

29 July 2021

Dear Sir/Madam

Re: Western Victoria Transmission Network Project

Please take this as a letter of urgency regarding the Western Victoria Transmission Network Project and its consequential and concerning adverse impacts on the Hepburn Shire Council and our community.

For those that aren't aware Hepburn Shire is in the Central Highlands region of Victoria, about 110 kilometres north-west of Melbourne and includes the main towns of Trentham, Daylesford, Clunes, Creswick, and Hepburn Springs. Hepburn Shire has a rich cultural history which began with the Dja Dja Wurrung People, the Traditional Owners and custodians of the area. We are bounded by Central Goldfields and Mount Alexander Shires in the north, Macedon Ranges Shire in the east, Moorabool Shire and the City of Ballarat in the south, and Pyrenees Shire in the west.

Hepburn Shire Council is one of the most proactive and innovative Councils in the state regarding renewable energy. We are one of the two Councils in the state on the Z-Net pilot which is a commitment from Council in partnership with the community and business to pursue 100% renewable energy. We commenced with Z-Net around the Hepburn Wind project which provides the local community with energy. Now we have expanded our footprint for innovation in stationary energy, transportation, agriculture, waste and wastewater and land use change space. We are including this information to stress how committed we are to renewable energy, but Council does not believe the Western Victorian Transmission Network Project is a quality renewable project and in fact is likely to have a more detrimental adverse impact on our community (and the wider Victorian community) than benefit.

Hepburn Shire Council is one of the worst effected Councils arising from this project, with both planned transmission lines of 220kv and 500kv and a 24ha terminal station being proposed within our Council area on some of the highest value agriculture land in Australia.

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Council wants to stress the urgency of this matter and once again acknowledges and conveys the community's concerns. At the May 2021 Ordinary Council Meeting, Council resolved the following;

That Council write to AusNet and appropriate decision-making authorities such as DELWP, the Australian Energy Market Operator, and State and Federal MP's;

- ***Urging the WVTNP EES process to properly consider and apply emerging technologies and construction methods that are making underground methods of power transmission a viable option.***
- ***Urge the decision-making authorities to consider the wider impacts beyond the electricity market such as non-market economic, social, and environmental impacts.***

In response to this, we are raising several critical considerations for your attention and action as Council does not believe these areas have been given genuine consideration in planning and developing the project;

- The necessity for this infrastructure to be Underground
- The Fire Risk that will be introduced and which cannot be mitigated to zero
- The Impact on prime Agricultural Land
- Land use planning and impact on significant heritage and Cultural landscapes
- The Social Impact; and
- Economic Impact on Tourism, including the impact on UNESCO world heritage bid.

We provide the following insight to each item.

The necessity for this infrastructure to be underground

In a recent report sourced by Moorabool Shire Council, the option of undergrounding has been explored and determined as feasible. Included below are the key findings from the report –

High-Level HVDC Alternative Scoping Report

In another independent report commissioned by Council, experts confirm that utilising HVDC underground cables for the WVTNP is a viable, low-impact alternative to the AC overhead transmission lines currently being planned. Importantly, it also found that the underground option is significantly less than the 10 times greater as referenced by the AEMO Western Victoria Renewable Integration Project Assessment Draft Report (PADR).

Key findings:

- HVDC underground cables are a technically feasible alternative that is likely to be more reliable and efficient for the movement of renewable energy to major centres whilst presenting significantly reduced impact to social and environmental factors.
- HVDC underground option will not be impacted by bush fires. Power does not need to be switched off during bush fires to aid firefighting, and the power transmission is highly unlikely to be disrupted due to smoke causing flashovers and potentially tripping breakers.
- HVDC underground cables provide the lowest impact solution with:
 - Little to no risk of underground cables causing fire or being affected by severe weather events.
 - Little to no impact to access e.g. for emergency services and aviation operations.
 - Minimal impact to private land or current land use once construction is completed as the easement could be designed to fit within existing road reserves.
 - Significantly reduced impact to flora and fauna due to the possible location of the cable along roadways.
 - No visual impact concerning *the transmission line as the cables are buried underground.*
 - Equivalent or reduced visual and land-use impact from the converter station as it would be expected to occupy a relatively similar area as a typical AC terminal station with much of the equipment being housed indoors.
 - No audible noise along the transmission line.
 - Little to no electromagnetic field impacts.

Read the full report at - <https://www.moorabool.vic.gov.au/files/content/public/about-council/large-projects-impacting-moorabool/western-victoria-transmission-network-project/wvtnp-high-level-hvdc-alternative-scoping-report.pdf>

In the cross-Council alliance, which includes Pyrenees Shire Council, City of Ballarat, Hepburn Shire Council, Moorabool Shire Council and City of Melton we have all agreed that undergrounding of the lines is the preferred and possibly the only acceptable option. Despite the contract being awarded to Ausnet for an above ground line, there is no reason why the scope of work of the contract shouldn't be varied by AEMO and dropped underground, and we will all continue to advocate for this preferred outcome.

