

Temporary Generation- Que River

Stakeholder Engagement Plan (Working Document)

March 2016

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1. Introduction

1.1 Background

Tasmania is facing an unprecedented challenge to ensure the provision of energy security due to the combination of several months of low rain inflows and an extended Basslink outage.

Since the Basslink outage in late December 2015, Hydro Tasmania has been securing alternative generation options such as gas generation via the Tamar Valley Power Station. Hydro Tasmania believes it is very important to have contingency diesel generation options in place and ready to operate in order to protect and secure Tasmanian energy needs.

The first stage of this contingency generation strategy is that Hydro Tasmania has secured diesel generating units to supplement existing on-island generation capacity. Hydro Tasmania has been investigating key sites on Hydro Tasmania and TasNetworks land, as well as industrial sites in the north and south of the state that may be suitable for diesel installations (via technical, environmental and social impact assessments). As a consequence of these investigations, Hydro Tasmania is proposing to install temporary diesel generation at a number of sites around the state.

1.2 Document Purpose

This stakeholder engagement plan has been prepared to provide a strategic and coordinated approach to stakeholder engagement for the establishment of temporary generation at the existing Que River Substation.

This document provides an outline of the planned stakeholder engagement activities, issues and stakeholders during the site preparation and anticipated generation period. It is currently envisaged that diesel generation may occur over a three month period, in line with the latest advice received on the likely repair period of the faulty Basslink cable.

This plan includes an evaluation and review component to allow for continual improvement and flexibility should timeframes alter. Other plans will be prepared for the subsequent sites.

1.3 Objectives

This Plan aims to:

- Proactively engage with affected local stakeholders
- Proactively engage with affected local stakeholders (particularly nearby residents and businesses)
- Inform broader stakeholders about the project
- Support approvals processes for the project

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- Manage and mitigate any risks and impact where practicable to local community
- Manage and mitigate any risks to Hydro Tasmania’s reputation and accountability standards

1.4 Our Stakeholder Commitments

Hydro Tasmania makes the following commitments to its stakeholders:

- Minimising the impacts of our operation on its stakeholders within our commercial, regulatory and safety constraints.
- Being open and trustworthy in accordance with good corporate citizenship, with the aim of developing long term constructive relationships with its stakeholders.
- Providing objective, balanced and timely information about our operation to relevant stakeholders.
- Accepting and valuing that people who live, work and recreate around the site, value, use, care about or otherwise have an interest in the area.
- Ensuring community feedback is considered and, where possible, incorporated within the constraints outlined.
- Building and maintaining positive relationships with stakeholders and to provide opportunities for stakeholders to contribute.
- Heritage and environmental issues and values will be carefully considered and managed.

1.5 Stakeholder Risks for the Project

While the need for the project is clear and most Tasmanians will support efforts to maintain energy security, Hydro Tasmania is cognisant of its responsibility to minimise and mitigate any impacts that may be felt by residents and landowners residing near any selected sites. For the Port Latta site, there are a number of dwellings within 1km of the proposed site.

The engagement process for this project needs to be well planned and well executed, recognising the compressed timeframes for delivery, so that all stakeholders are handled respectfully and issues are resolved. In addition, the justification for the project and site selection needs to be robust and accountable. It is for these reasons that proper planning, preparation and ongoing engagement throughout the operation and decommissioned phases occurs in a timely and effective manner.

1.6 Limitations

It is important to note that due to tight timelines and the nature of the project, the plan and the assessment of community impacts, were prepared in advance of on-ground research and verification. As a result, the plan has been designed with built in flexibility and a strong focus on broad engagement to ensure that additional stakeholders and issues are identified and included as the engagement process progresses.

2. Project Details

The current proposal is for 36MW of containerised diesel generators to be situated at the Que River Substation site. Including support infrastructure this would comprise up to 50 containers. 36 containerised diesel generator sets of nominal 1MW continuous electrical generating capacity;

- 36 containerised 6.3MVA transformers and switchgear assemblies;
- Four bulk fuel storage tanks feeding the generators;
- Power cabling from the 6.3MVA transformers generators and to the existing Que River Substation;
- Infrastructure to support the installation including access road, hardstand areas or support plinths for the generators and fuel tanks, site workshop, storage etc;
- Temporary access road to maintain access to the Que River Substation.

At this stage the site is likely to operate 24 hours a day for up to three months. This will include approximately 4 fuel deliveries each day. These heavy vehicles would use the existing access to the site.

The site is located in Western Tasmania, approximately 15km North East of the township of Tullah. The project site is located in the Waratah Wynyard municipality, however the township of Tullah is within the West Coast Council area. The region is known for it's high rain fall and natural beauty. Key industries for the region have historically been mining and power generation. More recently, tourism has been a growing industry of employment.

Tullah lies on the Murchison Highway, 7.5km North East. Located on the edge of Lake Rosebery, Tullah was originally a small mining town that was later extended in the 1970s to accommodate workers on the Hydro Electric Power Scheme.

The site can be seen in Figure 1 one below.

