

29 January 2024

Matthew Riley
 Director, Energy and Resources Policy
 Department of Planning and Environment (DPE)
 New South Wales Government

RE: Draft Energy Policy Framework

Dear Matthew,

Squadron Energy welcomes the opportunity to respond to DPE's *Draft Energy Policy Framework*.

Squadron Energy is Australia’s leading renewable energy company that develops, operates and owns renewable energy assets in Australia. We have 1.1 gigawatts (GW) of renewable energy in operation and an Australian development pipeline of 20GW. Our development pipeline has projects at differing stages of development and includes wind, solar and firming capacity such as batteries and gas peaking plants with dual fuel capability.

We are also constructing Australia’s first LNG import terminal at our Port Kembla Energy Terminal (PKET). Once constructed, Squadron Energy's PKET will include a floating storage and regasification unit (FSRU) to enable LNG to supply the domestic market.

We have extensive experience in development and value our position of being able to work with the regulators to advance projects which meet the jurisdictional expectations. We have enjoyed a position in the industry where the regulators know what to expect from our developments. We are generally supportive of enhancing the development assessment process to help support the accelerated delivery of renewable infrastructure. In this submission our comments focus on the following guidelines:

- Wind Energy Guidelines and associated technical supplements
- Benefit-Sharing Guidelines
- Private Agreement Guideline

Wind Energy Guidelines and associated technical supplements

We welcome the extensive work undertaken to make the assessment of landscape character and visual impacts more predictable and objective. However, we consider that there are several areas that require further consideration and/or changes for the overall approach to assessment to be appropriate. Outstanding issues include the appropriateness of proposed tools for visual assessment, how magnitude of impact is measured and standardised, and the treatment of dwelling entitlements. More detailed feedback on these issues and others related to the Wind Energy Guidelines and associated technical supplements are detailed below in Table 1 and 1a.

Table 1: Feedback on Wind Energy Guidelines and associated technical supplements		
Item	Guideline requirement	Comment/proposed approach
Glossary	Glossary of terms	Include in the definition the terms 'Host and/or impact agreements'

Table 1: Feedback on Wind Energy Guidelines and associated technical supplements

1.2 Wind	Overview of wind energy.	Recommend including a statement that clearly outlines that BESS are not dealt with in this guideline. Provide cross reference to where BESS are dealt with.
1.3 Strategic context	Overview of strategic context.	Figure one is not introduced or talked about. Suggest it could be cross referenced in Section 1.2. In addition, the image show turbines connected to underground cables which may create a false expectation as cable may be above ground. Suggest adding underground and/or overhead. The guidance states that “there are potential wind resources available in a select number of sites outside of these zones.” Suggest wording is adjusted, for example: 'there remains development potential outside the REZs with the appropriate application of the guidelines.'
1.4 Application of the guideline	Overview of guideline application.	Suggests referencing the specific clause that enables State Significant Developments (SSD) under the Environmental Planning and Assessment Act 1979 (EPA Act).
2.4 Network connections and transmission lines	Overview of network connections and transmission in wind farm development.	Section suggests that proponents should consider transmission line guidelines "while they might not strictly apply". This creates uncertainty. It is important the guideline clearly state if the decision maker will consider those guidelines in any way, or if they don't apply, state that i.e. "Unless the SEARs state otherwise, the Transmission guidelines do not apply."
4.2 Process of site selection and project design	Figure 3 shows the most desirable areas for wind energy development considering key commercial factors and high-level environmental constraints.	Consider adding colouration for the entire state. A null value for most of the state is not accurate. Are areas that are 'less suitable' should have a corresponding colouration. The map as it looks shows mostly non-desirable sites along the grid, minimal medium-desirable and nearly no highly suitable locations. The absence of mapping the latter sends the wrong message to the community. In addition, the second last paragraph of the section requires “that any projects proposed within 500 m of a passive recreation area will be required to consider additional measures for managing potential impacts, such as noise...”. This requirement appears out of place and should be cross referenced to the technical supplement.
5.1.1 Key principles – visual amenity principles	Overview of key principles to inform visual amenity assessment.	Clarity on how and by whom baseline visual landscape character should be identified is required.
5.1.2 Landscape and visual impact assessment	Overview of landscape and visual impact assessment.	The statement “a view is more sensitive to change if it has higher scenic qualities and more valued landscape features” should be directly link to the party responsible for undertaking the baseline assessment.
5.4.3 Assessment – Bird & bat impact assessment	Overview of biodiversity assessment and impacts of the proposal including clearing of native vegetation and indirect or prescribed species impacts including potential bird and bat strike.	Text states that " there is not necessarily an expectation that these measures will eliminate collisions entirely". Remove 'necessarily'.

