Planning and Environment Act 1987

MORNINGTON PENINSULA PLANNING SCHEME

AMENDMENT C297morn

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.

Land affected by the amendment

This amendment applies to the following land:

Energy Generation Facility:

- 1 Long Island Drive, Hastings (Lot 40, PS 003732)
- 2 Long Island Drive, Hastings (Lot 39, PS 003732)
- 4 Long Island Drive, Hastings (Lot 1, TP 851238E)
- 33 Cemetery Road, Hastings (Lot 37, LP003732)
- 35 Cemetery Road, Hastings (Lot 41, PS 003732).

Powerline:

- 1 Long Island Drive, Hastings (Lot 40, PS 003732)
- 2 Long Island Drive, Hastings (Lot 39, PS 003732)
- 22 Barclay Crescent, Hastings (Lot 1, TP 902282V)
- 7 Barclay Crescent, Hastings (Lot 1, TP 004193C)
- 28A Bayview Road, Hastings (Crown Allotment 58A, Parish of Tyabb)
- Barclay Crescent, Hastings (road reserve)
- Bayview Road, Hastings (road reserve)
- Long Island Drive, Hastings (road reserve).

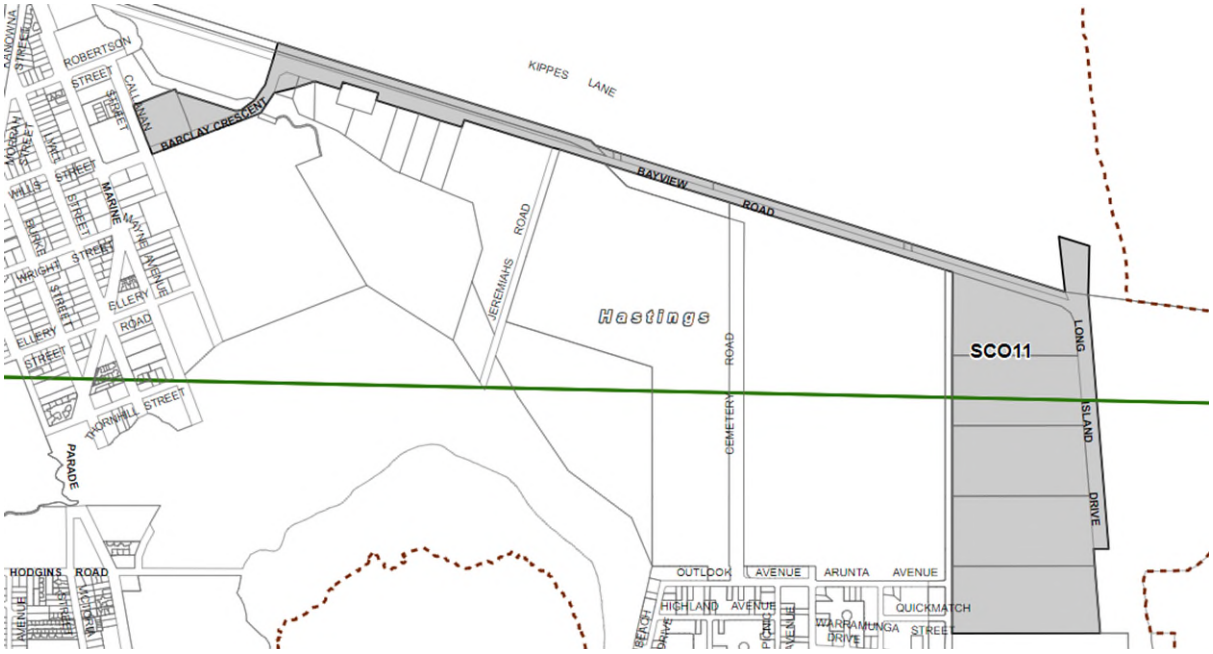

Figure 1: Project Area (identified as SCO11).

What the amendment does

The amendment applies the Specific Controls Overlay (SCO11) to the described above.

The Amendment introduces a new incorporated document titled '*Hastings Energy Generation Facility Incorporated Document, February 2023'* (the Incorporated Document) into the Mornington Peninsula Planning Scheme to facilitate the use and development of a 40 MW energy generation facility, associated utility installations and the removal of native vegetation.

Specifically, the amendment proposes the following changes to the Mornington Peninsula Planning Scheme:

- Introduces Planning Scheme Map No. 15SCO and No. 19SCO.
- Applies the SCO11 to the applicable land.
- Amends the Schedule to Clause 45.12 (Specific Controls Overlay) and Schedule to Clause 72.04 (Documents Incorporated in this Planning Scheme) to include the '*Hastings Energy Generation Facility Incorporated Document, February 2023'*.

Strategic assessment of the amendment

Why is the amendment required?

The amendment will facilitate the use and development of a 40 MW ethane-fired energy generation facility, associated utility installations and the removal of native vegetation. The Incorporated Document will facilitate the use and development of the facility, subject to conditions, streamlining the approval process for the project.

The timely operation of the facility would allow Esso to continue to provide reliable gas supply to Victorian markets, while also delivering social and economic benefits by using the excess ethane to produce electricity, as opposed to flaring.

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 facility in an expedient manner, ensuring that the benefits of the scheme are realised in the short term.

The associated project will increase supply of electricity, provide economic benefits of jobs both in the construction and operation of the facility, and avoid the need for Esso to potentially flare its excess ethane into the atmosphere, which would result in environmental impacts without deriving any social or economic benefits.

