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Offshore Wind Policy Position

Overview

One Gippsland has welcomed the Victorian and Australian Government's commitments to increasing renewable energy investment in our region.

Our region is home to many natural resources that have historically been key to our nation's prosperity. As Australia transitions away from traditional forms of energy production, One Gippsland is supportive of moves to ensure that our region continues to use our natural endowments to power our country.

Our shared position however has been developed with the knowledge that the clock has started ticking on delivering the state and federal policy objectives and infrastructure, so the urgency to ensure the benefits of this investment are shared with our communities needs to be prioritised.

Federal Government Declaration of First Offshore Wind Zone

On 19 December 2022, the Australian Government declared the Bass Strait off Gippsland as Australia's first offshore wind zone in a joint statement with the Victorian Government.¹

The declared area covers about 15,000 sq kms from Lakes Entrance to south of Wilsons Promontory and has the potential to support more than 10GW of year-round wind energy generation.

The Government estimates wind projects off Gippsland could support more than 3,000 jobs over the next 15 years during development and construction, and 3,000 ongoing operational jobs.

The Government also awarded Major Project Status to the Star of the South Offshore Windfarm Project off the Gippsland coast.²

Major Project Status formally recognises the significance of a project of more than \$50 million to the Australian economy. Recognition provides extra support, a single point of entry for Commonwealth approvals, assistance with State Government approvals and project support and coordination. If developed to full potential, Star of the South would generate up to 2.2 GW. A final investment decision is due in 2025-26 and first power by 2029 or 2030.³ The project will support more than 2,280 jobs during construction and 300 operational jobs.⁴

Victoria Government Commitments to Offshore Wind

¹ Joint media release: Unlocking the power of offshore wind in Gippsland, 19 December 2022

² Joint media release: Unlocking the power of offshore wind in Gippsland, 19 December 2022

³ ABC Gippsland, South Gippsland removed from offshore wind zone after community concerns, Natasha Shapova, 19 December 2022

⁴ Joint media release: Unlocking the power of offshore wind in Gippsland, 19 December 2022



Victoria has led the way in the renewables space by setting the nation's first Offshore Wind Targets: starting with 2GW by 2032 and reaching 9GW by 2040. The Government sees offshore wind as key to achieving a target of 95 percent renewable energy by 2035.⁵

The Offshore Infrastructure Registrar will lead assessment of all applications against criteria set out in the Offshore Electricity Infrastructure Regulations 2022, and make recommendations to the Minister.⁶

The Victorian Government has funded four companies for scoping works on offshore windfarms, including \$19.5 million for Star of the South.⁷ Feasibility licence applications for offshore wind projects in the Gippsland area are under assessment.

Gippsland's Economy, Jobs and Skills

One Gippsland recognises the enormous economic opportunities and the potential for diversification in the region as a result of renewables investment.

This potential is a welcome pathway to transition from the declining coal and offshore gas industries as well as a key mechanism to utilise latency in skills and infrastructure.

One Gippsland also sees the potential to create new industries associated with increased interest in industrial land use, manufacturing as well as ports infrastructure to service and capitalise on future developments.

It is our position however that any ongoing investment into the region must also include consideration of current local industries particularly with a focus on the following issues:

1. Protection of local industry, particularly:

- Local fishing and farming grounds be protected to ensure the current and future viability of the sectors; and
- Visual amenity of key coastal sites be protected to ensure the local tourism sector continues to reap the benefits of our nature-based assets.

2. Collaborative design of a community benefit framework:

- That allows the community to identify a range of significant investments that will create a social licence and beneficial legacy for the region that lives well beyond the construction phase.
- This framework should identify an annual contribution based on a percentage of the investment that is a minimum contribution and be designed in a collaborative way that includes Federal, State and Local Government.

3. Investment into broadscale offshore skills: to offset the risk of offshore projects removing skilled workers from local companies and/or creating boom cycle wages there must be a commitment to invest in developing the skills of our community, this should extend to broader service delivery including maintenance and construction.

4. Investment into enabling infrastructure: such as roads, rail, telecommunications, and social infrastructure will also be required to ensure that our communities do not bear the burden of building, maintaining or reduced access to congested and depleted infrastructure.

