

LAL LAL WIND FARM PROJECT UPDATE 3



This Project Update was first issued by WestWind Energy in August 2007

This is the third Project Update from WestWind Energy to provide you with further information about our Lal Lal Wind Farm project proposal. You have received this because you are on our stakeholder database.

Please contact us if we do not have your correct contact details or if you know of anyone who has not received a copy of this Project Update but would like to. (Please refer to the back page for our contact details).

News In Brief

NEW STAFF AT OUR BUNINYONG OFFICE

WestWind Energy has employed three new staff members at our project office in Buninyong. This update introduces these new members of the WestWind Energy team to you.

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### WHAT CAN A WIND FARM BRING TO THE COMMUNITY

Many people appreciate the benefits of generating electricity from a renewable resource like the wind. For some, the challenge is in obtaining a balance between perceived amenity impacts borne by local residents who live close to a wind farm and the intangible benefit of clean electricity for all Australians. In this update we outline some of the benefits that can come to the host community of a wind farm and put forward our ideas of what we can do to help keep the balance. Maybe you have an idea too?

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HOW YOU CAN HAVE YOUR SAY

There are a number of ways in which the community can have input into the development of the proposed Lal Lal Wind Farm. This update outlines the main ways you can do this.

NEW STAFF MEMBERS

WestWind Energy has begun the process of hiring staff for its Australian headquarters in Buninyong. We are very pleased that we have been able to find very high quality staff that live within the local area. They are all going through the steep learning curve of any new job. Of course we have the added complexity of establishing a new office to contend with, but we hope that all of our staff will soon be on top of their duties and able to assist you.



*Cindy Smith
Office Manager*



*Angela Sutcliffe
Community Liaison Manager*



*Adam Gray
Project Development Engineer*

HOW YOU CAN HAVE YOUR SAY ABOUT THE LAL LAL WIND FARM PROPOSAL

As with many building activities, WestWind Energy must obtain a Planning Permit before it can consider building the Lal Lal Wind Farm. If a Planning Permit is granted, it will still be at least another two years before construction could commence.

There are two main ways that you can have your say about our plans to construct a wind farm near Lal Lal;

- ✦ informally to WestWind Energy in the lead up to lodging our planning permit application, AND
- ✦ formally to the Minister for Planning once the application has been lodged.

WestWind Energy has a strong commitment to community consultation. Our aim is to provide you with information about our proposal and to keep you informed of our progress as we develop our formal proposal. We also want to obtain constructive criticisms and suggestions from the local community and the various government departments about our preliminary plans.

It is up to WestWind Energy to determine the nature of its formal proposal. Ultimately it is our responsibility to ensure that the project is commercially viable. However, we see it as being in our own best interest if we respond, where appropriate, to suggestions, concerns and criticisms raised by the various local and regional stakeholders.

WestWind Energy will use a number of mechanisms to achieve these aims including project updates like this, Community Information Sessions and one-on-one meetings. Furthermore, the staff at our Buninyong office are always willing to discuss your concerns and you are welcome to drop into our office for a coffee and a chat, call us, or send us a letter.

Once WestWind Energy lodges its application for a planning permit a formal consultation process will begin, conducted by the Department of Sustainability and Environment (DSE) on behalf of the Minister for Planning. For wind farms, as for most large infrastructure projects or projects of state significance the Responsible Authority will be the Minister for Planning (supported by Department of Sustainability and Environment).

The planning permit application documents will initially be placed on public display for several weeks (maybe months) so that everyone has a reasonable opportunity to become familiar with what is actually being proposed. During this time, members of the public will be formally invited to consider the application and to make a written submission to the Minister for Planning.

Typically the Minister for Planning will instruct Planning Panels Victoria to convene an independent planning panel. The planning panel will review the application for the planning permit and all the submissions and it will then hold a public hearing. At this hearing, the panel will invite all those who made a written submission to the Minister to make a verbal

presentation to the panel itself. The panel will also hear from expert witnesses and make visits to the site and its surrounds.

