

Explanatory Note

Mid-Western Regional Council (ABN 96 149 391 332)

and

UPC Renewables Australia Pty Ltd (ABN 27 616 856 672)

Introduction

The purpose of this explanatory note is to provide a plain English summary to support the notification of the draft planning agreement (**Planning Agreement**) prepared under Subdivision 2 of Division 7.1 of Part 7 of the *Environmental Planning and Assessment Act 1979* (NSW) (**Act**).

This explanatory note has been prepared jointly by the parties as required by clause 25E of the *Environmental Planning and Assessment Regulation 2000* (NSW) (**Regulation**).

Parties to the Planning Agreement

The parties to the Planning Agreement are Mid-Western Regional Council (**Planning Authority**) and UPC Renewables Australia Pty Ltd (**Developer**).

The Developer made an offer to enter into the Planning Agreement. Condition 11 of Schedule 2 of development consent SSD 10452 granted under the Act by the delegate of the Minister for Planning and Public Spaces on 29 June 2021 (**Development Consent**) requires that a planning agreement be entered into in accordance with this offer.

Description of Subject Land

The Planning Agreement applies to the land set out in Appendix 2 to the Development Consent (**Subject Land**). A map of the Subject Land is attached to this explanatory note.

Description of the Development Consent

The Developer has obtained the Development Consent which authorises the development of the Stubbo Solar Farm (**Development**) subject to conditions. The Development includes:

- solar panels capable of generating approximately 400 megawatts of renewable energy;
- a lithium-ion battery energy storage system of up to 200 megawatts;
- an onsite substation and connection to TransGrid's existing 330 kV transmission line; and
- ancillary facilities including an operations and maintenance building, internal access tracks, laydown areas, car parking and security fencing.

Summary of Objectives, Nature and Effect of the Planning Agreement

The objective of the Planning Agreement is to assist in providing public services to the community by the Developer via financial contributions paid to the Planning Authority. The financial contributions will be used to fund specific community projects determined by Planning Authority in accordance with the priorities identified in the Mid-Western Region Community Plan and the Delivery Program of Council for the Mid-Western Region (**Mid-Western Region Community Plan and Delivery Program**).

The nature of the Planning Agreement is that the Developer will make two separate monetary contributions to the Planning Authority:

- a one-off payment of \$100,000 (exclusive of GST) (**Construction Contribution**) to the Planning Authority, 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.

The effect of the Planning Agreement is that:

- the Developer will pay the Construction Contribution and, when it falls due, the Annual Development Contribution to the Planning Authority; and
- the Planning Authority will apply to the Construction Contribution and the Annual Contribution to specific community projects determined by the Planning Authority:
 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.

The Planning Authority 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.

Assessment of the Merits of Planning Agreement

In accordance with sections 7.4(2)(a) and (d) of the Act, the Planning Agreement has the following public purposes (**Public Purpose**):

- "the provision of (or the recoupment of the cost of providing) public amenities or public services";
- "the funding of recurrent expenditure relating to the provision of public amenities or public services, affordable housing or transport or other infrastructure"; and
- "the conservation or enhancement of the natural environment".

The Planning Authority and the Developer have assessed the Planning Agreement and hold the view that the provisions of the Planning Agreement comply with the requirements of the Development Consent and provide a reasonable means of achieving funding towards the Public Purpose as the Development Contribution will assist the Planning Authority in funding specific projects in accordance with the priorities contained in the Mid-Western Region Community Plan and Delivery Program.

The Impact of the Planning Agreement on the Public or any Section of the Public

The Planning Agreement will have a positive impact on the public and local community through the delivery of the Public Purpose, by providing additional funding towards the carrying out of public projects for the benefit of the community.

Consideration of the Planning Agreements Practice Note

In accordance with clause 25E(2) of the Regulation, the Planning Authority has considered the requirements of the Planning Agreements Practice Note issued by the Planning Secretary under clause 25B(2) of the Regulation.

Requirements relating to Construction, Occupation and Subdivision Certificates

The Planning Agreement does not specify any requirements that must be complied with prior to the issue of any construction certificate, occupation certificate or subdivision certificate for the Development.

Clauses 5 and 6 of the Planning Agreement set out, respectively, the timing for payment of the Construction Contribution and Annual Development Contribution.

Interpretation of Planning Agreement

The Explanatory Note is not intended to be used to assist in construing the Planning Agreement.

Map of the Subject Land