Table 1: Feedback on Wind Energy Guidelines and associated technical supplements

<p>5.5 Traffic and transport</p>	<p>Overview of requirements for design of on-site access routes.</p>	<p>Qualify the following sentence "On-site access routes should be designed to utilise existing farm access tracks and avoid crossing waterways or drainage features in low lying areas". Developers build our own roads, which are significantly different from farm tracks, and often require the crossing of drainage lines. Propose the text need softening e.g. "Onsite tracks should be designed with regard to environmental features and should seek to minimise impacts where possible."</p>
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Table 1a: Technical Supplement for Landscape and Visual Impact Assessment

Item	Guideline requirement	Comment/proposed approach
<p>1.3 Approach to assessment</p>	<p>Overview of nature and focus of assessment.</p>	<p>Definition of "dwelling" includes/excludes certain dwellings, which is inconsistent with statutory/case law definitions. e.g illegally developed & derelict dwellings are excluded from the guideline's definition.</p> <p>Suggest reconsidering the definition of dwelling and giving more or less weight to different dwelling types as part of visual assessment.</p>
<p>3.1 Setback</p>	<p>This section attempts to create setbacks from 'sensitive receivers'.</p>	<p>Suggest that sensitive receivers need to be defined and having an in-text list is not sufficient – "close to sensitive receivers including dwellings, historic homesteads, tourist accommodation, places of worship, town centres and central business districts".</p> <p>More clarity is required on what a setback exemption is and the process where they are applicable. Additionally, Figure 3 requires further explanation to provide absolute clarity on where turbines are or are not exempt from setback.</p>
<p>3.2 Visual impact assessment process – visual magnitude</p>	<p>Overview of visual impact assessment, methodology and sensitivities.</p>	<p>Visual magnitude is too onerous particularly where the scenic quality/overall sensitivity is rated high. Refer to first example on p. 47.</p> <p>We propose further consideration of the level of occupied cells against the magnitude rating system.</p> <p>There may also be value in considering turbines within a certain distance are not included within the occupied cell count. For example, a zone 1, 2, 3 approach where only those turbines within zone 2 and 3 are included in the occupied cell count, for example those turbines within 4kms.</p> <p>Further, a stated cur off distance should be include in the guidance.</p>
<p>3.2 Visual impact assessment process – visual sensitivity</p>	<p>Table 2 sets out the Viewpoint sensitivity levels and examples. Table 3 sets out the Primary and secondary viewpoints from rural dwellings.</p>	<p>Viewpoint sensitivity levels are separated by 'primary' and 'secondary'. Within a dwelling this may be very subjective to each landowner (eg. view from garage or bedroom could be defined as primary if that is where they spend the most time).</p> <p>Photomontages are usually taken from outside in the direction of the project, regardless of which room is used most frequently. Therefore, primary/secondary viewpoints should only be used if the dwelling has been determined to</p>

