

SUSTAINABILITY OF ENERGY SUPPLY AND RESOURCES IN NSW

Organisation: Voices of the Valley

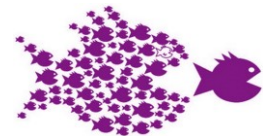
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Voices of the Valley

Voicing the concerns of the Latrobe Valley community

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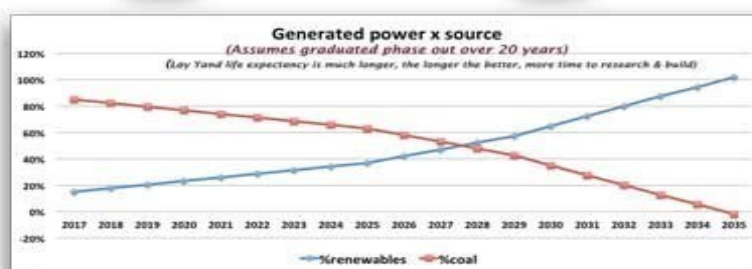
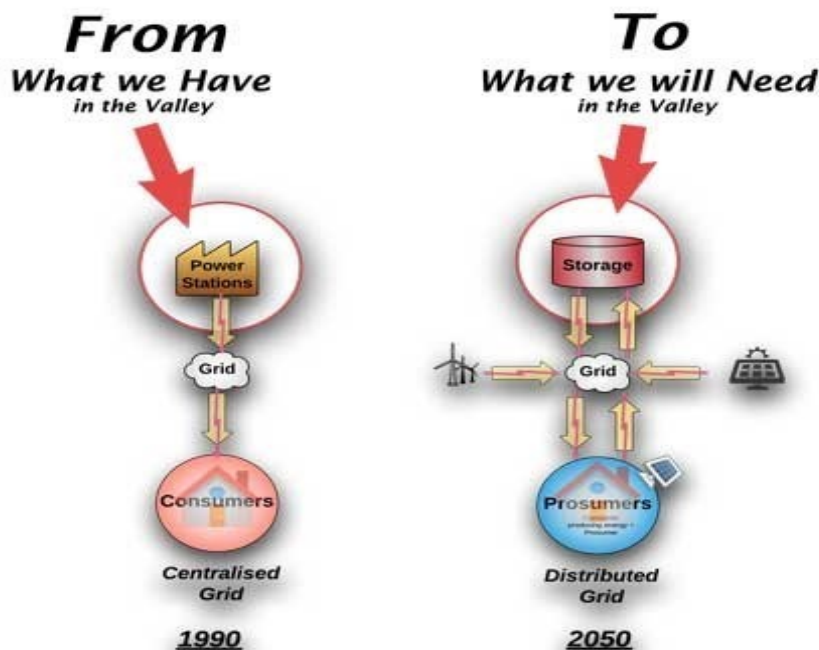
Incorporated Association A0060859B

Thank you for the opportunity to make a submission to the **Inquiry into sustainability of energy supply and exports**. On behalf of Voices of the Valley I submit this submission.

Voices of the Valley is a community advocacy group which is based in Latrobe Valley, Victoria. We were formed during the Hazelwood Mine Fire in 2014 and have continued to advocate for our community as well as being asked to share our experiences with other communities across Australia including several NSW communities.

Voices of the Valley started having the hard discussions about transition and what may be needed. This link is to our website about transition in the Latrobe Valley. <https://www.votv.org.au/transition>
We started looking at what the future of energy may look like and the jobs that could be created.

Transition 101 (in a nutshell)



“Our children will have jobs that don’t exist yet.”

