

I am not directly affected by the Paling Yards Wind Farm. My lifestyle property adjoins the current published site map of the recently proposed Jupiter Industrial Turbine Complex (JITC) near Tarago. On behalf of my community, I am researching the effect on property prices, in particular lifestyle properties of which there are many in the view shed of the JITC. Many in our community believe that lifestyle property prices were affected as soon as the wind measurement towers went up, long before the first paperwork was submitted to the Department.

I have sympathy with property owners near any proposed Industrial Turbine Complex and I would like to comment on that section in the Union Fenosa submission.

With reference to Appendix 01 of the submission, LETTER FROM DoPI AND CHECKLIST, from the letter dated 18th April 2012 and signed by the Director General, I quote:

“I have also attached a checklist highlighting key provisions of the guidelines which should be adopted for new applications and those yet to be exhibited”

From the attached Department checklist in relation to property values I quote:

“Consider any potential impacts upon property values consistent with the draft guidelines, including properties within 2km”

To which the Union Fenosa replied:

“Research into the possible indirect economic impacts of wind farms has been undertaken and addressed at Chapter 8.2.3 – Indirect Impacts”

(It's as if they are answering a different question. Since when has an impact on property values become an indirect impact)

The guidelines are of course the Draft NSW Wind Farm Planning Guidelines and the relevant section says:

“Property values

The potential for a proposed wind farm to impact on the value of surrounding properties that do not host the wind farm facility, including properties within 2 km of a proposed wind turbine should be considered. Relevant considerations may include (but are not limited to):

- the types of development that are permitted in the rural use zone(s) in which the wind farm is proposed**
- whether the wind farm is consistent with the local and regional strategic land use planning context for the area including whether the area has been identified for future subdivision**
- relevant studies and credible research on wind farms and property values**
- whether other impacts such as noise and visual impacts are considered to be within acceptable limits”**

Union Fenosa had 2 years to do this research and comply with the Director General's letter and checklist. They commissioned from ERM a report on socio-economic aspects in which there is a pitiful section on property values (Appendix 5). Union Fenosa wisely chose not to use it in the body of the EIS. Theirs would be infinitely better. Right?

So I turned to section 8.2.3. It is headed “**Changes to land value**” (What happened to “**Property** Value as requested by the DG”).

My first reaction is that I had read it all before. I had. It’s virtually a word for word cut and paste from the July 2012 Crookwell 3 submission, without attribution. Perhaps the Department should ask the proponent to justify that the impact on property values is the same in the 2 locations.

Secondly they managed to write about their “research” in 1 page (out of 500+)

Thirdly, there was no research, just a repetition of the tired old stuff from Google. Where is the detail? How many properties are within 2kms, 5kms, 10kms? What sort of properties are they, working farms, lifestyle?. How big are they?. Do they have views of proposed turbines etc etc. As this wind farm was initially proposed in 2005, where is the study of local property sales since the wind farm was first mooted?

However, to run through the page of “research”:

They start off by telling us that ERM pointed out that rural land prices are affected by all sorts of things...really? (most of this paragraph can be traced back to the Woodlawn documentation, 2004 through a number of plagiarized steps) Then they tell us that properties hosting turbines will go up in value....agreed, but they were specifically NOT asked that.

Then, the first quoted study:

“In relation to neighbouring properties and properties with views of the turbines, there is little evidence to suggest that the land values are detrimentally affected by the project. Generally, impacts to the values are primarily experienced during construction and commissioning of projects, and once a project is established, the prices recover with little to no adverse impact on land prices (Offor Sharp & Associates 2003).”

On the assumption that Union Fenosa has led with their best, then I make the following comments:

The best study they can come up with is from 2003, 11 years old. The Offor Sharp study is an interesting one. The company appears to be no longer active having morphed into Pax Populus. Its website is gone. Links to the study crash. It’s as if it was intentionally disappeared. Thanks to the Wayback Machine, a copy does exist from 2008, so I have it and have read the relevant parts.

Nowhere in the study can I find the above quotation. It appears to be a modified rewrite.

Next up is the much referenced NSW Valuer General’s study; or should I say about 3 sentences are widely quoted. As expected, the proponent quotes a couple of them, one of which was:

“The main finding was that the wind farms do not appear to have negatively affected property values in most cases”.

They never went on to say what “in most cases” meant.

That's because there were 4 lifestyle properties in the study (out of 45 properties in total) that showed potential price devaluations of 6%, 24%, 25% and 27%.

The Valuer General's study has some obvious strengths. It tries to put forward a balanced view from limited data. It unfortunately has some invalid conclusions that have been used to great advantage by the industry.

Then they finished with another 11 year old US study (Beck et al....actually Sterzinger et al). 2003 was a great year for property value studies. This is the landmark study that concluded that property prices went UP around wind farms. Wisely the proponent did not repeat that ridiculous claim.

The paper has been widely discredited especially on its statistical methods. Tellingly, in the review by Hugh Kemper, June 1, 2004:

"It is noteworthy that this study does not answer the basic question of how wind turbines affect property values. George Sterzinger (primary author), executive director of Renewable Energy Policy Project (REPP), admitted as much in response to critics who stressed that the study contains no proof that wind farms were the reason for the changes in property values: 'We have no idea'...noting REPP did not have enough time or money to answer that question. (Cape Cod Times 6/20/03)".

The proponent even copies the mistakes from the 2012 Crookwell 3 EIS

"examined..... associated with every US wind farm installation between 1989 and 2001"

- NO, not "every", only 10 out of 27
- NO, installed between 1999 and 2001 inclusive...only a decade out.

Times have changed since 2003. We no longer have dinky turbines on tiny wind farms in remote locations.

In summary, I believe the Department needs to do the following:

1. Advise the proponent that they have not addressed the Director General's Requirements for this topic.
2. Advise the proponent to commission a truly independent detailed study of all the properties within 10kms of a turbine.
3. Advise the proponent to support their case with a representative and unbiased review of the recent (< 5 years) studies, or as the NSW guidelines above state: **"relevant studies and credible research"**
4. Provide interested parties the opportunity to review these changes when submitted.

Let's not hear any nonsense from the Department that their process does not allow for actions as above at this late stage. They've also had 2 years, remember.

And finally:

The proponent quotes the Senate Committee Report, June 2011. "planning processes such as setbacks are designed to avoid..." (property devaluation).

A proper study as per 2, above, will, in our opinion, show that the Department needs to insist on setbacks from lifestyle properties of a least 5 km as unfortunately, the NSW Wind Farm Guidelines are already obsolete.