Submission
No 70

INQUIRY INTO RURAL WIND FARMS

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Dear Director,

We appreciate the opportunity to make a submission to the Inquiry into rural wind farms.

1. The role of utility-scale wind generation in:

a. reducing greenhouse gas emissions generated by electricity production

It is well understood that we must take action to reduce greenhouse gas emissions in order to stop global warming. Global warming is leading the world into uncertainty in regard to the stability of all ecosystems which in turn leads to difficulty in forecasting future economic stability. We can observe this even now across Australia with unusual weather patterns and uncertainty of the viability of the agricultural sector in the face of continuing drought.

Wind power is an important part of the solution to this problem. Wind turbines do not produce any CO2 emissions and have already been well established both commercially and technically. Wind power is a true renewable source. Most of the energy used in producing, shipping and installing the turbines is payed back in less than 12 months leaving 19 years of true renewable generation.

b. producing off peak and base load power

Although it is true that the capacity of energy generated by wind turbine varies with wind speeds and conditions, wind farms are a proven and reliable source of renewable energy. Generally, an energy yield prediction study conducted by a wind turbine supplier or consultants on site specific conditions is fairly accurate. This, together with the careful choice of location and geographical spread of wind farms, means it is quite reliable estimate of the amount of electricity produced by wind turbine and transferred

onto the network.

2. Locating rural wind farms to optimize wind resource use and minimize residential and environmental impacts

Wind farms have to be assessed and planned in detail prior to construction. Within a feasibility study, the possible negative influences such as noise, shadow flicker and disruption to fauna, flora, landscape, aboriginal heritage and other areas are analysed in accordance with the guidelines and local authority's planning constraints. Consequently, the final design has few negative impacts both for residents and the environment.

3. The impact of rural wind farms on property values

At current we are not able to discuss the impact of rural wind farms on property values in Australia. However, the RICS (The Royal Institution of Chartered Surveyors) survey which took place in UK allows us to speak generally about the effect of wind farms on property values.

From "Impact of wind farms on the value of residential property and agricultural land"

- The wind farm industry is still relatively new compared to other renewable energy industries. The number of surveyors who deal with property affected by wind farms will always be relatively low
-there are negative influences on the value of residential properties, though a sizeable minority report no impact on prices
- the influence is much less on agricultural land values, to the point that the majority of responses suggested the impact was nil
- Among those respondents with experience in dealing with residential property transactions affected by wind farms, the survey results suggest that wind farm development reduces property values to some extent and that this impact starts at the planning application stage
- The three main reasons for this negative impact on property values are the visual impact after completion, the fear of blight and the proximity of residential property to a wind farm development
- A significant minority of surveyors (40%) reported no impact from wind farm developments on residential property values
- The negative impact of wind farms on property values appears to decline over time.

This may suggest that the impact lessens as wind farms become a more established part of the rural landscape

- There is a need for more work to provide a better understanding of the way in which wind farms impact on property, thereby enabling strategies to be developed to minimise any deleterious effects

However, we believe that due to the vast differences in population density between the UK and Australia, there is ample ability to reduce negative effects on property values especially in regard to placing wind farms in rural locations some distance from any population centre to minimise visual effects.

4. Mechanisms for encouraging local ownership and control of wind technology

Our position in the market offers limited understanding of such opportunities but we believe local benefits to be as follows:

The number of jobs created in the local area varies depending on the size of wind farms. One example of this is a large wind farm of around 150 MW can employ up to 400 people during construction. The employees are trained and the skills acquired during the construction phase will continue being developed as these skills will be highly sought after as more wind farm construction opportunities are expected in Australia.

The construction phase will also assist local accommodation and service sectors. The wind farm will also provide ongoing employment for a small team of people required to operate and maintain the project after it is built.

5. The potential role of energy generated by rural wind farms in relation to the Australian Government's proposed Renewable Energy Target

The relevant targets for renewable source electricity are well known. The increase is significant compared to what is currently produced by renewable energy generators.

Wind energy is one of the most cost effective forms of renewable energy and can be seen as the cornerstone to reaching the target by 2020. If we are to wait until other forms of renewable energy are available we will have only a limited amount of time to install the generators prior to the targeted deadline. Price of these new generators will also be uncertain as they will not face strong competition due to the short timelines available. Their will, in effect, be no choice. Pricing for wind turbine generators allows for installation to begin immediately, a course of action which will develop skills in Australia, fuel further competition and continue the downward price pressure on suppliers. The Australian Government's preference for the lowest cost option is best met by wind turbine electrical generation.

If you have any queries or require further information, please do not hesitate to contact myself or Sean McCurry, Marketing Manager, Renewable Energy, on

Yours faithfully

Mitsuru Katada

Marketing, Chemical Department, Marubeni Australia

References:

-An RICS survey -Impact of wind farms on the value of residential property and agricultural land

http://www.savewesternny.org/pdf/Windfarmsfinalreport.pdf

-Wind energy myths and facts

http://www.sustainability.vic.gov.au/resources/documents/SV_WindEnergy.pdf

-THE IMPACT OF WIND FARMS ON RURAL DISTRIBUTION GRIDS http://www.magma.com.au/REP200508.pdf

-The net employment impacts of climate change policies

http://www.cleanenergycouncil.org.au/info/reports/R090603%20CEC_Employment%20Impacts_Final.pdf