

NSW Wind Energy Planning Framework

Community Power Agency submission to NSW Department of Planning and Environment's Wind Energy Planning Framework

22 September 2016

The Community Power Agency welcomes the chance to provide comment on the Draft NSW Wind Energy Planning Framework.

The move toward legislating the Framework will be helpful to create certainty around wind energy development, which has struggled in recent years due to policy uncertainty at both state and federal level. Unclear policy frameworks around wind energy have slowed the approvals process for new wind farms as well as fostered conditions of ambivalence and caution towards wind farms in the community, at times contributing to or exacerbating conflicts. We welcome greater certainty for communities, developers and regulators in the planning process for wind farms.

We would like to start by acknowledging the overwhelming support for the uptake of wind energy in NSW (OEHL, 2014) and the significant contribution that wind farms can make both to carbon reduction and transitioning to clean and low-impact energy sources, as well as to bolstering the economic viability of regional communities.

About us

The Community Power Agency is a not for profit organisation that supports communities across Australia to be able to participate in and benefit from renewable energy projects. Often, this is through community-owned renewable energy initiatives, but also through various forms of community-developer partnerships. To help grow a vibrant 'community energy' sector, the Community Power Agency undertakes consultancy, research, resource development, training and advocacy.

We have particular expertise in the areas of community engagement and benefit sharing, having worked with communities, NGOs, developers and state governments on these issues, especially in the context of wind energy. We also have expertise in policy research and development to support the rapid uptake community energy and renewable energy more generally. In particular, we are familiar with the community and commercial energy policy contexts in Germany, Denmark, UK and Scotland, as well as Australia.

Context

The comments presented here are informed by Community Power Agency's experience, in particular three relevant projects:

1. **Enhancing Social Outcomes in Wind Development: Evaluating community engagement and benefit sharing in the wind industry**

This is a yearlong research project we have initiated in partnership with the Clean Energy Council and Embark, funded by 11 wind energy developer companies and one transmission business. This research seeks to evaluate current practices and co-develop recommendations for realising better social outcomes through improved community engagement and benefit sharing practices. The methodology involves a combination of 25 interviews, a national survey, a review of community engagement plans for wind farms from across Australia and an international literature review, as well as iterative anonymous 'discussions' with a panel of 20 different stakeholders involved in wind development. The Federal Wind Commissioner and Nina Hall from CSIRO???? are Strategic Advisors to the study.

In this submission I draw from my preliminary thoughts as informed by this study. However, the views represented in this submission are my own, and are not necessarily synonymous with the research findings (which would be premature to report).

2. **ACT Government's Renewable Energy Auction**

Community Power Agency and Embark were commissioned to write the ACT's 'Best Practice Guidelines for Community Engagement in Wind Development' and subsequently Community Power Agency participated in reviewing the Community Engagement criteria of all applications made to the Auctions (of which there have now been 4). While respecting the confidentiality and sensitivity of this material, the review process provides a birds-eye view of current practices of community engagement and benefit sharing in the wind industry in Australia and the outcomes of these various approaches.

3. **Community Power: Understanding the contribution of community-owned wind energy projects in small regional communities**

Jarra Hicks, a Director of the Community Power Agency, is nearing the completion of her PhD, which investigates the outcomes and impacts from community-owned wind energy projects in local communities. In particular, her thesis investigates the role that different community engagement practices, legal structures and economic arrangement have in the realisation of different outcomes. Many of the findings from her research are relevant here.

Feedback on ‘Wind Energy: Assessment Policy’

Objectives

We note that three of the four stated objectives (section 1.2, p. 2) relate to communities: increasing community understanding of the wind development process; promoting effective engagement and input; and encouraging benefit sharing. We strongly commend these objectives as they promote conditions that will create positive relationship between communities and wind farm developments and, thereby, increase the social conditions conducive to increased uptake of wind energy.

However, we do not feel that the policy goes on to adequately address these objectives, as will be explained in the ‘Community Engagement’ and ‘Benefit Sharing’ sections below.

Strategic Context

We believe the merits of wind development and the potential opportunities for local communities, the state (NSW), Australia and the planet have not been articulated strongly enough in the strategic context. If the assessment process is not cognizant of these benefits, we fear that the threshold at which objections outweigh potential positive impacts will be too low. We suggest the inclusion of strategic contexts that recognise and are able to assess:

- The potential to contribute income streams into rural and regional communities;
- The positive impact of the development to the pursuit of carbon emissions reductions and in addressing climate change, beyond the merits embedded in national or state targets;
- The potential rural and regional benefits associated with increased job opportunities; and,
- The potential to contribute to a stable and growing renewable energy industry.

Further, we advocate that the strategic context be allowed to take into account local strategic development goals which might include aspirations for renewable energy growth in there are. For example, a number of local government areas have recently declared a desire to become 100% renewable (e.g. Uralla, Byron Bay, Lismore).

