Planning and Environment Act 1987

SURF COAST PLANNING SCHEME

AMENDMENT C142surf

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the Minister for Planning, who is the planning authority for this amendment.

The amendment has been prepared at the request of ACEnergy Pty Ltd.

Land affected by the amendment

The amendment applies to 189-389 Volum Road, Gnarwarre (Lot 1 & 2 PS802780Y) as shown in Figure 1.

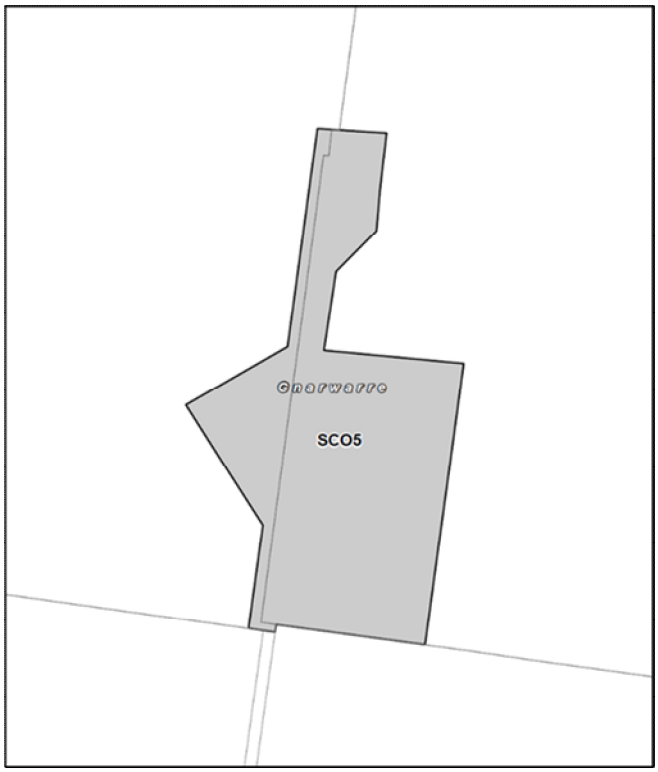

Figure 1. Project area

What the amendment does

The amendment slightly alters the Specific Controls Overlay at 189-389 Volum Road, Gnarwarre and introduces the '*Gnarwarre Battery Energy Storage System (BESS) - 189-389 Volum Road, Gnarwarre - Incorporated Document – September 2022*' to allow for minor changes to the previously approved (via amendment C135surf) battery energy storage system (BESS).

The amendment proposes to amend the Schedules to Clause 45.12 (Specific Controls Overlay) and 72.04 (Documents Incorporated in this Planning Scheme) to update the date of the amended Incorporated Document. A minor variation to the conditions of the Incorporated Document to allow the selected site to retain the Shared Network Asset switching station post decommissioning of the BESS.

Key changes include:

SC05 Overlay Map:

- The SC05 overlay map shape increased from 10.5ha to 15.4ha, to accommodate the second switching station and allow for other minor design changes (including access track).

Technology changes:

- A Shared Network Asset (switching station) to replace the originally intended Designated Asset.
- Proposed battery technology has changed (improved), resulting in fewer inverters and new smaller, more stable, and longer lasting batteries.
- A more efficient energy storage system which will handle the same input and output of 550MWh within a smaller footprint.

Built Form / Site Layout:

- Vehicular access to the site has moved from the southern boundary to the northern boundary of the site, which connects through the same internal road network to Volum Road.
- Increase the facility area by 2 hectares (from 5 to 7).
- Alteration to the battery layout to accommodate the above changes.
- Inclusion of a control room 3 metres in height and 12 metres in length.
- Additional switching station, with power poles to a max. height of 15 metres.

