

Chapter 21 – The Social Licence to Operate.

Does Epyc have a **Social Licence to Operate** the Jupiter wind farm?

Epyc does not have, and is incapable of obtaining, the necessary social licence to operate. Regardless of the technical merits, or otherwise, of the EIS, on this basis alone the application must be rejected.

The Australian Renewable Energy Agency (ARENA) was established by the Australian Government to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia.

ARENA commissioned Ipsos Australia to research the social licence to operate (SLO) large scale solar facilities in Australia. No doubt, ARENA believes that all renewables developers and their developments need a social licence to operate (not just large scale solar projects). If solar farms require a SLO then for wind farms it is obligatory.

The Department also supports the requirement for an SLO. In its most recent SEARs for a solar farm (Coleambally, 13/02/17) the Department includes the above ARENA/Ipsos research on page 4 in the section: Environmental Planning Instruments, Policies, Guidelines & Plans.

In their report, published in 2015, Ipsos defines:

“The social licence to operate is a concept that reflects community support for the operations of an organisation or development. A development can satisfy legal and environmental requirements, but social support from community is also critical for the longer term sustainability of a development.”¹

That definition applies to any major project. The answers to the research topic, however, are much easier to determine for a solar renewables project than for a wind farm. It is much easier to obtain an SLO for a solar project. For instance, the planting of mitigation screening for a development less than four metres tall could well be feasible.

The co-author of the Ipsos study, Stuart Clark, in his presentation entitled “Establishing the social licence to operate large scale solar facilities in Australia” given to the 2015 Clean Energy Summit said:

“The lack of social licence is impacting the wind industry”

and he took up a whole powerpoint slide (attached) to say that one sentence.²

One must wonder why the study was done with solar renewables. Perhaps the conclusions from a wind farm study would not create any further business for Ipsos as, in many instances, an SLO and a wind farm are mutually exclusive.

Some SLO models imply that there are stages through which the SLO progresses, from rejection, through acceptance to approval and finally to psychological identification with the developer and the project. Some NSW wind projects may well have or are on the way to acquiring the SLO, but I cannot imagine the majority of the Jupiter community emerging from the first stage.

After three years, Epyc Pty Ltd, the developer and their development, the Jupiter wind farm, are further away from this goal than ever and, we would maintain, further away than any other NSW wind farm project. The first boundary developers and their project must cross is what Stuart Clark defines as the Legitimacy Boundary. To be classed as legitimate, you have to be genuine, empathetic, trustworthy, believable and

¹ http://www.ipsos.com.au/Ipsos_docs/Solar-Report_2015/Ipsos-ARENA_SolarReport.pdf

² Page 4. Author has a copy, but the presentation has been disappeared from the internet.

reliable. Epyc struggles on all these points. The project has to be needed, desirable, justifiable and beneficial. Epyc has made little effort to convince us that the Jupiter project falls into any of those categories.

The vast majority of the local community rejects the project and its proponent. Now, over three years into the project, having suffered the indignity of having its initial EIS rejected, Epyc continues to try and gain respect, trust and acceptance by visiting with a cheque book.

The need for a social licence between industry and the community is strongly supported by the CSIRO, although their current research and consultation offerings concentrate on the minerals industry. They too may have considered the wind industry too difficult.

Having measured and modelled the critical elements of social licence, the CSIRO demonstrated that trust plays a critical role in facilitating a social licence to operate.

The most widely touted wind farm with an SLO is the Coonooer wind farm in Victoria. The developers set out from the start to bring the community along with them. As a result of a long process, all local landowners ended up supporting the project and it went through the council approval process without objection.

However, two of the characteristics of the Coonooer wind farm important to gaining community trust were:

- "Smaller project size" and a
- "Location with few lifestyle blocks"

The Coonooer wind farm, now operating, has 6 turbines.

The Jupiter wind farm has 88 proposed turbines. Each of its three clusters is strategically placed adjacent to subdivisions of lifestyle properties. There are over 140 residences, mostly on lifestyle properties within 3 kms of a turbine.

Matthew Parton from Windlab, the Coonooer developer, in his presentation to the 2015 Clean Energy Summit, uses words and phrases throughout that describe the process and the result:

- Trust
- Fairer
- Follow through
- Listen/act
- Give community control
- Be transparent
- Integrity

To many of us, all of these are an anathema to Epyc. There is much justification.

For the development itself, the wind farm is in the wrong place, a proposition supported by the Department of Planning and others.

As an example, ACT Environment Minister, Simon Corbell, said in describing the assessment methodology for its tenders for renewable energy:

"Twenty per cent of our evaluation criteria was affected by looking at community engagement and what is known as the social licence to operate with that broader support in the community."

It would be incomprehensible for a potential future buyer of the Jupiter approval not to have similar yardsticks.

I have to admit, that in placing the wind farm where they did, Epyc lost the local community before they started. Recovery, even for skilled communicators, would have been difficult.
They are now faced with an active and competent community which is broadly following this strategy:
If they submit an accepted application, we will point out its many deficiencies.
If the application is accepted, it should not be approved
If it is approved, it will never be financed
If it is financed, it will never be built
If it is built it will never operate
If it operates it will be shut down.

Surely the Department does not want years of this? They can stop it at stage 2.

Ipsos believes that:

“Social licence is not present if a community withholds support and opposes an industry or a development.”

Remember, the Ipsos report was compiled with data predating Jupiter. The Jupiter proposal provides a more current case study.

For the lack of a Social Licence to Operate and the many other supportive reasons, this application should be rejected.



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