Key Issues for Wind Development

We are pleased to see the Department include reference to the importance of effective community consultation and benefit sharing between wind farms and the communities in which they operate with in the objectives of the policy. However, we fear the relative importance of these factors to the realisation of positive community and planning outcomes has been down played and that the influence of visual amenity and noise has been giving unqualified attention. This is particularly evident in Section 3: Key Issues for Wind Development (p. 6).

While visual impacts are a factor in community acceptance of wind farms (Wolsink 2007a; Wolsink 2007b), a greater body of research indicates that significant determinants of the relationship between the public and wind turbines is perceptions of procedural and distributive justice (Gross 2007; Barry and Ellis 2011; D’Souza and Yiridoe 2014). Particularly, research indicates that where local people feel genuinely heard and involved in a nearby wind development and if they believe the benefits of the development are being shared fairly, then there is overwhelming support for wind farm developments (Devine-Wright 2011b; Devine-Wright 2011c; Devine-Wright 2011a; Warren and McFadyen 2010; Bell et al. 2013; D’Souza and Yiridoe 2014; Fast and Mabee 2015; Haggett 2011; Hall, Ashworth, and Shaw 2012; Gross 2007; Hicks 2016). In Australia, this concept is backed up by the experience of corporate wind farms such as Coonooer Bridge and Kiata (both are recent developments in Victoria that have received very high levels of local support) and community-owned wind farms such as Hepburn Wind and Denmark Community Wind.

As such, we recommend the Wind Farm Guidelines more strongly incorporate key issues surrounding community participation and involvement, beyond the limited consultation required for planning approval (e.g. establishment of Community Consultative Committee) or the single-issue consultation currently advocated around visual impacts. Research is inconclusive on whether legislating certain community engagement practices is useful for not and tends to err on the side of this form of regulation being too restrictive and not allowing for enough circumstantial responsiveness. Likewise, industry would prefer a lighter touch on policy around community engagement. However, better practice could be encouraged through making stronger suggestions around the forms of engagement that would be seen as desirable and would be viewed favourably in the planning process. For example:

- evidence of responsiveness to feedback and the ways in which project design was changed *and* how these changes reported back to the community (we note aspects of this are covered in section 4.3.1 of the Policy);
- evidence of group deliberation and commonly developed solutions to issues and how these were implemented;
- evidence of local partnerships that have been created through the development process;
- evidence of proactive education programs with local and regional groups;
- evidence of support from a broad range of local stakeholders & community members, including project neighbours.

We also recommend the consideration of key issues surround benefit sharing, beyond what is currently covered under section 5.3.4 of the proposed Policy namely community enhancement funds and negotiated agreements. Additional benefit sharing mechanisms that could be encouraged include:

- neighbour benefit payments (as per Erst & Young, 2015 report for the NSW Government)
- offering the local community the opportunity to co-own or co-invest in the project;
- gifting shares in the wind farm company to all neighbours of the project;
- developing training partnerships with local institutions;
- prioritising use of local contractors and local financial institutions for financing;
- creating local jobs wherever possible;
- road and communications upgrades dovetailed into the development process;
- creation of local scholarships.

While creating regulation on these issues might not be the most feasible or productive way forward, we believe the NSW Government has a strong role to play in norm setting throughout its Framework document. The inclusion of additional benefit sharing mechanisms in more detail (e.g. in section 5) in the policy that, while not required, would be viewed favourably in planning approvals processes, would help encourage better practice.

On other matters, we commend the Framework's treatment of the issue of health. The references to the scientific research of the National Health and Medical Research Council and NSW Health Department we believe is the right approach. However, we would inclusion of a reference to the findings of these bodies that there is no evidence of a wind turbines causing adverse impacts on health. As it stands, the reference to the matter on p.6 is ambiguous.

Community Consultation

In addition to the comments on community engagement above, we commend the inclusion of an encouragement to do early community consultation to feed into the Preliminary Environmental Assessment stage (section 4.2 and section 5). We encourage a direct reference to report on progress made in negotiations with site neighbours as well as landholders. Research has proven that

neighbours are the most likely people in a local community to oppose a wind farm development, not simply for visual impact reasons, but also for perceptions of distributive fairness associated with financial benefit (Hall, Ashworth, and Shaw 2012; Gross 2007). This is also pertinent to section 4.3.2.

We strongly recommend the inclusion of neighbouring landowners and members of the public of nearby settlements as key parties to consult (section 5.2)

The example consultation model provided in section 5.4 sets a very low standard with regards to community engagement and benefit sharing. We would like to see the points raised above (under “Key Issues”) reflected here.

We would encourage the early consultation process recommended for visual assessment be extended to include getting community feedback on other aspects of project design, such as the structure and operation of the community consultative committee and the community enhancement fund, plans for benefit distribution, plans for communications during construction, plans for attending key local events, means of building important local partnership, etc as well as turbine number and siting.