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 not have an overall detrimental impact on the environment. Whilst the proposal results in an increased yield of greenhouse gas emissions at a local level, when considered at a state-level and with the intended lifespan of the facility, the circumstances under which the proposal has arisen, and the alternatives available, the greenhouse gas emissions resulting from the proposal are considered acceptable.

There will be no net loss of biodiversity or native vegetation due to conditions requiring appropriate offsets to be secured. The native vegetation required to be removed is considered appropriate, as it will ensure the protection of human life through the protection of defendable space.

The construction and operation of the facility will also have negligible impacts on its immediate environment. Noise mitigation and stormwater retention measures will ensure that any potential environmental impacts are negligible.

Social Effects

The amendment will have a positive social impact on the local community by providing local jobs both during construction and operation of the energy generation facility and the powerline. The operation of the project will also provide an increase in the supply of electricity to the area.

The energy generation facility will have a negligible impact on the landscape character and visual amenity of the area. Noise attenuation measures are included to ensure amenity impacts on the surrounding area are minimised. The facility's location within an existing industrial facility will further minimise visual impacts.

Economic Effects

The amendment will facilitate the construction of a $112 million development and the creation of construction and ongoing operational job opportunities for the local community. The project will employ approximately 60 people during the peak construction period.

Increased supply of electricity may also have positive impacts on reducing electricity prices for consumers.

Does the amendment address relevant bushfire risk?

The amendment appropriately addresses the relevant bushfire risk of this bushfire prone area land. An assessment of the energy generation facility against the objectives and strategies of Clause 13.02 (Bushfire) of the Mornington Peninsula 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 proposal meets the objectives and strategies of Clause 13.02 (Bushfire) of the Mornington Peninsula Planning Scheme. This is achieved through conditions within the Incorporated Document requiring the preparation of a Bushfire Management Plan, Emergency Management Plan and other procedures recommended by the Country Fire Authority (CFA). The siting, operation and maintenance of the facility will be in accordance with all relevant standards.

The amendment does not increase the risk to life, property, community infrastructure or the natural environment.

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 siting of the energy generation facility within an existing industrial site ensures native vegetation and the site's biodiversity won't be unreasonably impacted. The removal of native vegetation required is appropriate, as it will ensure the protection of human life through the creation of defendable space (Clauses 12.01-1S Protection of biodiversity, 12.01-2S Native Vegetation Management).

The amendment enables the energy generation facility to be appropriately co-located within Esso's existing Long Island Point Fractionation Plant boundary, which is a highly modified and industrial site.

This ensures that the proposed facility will not impact on any significant landscape or open spaces that contribute to the character of the area (Clause 12.05 Significant Environments and Landscapes).

The amendment will require the preparation of a Drainage and Surface Water Management Plan to ensure there are no significant hydrological impacts from the proposed facility in accordance with Clauses 13.03 (Floodplains), and 14.02-1S (Catchment Planning and Management).

Conditions requiring noise attenuation measures to ensure the proposal is within applicable noise limits will ensure the proposal meets the objectives of Clause 13.05-1S (Noise Abatement).

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 as per Clause 13.07-1S (Land Use Compatibility).

The proposal responds positively to the urban design strategies contained at Clause 15.01-1S (Urban Design) by locating the facility within an existing industrial site that is buffered by dense vegetation, thereby supporting the amenity and attractiveness of the public realm.

The amendment will support Clause 19.01-1S (Energy Supply) by providing up to 40 MW of electricity supply to the exiting network.

How does the amendment support or implement the Municipal Planning Strategy?

The amendment supports and implements the Municipal Planning Strategy (MPS) at Clause 02 of the Mornington Peninsula Planning Scheme.

The amendment supports the operation of the Port of Hastings by facilitating the use and development of a facility that is related to Esso's operations at Long Island Point, and thereby protects the Peninsula's sensitive agricultural and recreational areas (Clause 02.03-2 Environmental and landscape values; Clause 02.03-6 Economic development). The removal of native vegetation will be appropriately offset, resulting in no net loss of biodiversity within the area (Clause 02.03-2 Environmental and landscape values). Amenity impacts, including noise and visual impacts are managed via siting of the facility within an existing industrial plant, proposed noise attenuation measures, and existing natural buffers around the site (Clause 2.03-3 Environmental risks and amenity).

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

The amendment makes proper use of the Victoria Planning Provisions by applying the Specific Controls Overlay and accompanying Incorporated Document 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 apply the SCO11 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 views of the relevant agencies have been considered in the development of the controls of the Incorporated Document, including the views of:

- Environment Protection Authority Victoria
- Department of Transport
- DEECA Port Phillip Region
- Melbourne Water
- Mornington Peninsula Shire Council
- Country Fire Authority
- Civil Aviation Safety Authority.

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 new planning controls in the Mornington Peninsula Planning Scheme to guide the use and development of the site for the Hastings Energy Generation Facility and associated grid connection infrastructure. The amendment identifies the Minister for Planning as the responsible authority for the approvals (endorsement of incorporated plans) required under the clauses of the Incorporated Document. The amendment will have no additional administrative impact on the responsible authority than what would occur if the proposal was facilitated via a planning permit.

Where you may inspect this amendment

The amendment can be inspected free of charge at the Mornington Peninsula Shire Council website at www.mornpen.vic.gov.au; or

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

- Mornington Peninsula Shire Council, 90 Besgrove Street, Rosebud

The amendment can also be inspected free of charge at the Department of Transport 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.