehabilitation of the subject land is complied with.