

**APPENDIX G: BROKEN HILL CITY COUNCIL LETTERS**

Quote No L16/3024 - 11/467  
FV:TR

Telephone / Personal Enquiries  
Ask for Mr Francois Van Der Berg

Please address all communications to:  
The General Manager  
240 Blende Street  
PO Box 448  
Broken Hill NSW 2880  
Phone 08 8080 3300  
Fax 08 8080 3424  
council@brokenhill.nsw.gov.au  
www.brokenhill.nsw.gov.au

15 November 2016

ABN 84 873 116 132

Ms Carolyn McNally  
The Secretary  
Department of Planning & Environment  
GPO Box 39  
Sydney NSW 2001  
Email: [Carolyn.Mcnally@Planning.nsw.gov.au](mailto:Carolyn.Mcnally@Planning.nsw.gov.au)

Dear Ms McNally

**Silverton Wind Farm - Modification 3 - Council Seeks Volunteer Planning Agreement (VPA) with Proponent**

Council advises that it seeks to secure a Planning Agreement with Silverton Wind Farm Developments Pty Ltd, a subsidiary of AGL Energy Limited, the proponent for the proposed Silverton Wind Farm, prior to approval being granted for the project.

Such an arrangement would be consistent with relationships between other wind farm proponents and Councils throughout the State, including projects such as Bodangora, Liverpool Range, Ungula and Crudine Ridge. The Agreement would be in accord with the directions enunciated in the new draft *Wind Energy Assessment Policy* dated August 2016 issued by Department of Planning & Environment (DPE).

In line with this Policy, Council supports benefit-sharing between wind energy operators and the communities in which they operate. To this end Council seeks the establishment of a community enhancement fund to sponsor particular community projects or community groups, such as the provision of grants or contributions to infrastructure.

Council concurs with the advice contained in the Policy that the preferred means of administering community enhancement funds is via a Planning Agreement.

Given that wind farm proponents across NSW are routinely offering community enhancement fund contributions of \$1,250/MW installed per annum or \$2K/turbine per annum Council is of the view that the \$15K per annum being offered by the Proponent to the Silverton community falls well short of expectations.

It is anticipated that Volunteer Planning Agreement (VPA) funds would be allocated across three categories:

- Community enhancement: for instance sport, recreation, arts, entertainment and cultural facilities, environmental protection, streetscape works, community health, education and child care, and affordable housing for seniors

- Road repairs and maintenance (relevant roads)
- Providing adaptive capacity to Council to allow for resourcing of planning and governance needs arising from the project.

The proposed Silverton Wind Farm is an unusual case in that the project is to be located on Unincorporated Land owned by the Crown and managed by the Department of Primary Industries (DPI), with no local government instrumentality to represent the interests of its residents – be they rural leaseholders or residents of the town of Silverton.

Broken Hill Local Government Area (LGA) adjoins this unincorporated land and the residents and communities in this land zone have close economic, social and cultural relationships with the City of Broken Hill (24km away) and with Council administration. Council is committed to a good neighbour policy and thus in part is representing the interests of the Silverton community and the surrounding rural leaseholders who have a limited voice with no council, as well as the residents and ratepayers of the Broken Hill LGA.

Council understands that Modification 3 proposes, inter alia, to invest \$500 Million to install an initial capacity of 200 MW of energy and in the process change the number and profile of the wind turbines as follows:

- increase the turbine tip height from 155 m to 180 m
- increase the rotor diameter from 107 m to 140 m
- increase the hub height from 100 m to 110 m
- increase the turbine capacity from 3.6 MW to 5 MW
- reduce the number of turbines from 282 to 172 (Stage 1).

Whilst Council would welcome the estimated 100-150 jobs predicted to occur during the peak of construction and approximately 25-30 direct jobs during operations, it is of the view that there are potential direct and indirect adverse impacts of the wind farm on the Broken Hill and Silverton communities and that a Planning Agreement will assist to mitigate these impacts.

These potential impacts include adverse socio-economic flow-on consequences to film making and tourism due to changes the project will impose on the unique outback landscape. For instance:

- Changes to the vista of the Mundi Mundi Plain landscape (caused by the erection of wind turbines) is likely to render district unsuitable for film making. Film production has generated millions of dollars of economic benefit for the Silverton and Broken Hill economies over 20 years.
- Changes to the vista due to wind turbines may reduce the number of tourists visiting historic Silverton and the nearby Mundi Mundi Lookout and Mundi Mundi Plain that features a vast semi-natural landscape.
- Changes to the vista due to wind turbines and the project's transmission line into Broken Hill may cause an adverse impact (the physical structures, plus shadow flicker and blade glint of revolving blades) to the experience had by tourists visiting the Broken Hill Living Desert Sculpture Park, which is approximately 20km in direct line of sight from the turbines. Many tourists visit the Park at dusk to experience the sun setting over the vast natural plain, which will now have large dimension turbines erected on it, adding an industrial feel.