⁵ Joint media release: Unlocking the power of offshore wind in Gippsland, 19 December 2022

⁶ Joint media release: Unlocking the power of offshore wind in Gippsland, 19 December 2022

⁷ ABC Gippsland, 1 August 2022



5. Investment into strategic infrastructure:

- The South Gippsland ports, Barry Beach Marine Terminal should be developed to play a crucial role in the successful development of Offshore Wind in Gippsland
- It is the only industrial port located in under 10 hours sailing time from the Offshore Renewable Energy zone and is also surrounded by a large area of Industrial 1 zoned land;
- Investment in this strategic facility will allow extended economic benefits for the region and a legacy to attract future investment across a range of sectors.

6. Investment into housing: it is recognised nationally that there is a shortage of general and affordable housing in regional Australia. Infrastructure projects increase this pressure on the housing market when active steps are not taken to ensure temporary supply. This must be a priority issue to be resolved as part of the planning and delivery phase of any investment.

One Gippsland strongly reiterates the importance of the need for local benefit, stating that any development that excludes local communities from realising the benefits cannot be supported. Both costs and benefits must be shared for a social licence to coexist with local communities.

Biodiversity Implications

One Gippsland recognises that the scale of the proposed offshore wind energy development represents the opportunity for significant positive impact on the environment by reducing carbon emissions. It should also be recognised however it is possible that there could be broader negative impacts on marine biodiversity due to the scale of the proposed developments⁸.

Existing studies have identified these possible impacts as:

- risk of collision mortality;
- displacement due to disturbance (including noise impacts);
- barrier effects (also including noise impacts);
- habitat loss; and
- indirect ecosystem-level effects⁹.

It is further identified that in some instances the developments could provide positive impact on the biodiversity¹⁰. However, what is clear is that studies do conclude that much more research into the impacts of offshore wind on biodiverse environments needs to be undertaken to appropriately manage the risk.

As the proposed offshore wind developments in Gippsland are an Australian first, One Gippsland recommends that the Victorian and Australia Government invest in research to better understand and manage possible impacts on the natural environment. This research should contribute to setting an Australian standard of delivering best practice developments in the renewables space.

Transmission Lines

⁸ <https://www.umces.edu/wind-energy#:~:text=Impact%20of%20offshore%20wind%20developments%20on%20marine%20life&text=The%20sound%20levels%20from%20pile,species%2C%20such%20as%20endangered%20whales.>

⁹ <https://www.iucn.org/resources/file/biodiversity-impacts-associated-offshore-wind-power-projects>

¹⁰ <https://www.engie.com/en/news/offshore-wind-biodiversity#:~:text=The%20reduction%20or%20absence%20of,%2C%20marine%20mammals%2C%20fish.>



One Gippsland recognises the strategic importance of our region in relation to existing transmission infrastructure and access to the National Energy Market (NEM).

We further recognise that this infrastructure was a consideration of the Federal Government's declaration and the associated private and public investment into renewables in the region.

There is, however, concern on behalf of our shared communities in relation to the broader issue of transmission lines. One Gippsland knows that this infrastructure has the potential to create divisions and impact our renowned natural amenity.

We ask that this issue is thoroughly addressed through consultation with the community, to achieve outcomes that are well considered and that have community support.

Transparency and Consultation with our Communities

One Gippsland notes that to ensure the ongoing social licence for the renewables sector, a strong process of transparent consultation with our communities, including our First Nations community as a priority.

One Gippsland recognises the scale of not only the offshore but broader renewables investment that is likely to occur in our region, meaning the associated impacts of this development are likely to impact a broad range of stakeholders.

On this basis we recommend the following in relation to engaging with our community:

1. **Minimum standards and best practice engagement:** should be established for all proponents – particularly in relation to upgrades to transmission lines; and
2. **Strategic stakeholders should have a seat at the decision making table:** partnering in consultation to ensure there is a deep understanding of local issues and how the best community benefit and legacy can be achieved. These bodies should include local government, peak industry bodies, key community organisations.

For Further Information:

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