



30 July 2021

Department of Environment, Land, Water and Planning
Via the Engage Victoria Portal
Gas.Roadmap@delwp.vic.gov.au

Dear Sir/Madam

Moyne Submission on the Gas Substitution Roadmap Consultation Paper

Council welcomes the opportunity to make a submission on the Gas Substitution Roadmap Consultation Paper and consents for this submission to be published on the DELWP and Engage Victoria websites. Council would like to request a meeting with DELWP to discuss the Roadmap and how it may impact on gas infrastructure and supplies in Moyne Shire.

Moyne Shire Council is an active advocate on energy and climate change related issues. In 2017 Council supported the lifting of the moratorium on Conventional Onshore Gas Exploration. In 2018 and 2020 Council resolved to oppose any further wind farm development until recommendations 8.2.1 - 8.2.7 in the National Wind Farm Commissioners 2017 Annual Report were implemented in the Victorian context. In 2019 Council declared a Climate Emergency. Attachments detail these resolutions.

Moyne Shire hosts a complex array of energy infrastructure for both electricity and gas, and therefore any changes to policy created by the Roadmap will impact on our people and environment. The Shire contains substantial gas infrastructure including the interstate gas pipeline, the Mortlake gas-fired power station, Halladale Blackwatch Speculate Gas Extraction project and the CO2CRC Geo-sequestration trial site. These projects and infrastructure contribute significantly to the economy of the Shire.

Additionally, some of Moyne's largest industries and employers rely heavily on gas for manufacturing.

A map of Moyne's energy infrastructure is attached.

Any withdrawal of gas infrastructure from the region needs to be considered and negative impacts mitigated as natural gas use declines.

Conversely the investment in renewable energy concentrated largely on wind in Moyne Shire present opportunities for implementing a smooth transition away from natural gas and a boost



to economic development in the region. Moyne forms a large part of the South West Victoria Renewable Energy Zone (REZ).

Moyne Shire is a major area for dairy farming and milk processing in Victoria. Dairy effluent and other forms of agricultural feedstock could be used for biogas generation. The geological formations in the region are suitable for carbon capture and storage and geothermal heat production for industry. Benefit from the transition for regional communities need to be planned and realised to maintain social license.

The Consultation paper does not detail the linkages between REZ Development Planning and this Roadmap, nor the current re-opening up of onshore/offshore gas exploration. Council seeks clarification on how these different policy and planning exercises will influence each other. Considering the future pathways for gas without considering the implications for regions and communities, and the many different drivers for land use and social change, will erode social license and result in uncoordinated local and regional development.

The cumulative impacts of energy infrastructure, is a current issue for Council and its community. Noise, visual, traffic, road, housing and environmental impacts are consistently raised by the community as areas of concern. Investment in new renewable energy generation and transmission infrastructure that is signaled in the Consultation paper will result in further clusters of renewable energy generation facilities in the South West REZ and the Moyne Shire. This will exacerbate cumulative social and environmental impacts.

A strategic approach, based on triple bottom line investigations, integrating energy generation and transmission infrastructure is required. Council encourages the strategies being interrelated rather than stand-alone documents.

Potential impacts of a move away from gas use and infrastructure in Moyne Shire include:

Household use

- In 2006 reticulated natural gas was supplied to Port Fairy, Moyne's major town. Relatively new gas appliances are being used in households and the willingness to change over to electric appliances in the short to medium term may be limited.
- The expected increase in the cost of gas will impact on the most vulnerable who cannot afford to change over appliances and/or install solar systems.
- An increase in the cost of gas is expected with less use and supply in Victoria and the need to spread the cost of infrastructure maintenance over fewer customers. These impacts need to be mitigated with a focused regionally based outreach program targeting vulnerable people.
- Similarly, the people who can most gain financially from energy efficiency measures cannot afford upgrades or live in rental properties.
- A program focused and encouraging landlords to upgrade energy efficiency in rental homes will directly benefit lower income families and reduce utility costs.