Council also wishes to discuss with the Proponent as soon as possible details regarding:

- The planned movement of an estimated 290 vehicles per day through Broken Hill City during the construction phase. Council wishes to reach an Agreement regarding which roads are to be used and may require upgrading at the Proponent's cost to accommodate oversize and overweight vehicles prior to construction commencing.
- The route options for the proposed transmission line into Broken Hill from the project site.

Council looks forward to securing a Planning Agreement with the Proponent as soon as possible, and making further representations to the DPE and the Planning Assessment Commission.

If you have any queries regarding this matter, please contact Council's Manager Planning Development and Compliance, Francois Van Der Berg on 0417 451 782 or email [Francois.VanDerBerg@brokenhill.nsw.gov.au](mailto:Francois.VanDerBerg@brokenhill.nsw.gov.au).

Yours faithfully



JAMES RONCON  
GENERAL MANAGER

Copy: Adam Mackett  
AGL Project Manager, AGL Energy Limited  
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Mike Young  
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**Mike Young**  
**Director Resource Assessments**  
**Department of Planning & Environment**  
**GPO Box 39**  
**Sydney NSW 2001**  
**17 November 2016**

Dear Mike,

**AGL SLV – BHCC Request for Volunteer Planning Agreement – AGL Response**

AGL Energy Limited (AGL) is surprised to receive this letter from the Broken Hill City Council (BHCC) seeking a Volunteer Planning Agreement (VPA) given that they have been involved with the development of the Silverton Wind Farm through the Community Consultative Committee (CCC) meetings. The timing of this letter is also a significant concern given the risk of achieving financial close on the ~200MW Silverton Wind Farm with the Powering Australian Renewables Fund (PARF) is dependent upon approval of Modification 3. The final investment decision on the wind farm is imminent and no VPA with BHCC has been factored into the project, however, we have a community enhancement programme with the Silverton community. Additionally, we note that AGL/the PARF are targeting delivery of the Silverton Wind Farm in mid calendar 2018, so that it is able to supply renewable energy to the market at that time. One of the key reasons for this timeline is the predicted shortfall of Large-scale Generation Certificates (LGCs) in 2018, based on current committed renewable projects not being enough to satisfy legislated LGC demand. This predicted shortfall has the potential to elevate LGC prices, leading to pressure on electricity pricing for customers.

In response to BHCC's request for a VPA, AGL note that the project site area for the proposed Silverton Wind Farm is located in the unincorporated area and not the Broken Hill local government area. Discussions in relation to the community enhancement programme (condition 3A.5 of Modification 2 conditions) have been progressed with the Silverton Village Committee who represent the community who will be "impacted" by the project. Any other adverse impacts from the project will be effectively managed and mitigated by the project approval. Discussions on the community enhancement programme have been ongoing since we acquired the project in early 2012. The delivery of the Silverton Wind Farm with a capital value of up to \$500 million will provide a significant economic benefit to the Broken Hill community with the potential for up to 150 jobs during the peak of construction and many of these anticipated to come from Broken Hill through the local industry participation plan initiative.

AGL will not enter in to a VPA with BHCC in relation to the Silverton Wind Farm which would both delay the project and have significant repercussions and negative reaction from the local Silverton community. The Modification 3 application decreases the number of turbines and level of impacts and does not justify a change in the contributions to the BHCC, especially considering the comments above.

We have been progressing the community enhancement programme in consultation with the Silverton Village Committee and commit to the following:

1. Solar Silverton: provision of 5kW solar PV system (assuming 20 residents @ \$7,000 = \$140,000)
2. Water Tanks: provision of domestic water tanks (assuming 20 residents @ \$5,000 = \$100,000)
3. Community Fund \$15,000 pa
4. Undertake feasibility study during the construction phase for improving the mobile reception for the Silverton community and contribute up to \$50,000 towards improvement works.