The panel will then consider all the submissions made to it, and prepare a report with recommendations to the Minister for Planning. The Minister will then determine whether to grant a Planning Permit to WestWind Energy and what conditions will be included with the permit.

This whole process usually takes several months and sometimes more than a year to complete.

The Planning Panel make their recommendations and the Minister for Planning will make his determination by assessing WestWind Energy's application against the Planning and Environment Act and the Moorabool Planning Scheme – the same rules that apply to any other development within the Shire.

The State Government has also produced the policy and planning guidelines for development of wind farms in Victoria to ensure the appropriate development of Victoria's wind resource in a way that balances environmental, economic and social outcomes. These Guidelines aim to:

- ✦ facilitate appropriate development of wind farms
- ✦ balance environmental, social and economic outcomes
- ✦ provide a planning framework for wind farms

The Guidelines provide a clear decision making framework to ensure that proposals for wind farms are thoroughly assessed against criteria important to both proponents and the community before development can commence. The Guidelines include provisions to assist decision making on proposals for wind farms, including:

- ✦ State Planning Policy on wind farms and the State Government's renewable energy policy
- ✦ an outline of information required for planning permit applications
- ✦ an outline of matters to be considered when assessing permit applications
- ✦ criteria to ensure the protection of critical values under Commonwealth or Victorian legislation

WestWind Energy must comply with the Moorabool Planning Scheme and these guidelines (and satisfy many other requirements) as it seeks approval to develop the Lal Lal Wind Farm.

For more information on this process you can visit the DSE website at <http://www.dse.vic.gov.au> (follow the links *DSE Home > Planning > Planning Permits > Permit Types*) or contact the DSE Information Centre in Mair St Ballarat.

The staff at WestWind Energy's Buninyong office will also be happy to explain the process in more detail with you.

WHAT CAN A WIND FARM BRING TO THE COMMUNITY

Many people appreciate the benefits of generating electricity from a renewable resource like the wind; it provides the benefit of clean electricity for all Australians. This reduces our reliance on electricity produced by heavy polluters such as coal fired power stations and thereby reduces Australia's overall output of greenhouse gas emissions. This does not reduce the need for a more efficient use of our electricity, they go hand in hand; we all need to use cleaner energy more efficiently.

However, some local residents have asked us about the benefits that the local community would gain from having a wind farm near their homes. They are, quite reasonably, seeking more tangible benefits for the local community to balance against the perceived amenity impacts that they feel will be borne by local residents living close to a wind farm.

In this update we outline some of the benefits that can come to the host community of a wind farm and put forward our ideas of what we can do to help keep the balance. Maybe you have an idea too?

If the Lal Lal Wind Farm receives planning approval, its development will bring a number of direct and indirect benefits to the region. Some of these benefits are described below.

COMMUNITY DEVELOPMENT FUND

WestWind Energy, like many wind farm owners and operators, intends to establish a 'Community Development Fund' for the benefit of the local community around all of its wind farm projects. The establishment of such a fund has previously been announced for our Mt Mercer Wind Farm and we intend to do the same for Lal Lal Wind Farm, should it be approved and constructed.

The level of funding provided by WestWind Energy will be based on the number of wind turbines in each wind farm. For the Mt Mercer Wind Farm, with approval for 64 wind turbines, it is expected that the funding will be in excess of \$50,000.00 per year. The Lal Lal Wind Farm is likely to have more wind turbines than at the Mt Mercer Wind Farm and so the level of funding will be well in excess of this amount.

The Community Development Fund would be administered by WestWind Energy. Community groups and/or individuals will be encouraged to apply to WestWind Energy for 'support' of local community projects. Applications will be assessed and the funds allocated on a merit/community-benefit basis. The funds will not have to be fully allocated in each year. This is to allow for funding of more expensive projects in any one particular year (e.g. where capital works might be involved).

It is important to note that this Community Development Fund will not be established until the wind farm is operational. The wind farm would need to be earning some income before we could start to directly support activities within the local community.

EMPLOYMENT

The wind farm will provide many short and long term employment opportunities.

