



31 March 2021

Mr John Bradley
Secretary
Department of Environment, Land, Water and Planning
8 Nicholson St
EAST MELBOURNE VIC 3002
By email: REZDevelopment@delwp.vic.gov.au

Dear Mr Bradley

Response to Victorian Renewable Energy Zones Development Plan Directions Paper

Committee for Gippsland (**C4G**) welcomes the opportunity to respond to the Victorian Renewable Energy Zones Development Plan Directions Paper.

Gippsland has a strong and proud history as the powerhouse energy generator region and the Committee for Gippsland is pleased that the Gippsland Renewable Energy Zone identifies Gippsland's potential to continue generating and transmitting Victoria's energy supply.

Broadly, C4G believes that enabling infrastructure will drive growth in the region. Infrastructure that supports industry, enables further investment and promotes sector growth, will be central to Gippsland's continued productivity and positive future.

As the region transitions to a cleaner energy future, it is paramount that the Victorian Renewable Energy Zones Development Plan includes energy projects that acknowledge the transition occurring locally with a focus on future jobs, continued energy generation enabling a brighter future for Gippsland.

This response to the Victorian Renewable Energy Zones Development Plan primarily focusses on the Gippsland Renewable Energy Zones

About Committee for Gippsland

Committee for Gippsland is a positive and influential voice for Gippsland helping to create a thriving and sustainable future for the region.

As the region's lead representative voice to government, the Committee for Gippsland brings together groups representing various business and industry views and interests to collaborate on regional priorities and outcomes that bring broader benefit to Gippsland communities. Membership of Committee for Gippsland includes a diversity of members from across the region including well established industry sectors and new and emerging sectors and those organisations that provide support services, education and professional advice.



Following a thorough review in 2020 and in developing its Strategic Plan 2021-2024, Committee for Gippsland has identified a transition to a clean energy future as one of its core priorities.

About Gippsland

Gippsland is a diverse and resource driven region. It is 4.2 million hectares in size, with a population of 283,039 people. By 2026, this is forecast to grow to over 300,000 people. With an average travel time of around 90 minutes from Melbourne, Gippsland is serviced by freeway and V/Line rail. It is one of Victoria's eight key regional growth areas, along with Ballarat, Geelong and Bendigo. The region produces 60 per cent of Victoria's electricity, 70 per cent of Victoria's gas (40 per cent of Eastern Australia's domestic gas), around 23 per cent of Australia's milk output, and about 26 per cent of Victoria's beef production.

Mining and agriculture are primary industries and a key driver of a vibrant supply chain however, in Gippsland energy production is a large driver of economic activity due to the high concentration of power generators in the region. Gippsland has a reasonably well diversified economy with health care and social assistance, education, tourism, and public administration being the largest areas of economic activity which may be an outcome of government spending in response to closures.

When you consider the investment made by Gippsland power stations, year in year out, they play a significant role in the region's economic performance and it will take a considered strategy of industry investment, social license, and government intervention (policy, regulation, and investment) to replace this economic stimulus. Yallourn power station is the next planned closure with 500 permanent jobs and significant crews (up to 500 workers) during scheduled maintenance at an investment of \$70million per event (each unit has a major upgrade every 4-6 years) and an annual operating cost exceeding \$200million. The region is positioning itself to transition away from geothermal power production and embracing new clean energy technologies. Local investment continues in solar and battery energy and the region's wind competitive advantage is likely to secure Australia's first offshore windfarm.

The region has a vibrant tourism industry, from small bed and breakfasts and wineries to the largest inland lakes system in the southern hemisphere. It also includes Phillip Island and the Phillip Island Nature Park, which are not only a national icon, but an international draw card attracting millions of international visitors to Victoria each year.

Gippsland Renewable Energy Zone and identified project

The GREZ project involves the construction of a new overhead transmission line to connect future renewable energy generators in the central Gippsland region with access to the grid located in the Latrobe Valley at Hazelwood or Loy Yang.

While there are a number of renewable energy projects proposed for development within Gippsland that will potentially benefit directly from the extension of the transmission lines, there are broader benefits that can be realised with the prioritisation of the GREZ. These benefits include improved capacity within the energy sector, additional jobs, improved community services and opportunities as well as increased local economic input for Gippsland communities. For current and future



investment within the energy sector, a timely developed GREZ and a prioritised project will provide further clarity around where (and when) to invest.

It is important that businesses and project proponents within the GREZ are closely consulted to ensure that investment in renewable energy projects within Gippsland can be prioritised and secured.

The Committee for Gippsland is supportive of the creation of a Gippsland Renewable Energy Zone and identifies this with its inclusion within the Committee for Gippsland Strategic Plan 2021-2024.