Industry Impacts

- Moyne Shire hosts 2 major dairy processing plants and a large pharmaceutical company that depend on a reliable, substantial and cost effective supply of natural gas for their operations.
- Any transition away from natural gas would be a long term process for these industries and involve significant government support as well as major technological advances.
- Failure to ensure that a cost competitive and reliable alternative was available would critically impact the financial feasibility of these industries and risk loss of local employment.
- The Mortlake gas-fired power station is an important employer in the Shire. There are also plans to increase the size of this electricity generation facility, which would result in significant economic development in the Shire. There are also plans for a second gas fired power station in the Shire at Tarrone.
- In the Roadmap and its implementation plan it will be important to develop mechanisms to mitigating the economic and social impacts on the Moyne community and Council of any decline in industry.

Reduced gas production and use

- New economic initiatives need to be considered and planned for to replace current employment and investment provided by the gas industry.
- This reduction of gas use will result in stranded infrastructure in Moyne such as the Mortlake gas-fired power station and gas pipelines. The reuse of pipelines for other purposes should be considered where technically feasible. Feasibility studies for the use of different fuels in the Mortlake power station should be supported.
- Additionally, a coordinated decommissioning plan is required if infrastructure cannot be adapted.

Reduced use of gas for electricity generation (and resultant increased renewables)

- Reduced electricity generation from gas will require more generation from wind and solar farms, driving more development for Moyne. Unless planning thresholds are established, the current negative and cumulative impacts will continue unabated.
- Coordinated decommissioning or repurposing of gas-fired power stations and associated transmission lines and gas reticulation pipelines needs to be a part of any future roadmap and plan.

Increased electrification of the economy while reducing carbon emissions

- This will require more wind and solar farms in areas where transmission capacity is available.
- The South West REZ is one of the only areas in Victoria and Australia at the moment with this capacity.
- Cumulative impacts of all forms of energy developments need to be considered in



decision making about future gas pathways.

- The REZ Directions plan should be informed by this Substitution Roadmap and vice versa.
- A whole of government approach is required to gas use, generation and transition. Moyne has been briefed on the release of potential gas reserves in south-west Victoria through the Victorian Gas Program in 2020. These reserves are discussed fully in the Roadmap.

Increased green hydrogen production

- The need to produce hydrogen using renewable electricity will drive further growth in wind and solar farms in renewable energy zones. Strategic land use planning incorporating development thresholds is required to reduce impacts on the community and environment.
- Hydrogen production and its land use, social and environmental impacts is poorly understood by the community and Council. Co-location of hydrogen facilities with wind or solar farms, near gas transmission infrastructure may add to infrastructure clusters and cumulative impacts in the Shire.

Multi criteria analysis

- It is unclear how the multi criteria analysis will consider impacts of rural land use change or the disproportionate impacts of pathways on rural and regional communities versus Greater Melbourne. Due consideration of these impacts will help to achieve social license for future energy development in Western Victoria.
- Council has concerns that cumulative impacts are not being adequately considered. Social Licence, amenity, landscape, noise, traffic, and a range of environmental factors need to be considered as generational change to energy is planned. An urban lens is often considered that is devoid of the lived experience.
- It is recommended that further criteria be added to the analysis to cover type, magnitude and general (e.g. region) location of land use change. This should be in addition to the "environment" criteria that focuses on natural resources.
- The criteria should also consider rural and regional community benefits that can be realised from the transition out of gas and towards more renewable energy generation.

Please contact Yvonne Anson, Senior Engagement Officer Energy Projects on 0418573890 or yvonne.anson@moyne.vic.gov.au to set up a meeting with Council or make any other enquiries about this submission

Your sincerely

A handwritten signature in blue ink, appearing to read "Bill Millard".

Bill Millard
Chief Executive Officer



Attachments:

1. Wind Farm Advocacy Paper 1
2. MAV Motion
3. Moyne Shire wind farm map
4. REZ submission by Moyne