Table 1a: Technical Supplement for Landscape and Visual Impact Assessment

		have a Very High rating and if considering altering the layout to reduce impact.
3.2 Visual impact assessment process – performance objective & mitigation	Table 8. outlines the visual performance objectives.	<p>The guidelines suggest that a moderate visual impact is to be mitigated to an "acceptable" level with suggested mitigation options.</p> <p>Ambiguity around what is defined as an acceptable level of mitigation remains a concern.</p> <p>Mitigation measures could be identified to be more certain. It is unclear whether the preference is to re-site turbines or provide vegetation screening. Suggest step-by-step approach in guideline to mitigate moderate impact e.g.</p> <ol style="list-style-type: none"> 1. vegetation screening, where this cannot reduce impact to "acceptable" level; then 2. re-site turbines.
3.2 Visual impact assessment process – performance objectives and mitigation	Overview of relevant performance objective for each assessable viewpoint and the level of impact identified.	<p>Suggest that section is reconsidered to provide clarity on:</p> <ul style="list-style-type: none"> • if there is a same or different intention for performance objectives for high-moderate-low depending on Public or Private Viewpoint. If so, the table need to be reconfigured to more clearly demonstrate. • what are considered 'all other viewpoints' under the moderate impact objective; • the intent of objectives for high impact – further clarity that they are for avoidance of impact would strengthen the objectives and limit the extent to which proponents are able defend inconclusive assessments based on the scope of objectives.
3.3 Dwelling entitlements	<p>Overview of how consent authority is required to consider visual impacts on dwelling entitlements. Guidelines state that:</p> <ul style="list-style-type: none"> • Proponents need to do a qualitative assessment of the visual impact of the project and whether it would "unduly impact on the ability for a landowner to act on a dwelling entitlement" (ie. the ability to put a house on the land in the future). • The assessment only applies in the setback zone; should recognise that a house might be sited/oriented/screened to minimise impact 	<p>Suggest that further guidance could be included to on how assessment of visual impacts on dwelling entitlements will be against the broader benefits of a windfarm.</p> <p>A significant challenge of this requirement relates to determining which properties have dwelling entitlements. If this requirement is retained, the guideline should outline a process for determining how sites are assessed.</p>
4.1 Scoping report – viewshed mapping	Study area section and Figure 7 use the terms 'public viewpoints', 'other private receivers' and then 'sensitive public viewpoints' interchangeably.	Review section to clarify terminology.

Table 1a: Technical Supplement for Landscape and Visual Impact Assessment

<p>4.1 Scoping report – scoping map</p>	<p>Outline requirements to present scoping analysis in a map.</p>	<p>There are various inconsistencies in this section that should be adjusted/removed, including:</p> <ul style="list-style-type: none"> the final bullet point references 'easement affected/associated receivers'. "Receiver" is not defined. Perhaps using 'Associated Dwelling' or 'Associated Private Receiver' may be more suitable the term 'easement affected' should be clarified.
<p>4.2 Environmental Impact Statement</p>	<p>Overview of assessment needed to inform EIS.</p>	<p>The text "Representative viewpoints should only be used for views from the public domain along public roads" seems to be at odds with the prior listed examples of where representative viewpoints should be used.</p> <p>In addition, the term setback is used in this section. It appears the intended use is to define a distance catchment and not a mandatory exclusion of wind turbines. A different term other than setback should be considered for clarity.</p>
<p>Appendix B – Visual magnitude examples</p>	<p>Examples of the application of visual magnitude tools to a wind energy development approximately with 300 m high turbines.</p>	<p>Example of visual magnitude assessment raises two considerations that should be clarified:</p> <ol style="list-style-type: none"> why include examples outside of the cut off for the study area? Wouldn't those WTGs be not counted? a cumulative magnitude is dropped in which highlights to lack of guidance on how to consider cumulative impacts throughout the technical supplement.

Table 1b: Feedback on Benefit Sharing Guideline

Item	Guideline focus/draft requirement	Comment/proposed approach
<p>1. Introduction</p>	<p>Overview of guideline purpose.</p>	<p>Suggest that the scope of the guideline is established upfront. e.g. this guideline provides advice on noise for operational WF, BESS and ancillary equipment (transmission lines, substations) but does not apply to the construction period which will be governed by the [INSERT GUIDELINE].</p>
<p>3.2 Noise limits for other land uses</p>	<p>Introduces new noise limits for National Parks (NPs) and definition of 'passive recreation areas'.</p>	<p>Recommended that a definition of NPs is stated so it is clear what land designations it applies to e.g. NPs, but not Flora Reserves or State Conservation Areas according to a statutory source (i.e. as designated under the NPW Act).</p> <p>Propose 'passive recreation areas' definition should be clarified to establish what it does not include i.e. 'Passive recreation areas do not include parts of an NP which people may frequent which are not walking trails, campgrounds, scenic lookouts'.</p>