Incorporated Document:

- At section 4, updated references to the amended plans to reflect the above changes to the design of the facility.
- At section 5, amend conditions:
    - 1h) (development plans) – to update the reference to CFA condition numbers.
    - 12-15 (noise) – to replace all references to the (redundant) NIRV standard with the new EPA Publication 1826.4.
    - Delete conditions 29 to 51 (risk and emergency management) and replace them with CFA's updated standard conditions.
    - 40 & 41 (decommissioning) – to allow the retention of the Shared Network Asset switching station post-decommissioning of the BESS. Proposed changes listed in purple at Figure 1 below.

Specifically, the amendment makes the following changes to the Surf Coast Planning Scheme:

- Amend Planning Scheme Map No. 04SCO to realign, and slightly increase the area of, the SCO5 boundary.
- Amends the Schedule to Clause 45.12 (Specific Controls Overlay) and Clause 72.04 (Documents Incorporated in this Planning Scheme) to update the date of the Gnarwarre BESS Incorporated Document referred to as applying to the site (SCO5).

Strategic assessment of the amendment

Why is the amendment required?

The amendment allows for minor updates to the existing approval and will continue to facilitate the use and development of the BESS, streamlining the approval process for a project of state significance.

The (already approved) Gnarwarre BESS is a key infrastructure project that will significantly contribute to the Victorian Government's renewable energy transition and help meet the targets set within the Renewable Energy (Jobs and Investment) Amendment Bill 2019. The Gnarwarre BESS will have a capacity of 550MWh.

The Gnarwarre BESS is a key infrastructure project that will significantly contribute to the Victorian Government's renewable energy transition and help meet the targets set within the Renewable Energy (Jobs and Investment) Amendment Bill 2019. It is anticipated it will create up to 70 full time equivalent construction jobs and up to 5 full time equivalent permanent jobs involved in the maintenance and the day to day running of the facility.

How does the amendment implement the objectives of planning in Victoria?

The amendment implements the following objectives of planning in Victoria as set out in section 4 of the *Planning and Environment Act 1987*:

(a) To provide for the fair, orderly, economic and sustainable use and development of land,

(f) To facilitate development in accordance with the objectives, and

(g) To balance the present and future interests of all Victorians'.

The amendment will provide for the fair, orderly, economic and sustainable use and development of the land by facilitating the use and development of the Gnarwarre BESS facility in an expedient manner ensuring that the benefits of the scheme are realised in the short term. The amendment will enable approvals of the facility to be coordinated at State level by the Minister for Planning.

The project will make a significant contribution to the state achieving its net zero emissions for 2050 whilst also providing the economic benefits of jobs both in the construction and operation of the facility.

How does the amendment address any environmental, social and economic effects?

The amendment will have a net community benefit to Victoria.

<u>Environmental Effects</u>

The amendment will have a positive impact overall on the environment. Facilitating the addition of a Shared Network Asset switching station to the already approved BESS facility will allow for other potential connections to the existing infrastructure and will facilitate the development of the BESS. By aiding the transition to renewable energy sources in Victoria, the Gnarwarre BESS will ultimately reduce the environmental effects and air pollution of traditional fossil fuels. The 550MWh BESS will provide support to Victoria by connecting to existing 220kV transmission lines, store energy that would otherwise be lost and supply it at times of peak demand. This will help reduce the overall electricity supply demand, reducing the energy generation requirement for Victoria.

The construction and operation of the facility will also have negligible impacts on its immediate environment. There will be no loss of biodiversity or native vegetation whilst noise mitigation and stormwater retention ensure that any potential environmental impacts are negligible.

<u>Social Effects</u>

The Amendment will have a positive social impact on the local community by facilitating the development of the already approved BESS. This will provide local jobs both during the construction and operation of the facility, and improve grid-stability to reduce the likelihood of blackouts.

The increase in the size of the overall facility to accommodate the required share network asset switching station has been designed to include visual buffers and noise attenuation to ensure amenity impacts on the surrounding area are minimised. The facility continues to be appropriately sited away

from public roads and other dwellings and will not be easily visible from passers-by once the landscaping is completed. Given the scale of the proposed facility combined with proposed landscape screening, it is not considered to dominate important view lines.

