

HILLS OF GOLD WIND FARM SUBMISSION

Without Prejudice

INTRODUCTION TO SUBMISSION

This submission is made on a Without Prejudice basis.

The submission seeks to identify if, and to what extent, the Applicants to the HOGWF have:

- adopted best practice with regards to due and compliant process with the Wind Farm application and their representations to all parties;
- adopted best practice with regard to acceptable conduct;
- adopted correct and compliant disclosure with regards to both the original intent to purchase WEP and wind farm assets and execution of the purchase;
- adopted acceptable integrity and duty of care in their representations to, and engagement with, the host community. (Hills of Gold Wind Farm Community Consultative Committee. – ‘HOGWF-CCC’)

SUBMISSION

The Applicants and respective owners of the Hills of Gold Wind Farm have, in view, demonstrated low and unacceptable levels of disclosure, conduct and engagement with the host community.

Such actions have greatly disturbed and unsettled the Nundle community.

- a) I question the unsatisfactory disclosure format leading up the intended goal of ultimate ownership.

On the 18th September **2019**, a Project Announcement was released by ENGIE/SOMEVA Renewables stating that WEP had entered into NEW commercial arrangement with ENGIE.

The Announcement stated that ENGIE would provide financial, technical and commercial support to WEP to continue HOGWF development and, subject to successful project permits and financial close, would construct and operate the wind farm. WEP would remain as Proponent/Developer.

At no time did ENGIE agree to meet with, engage with, or communicate with the HOGWF-CCC to present their acquisition and ownership interests.

ENGIE continued to avoid any communications with HOGWF-CCC.

- b) On 24 August 2020 a media article dated 31 January 2020 was tabled to the HOGWF-CCC speculating about Hills of Gold Wind Farm transfer of ownership. WEP refused to acknowledge the accuracy or otherwise or any media article.
- c) I am advised that in the 22 September CCC minutes a community member noted that they had approached ENGIE about the Financial Review article discussed at the last CCC meeting to enquire whether it was accurate. ENGIE ... will make public comments on these matters when it is appropriate to do so.”
- d) Hills of Gold Wind Farm Holdings. Pty Ltd was registered with ASIC on 6th October, 2020.

It is my understanding that neither the registration nor ownership details were communicated to HOGWF-CCC.

- e) On 29th October, 2020, the HOGWF-CCC were advised of a change in ownership of WEP to ENGIE and introduced ENGIE General Manager–Asset Development who addressed the meeting via video.
- f) ENGIE representatives have at no time visited Nundle to meet with the HOGWF-CCC representatives to communicate their acquisition.

In my opinion ENGIE and WEP have, by their actions, avoided correct due process, courtesy and duty of care in normally acceptable disclosure obligations.

2) Stakeholder Engagement:

In Section E3 of the EIS Executive Summary – ‘Community and Stakeholder Engagement’ it states that **WEP and ENGIE are committed to effective and genuine engagement with key stakeholders and the local community.**

At no time has ENGIE, its Directors or representatives delivered the above commitment as made in the Executive Summary.

As at January 2020, ENGIE continued with its intent not to meet with the HOGWF-CCC.

3) Community Enhancement Fund ('CEF')

The HOG Wind Farm has a published capital value of **\$826** million. The project is proposing to contribute to a Community Enhancement Fund ('CEF') an amount of \$2,500 per turbine per year. There are 70 wind turbines so this will amount to \$175,000 per year, possibly less if wind turbines are removed due to environmental impacts.

Over a 30–35-year Wind Farm asset life, the total Fund amounts to less than 1% of the Wind Farm capital value.

The amount proposed allocates a low contribution value to the future care and sustainability of the community and the host environment.

It is totally unacceptable.

4) Comparative Wind Farm and Community-Environment Asset Values. Important and KEY Considerations in the Approval process.

Renewable Energy facilities (wind and solar) fall into classification of 'paired assets.' In this case, the pairing is between the wind farm capital asset and the community and environmental asset. The wind farm capital asset investment value is \$826 million. The community asset reflects, inter alia, the past, present and future value of the resident community, the natural environment, its preservation and future sustainability.

From an economic analysis perspective one can derive the following argument which should be recognized by Government Planning and DA Approval departments.

Wind Farm Asset Value:

A wind farm infrastructure asset has a finite life. This is estimated to be 30-35 years. For this period, it has an initial discounted capital and income value. The asset is essentially a demountable energy generation platform that at the end its functional, mechanical, technical and financial life is scrapped. A replacement/new technology asset may replace it.

Community Asset Value: A community and environmental asset is not a finite asset. It is a lifelong, irreplaceable asset and cannot be dismantled.

What is the value of such a key asset? Its value, arrived by any economic metric, is an **order of magnitude greater** than the finite asset of a Wind Farm which can be dismantled at the end of its economic life. The community and environment do not have an end point of their economic life.

HOGWF will disrupt and devalue a precious community. The NSW grid has an expanding pipeline of renewable energy and battery backup and does not need to accommodate this risk.

SUBMISSION CONCLUSION

Renewable wind and solar generation can make a valuable contribution to the NSW power supply.

However, on the basis of a fair analysis of the considerations laid out in this submission, I am not in support of the HOGWF Application proceeding.