Table 1b: Feedback on Benefit Sharing Guideline		
		<p>The requirements establish a noise level of 50dB "when in use". The guideline should clarify the application of this requirement in the case that the NP is closed overnight.</p> <p>In addition, consideration should be given to whether there is scope to include a background noise level similar to that for residential limits (+5dB).</p>
4. Management and mitigation	Overview of Noise management and sector management.	The terms "Noise Management Mode" and "Sector Management" should be defined for clarity.
5. Noise monitoring	Overview of noise monitoring locations and duration requirements.	The paragraph mentions 'valid' data points. Clarity on what is deemed 'valid' is required.

Benefit Sharing Guideline

Squadron Energy is committed to ensuring that the communities most impacted by renewable energy projects realise direct benefits where a development is undertaken. Currently, each of our projects has a community sponsorship program which provides funds, in-kind support, and employment opportunities through tailored initiatives. These sponsorship programs run throughout the lifecycle of projects through to the end of operations to ensure benefits remain in the local area longer-term. While generally supportive of more structured guidance for industry on benefit sharing, further clarity on the administration of the proposed mechanisms for sharing benefits at the neighbourhood, local community and regional community levels is required. There is a need to clarify the intersection of these requirements with existing planning and land use revenue settings and/or similar contributions under other frameworks. More detailed feedback on this point and others related to the Benefits Sharing Guideline is detailed below in Table 2.

Table 2: Feedback on Benefit Sharing Guideline		
Item	Guideline focus/draft requirement	Comment/proposed approach
1. Estimated benefits	Figure 1 – Estimated benefits shows estimated benefits realised through REZ.	This ignores the benefits realised through projects that may occur outside of REZs and may be misinterpreted by a reader to indicate that renewable projects will only be developed in a REZ. Propose addition to figure that estimates the value delivered by projects outside of REZ.
1.2 Application of the guideline	Guideline to apply to projects where Secretary's environmental assessment requirements (SEARs) have been issued and an Environmental Impact Statement (EIS) is submitted >6 months after publication of guideline or where modification is required.	<p>Seek clarification in final version of guideline that in the case:</p> <ul style="list-style-type: none"> of modification, the requirements for benefit contributions only apply to additional capacity not the whole project; where a project at final investment decision (FID) is smaller than the approved project, then this should be reflected in Development Consent requirements.
3.2 Mechanisms	Details of any council-managed benefit sharing arrangements are to be made publicly available.	Clarify the party responsible for reporting on funds collected and expended.

Table 2: Feedback on Benefit Sharing Guideline		
for sharing benefits		In addition, the guideline should also recognise the situation where a project may straddle multiple LGAs. Therefore, that it is appropriate that a pro-rata proportion of the total community benefit funding (based on MW) is split between multiple councils.
4. Proposed model and total value of benefits sharing	<p>1) Total funding for benefit sharing should be:</p> <ul style="list-style-type: none"> \$850 per megawatt per annum for solar energy development, or \$1050 per megawatt per annum for wind energy development, <p>paid over the life of the development and indexed to CPI.</p> <p>2) Requirement for applicants to detail initiatives and \$X spend in the EIS.</p>	<p>1) It remains unclear whether community benefits funding is in addition to or in lieu of council rates. Therefore, clarity is needed on whether benefits sharing rates are intended to be in addition to council rates. While the proposed rates are considered generally appropriate, our position on the level of contribution would be significantly impacted if the rate is intended to be in addition to council rates.</p> <p>2) There may be circumstances where it is not appropriate to identify the exact nature and or level of \$X spend. Arrangement should be made to allow some information to be identified in any public submission of the EIS where appropriate justification is provided, such as commercial in confidence.</p>

Private Agreement Guideline

The guidance provided in the Draft Private Agreement Guideline is largely appropriate to help landholders understand the general nature and types of agreements in which landholders and developers may engage. However, the inclusion of a model clause template should be reconsidered. It is our view that the content of the agreement should not be presented as part of the planning assessment process as it is primarily a commercial agreement that is subject to regular changes based on developers responding to shifting requirements from either financiers or landowners. The inclusion of a negotiated commercial template within a planning document is also problematic in that it may lead to unrealistic landholder expectations, resulting in the risk of significant delays in negotiations with landholders and in progressing renewable projects. Feedback on the general guidance provided in the Benefits Sharing Guideline is provided below in Table 3.