Many of the other issues raised below can be addressed if the lines were undergrounded and an appropriate alignment is selected. The risk of fire would be reduced, the key vistas of our countryside and agricultural land would not be impacted through the visual blight of the towers, the community would not be as concerned about their safety and wellbeing if the transmission lines were undergrounded.

Fire Risk

One of the major concerns that we continue to raise regarding this project is its probability to increase fire risk. Hepburn Shire Council has been identified as one of the highest risk Councils of bushfire threat in the state. We are located amongst the Wombat State Forest (with a number of settlements abutting this forest) and have expansive pastoral land which exposes us to grass and canopy fire risk. Council is responsible for emergency management planning, and we take this responsibility seriously. The harsh reality is that fire risk is already high. The community simply will not tolerate increased fire risk, and nor should they.

Work by CFA Research and Development found that climate change is increasing the frequency, severity, and timing of dangerous bushfire weather conditions in Victoria, especially during spring and summer. They have shown that on average, the fire season nowadays is starting a month earlier than it was in the 1990's. Also, at that time, there were only 2/3 the number of days that have 'very high' fire danger (those with an FFDI>25) compared to today.

In short, fire seasons are now longer and more extreme than they were a few decades ago. Models of future climate change projections these trends show that this pattern is likely to continue – conditions will be hotter, drier and with more extreme weather events. This is expected to lead to worse fire seasons, including more frequent large fires (like the 2019/20 season) and more extreme fire behaviour.

It is understood that these predicted changes in climate have the potential to increase the fire risk across Hepburn Shire.

Council calls for evidence to demonstrate that the transmission lines will not cause fire, whether through a design problem, maintenance default or bad weather event. Due to a number of our settlement areas being located in already high-risk settings we now have elevated concerns regarding the risk of the transmission lines being co-located in an already high bushfire risk area. If history of bushfire events tells us anything transmission towers are a potential to cause fires and impact high risk human settlement areas. Based on the information provided to date, Council is not convinced that overhead transmission lines will not increase fire risk in the Hepburn shire.

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Council calls for evidence in relation to the failure rate of transmission towers due to convective downbursts, tornados, and other extreme weather events. There is a well-documented history of extreme weather events in Hepburn, including tornados. The increasing risk of severe weather was recently demonstrated by the destructive storms through Daylesford and Trentham. Council notes that six transmission towers collapsed in Cressy in January 2020 due to a convective downburst. Council insists that fire risk posed by convective downbursts (especially during summer) and other extreme weather scenarios which have the potential to damage transmission infrastructure must be fully assessed.

In addition to the actual transmission lines being a risk, fires near transmission lines are dangerous, aerial firefighting is limited and it can cause damage to the infrastructure and interrupt electricity supply. The 2019-2020 bushfires highlighted the problems with mass evacuation of townships that arise when power is shut down. This was well documented in the Royal Commission into National Natural Disaster Arrangements. Poor alignment decisions will not only put the community at greater risk, but also jeopardise the transmission infrastructure.

Regrettably, there are many examples and evidence where this risk has been realised across the world with major implications, including the disastrous Californian fires which were found to have been caused by transmission infrastructure. In this regard, we draw your attention to Pacific Gas & Electric's recent announcement dated 21 July 2021 where the company announced that it now intends to underground power lines in high fire risk areas to reduce fire risk and to benefit the community by avoiding the need for public safety power shutoffs.

Impact on agricultural land

Hepburn Shire Council has some of the most productive agricultural land in the state. The Victorian Government has demonstrated its commitment to protecting the long-term future of agricultural land in Melbourne's green wedge and peri-urban areas and to develop robust planning controls with local Councils to ensure a cohesive approach to land-use planning. Hepburn has been identified to have one of the highest quality agricultural soils in the state, particularly in the areas of Smeaton, Newlyn, and Bungaree this too is also where the WVTP single corridor alignment is proposed.