The construction of the Mt Mercer Wind Farm is expected to stretch over two to two and a half years and a similar period of time would be required for the construction of the Lal Lal Wind Farm. This construction phase will create numerous 'short term' employment opportunities for individuals and businesses in the region.

Once the wind farm is constructed we enter the much longer operational phase of the project (20 to 35 years). This provides for 'long term' employment opportunities and WestWind Energy expects to create 12 to 15 new full time positions for each of the Mt Mercer and Lal Lal wind farms (total of 24 to 30). This will provide nearby employment for local residents or will bring new residents to the area.

Regardless of whether it is the development, construction or operational phase of our wind farms, WestWind Energy will actively encourage employment of local people and contractors wherever possible. From our point of view it makes more sense for us to spend our money with local businesses and it is much better to have workers who can go back to their own home and family each night after work.

Creating employment in the region also has indirect benefits for local businesses as employees and contractors spend money working, living and/or passing through the area.

LEASE PAYMENTS TO HOST LANDHOLDERS

WestWind Energy does not purchase the land for the wind farm. We simply lease a small part of the property from the host landholders and pay an annual rent in return for the use of their land.

The host landholders will continue with their agricultural activities but the rent payments provide a direct and consistent financial benefit. The diversification of their farm income will provide important 'drought proofing' of their farms.

By improving the financial viability of the host farms there will be further indirect benefits to the local community as these farms will be in a position to spend more money in the local community (stimulating the local economy) and to operate their farms in a more sustainable way.

RATE PAYMENTS

Wind farms, like all electricity generators are required to pay local government rates in addition to the agricultural rates that are already paid on the land. The Lal Lal Wind Farm, is likely to be liable for rates of approximately \$175,000 per year. This will provide additional funds for the Moorabool Shire Council to use on projects within the Shire. While we are not in a position to tell the Shire how to spend their funds any more than any other rate payer, we would hope that at least some of this money would be spent directly within the area around the wind farm.

DEVELOPMENT OF REGIONAL INFRASTRUCTURE

As a part of the construction of our wind farms, any local roads and bridges that are not sufficient for the delivery of our over-dimensional loads will be upgraded to proper standard and at our cost. We also implement a road condition monitoring programme during the construction period so that the roads around the wind farm site that we are using are not allowed to deteriorate. Again, the cost of this work is borne by us. Obviously these road improvements can help to improve road safety and also stimulate economic activity and growth in the region.

OTHER IDEAS?

WestWind Energy is currently considering other ways in which it can provide direct benefits to the community prior to the establishment of the Community Development Fund. We are seeking your ideas as to how we might be able to achieve this.

If you have any suggestions for relatively small scale initiatives, please pass them onto the staff at our Buninyong office.

REVISED TIMELINE & UPCOMING EVENTS

WestWind Energy has revised its timeline for lodging a planning permit application for the Lal Lal Wind Farm Project. We are now aiming to formally lodge the planning permit application in December 2007. This is also likely to delay some of the subsequent steps outlined in the first project update (issued in April 2007).

WestWind Energy is still considering the changes it wishes to make to the layout of the wind farm. An Indicative Layout was released in April 2007. Since then we have had feedback from many local residents and businesses as well as receiving more information and comments from our own specialist consultants.

WestWind Energy intends to release the Revised Layout in September 2007. It will be published in another project update like this one and we will host a Community Information Session so that you can come along and see large scale maps etc. We will advertise the details of the next Community Information Session as a part of the release of the Revised Layout.

The wind farm layout may undergo further changes prior to us lodging our planning permit application. We will host another Community Information Session to assist you in becoming familiar with our proposal and in preparing your submission to the Minister for Planning (if you choose to make one).

FURTHER INFORMATION & CONTACTING WESTWIND ENERGY

WestWind Energy posts key information, including the reports of our specialist studies, on its web site.

If you have a specific question or concern that you would like to raise with us or would simply like to be added to our mailing list please do not hesitate to contact our Project Manager or the Buninyong Project Office.

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