Further we note that AGL has/is separately sponsoring the following Broken Hill events:

- Broken Heel Festival
- Far West 2016 Excellence in Business Awards
- St Patrick Race Day and Broken Hill Regional Events Centre (until 2018)

AGL has also been involved in discussions with the BHCC for the construction of a short bypass which will both reduce traffic impacts and provide an ongoing benefit to the Broken Hill community. We are currently seeking to resolve a native title matter with the NSW Crown to enable these works to proceed post final investment decision. AGL trust that this adequately responds to the BHCC letter and will call shortly to discuss.

Regards

A handwritten signature in blue ink, appearing to read 'A Mackett', with a stylized flourish at the end.

Adam Mackett  
Project Manager

CC: David Kitto (DPE), Suzanne Westgate (AGL)

Quote No L16/3098

FV

Telephone/Personal Enquiries

Ask for Mr Francois Van Der Berg

24 November 2016

**Please address all communications to:**

The General Manager

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**Phone** 08 8080 3300

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ABN 84 873 116 132

Mr Adam Mackett  
Project Manager  
AGL Energy Limited  
Locked Bag 1837  
St Leonards NSW 2065

Dear Mr Mackett

## **Re: Silverton Wind Farm - Modification 3**

Broken Hill City Council ('Council') refers to your letter to the Department of Planning & Environment ("DPE") dated 17<sup>th</sup> November 2016, which was in response to Council's letter to the DPE dated 15<sup>th</sup> November.

Council would very much appreciate the opportunity to meet with AGL Energy Limited as soon as possible to discuss a number of matters of mutual interest pursuant to the proposed Silverton Wind Farm. Council supports the proposed renewable energy project however there are some matters it wishes to see satisfactorily resolved before Mod 3 is determined by the Planning Assessment Commission. These are outlined below:

- 1) The movement of oversize and overweight vehicles through Broken Hill City during the construction phase for the wind farm. Council seeks to reach agreement with AGL regarding which roads are to be used and which will require upgrading to Council's standard prior to construction commencing, in accord with Conditions 2.46 to 2.48 of the existing Project Approval;
- 2) Funding arrangements for the ongoing repair and maintenance of Council roads utilised by traffic related to the project during its lifetime – from construction through to decommissioning;
- 3) The route options for the proposed transmission line into Broken Hill from the project site, mindful in part on the vista enjoyed by visitors at the Broken Hill Living Desert Sculpture Park;

Council apologises for raising the matter of a Voluntary Planning Agreement ("VPA") late in the process however during the time the project was first mooted and approved (2009) the then Council was in caretaker mode with an Administrator in charge from January 2007 until 2012. Please be assured Council has no desire to delay the project or interfere in any way with arrangements with the Silverton community. Council does note however that Condition 3A.5 of the existing Project Approval requires AGL to consult with Council (and the CCC) in preparing the Community Enhancement Program and determining the fund. We are keen to engage with AGL on this compliance matter.

One of the benefits Council could bring to the table is the means to manage a Community Enhancement Fund, given, as per DPE Guidelines for Community Consultative Committees (CCCs) 'a CCC is not a decision-making or regulatory body: it performs an advisory and consultative role.' (page 2, Community Consultative Committee Guidelines for State Significant Projects). Furthermore, a VPA would be in accord with the directions enunciated in the DPE's new draft Wind Energy Assessment Policy ('Policy') dated August 2016 which states that the preferred means of administering community enhancement funds is via a Planning Agreement.

The proposed Silverton Wind Farm is a most unusual case in that the project is to be located on Unincorporated Land owned by the Crown (managed by DPI Lands), with no local government instrumentality to represent the interests of its residents – be they rural leaseholders or residents of the village of Silverton. Broken Hill Local Government Area adjoins this Unincorporated Land and the residents and communities in this land zone have close economic, social and cultural relationships with the city of Broken Hill (24 kms drive away) and with the Council administration. Council is committed to a good neighbour policy and thus in part is representing the interests of the Silverton community and the surrounding rural leaseholders who have limited voice with no council, as well as the residents and ratepayers of the Broken Hill LGA. Council is confident the Silverton community will support these moves.

To establish a date for a meeting it would be appreciated if you could please contact Council's Manager Planning Development and Compliance, Francois Van Der Berg on phone 0417 451 782 or email [Francois.VanDerBerg@brokenhill.nsw.gov.au](mailto:Francois.VanDerBerg@brokenhill.nsw.gov.au)

Yours sincerely,



FRANCOIS VAN DER BERG

MANAGER PLANNING DEVELOPMENT AND COMPLIANCE

Copy: Mike Young

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