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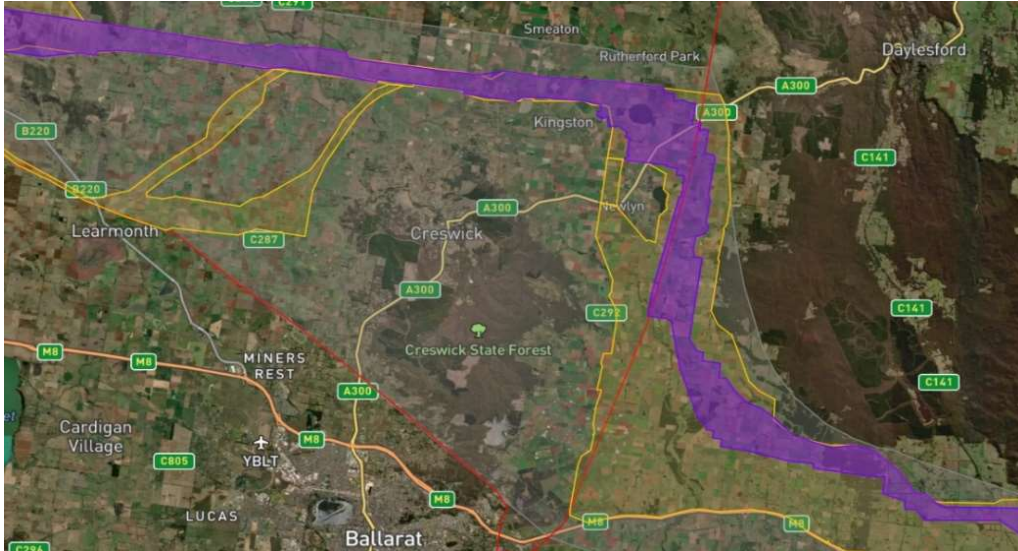
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Please refer to image below which demonstrates the single corridor proposal traversing our prime agricultural areas.



(Western Victorian Transmission Project, 2021 <https://www.westvictnp.com.au/area-of-interest/maps/single-transmission-corridor>, 20/07/2021)

Central Highlands agricultural food-bowl is economically of great importance to the State of Victoria. It has access to major population centres of Ballarat, Melbourne and Geelong and employs and generates in excess of \$7.48 billion of gross regional product per annum as reported by Agriculture Victoria in their August 2018 document – ‘Central Highlands - Invest in Victorian agriculture and food’. All the land in our district has also been identified as Class 1 – the highest level of productive land in an Agricultural Land Capability Assessment also produced by Agriculture Victoria (October 2018) as part of a present DELWP study into protecting Green Wedge and Agricultural land.

This project in its current above ground form threatens the use of this land by restricting agricultural activities such as irrigation and tractor use around it.

Land use planning

The environmental effects of this Project cannot be assessed in isolation.

The Draft EES Scope Requirements fail to require the Proponent to provide information to enable an assessment of how the project will interface with other projects, particularly current and planned projects which are intended to expand transmission capacity between NSW and Victoria. Further, it is expected that the North Ballarat Terminal Station will attract co-located

projects. The cumulative effect of these projects has the capacity to fundamentally change land use in the Hepburn Shire. This must be fully investigated before decisions concerning the optimal location of the North Ballarat Terminal Station and the alignment of the transmission lines can be made.

This critical point above has been raised throughout this process, stressing the importance of strategically planning to ensure the appropriate placement of key infrastructure to ensure potential conflicts in land use can be avoided. Council is currently undertaking a comprehensive Planning Scheme Review which clearly articulates the importance of Significant Landscapes through an overlay, protection of critical agricultural land through local policy (this is in addition to state positions currently being developed – Planning for Melbourne’s Green Wedges and Agricultural Land) and another local policy scheme inclusion being landscape protection policy.

The ‘indicative’ location of the terminal station is proposed to be in one of the most agriculturally valuable areas in Victoria and nationally/internationally sensitive heritage area and conflicts with the policy and overlays as specified above. The challenge regarding this proposed location is not only the sheer size of the proposed terminal station and associated infrastructure of impact such as site lighting, traffic and associated land uses that it would attract by nature. A site of approximately 24 hectares would impact the area significantly and needs to be located in an existing industrial area such as Ballarat West Employment Zone or Parwan Employment Precinct (for example) and at a minimum be located in an appropriate area that is properly planned for through direct liaison with Council to determine the best location, Ausnet has avoided any direct discussion with us regarding the footprint of the station due to ‘commercial sensitivities’. This is evidence that the consultation process has failed.

Social impact

We would like to highlight the Social Risk Analysis and the need for visibility on the strong local opposition to this project and the repeated request for undergrounding to be appropriately explored. This opposition will likely cause delivery delays and additional costs due to issues securing land access and social licence. In the past few months, we have seen examples of heightened angst within the community, with community members displaying provocative signage on their properties and even accosting workers attempting to enter their properties. This behaviour demonstrates the depth of feeling within the community on the project’s impact and on the lack of genuine consultation.

The strong focus on environmental, technical, and economic assessments is missing the key social license aspects. Without the social feasibility being analysed, a ‘tick-the-box’ type approach is currently being undertaken, with detrimental and long-term impacts.

