



Enquiries to: [REDACTED]
Telephone: [REDACTED]
Our ref: Eco Dev Advocacy - Power

7 January, 2021

Ms Kami Kaur
General Manager, A/g
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

via email: VIC2021-26@aer.gov.au

Dear Ms Kaur,

Response to Powercor Revised Proposal 2021-2026:

Request to upgrade Tyrendarra, Strathdownie Cape Bridgewater and Goraie West to three-phase power

Council wishes to support the Powercor proposal for upgrading single phase power to three phase infrastructure in the Tyrendarra area of South West Victoria.

Moyne and South West Context

The Tyrendarra area of south west Victoria is within the Western Victorian dairy region that has approximately 1,150 dairy farms. The region's milk production total of over two billion litres, valued at \$969 million at farm gate, represents 23 per cent of the national milk production and 25 per cent of Australia's dairy exports. Dairying in the region directly employs over 5,500 people on farms out of a total of 9,900 working in the broader industry.

The region has significant advantages due to favourable climate, affordable pricing of land and opportunities for expansion. It has a wealth of expertise and services that supply dairy farm inputs as well as significant existing milk and meat processing facilities, with opportunities for further growth. However, one of the five key threats identified in Westvic Dairy's Strategic Plan 2020-2023 is the deteriorating and increasingly inadequate power infrastructure in the Western Victorian region. Ongoing investment in public infrastructure that supports the dairy industry is required for the region's farming businesses to be more resilient to external impacts and remain profitable and sustainable, and will attract additional future investment in the industry.





The recently released Australian Dairy Plan aims to increase the profitability of dairy farms and lift Australia's annual milk production by almost one billion litres, adding \$500 million of farm gate value for farmers and assisting to create new jobs primarily in rural and regional areas such as Western Victoria. An important ingredient in enabling this growth will be investment in improved power supply networks.

Moyne Economic Development Strategy and Action Plan 2019-2029.

This strategy highlights that agriculture, with a focus on dairy, is the most significant industry within the Shire – see fast facts sheet attached.

The Strategy highlights that utility infrastructure is restricting industry growth and capacity and seeks to “support the dairy sector and its value chain to improve competitiveness”.

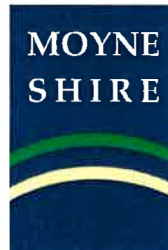
Council advocates to pursue upgrades from Single Wire Earth Return (SWER) powerlines to 3-phase power.

Council had attended Powercor information sessions in Ballarat to advocate and support the preparation of the business case it submitted to the Essential Services Commission.

The ability to convert land to dairy by increasing herd sizes is restricted by poor power supply, this was identified in the background research for the Economic Development Strategy. Poor reliability of power is impacting on the competitiveness of the dairy industry.

Renewable Energy in Moyne

Moyne is experiencing significant development of renewable energy, with 5 operating wind farms, 2 under construction and at least 5 projects in feasibility and design. As a result of this investment in the Shire there is a network of new power transmission lines being developed. This provides an opportunity to secure and provide connection upgrades in tandem. Generational change in Victoria's power generation should go beyond securing the government's renewable energy target and deliver economic and environmental benefits to our agricultural sector, dominated in Moyne by dairy farms.



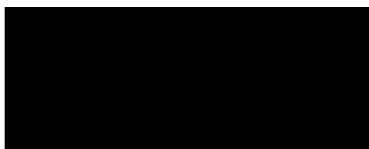
Conclusion

Council supports the submission from the Great South Coast Food and Fibre Council, of which it is a member.

Council strongly supports investment in upgrading power infrastructure in south-west Victoria to 3-phase power and a staged and piloted approach as demonstrated by Powercor will commence this transition.

Should you require further information or if there is an opportunity to address a forum with the issues raised, please contact [REDACTED], Executive Manager, Major Projects to discuss [REDACTED].

Yours faithfully



Bill Millard

Chief Executive Officer

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fast facts

(2019)

16,887
residents (2018)

\$2.3 billion
output

\$913 million
gross regional product



Employment
6,380 FTE
(2018)



\$131,619
Economic value
added per employee¹



\$1.19 billion
Regional
Exports¹



65
Annual
events



2,200
Businesses
across the
shire



\$134m
Visitor economy²



330,00
visitors
per annum²



598,000
visitor
nights²



0.61%
average annual
population growth
rate last 10 years



400
Community and
cultural groups

manufacturing & agriculture

As a percentage of the local economy
manufacturing and agriculture comprise:

54% of employment
49% of economic value added
93% of exports
43% of total wages
75% of local expenditure



Major projects

- 5 operational wind farms generating enough power for 268,000 Victorian homes
- 5 approved wind farms pending construction
- Operational and approved wind farm value of \$2.7 billion
- Onshore extraction from offshore gas fields

¹ IQMPLAN Economy profile 2018

² Tourism Research Australia