Table 3: Feedback on Private Agreement Guideline		
Item	Guideline requirement	Comment/proposed approach
2.1 Licence agreement	Brief overview of licence agreement.	<p>Additional explanation of the purpose of licencing, expectations and relationship to other agreements would be helpful for landowners. For example: “</p> <p>“A licence period typically precedes an option to lease or purchase agreement because it is a period in which both parties can get to know if they are comfortable with the other party. Licences should contain an end date which allows an obligation-free cessation at that date allowing both parties to end the relationship without being locked into anything more. Given that the project agreements and any infrastructure will be associated with a landowners land title, it is important that the landowner uses this time to scrutinise the developers credentials -</p>

Table 3: Feedback on Private Agreement Guideline

		do they have the landowner's long-term interests at heart? Do they have a demonstrated track record of achieving approvals, constructing and operating large scale renewables projects?"
2.2 Option agreement	Brief overview of option agreements, including statement that: "Applicants may choose to not enter into a licence agreement and move directly to an option agreement".	Suggest that excerpt should be moved to section 2.1 and some caution as to the potential risks associated with this course of action should be noted.
2.3 Land purchase agreement	The example off agricultural operation being impacted by a project is provided to demonstrate an instance where a land purchase agreement may be offered.	Propose that addition examples or more general language is used to provide example of where a land purchase agreement may be offered. For example: "There may be many instances where this could be applied"
2.4 Host Agreements – 'Host land'	Overview of 'host agreements'.	Remove 'significantly' in first sentence as it currently implies and high-level of impact where there is currently no means to measure the level of impact. Potential for confusion in this section as many of proceeding agreements (outlined in sections 2.1-2.3) could be considered 'host agreements'. Suggest restructuring section to reflect and then point to Impact Agreements as a categorically separate form of agreement. Suggest examples used to explain different forms of tenure that may be sought as part of Host Agreements. For example: "Host Agreements will be commercial in nature and provide the proponent with a type of land tenure they require (e.g. lease, easement, access licence, etc...)"
2.5 Impact Agreements	Overview of 'Impact agreements'	Wording in section is unclear. Suggest it is important to clearly state that the implication of signing an impact agreement is that the property becomes associated with the development and that the consent authority does not have to apply impact guidelines and thresholds for those impacts. It would also be helpful to state that this applies to the landowner and not tenant in the case of a rental. If the landowner signs an impact agreement, it binds the property including tenants.
3.1 General Guidance	Provides general guidance on terms of agreements.	Suggest that second bullet point is edited to reflect that agreements are not just to manage impacts e.g host agreements." remain in force for the duration of the impacts being managed by the agreement or for a term equal to the duration required"
3.2 Guidance for Hosts	Overview of considerations for discussion with host landowners.	List of discussion points should be expanded to include the point that the project agreements and any infrastructure will be associated with a landowner's land title. It is important that the landowner uses this time to scrutinise the developer's credentials - do they have the landowner's long-term interests at heart? Do they have a demonstrated track record of achieving approvals,

Table 3: Feedback on Private Agreement Guideline

		constructing and operating large scale renewables projects? Consideration should also be given to the need for the statement that hosts should consider the impacts of the project on the community. The guidance should also state that the host should consider if the proponent has a comprehensive benefit sharing benefit sharing guideline.
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We look forward to the opportunity to continue to engage in work to support the continues and rapid uptake of renewable generation in NSW. If you would like to discuss this submission please contact Matthew Flower (Head of Development Services) at matthew.flower@squadronenergy.com

Yours sincerely,



Ed Mounsey
Executive General Manager - Development

For and behalf of Squadron Renewables Pty Ltd (ACN 127 205 645)