We still don't believe that EES is effectively structured to consider social implications and as specified above Ausnet is lacking the 'human touch' in its community and council consultation. In recent weeks the Community Reference Group for the EES process walked away from the project as they didn't believe it was effective in co-sharing of information, rather more 'tokenistic' in approach.

We recommend that AusNet be required to use a combination of recognised quantitative and qualitative methods to meaningfully assess potential social effects. As these elements are less clearly defined in the EES than heritage and environmental assessments, we request more detailed analysis and focus on these impacts such as:

- Potential changes to local population and demographic profile.
- Social structure and networks.
- Residential amenity and social well-being.
- Social vulnerability and differential effects on parts of the community.
- Housing and social infrastructure needs.
- Perceptions of aesthetic, recreational and other social values of landscape or locality.
- Attitudes to proposed development.
- Short and long-term Income loss from farming land.
- Loss of succession planning and retirement funds (that are held in land).
- Increased unemployment.
- Inability to sell land and/or heavily reduced valuation.
- Increased depression and anxiety in regional Victoria.

Hepburn Shire Council is concerned that the project has already had a significant social impact and the concerns of the community have been dismissed. These concerns are both truly held and legitimate. We have never seen such a ground swell of opposition to any project, as can be seen from the tens of thousands of signs throughout the community.

Economic Impact (Tourism) and UNESCO world heritage bid

In Hepburn Shire, tourism is the second biggest contributor to the economy generating over \$300m annually.

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Government research confirms that the number one driver of regional tourism is the desire to take a scenic drive. The second, is the desire to experience 'diverse natural landscapes' the third is to experience nature and the fourth, fifth and six all relate to local produce and dining / drinking experiences. In fact, the entire top ten drivers of tourism would be adversely impacted by the erection of these towers.

Work is underway on a regional tourism, community development and cultural heritage concept that has been floated since 1986 to apply for UNESCO world heritage protection for the sites of importance to the global gold rushes across our region. Last year, 13 local governments have begun progressing it, and combined funding from Regional Development Victoria and Regional Development Australia is supporting a two-year project to build the case for the UNESCO application. The specialness of this landscape and the future aspirations of the community must be accounted for early in the process. Most of the sites that are now being assessed under this program are emergent and not listed in the State Heritage Register, therefore special consideration must be given to this.

The sites of significance currently being investigated for the UNESCO bid are directly interspersed across the area of interest for the transmission line and the proposed new terminal station area of interest. In assessing the bid, UNESCO will use two measurement pillars of Authenticity and Intactness of the sites. This creates the need to avoid certain highly valuable landscapes and cultural sites as well as the view shed impact, in order not to disrupt those areas and impact the bid process.

The community of Hepburn has raised concern that gold era heritage is now at risk due to the project which passes through well documented heritage sites. This will undermine tourism in the area. It has been estimated that the financial benefit for increased visitation to the Central Victorian Goldfields region arising from a successful bid would add an extra \$25 million per year into the economy: www.goldfieldsworldheritage.com.au .

In conclusion, this letter is to request your help in solidifying the urgency of requiring the Australian Energy Market Operator and Ausnet to thoroughly investigate the option of undergrounding this project and to strengthen its communications with us and the community. We call on all decision makers to assess the true long-term cost of the project, rather than simply considering the cheapest cost of electricity.

We strongly urge you to ensure the Environmental Effect Statement properly considers and applies emerging technologies and construction methods that are enabling the undergrounding solution to be more feasible.

Council acknowledges the need for renewable power however we don't believe this needs to be at the expense of forethought and quality process. AusNet have been awarded the project with tight delivery timeframes and on this basis their consultation with Councils and the community to date has been completely unsatisfactory. Council is currently receiving less than 24hrs notice prior to any major release of information, most recently was the single corridor announcement of which Council was formally notified after the media announcement. Our continued requests to be informed are ignored, this creates further distrust with the community and emboldens the wedge of distrust between council, the community, and the project deliverers.

As you may be aware as part of the Environment Effects Statement (EES) process DELWP have required AusNet to develop and run a Technical Reference Group (TRG) with all relevant and impacted authorities which includes all of the Councils that are impacted by this proposal. The challenge with the TRG is that we are all bound by confidentiality agreements so any information that is raised within the TRG cannot be shared with the Community effectively muzzling Councils from effective community consultation. The community has repeatedly demanded that Council address the lack of transparency and Council considers this is a reasonable expectation.

We thank you in anticipation of your consideration of our letter and we urge you to take action with the urgency that is required, and we look forward to your timely response and reassurance.

Should you have any queries do not hesitate to contact Bradley Thomas, Chief Executive Officer, bthomas@hepburn.vic.gov.au

Yours sincerely,



Bradley Thomas
Chief Executive Officer



Cr Lesley Hewitt
Mayor