Alvin Toffler : Future Shock 1970

It became quite evident to us that things were changing in the energy market and a transition would occur whether we were ready or not. That the skill sets that the power industry workers have were also needed as we moved forward and transitioned. Unfortunately, while some in the community were prepared to look at what was happening around us most didn’t believe that we would lose a power station. Even when the rumbles of Hazelwood power station closure were happening it seemed it was easier for most to ignore those rumbles. What we found is most people didn’t want to look at the possibility of power stations closing as the Latrobe Valley had been the centre of the power industry through most of the 20th century and the community had really hurt with the privatisation of the power industry during the late 1990’s. The community was promised that privatisation would be the best thing for us, that other industries would fill the gap left by the reduction of the workforce in the power industry. Rather the opposite happened. Many were hurt by privatisation and never worked again creating much fear and despair. It left the Latrobe Valley region economically depressed. It was understandable that fear would be renewed when discussions started about power station closures. Latrobe Valley has generated the power for Victoria, Tasmania and fed into the eastern grid, but things are changing. Power stations are aging, and plant is breaking down; renewable energy projects are being developed in other areas of the state. Voices of the Valley was challenged to look at what could happen with the transition and moving towards a different future for our community. We took up the challenge supported by Vic Health and developed a vision of Jobs & Hope (attached).

https://d3n8a8pro7vhmx.cloudfront.net/voicesofthevalley/pages/284/attachments/original/1502510959/Transitioning_the_Valley_web.pdf?1502510959

What we learnt was communities are prepared to be part of the new energies, creating visions and doing the ground work. Often communities are held back by funding as they usually don’t fit into the boxes that Governments require.

We also learnt from the Hazelwood closure that while international companies own our energy they answer to their business and shareholders, therefore they can come and go with the energy market, we become reliant on them and we are in the same situation as with Hazelwood closure when they deem fit to leave.

Community energy puts the power back into community hands, building communities and putting profits back into the communities.

Transition is about how communities, not just workers, move forward into the next economy, as seen in the German model.

Another good example of this is the Hepburn Wind community projects and Transition plans Link to Hepburn website <https://www.hepburnwind.com.au/about/> and the Hepburn Winds Transition Plans

Importance of considering the whole community

When power industries decline the focus has been on the loss of jobs for skilled workers of the industry. Our experience through privatisation is that skilled workers will find other employment, often in other places but semi & unskilled workers are left behind. Families may continue to depend on a breadwinner whose employment is on a Fly in Fly out (FIFO) basis. The community of children growing up, older workers retiring, people who can't find work or who are unable to work for any number of reasons still live in the area where they have always lived, where their roots are.

We also learnt very early that, following privatisation, trade 'tickets' were specific to a place of employment and not transferable. This was one of the early things that could be rectified while workers were still in employment when they received their qualification. (Example was a highly skilled electrician who could change high voltage electrical wires inside the power station was not qualified to change a power point inside a commercial business).

The following comments refer to specific Terms of Reference

1. The capacity and economic opportunities of renewable energy. The infrastructure is in place for transmission of energy from coal fired power stations to the grid, and in coal mining communities there are skill sets and knowledge of energy which can be transferred to renewable energy.

Renewable energy creates jobs for the community and surrounding area and workers can easily upgrade their skills if the training opportunities are provided. Evidence of this happening in Latrobe Valley Victoria is with the work of the Latrobe Valley Authority in reskilling workers. A local business, Gippsland Solar, is also a good example of workers moving into renewable energy. The jobs are different but renewable energy does create a lot of jobs. Sophie Vorrath, in Renew Economy, (10th August 2016), for instance, analysed the shift of workers from coal to renewable energy in the US (attached). https://www.votv.org.au/retraining_workers_study

2. Emerging trends in energy supply and exports, including investment and other financial arrangements.

There is much interest for renewable energy projects and investment, in Victoria, New South Wales and the ACT. Communities that have been backbone of energy should be prioritised for these new investments. One example of community and private investment is the Danish model, such as with Soren Hermansen in Samso Island <https://stateofgreen.com/en/partners/samso-denmark/>

when a percentage of the development is handed to the community for reinvestment into their community. Victorian Government is also a great example of encouraging and supporting community energy projects for example the community power hubs and the requirement for community benefits associated with large scale renewable energy projects.