Economic Effects

The amendment will continue to facilitate a $250 million development and the creation of up to 70 full time equivalent construction jobs in the development of the Gnarwarre BESS facility.

The amendment continues to result in increased demand for local goods, accommodation and materials during the construction phase which will also contribute to the local economy.

The amendment will contribute to local economic recovery following the Covid-19 lockdown in the short term.

Longer term benefits include the addition of a shared network asset switching station which will allow for other connections to the grid. The amendment will facilitate the development of the BESS and the creation of up to five full time equivalent jobs created for the operation and maintenance of the facility, whilst the energy efficiency created by the facility contributing to renewable energy targets will ultimately help drive down electricity prices. A key longer-term economic benefit is the impact on electricity network capacity in Victoria.

Does the amendment address relevant bushfire risk?

The amendment appropriately addresses the relevant bushfire risk of this bushfire prone area land. The BESS facility has been designed in accordance with the CFA Guidelines for Renewable Energy Installations to minimise bushfire risk. Further, assessment of the facility against the objectives and strategies of Clause 13.02 of the Surf Coast Planning Scheme indicate that these are met through the design of the facility which includes onsite precautions and the low risk from the site and the surrounding area. The site is located directly adjacent to Gnarwarre Township, enabling immediate access to emergency services. The facility will also be managed in line with the CFA Guidelines as per clauses of the Incorporated Document. The siting, operation and maintenance of the facility is in accordance with the relevant standards. Therefore, the amendment does not increase the risk to life, property, community infrastructure or the natural environment.

Further, the bushfire related conditions have been updated as part of this application to meet current best practice and CFA requirements.

Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The amendment complies with the requirements of the Ministerial Direction on the Form and Content of Planning Schemes and has been prepared in accordance with Ministerial Direction No. 11 – Strategic Assessment of Amendments.

How does the amendment support or implement the Planning Policy Framework and any adopted State policy?

This amendment supports and implements the Planning Policy Framework. The facility will respond to the need for electricity storage and the increase of renewable energy on the land (Clause 11) and meets the objective of Clause 11.02-1S through the provision of infrastructure to support sustainable urban development.

The careful location of the BESS facility ensures native vegetation and the site's biodiversity won't be impacted. (Clauses 12.01-1S and 12.01-1L). As the property historically has been grazing property and more recently cropped there is no remnant of native vegetation on site. The site does not contain any significant historical or architectural features, nor has it been identified as having any natural scenic beautify or importance as defined in the Planning Scheme. The additional area required for the amended SCO5 map does not expand into areas containing matters of environmental significance. The landscaping required by the Incorporated Document will also assist in enhancing the landscape values within the immediate area and has been expanded to cover the additional mapped area in accordance with Clause 12.05-2S.

The amendment will ensure that the objectives of Clause 13.05-1S regarding the control of noise effects on sensitive land uses are continued to be met through mitigation measures.

The amendment will ensure that an appropriate balance is achieved between safeguarding community amenity while facilitating appropriate development that will provide a net community benefit through significant renewable energy infrastructure as per Clause 13.07-1S.

The amendment implements the objectives of Clauses 14.01-1S and 14.01-2S which seek (amongst other things) to protect productive farmland that is of strategic significance, to avoid the permanent removal of productive agricultural land and to encourage sustainable agricultural land use. The additional land required for the amended SCO5 mapping in considered to be a relatively minor increase in the context of the subject site and does not reduce the ability for the remainder of the site to operate for agricultural purposes.

The proposal responds positively to the urban design strategies contained at Clause 15.01- 1S by providing a landscape buffer around the proposed facility, including the expanded area, to support the amenity and attractiveness of the public realm. Based on the pre-existing modified landscape, combined with the proposed vegetation screening along the boundaries of the site, the proposed facility is considered an acceptable addition to the rural landscape in accordance with the principles of Clause 15.01-6S.