Priority timeframe for GREZ project

While it is understandable that a 4–5-year time frame is attributed to a project of this scale within the GREZ, future government support and prioritisation could see this project brought forward. It is further pertinent to prioritise this project given the current transition underway in the Latrobe Valley with the recently announced planned closure of Yallourn power station.

In progressing the GREZ it is important that the development and delivery of projects within the GREZ are strategically timed to avoid skills and industry shortages but also to maximise the potential for local skills to be transferred to new projects such as the transmission line identified for Gippsland.

While Committee for Gippsland is supportive of prioritising the Gippsland project, robust and considered regulatory, investment and policy initiatives still need to be considered. Further, it is important to note that in bringing forward a project of this scale that community, environment and planning considerations still need to be paramount.

Timeframe for future investment

The Committee for Gippsland understands that there are a number of renewable energy projects in the pipeline within Gippsland waiting to be developed. In order to assist government with planning for the GREZ and highlighting the importance of a timely development of renewable energy projects in Gippsland the following projects are proposed for the region and are at various stages of planning and development. These projects amongst others, include:

- Gippsland Renewable Energy Park (GREP), a 500MW solar and 500MWh battery storage precinct. The GREP will be delivered in three stages in line with the availability of transmission capacity;
- Star of the South offshore windfarm with the potential to supply up to 20% of Victoria's electricity needs while creating jobs and investment;
- Perry Bridge solar farm, a 44MW solar and 50MW battery storage project;
- Fulham solar farm, a 50MW solar project;
- Maffra solar farm, a 25MW solar and 30 MW battery storage project; and
- Omega solar farm, a 250MW solar and 250MW battery storage project;



Risk Assessment

While the risk assessment attributed to the project within the GREZ is set at high, the Committee for Gippsland doesn't view the risk as significant and understands project proponents are committed to working alongside the Gippsland community in order to have any risk setting reduced. Risk assessment, whether environmental, planning or community need to be worked through as a priority enabling the project to be progressed and brought forward.

The potential economic and social benefits of a GREZ are significant for the Gippsland community. The establishment of a GREZ indicates to present and future investors that Gippsland is open for investment and with this investment the community can future plan, and industry will have a clearer line of sight when it comes to planning future skills requirements and workforce needs.

The construction of overhead powerlines for any infrastructure project has the potential to raise concerns within a community regarding visual and physical amenity. In order to minimise this risk and maintain support within the community it would be prudent to consider underground options for the transmission lines.

Enabling local investment and jobs growth

Developing key infrastructure within Gippsland is important for future jobs growth and industry confidence while providing a clear pathway for investment. In order to minimise any unnecessary delays with the identified project in the GREZ, Committee for Gippsland suggests undertaking planning and initial works as a matter of priority.

Early works should commence for key projects such as the GREZ. Gippsland has strong existing infrastructure, diverse energy resources and relatively low build costs presenting the greatest value when compared to other identified REZ projects.

By bringing forward the Gippsland REZ, industry and investors can be confident that progress is being made towards enabling future investment, the community will see progression towards local employment opportunities while simultaneously, ongoing community engagement can be progressed to minimise any perceived risk with the project.

Further education regarding renewable energy

The Committee for Gippsland has undertaken a survey of membership and alumni of the Gippsland Community Leadership Program and while the responses to the survey were generally positive, respondents indicated a greater willingness to understand the GREZ and the nominated Gippsland project. This could be supported by the government and its agencies by undertaking further engagement and community building that would also reduce the perceived risk of the project through greater consultation and engagement.

Alternatively, Government may wish to engage C4G to play a significant role in community engagement leveraging its membership and GCLP alumni to reach deeper into communities.

There remains an opportunity for greater education and engagement regarding the role renewables will play, not only in Gippsland communities, but also within the energy generation sector. By



increasing engagement with industry and community, the potential perceived risks associated with the GREZ are likely to be minimised and enable the Government to bring forward the Gippsland project into a stage one priority.

Committee for Gippsland supports the GREZ

The Committee for Gippsland is supportive of the GREZ and appreciates the potential for enabling key infrastructure, encouraging investment, creating new employment opportunities while providing future opportunities for Gippsland to remain the powerhouse energy generating region. The Committee for Gippsland strongly encourages the prioritisation of the Gippsland project with government support to help facilitate its progression through the planning and consultation stages.

Again, the Committee for Gippsland appreciates the opportunity to provide input into this discussion paper and welcomes the opportunity to be further engaged in the development of the GREZ.

Yours sincerely

Jane Oakley
Chief Executive Officer
Committee for Gippsland