3. The status of and forecasts for energy and resource markets (outside our expertise)
4. Effects on regional communities, water security, the environment and public health.
Developments in renewable energy mean we no longer need to live with air and water pollution caused by using coal and can improve the Health Impacts that were created by the coal industry. Communities need clean air and water cannot survive without these basic needs. Renewable energies use much less water than the fossil fuel industry and we across

Australia are seeing an extreme shortage of supply of water for maintaining the environment and agriculture. The mine rehabilitation process in Latrobe Valley includes studies of the effects of water flow downstream of the Latrobe Valley and effects on water quality in the Gippsland Lakes. This is an innovation in considering the environmental impacts of coal mining and power generation beyond the immediate area and could be an area that NSW could look at for how mining affects the environment beyond the immediate area.

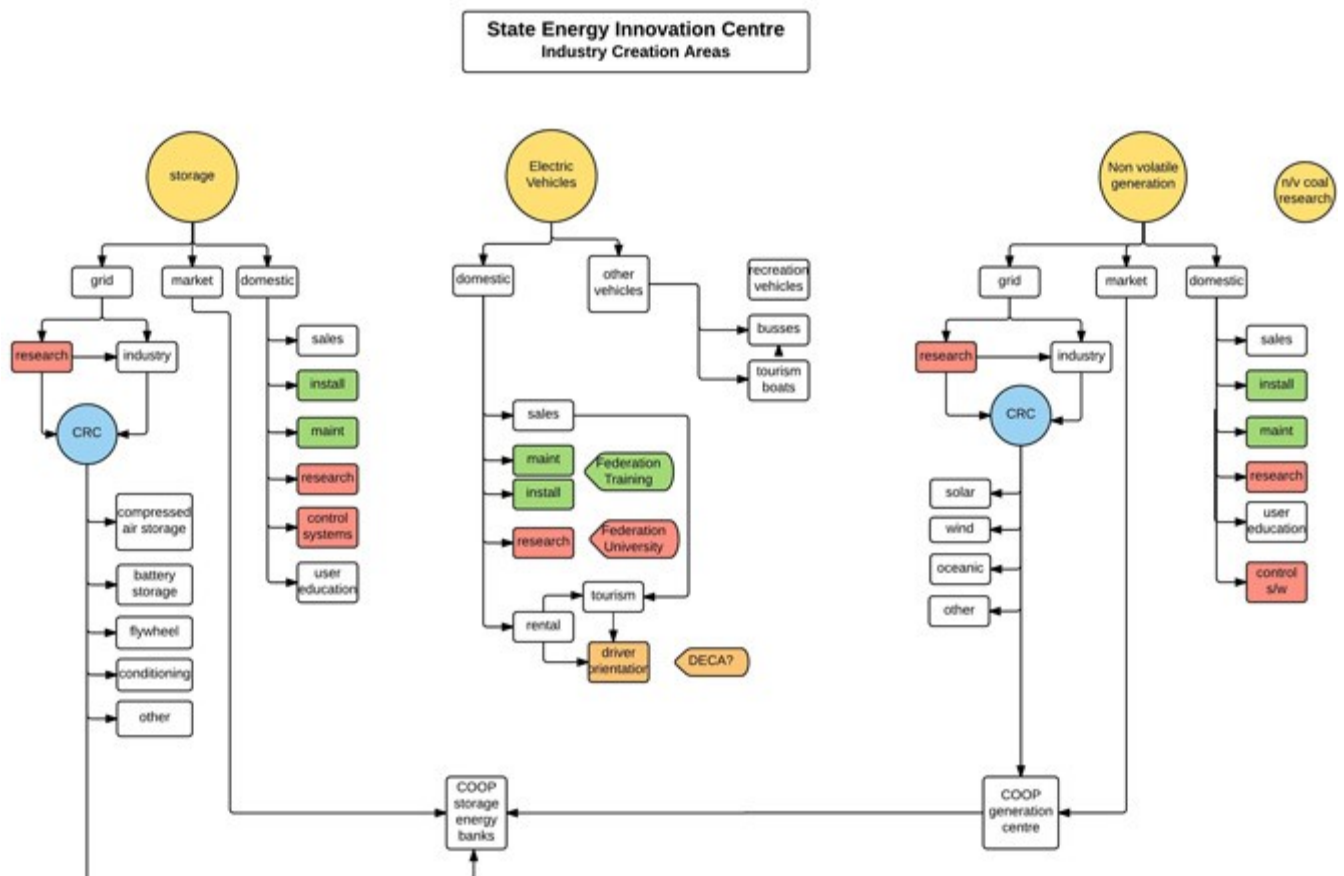
The Hazelwood Mine Fire Inquiry included a consideration of the long-term health cost of coalmining and the decline of coal-based industries. It assembled considerable evidence of how the population of the region paid for the prosperity associated with being the centre of the power generation industry in Victoria through poorer than average health, lower than state average life expectancy and, following privatisation, increased mental health problems. The report (Volume 3) emphasises the need to build community power to improve health. <http://hazelwoodinquiry.vic.gov.au/wp-content/uploads/2016/02/Hazelwood-Mine-Fire-Inquiry-2015-2016-Report-Volume-III-Health-Improvement.pdf> The inquiry recommendations included a Health Innovation Zone, Health Assembly and a Health Advocate all of which have been implemented by the Victoria Government.