The amendment continues to support Clauses 15.02-1S, 19.1-1S and 19.01-2S by providing a valuable resource to augment power supplies and provide back up and security of supply to Victoria's electricity network during periods when reliability of supply is at risk, for example during extreme weather events or power station outages. By applying the amended SCO to the site and facilitating the use and development of a BESS, the Amendment will encourage development that is energy and resource efficient and contribute to the minimising greenhouse gas emissions. By adopting new renewable technology, the project will improve efficiency in energy use, saving energy that would otherwise be lost and discharging it back into the grid when it is at peak demand. The amendment allows for an increased number of end users taking advantage of the BESS and improves its ability to provide renewable energy to Victoria.

How does the amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The amendment supports and implements the Municipal Strategic Statement and Local Planning Policy Framework including Clauses 21.02 (Settlement, Built Environment, Heritage and Housing), 21.03 (Environmental Management), 21.06 (Rural Landscape) and 22.02 (Streetscape and Landscaping Policy).

The amendment responds positively to the built form initiatives Clause 21.02 by providing a landscape buffer around the proposed facility to support the amenity and attractiveness of the public realm. Based on the pre-existing modified landscape, combined with the proposed vegetation screening along the boundaries of the site, the proposed facility is considered an acceptable addition to the rural landscape.

The amendment will facilitate a utility installation which will be appropriately integrated into its surrounding context connecting to existing transmission lines. Whilst the site is currently within the Farming Zone, the site is not located within an irrigation district and therefore is not of strategic importance. There is policy support for both the agricultural use of land and promotion and expansion of renewable energy. On occasion, this can present some tensions to be balanced in favour of net community benefit and sustainable development. The removal of a relatively small portion of land from the State's agricultural base, does not outweigh the broader community benefits.

Previous land clearing for farming have resulted in a lack of native vegetation on the site. The proposal will re-establish the presence of indigenous vegetation through the proposed landscape design in accordance with Clause 21.03.

The proposal has been sited to complement the existing 220kV transmission line which traverses the site. The proposed landscaping design will allow for the development to nestle into the landscape whilst promoting indigenous vegetation around the structure as per the strategic directions of Clause 21.06.

An ecological assessment was undertaken which confirmed the absence of native vegetation on or within 20m of the site. However, native vegetation is proposed within the attached landscape plans which details the number, location and species of proposed plants. There are no works proposed within the canopy or root zone of existing trees and an agricultural report was undertaken to identify

the current soil and rainfall of the site which informed the landscape design response in accordance with Clause 22.02.

Does the amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victoria Planning Provisions by amending the Specific Controls Overlay and Incorporated Document applicable to the site. The purpose of Clause 45.12 is to apply specific controls to achieve a particular use and development. Amending the planning scheme to alter the SCO5 and Incorporated Document is the most appropriate method of expediting the planning process and securing the economic, social and environmental benefits offered by the development.

How does the amendment address the views of any relevant agency?

The assessment of the existing approval (C135surf) considered the views of relevant agencies in development the Incorporated Document controls and in guiding the Gnarwarre BESS facility objectives. The changes proposed are minor and would not alter the views of the relevant agencies.

Does the amendment address relevant requirements of the Transport Integration Act 2010?

The amendment is consistent with the requirements of the *Transport Integration Act 2010*. The amendment will not have an impact on the transport system.

Resource and administrative costs

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The Amendment provides revised planning controls in the Surf Coast Planning Scheme which will continue to guide the use and development of the site for the Gnarwarre BESS project. The amendment continues to identify the Minister for Planning as the responsible authority for any approvals required under the clauses of the Incorporated Document. Therefore, it is not anticipated the amendment will have a significant administrative impact on the Surf Coast Shire Council, as streamlined planning controls for the site will be introduced.

Where you may inspect this amendment

The amendment can be inspected free of charge at the Surf Coast Shire Council website at www.surfcoast.vic.gov.au; or

The amendment is available for public inspection, free of charge, during office hours at the following places:

- Surf Coast Shire Council, 1 Merrijig Drive, Torquay

The amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at www.planning.vic.gov.au/public-inspection or by contacting 1800 789 386 to arrange a time to view the amendment documentation.