Dundonnell Wind Farm NEWSLETTER

Edition 4, September 2014

Hello and welcome to our latest edition of the Dundonnell Wind Farm newsletter.

I am sure you are all aware of the recent outcomes and recommendations from the Renewable Energy Target review and the devastating impact this may have on the Australian renewable industry and south-west Victoria. Trustpower is, however, proceeding as planned with the Dundonnell Project. We believe the renewable energy sector has enough support that even if the recommendations do manage to pass through the Senate, there will be a market of some form for renewables in the future.

I am pleased to report that we have been working very hard to finalise the Environmental Effects Statement and planning application for the proposed Dundonnell Wind Farm, with the view of submitting both documents concurrently in September.

We are now waiting for final feedback from the Technical Reference Group before we finalise our reporting and submit to the Department of Transport, Planning and Local Infrastructure.

When we submit the EES we will also submit a planning application to the Moyne Shire.

Once lodged, there will be a six-week advertising period where the community is welcome to make submissions on either process. This process will be advertised in your local newspapers. From there we would expect a panel hearing on the EES to

Panels Victoria coordinates the panel hearing for the EES.

Following that the next step will be a directions hearing, where

commence in early 2015, following which a report will be prepared for the Planning Minister to make a decision.

We are expecting a decision in the first half of 2015 and if this is favourable Council will then deliberate on the permit application. Between now and then Council will review the planning permit and consult with a range of authorities on the application. They cannot vote on the planning application until a decision is made on the EES.

Trustpower will be holding another community information day regarding the Dundonnell project at a date yet to be confirmed. We will be in touch when we have further details. We will also continue to monitor the Brolga, as well as continuing environmental and flora and fauna surveys, wind monitoring, community consultation and stakeholder engagement.

If you have any queries please don't hesitate to be in touch.

CHRIS RIGHETTI PROJECT MANAGER

The EES Process

Trustpower is responsible for preparing the EES, including preparing technical studies and undertaking stakeholder consultation, while the Department of Transport, Planning and Local Infrastructure (DTPLI) is responsible for managing the EES process.

The EES process concludes with the Minister's assessment of the environmental effects of the project, which is issued to relevant statutory decision-makers to inform decisions on the project.

This EES process has the following steps:

- Preparation of a draft study program and draft schedule by the proponent (completed).
- · Preparation and exhibition of the Draft Scoping Requirements by DTPLI on behalf of the Minister (completed).
- Finalisation and issuing of Scoping Requirements by the Minister (final step - completed).
- · Review of the proponent's EES studies and draft documentation by DTPLI and a Technical Reference Group (TRG - completed).
- · Completion of the EES by the proponent (completed).
- → Review of the complete EES by DTPLI to establish its adequacy for public exhibition (current stage).
- Exhibition of the proponent's EES and invitation for public comment by DTPLI on behalf of the Minister.
- · Appointment of an inquiry by the Minister to:
 - review the EES and any public submissions;
 - conduct public hearings; and
 - provide a report to the Minister.
- · Following receipt of the report, provision of the assessment of the project by the Minister to decision-makers.

Further information on the EES process can be found on the department's website at www.dpcd.vic.gov.au/planning/ees.

Trustpower expands its renewable energy assets in Australia

Trustpower has strengthened its relationship with the Australian renewable energy sector through the purchase of several New South Wales projects.

Trustpower was selected by the New South Wales Government to purchase several Green State Power hydro power stations and wind farms.

The projects include the 58 MW Hume Hydro Power Station on the Murray River, the 27.2 MW Burrinjuck Hydro Power Station in south-west NSW, the 7.2 MW Keepit Hydro Power Station, the 9.9 MW Blayney Wind Farm and 80% of the 4.2 MW Crookwell Wind Farm.

Trustpower purchased the assets for about \$70 million and believes they will perform well within the company's existing renewable energy portfolio.

Trustpower has also recently completed Stage 2 of the Snowtown Wind Farm in South Australia, two-and-a-half months ahead of schedule. The combination of both stages has made Snowtown South Australia's largest wind farm and will provide about 10 per cent of the state's energy needs.

Trustpower now owns and operates just shy of 500 MW of renewable generation in Australia and is actively pursuing further generation opportunities, such as the Dundonnell Wind Farm.



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Dundonnell Wind Farm Open Day

An overwhelmingly positive response to the proposed Dundonnell Wind Farm was received at the March community information day.

About 40 people attended the open day, held at the Dundonnell Hall on Wednesday, March 26, from 12pm to 7pm.

Trustpower representatives were on hand to answer questions, together with a range of consultants who have been involved with the development studies. These consultants included flora and fauna experts, acoustic technicians and consultants responsible for the development of the project's transport management plan.

There were several queries on the day surrounding the Brolga. Details on the comprehensive Brolga assessment which began in 2009 and is still underway were available at the open day.

A range of detailed posters covering topics including aviation, economic benefits, noise, fire prevention and response, flora and fauna, health concerns, visual impacts and economic benefits - as well as photo montages - were on display.

A further public information day is being organised and details will be confirmed shortly.





The Renewable Energy Target and its review

The Renewable Energy Target is a Federal Government initiative designed to drive investment in renewable energy.

It was introduced in 2001 and strengthened in 2010 with the key aim of generating 41,000 gigawatt hours (at least 20% of Australia's electricity) by large-scale renewables by 2020.

The RET has been extremely successful and resulted in \$20 billion of investment so far. It is expected to generate \$14.5 billion of investment in large-scale renewable energy projects by 2020 if it is retained. More than 24,000 Australians were employed in the renewable energy sector in 2012 and it's expected the RET will generate an additional 18,400 jobs by 2020 if it is retained in its current form. The RET is also expected to save 34.7 million extra tonnes of carbon emissions by 2020 – in addition to the more than 22 million tonnes of carbon that have been stopped to date.

As you will know, the Federal Government has been reviewing the RET and looking at a range of aspects, including the costs and benefits of the target, as well as economic, environmental and social impacts.

Scrapping the RET may result in smaller electricity bills (about \$22 per year) for the average Australian in the immediate future. However, in the long term this will likely result in electricity bills rising up to \$50 more by 2020. This is then likely to continue increasing each year, as gas becomes more and more expensive. Removing it will cost a lot more money than it saves.

A key consideration should also be that the cost of building new generation is likely to be more expensive in future than it is right now – as is the case with most large investments, including family homes.

Despite the more than 24,000 review submissions from the public being overwhelmingly supportive (99 per cent called for the RET to be maintained or increased) and a recent Newspoll showing more than 80% of households are in favour of governments supporting continued development of renewable energy, the recommendations handed down on August 28 would decimate the industry.

Key recommendations include eradicating the RET by 2030, closing the existing scheme to new projects and slashing the gigawatt hours target by up to half.

These are amongst a number of other recommendations that would cause significant harm to the renewable energy sector. For now the industry is waiting to see if the government adopts the findings and if the changes will make it through the Senate and be adopted. There is some hope that the support of the Palmer United Party and The Greens in the Senate will prevent any substantial change to the RET scheme.

If these recommendations are adopted it will delay construction of projects like Dundonnell. However, Trustpower believes there will be a market of some form for renewables in the future, considering the overwhelming public support and economic and environmental benefits they offer. Due to this we are proceeding full steam ahead with securing EES and development consent for the Dundonnell Wind Farm in order for the project to be ready when the market is available.

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Enquiries?

If you have any queries regarding the Dundonnell Wind Farm, please don't hesitate to be in touch. You can contact us directly on 1800 122 823 or via email, dundonnell@trustpower.com.au

