

VICTORIA PLANNING PROVISIONS

AMENDMENT VC192

EXPLANATORY REPORT

Who is the Planning Authority?

This amendment has been prepared by the Minister for Planning.

The Minister for Planning is the planning authority for this amendment.

What the amendment does

Amendment VC192 changes the *Victoria Planning Provisions* and all planning schemes by amending clause 72.01-1 to make the Minister for Planning the responsible authority determining planning permit applications for all energy generation facilities that are 1 megawatt in capacity or greater and utility installations (including battery storage that is 1 megawatt in capacity or greater).

Strategic assessment of the amendment

Why is the amendment required?

To support and maintain Victoria's orderly transition to sustainable energy, it is important that planning decisions for all energy generation facilities (over a rated power capacity of 1 megawatt) are timely, proportionate to what is proposed and provide certainty. Amendment VC192 supports improved coordinated decision making for large and complex permit applications for infrastructure that has a significant role in the National Electricity Market (NEM).

This amendment follows the introduction of amendment VC161 (September 2019) which specifies the Minister for Planning as responsible authority for large renewable energy facilities and associated utility installations. Amendment VC192 expands the types of energy facilities that the Minister will be responsible for. This will include non-renewable electricity generation from sources such as gas and provide clarity for the assessment pathway for technologies such as waste-to-energy and pumped hydro.

Permit applications for stand-alone, utility scale batteries (over a rated power capacity of 1 Megawatt), which are not directly associated or located with a renewable energy facility or receive a mix of renewable and non-renewable from the NEM will also now be assessed and determined by the Minister for Planning. These batteries store and distribute energy into the NEM and will play an increasing role in supporting transition and in will assist in handling energy short falls especially in peak summer periods.

The amendment will assist in removing uncertainty for councils about who the responsible authority is for these matters.

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

The amendment implements the objectives in Section 4 of the *Planning and Environment Act 1987* (the Act). It supports the objectives to:

- a) Provide for the fair, orderly, economic and sustainable use, and development of land.
- b) Secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.
- c) Protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community.

- d) Facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e) of the Act.

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

Amendment VC192 will have positive environmental benefits. It complements the Government's environmental commitments to support renewable energy and will assist the Victorian Government's decision to increase the Victorian Renewable Energy Target (VRET) to 50 per cent by 2030.

The amendment will have social and economic benefits by supporting the state-wide, consistent supply of electricity to homes, business and industry. It enables the Minister for Planning to make important planning decisions for the ongoing operation of Victoria's electricity supply from a mix of energy sources.

The amendment supports the Government's Renewable Energy Action Plan which encourages investment in the energy sector to ensure Victorians continue to benefit from a renewable, affordable and reliable energy system into the future. The Action Plan invests \$146 million and includes key initiatives to develop new wind farms, solar and grid-scale battery storage facilities.

Does the amendment address relevant bushfire risk?

The amendment will not increase the risk of life, property, community infrastructure and the natural environment from bushfire because where a permit is required it does not change the consideration of by relevant bushfire provisions.

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

Section 12(2)(a) of the Planning and Environment Act 1987 requires that in preparing a planning scheme or amendment, a planning authority must have regard to the Minister's directions.

The amendment complies with all Ministerial Directions issued under section 12 of the Act. Including:

- The Ministerial Direction on the Form and Content of Planning Schemes issued under section 7(5) of the Act.
- Direction 11, Strategic Assessment of Amendments.

The amendment does not change the requirements for a permit in a scheme, if a permit is required or the matters to consider when making a decision.

How does the amendment support or implement the Planning Policy Framework?

The amendment supports the implementation of the Planning Policy Framework, State policy objective of Clause 19.01-1S which seeks to facilitate the appropriate development of energy supply infrastructure. It includes strategies to:

- Support the development of energy facilities in appropriate locations
- Support transition to a low-carbon economy
- Facilitate local energy generation to help diversify the local economy and improve sustainability outcomes.

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

The amendment makes proper use of the Victoria Planning Provisions by amending clause 72.01-1 to expand on the existing responsible authority status for the Minister for Planning. The amended clause will be included in all planning schemes.

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

The amendment does not address the views of a relevant agency.

Does the amendment have a significant impact on the transport system, as defined by section 3 of the *Transport Integration Act 2010*?

The amendment will not have a significant impact on the transport system. The amendment does not change planning requirements such as permit or prohibitions for energy generation facilities. It changes the responsible authority for making a decision on a permit.

Resource and administrative costs

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

Amendment VC192 will reduce administrative burden on councils because they will not be required to determine these applications. Permit applications for all utility scale energy generation facilities will be assessed by Minister for Planning.

The amendment is not expected to create unreasonable administrative burden on the Department of Environment, Land, Water and Planning (DELWP) because of an expected low number of applications. DELWP planners are experienced and currently support the Minister for Planning's assessment of utility scale renewable energy proposals.

Where you may inspect this amendment

Changes have been made to the *Planning and Environment Act 1987* to address planning processes affected by coronavirus (COVID-19) public health restrictions. The changes relate to public-facing processes affected by social distancing requirements and the closure of state and local government offices to the public.

The amendment documents are available for online inspection at:

<https://www.planning.vic.gov.au/schemes-and-amendments/browse-amendments>.

When amendment documents can be made available for physical inspection, a copy of the amendment can be inspected, free of charge, during office hours, at all municipal council offices in Victoria and at the following Department offices:

Barwon South West Region

Geelong office

Level 4
30-38 Lt Malop Street
GEELONG VIC 3220

Barwon South West Region

Warrnambool office

703 Raglan Parade
WARRNAMBOOL VIC 3280

Gippsland Region

71 Hotham Street
TRARALGON VIC 3844

Grampians Region

Level 3, 402-406 Mair Street
BALLARAT VIC 3350

Hume Region

Level 1, 62 Ovens Street
WANGARATTA VIC 3676

Loddon Mallee Region

Cnr Midland Hwy and Taylor Street
EPSOM VIC 3551