Benefit Sharing

In addition to the points raised on benefit sharing above, we note that there is a dominance of language of ‘compensation’ throughout the document. We believe this would be better framed in terms of distributive justice and benefit sharing: making sure the people who are closest to the development and most affected by it should be the ones getting the most benefit, being a good neighbour, bringing a valuable contribution to a community. This is a subtle difference in terminology, but one that discourages (rather than encourages) the perception of wind farms as a negative imposition and the provision of benefit sharing mechanisms as an attempt to buy support.

The use of multiple and contextually appropriate means of benefit sharing has been shown by many researchers to have a positive impact on people’s support for nearby wind farms (Howard 2015; Bidwell 2013; Fast and Mabee 2015; Walter 2014; Gross 2007; Aitken 2010; Hall, Ashworth, and Shaw 2012; Erst & Young 2015; WWEA 2016; WISEPower; Hicks 2016). We feel, therefore, that an increased emphasis on benefit sharing through multiple means as negotiated through transparent local consultation should be more strongly encouraged in the Framework. Not only does this increased benefit sharing increase the social acceptance of wind development, it also supports regional NSW communities (e.g. increased financial benefits and increase sense of agency) – an aim well-aligned with Government aims.

Additionally, we encourage the inclusion of a reference to the fact that benefit sharing done in isolation and offered too late is likely to be perceived as an attempt to buy support. Rather, benefit sharing needs to be tied to early and genuine community engagement and participation.

We are concerned that the main benefit sharing mechanism specifically referenced in the document is Negotiated Agreements. This implies that striking one-on-one financial agreements with hosts and others (e.g. those best able to assert their dissent) is and should be standard practice and an unproblematic means of distributing benefits. We find this highly problematic as this is not transparent as well as being inequitable and is extremely likely to lead to local conflict.

Again, we note the example consultation model provided in section 5.4 sets a very low standard with regards to community engagement and benefit sharing. We would like to see the points raised above (under “Key Issues”) reflected here.

Feedback on the Visual Assessment Impact Bulletin

This document is highly complex and it places unwarranted restrictions on wind development. While we feel aspects of the Bulletin are well conceived and appropriate, we fear that overall it will place a high burden on developers in the planning process and require things of them that no other form of development is subject to.

We welcome the ability to assess the cumulative impact of wind turbines and multiple wind developments in an area. Our experience that people do have different responses to the presence of some turbines in a landscape versus a landscape dominated by turbines. Although it is worth noting that some research also indicates that increased familiarity with wind turbines generally increases support for wind development (Devine-Wright 2005).

We also welcome mechanisms that enhance the ability of nearby residents to get a better sense of visual impacts and provide feedback on this early in the development process.

However, we note the assessment of visual impact is highly problematic for at least two reasons:

1. The research into the factors that influence public responses to wind turbines (summarised above) does not warrant such a particular emphasis on visual assessment over other factors, such as benefit sharing and community engagement; and,
2. Both personal responses to and the assessment of visual impacts is highly subjective.

It is problematic that the Framework including the bulletin starts from the assumption that the visual presence of wind turbines is necessarily perceived at a negative impact. Personal perceptions of wind turbines in the landscape is mediated by a complex mix of historical, psychological, cultural and experiential factors (Devine-Wright 2011b; Devine-Wright 2011c). Further, both research and industry experience point to the ability of people's perception of wind turbines to change according to their perception of: the trustworthiness of the developer; the fairness of the process; and the benefit of the wind farm to them and their community. The presence of wind turbines in a landscape can be a symbol with positive associations: a source of personal and community income and resilience, local jobs, sustainability, action on climate change and (in the case of projects with high degrees of local involvement) even empowerment (Warren and McFadyen 2010; Haggett 2011; Hicks 2016). People have been reported to remove screening to be able to better see turbines (Hicks 2016). In this context, viable 'mitigation options' might well be better community engagement practices and benefit sharing, although both of these would be best initiated from the outset of a project, as people are first forming opinions of the proposed development.

The multifaceted nature of the relationship between the public and wind turbines needs to be analysed and understood for the factors that contribute to positive social attitudes to wind farms – these are what need to be addressed, or at least allowed for, in the planning Framework rather than a narrow over reliance on visual assessment.

Given the above, we are uncertain that all the extra requirements placed on a developer to assess visual impact will necessarily yield the desired benefits stated in the Objects of the policy. Further, we are concerned that they could adversely affect them.

The recent and ongoing federal and state policy uncertainty (e.g. no guarantees that the RET will be extended beyond 2020) has created difficult financial pressures on companies. We are concerned that in this difficult financial operating environment, an increased planning burden in one area might mean a withdrawal of resources directed at other areas. Given community engagement and benefit sharing mechanisms are much less strongly stipulated in the framework, we are concerned that these may 'loose out'. We have already seen the policy contexts (RET uncertainty) trigger a cut-back of staff in wind developer companies, particularly in areas perceived as being more disposable, such as communications and community engagement.

Other comments

In line with the Clean Energy Council and the Australian Wind Alliance, we support the standardisation of assessment requirements with other industries, the reduced assessment timeframes, and the decision to adopt the proven South Australian EPA 2009 noise guidelines.

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