

8.2 Stubbo Solar Farm Voluntary Planning Agreement

REPORT BY THE ACTING DIRECTOR DEVELOPMENT
TO 25 MAY 2022 ORDINARY MEETING
GOV400088, LAN900125

RECOMMENDATION

That Council:

1. receive the report by the Acting Director Development on the Stubbo Solar Farm Voluntary Planning Agreement;
2. place the draft Voluntary Planning Agreement and Explanatory Note on public exhibition for 28 days;
3. authorise the General Manager to finalise and execute the Voluntary Planning Agreement if no objections are received during the exhibition period; and
4. receive a further report following the exhibition period if objections are received.

Executive summary

The purpose of this report is to provide a copy of the draft Voluntary Planning Agreement (VPA) and Explanatory Note for the Stubbo Solar project which is to be placed on public exhibition for a period of 28 days in accordance with the requirements of the *Environmental Planning and Assessment Act 1979*.

Disclosure of Interest

Nil

Detailed report

UPC Renewables Australia Pty Ltd is the proponent for the state significant Stubbo Solar Farm project. The project has obtained development consent from NSW Department of Planning, Industry and Environment.

Council received a report in June 2021 to consider a proposal from UPC Renewables Australia to enter into a VPA for this project.

The key terms of the proposed VPA include:

- a one-off payment of \$100,000 (exclusive of GST) (**Construction Contribution**) to the Mid-Western Regional Council, paid in two equal instalments; and
- an annual contribution (**Annual Development Contribution**), being \$300 per megawatt based on the final installed capacity of the Development over the operational life of the Development. The amount of the Annual Development Contribution will be adjusted for inflation on a yearly basis.

Annual Development Contribution funds to be used for community infrastructure projects identified in Council's Delivery Program and Operational Plan where:

- the Mid-Western Regional Council will apply to the Construction Contribution and the Annual Contribution to specific community projects determined by Council:
 1. in accordance with the priorities contained in the Mid-Western Region Community Plan and Delivery Program;
 2. following consultation with Developer regarding potential projects; and
 3. with priority to be given to projects in Gulgong and within 25km of the Development.

Mid-Western Regional Council and Developer acknowledge that the Development will require the use of roads more than 25 km away from the Development and has the potential to require worker accommodation to be provided more than 25 km away from the Development. Accordingly, the Construction Contribution and Annual Development Contribution may be applied to community projects which are located more than 25km from the Development where appropriate to offset such impacts.

In June, Council provided in-principle support for the proposed VPA and resolved to commence preparation of a draft VPA and Explanatory Note on these terms. Council has now received a copy of the draft VPA and Explanatory Note (as attached to this report) to be placed on public exhibition for a period of 28 days in accordance with the *Environmental Planning and Assessment Act 1979*.

It is noted that the proposed VPA is separate to any payments required for the upgrade of local roads or construction of new roads associated with the project. Any upgrades and/or improvements to the local road network required for the project are to be undertaken by the proponent at its own expense prior to the commencement of construction and in accordance with conditions of consent.

Community Plan implications

Theme	Looking After Our Community
Goal	Vibrant towns and villages
Strategy	Maintain and promote the aesthetic appeal of the towns and villages within the Region

Strategic implications

Council Strategies

Towards 2030 Community Plan

Legislation

NSW Environmental Planning and Assessment Act 1979

Financial implications

Should Council agree to enter into a VPA with UPC Renewables Australia Pty Ltd, this would result in two upfront lump sum payments of \$50,000, and estimated annual contributions of \$120,000 per annum for the life of the project.

Budget Year	Operating Performance Ratio	Own Source Revenue	Building & Infrastructure Renewal
2021/22	-	-	-

Future Years	✓	✗	✓
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Associated Risks

If Council does not accept the VPA offer made by UPC Renewables Australia Pty Ltd, there is a risk that Council will not receive appropriate funding for the impact of this project.

ALINA AZAR
ACTING DIRECTOR DEVELOPMENT

12 May 2022

- Attachments:*
1. DRAFT Stubbo Solar Farm VPA. (separately attached)
 2. DRAFT Stubbo Solar Farm VPA Explanatory Note. (separately attached)

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER