

Silverton wind farm Modification 2.

I wholeheartedly support the proposal put forward in Modification 2.

I couldn't think of a better site for a wind farm; 25 kilometres north-west of Broken Hill. Anything that can be done to make the project more viable (more turbines, bigger turbines...) is great for the rest of NSW.

If AGL has some spare leases, we've got 88 proposed turbines down here in Canberra's dormitory suburbs which we'd be delighted for them to host.

AGL deserves plaudits for its commitment to the renewable industry unlike some of its competitors who think wind farms are a dead loss.

Is a five year extension a fair thing? Absolutely.

If the Department can grant, as it did this week, an extension of 2 years to our mob EPYC Pty Ltd just to come up with an acceptable EIS, then maybe 5 years is not enough. That adds up to a paltry 14+ years since the original application was submitted.

The industry stalwart, Charlie Prell, a potential host for the Crookwell II wind farm has been waiting 15 years for his pot of gold and there is no current sign of construction starting. Can AGL help out with a Power Purchase Agreement?

I applaud AGL for not adopting the Crookwell II strategy of building a shed or two and bringing in the bulldozers to make a few access tracks and entryways then saying "we have commenced construction". Giving the Department their due, I don't think they would fall for that one again, especially when it is so easy to extend the timeframes ad infinitum.

We also wouldn't want to lessen the effectiveness of the Powerpoints.

"Investment pipeline" and "Development backlog" must never be allowed to falter on its upward trajectory.

I admire AGL's strategy. After 14 years, most of their hosts will be no longer with us, or at least suffering some memory deficiencies, like "where did you put the host lease agreement, Pop" AGL will have to be careful that some uppity hosts don't follow the recent NSW example where they successfully argued that their contracts were null and void due to delays.

The best part of the strategy though, relates to the non associated landowners, who may also be no longer with us. The new owners of their properties, having bought them for a song, could hardly object to the wind farm, could they? I hope EPYC doesn't read this submission. There are plenty of troublemakers down here who probably won't be around in 15 years, me included. Luckily, I don't think they can string their Spanish backers on for that long even though they have done a good job so far.

I congratulate AGL for the efficiency and cost-effectiveness of their submission.

Modification 1 sought to extend the wind farm commencement date by 2 years.

The supporting arguments for Modification 1 took 56 pages of detail prepared at great expense by the consultant NGH Environmental. I'm sure it is good reading, but as usual I'll trust the Department's judgement.

Modification 2 seeks to extend the commencement date by a further 5 years. In support, AGL provides a concise 4 pages. The addressee Mike Young and the planner Phillipa Duncan would be grateful for that. So often they are faced with hundreds of pages of stuff.

The other advantage is that the Departmental Determination could hardly be longer than the application, could it?

More importantly, the application is written by AGL in-house management, given AGL's recently announced first-half loss of \$449 million. In my commercial career, the first expenses to be trimmed in tough times were the newspapers and the pot plants. I'm delighted to see that nowadays it is the wind farm consultants. Couldn't think of a more deserving bunch.

In five years time, in modification 17, maybe a sentence will suffice. Something like:
"Silverton wind farm is not currently commercially viable, but one day we hope it will be"

If AGL's renewables division can't walk across the corridor and get a PPA from the retail arm, what chance has our mob got?

No doubt the Department understands the "Justification for the Modification" better than I do. All the important sentences are there:

"energy for 120,000 homes"

"reduction of 588,000 tonnes of CO₂ per annum"

"investment of \$500m"

"employment of approximately 150 people"

"help meet the RET"

"save 730 million litres of water per annum"

"take 170,000 cars off the road"

"Community funding of approximately \$15,000 per year may be granted" (an extraordinarily generous \$53.19 per turbine, excluding the tanks and the solar HWSs of course)

and so on.

I thought all these benefits came when the wind farm was **operating**, not when it was **postponed**.

And then, the 2 year postponement in modification 1 was justified by the **uncertainty** of the RET, now they need 5 extra years because **certainty** has been restored.

Then again, who am I to question AGL's "Head of Workplace Innovation, Employee Services and Property" (and wind farms).

Who can forget the Paris Climate Agreement? Most of us apparently. I note that earlier this week it was reported that the Northern Hemisphere briefly broke the 2 degree temperature increase from pre-industrial levels. I guess it's all over then.

Its great to see that AGL pioneering the trend of assigning the wind farm approval to a "\$2" subsidiary. It provides for significant flexibility and is in the shareholders interest when the time comes to decommission the hulks.

Whilst not a shareholder, I can feel the approval of shareholders for the creation of the Powering Australian Renewables Fund. I sense the announcement was a tad premature (maybe brought on by the impending financial report). Couldn't AGL have waited for the Australian Renewable Energy Agency to provide hundreds of millions of taxpayer dollars to the fund. Whilst this wasn't stated in the Application, shareholders will applaud the folding into the venture of the Nyngan and Broken Hill solar plants and by implication, the Silverton wind farm.

It is important to share the risk as they say. All that is needed now are some rich equity partners.

I'd better close, otherwise my submission will be longer than the application.

AGL, don't delay it for ever. Technology changes. Remember you were once the Australian Gas Light company.

And some gratuitous advice to Mike Young, not that he has ever taken much notice of anything I've previously written to him.

Modifying, or heaven forbid, rejecting this application would be career limiting. Any company who pays \$11,000 for NSW Liberal Party Membership in June, 2014 is likely to have friends in high places. But Mike knows that already or he wouldn't have reached the level he has. Luckily, as Mike knows, our mob has no friends at any level, not even in the industry. He is not constrained.

I commend the application.