5. Opportunities to support sustainable economic development in regional and other communities likely to be affected by changing energy and resource markets, including the role of government policies.

Latrobe Valley Authority, established by the Victorian government in response to the closure of the Hazelwood power station, is supporting the community to transition to a diverse economy. It has recognised some of the earlier work that Voices of the Valley argued was what was needed in the Transition to Renewable energy and how it could be implemented and much of this was adopted by the Latrobe Valley Authority. Our model for transition includes research into new technologies, education, incubation and manufacturing and community involvement in various aspects of and is summarised in the following diagram.



Foreseeable jobs and opportunities



Green shows TAFE & Apprenticeship style jobs and training,
Red is Fed University training and research
The blue areas are "Co-operative Research Programs"
(labelled CRC's) between industry and the Local University

These are some immediately visible growth areas and opportunities for training of trades people.

Tradies are our lifeblood, the heart of industry.
New trades are evolving in the power industry

We have engaged with the Victorian Government on energy and transition policy and note that some of the ideas which we submitted to are included in current priorities:

“Victorian Government four priority areas”

1. Transformation in the wholesale electricity market toward renewable energy.

- By enabling the energy spikes generated by renewables to be flattened stored and buffered at grid, utility, community and household levels.
- By building community energy banks at a local level where substation co-located storage serves back the excess energy generated by households to its own community microgrid.
- To componentize to a sustainable distributed grid.

2. Reducing barriers to continued development of distributed generation and energy storage.

- By designing and building practical large-scale operational storage models for training and development, (leveraging against ARENA funding and local electricity generation companies).
- By enabling research at university levels in electricity management and storage technologies and applications. (leveraging against local university funding and local utility companies)
- By training technicians in the maintenance and installation and control systems of energy storage devices at utility, community and household levels. (leverage local TAFE funding)
- By enabling communities to host their own renewable provision.

3. Encouraging household and community development of renewable generation, products and services.

- Building local community by a shared resource, (local substation grid, Community Energy Banks)
- Training in development and implementation of community assets and co-operative models.
- Encouraging local alternative manufacturing models, like the Earthworker hot water systems.
<https://earthworkercooperative.com.au/>

6. Any other related matters.

It's important for State Governments take the lead in renewable energy because the Australian Government is dragging its feet. While state governments take that lead there is clear evidence of community energy projects in several states in which governments are working closely with community to deliver results for the communities hardest hit by the inevitable decline in the fossil fuel industry. It is crucial that transition planning occurs before power stations close down to prevent what has happened in the Latrobe Valley and Hunter Valley when, with very little notice the power station ceased operating when they became unviable. To ignore the facts leaves communities vulnerable to devastation.

If the NSW Inquiry would like more information or clarification, we would be happy to provide it and we wish your Inquiry and community all the best.

This submission has been put together by Wendy Farmer and Marianne Robinson on behalf of Voices of the Valley.

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