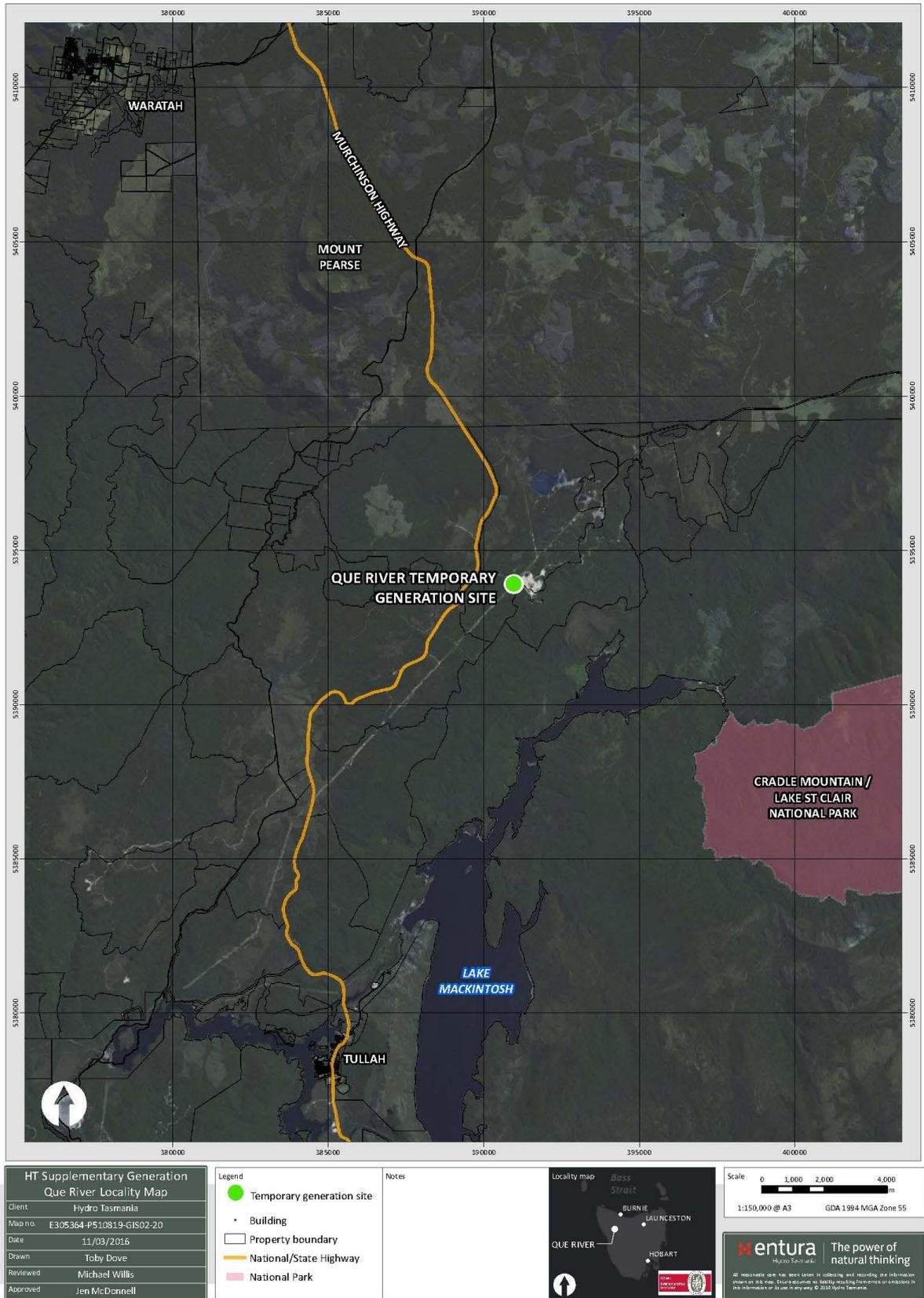


Figure 1: Location of the Temporary Generation

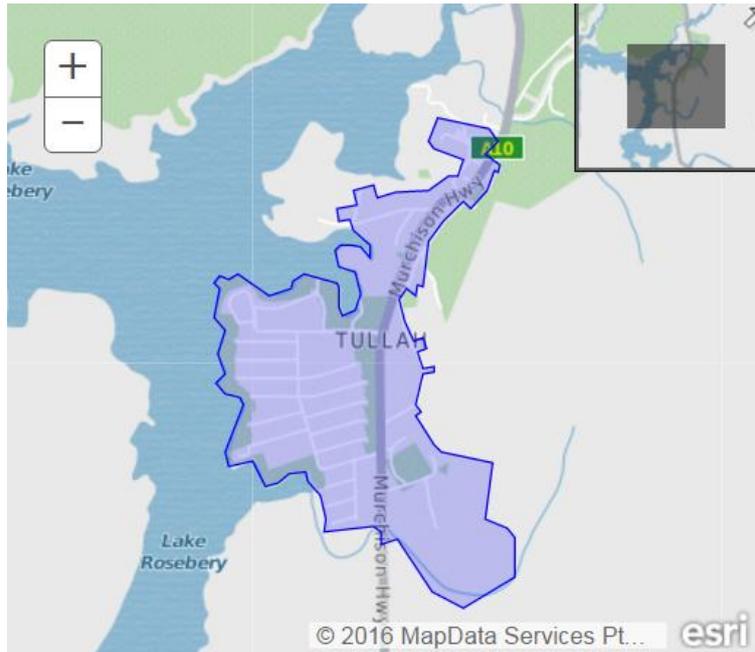
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2.1 Community Profile

A community profile is important for understanding the community impacted by the project. It will assist with tailoring any specific communications messages to the project audiences.

Data for this community profile has been sourced from the ABS 2011 Census. This is the most recent data available for this area. Like all social statistics, this presents a snapshot in time, and should only be considered indicative of the current social composition of these communities. It is also important to understand the historical and current social context in which the project exists. A summary of key features of western Tasmania (referred to as 'west coast' is provided below:

- Historically, population growth on the West Coast was primarily driven by mining activities. Power generation projects attracted workers to the area to build and operate its dams and power stations. Employment in mining experienced major ups and downs, following a path of volatile global market prices. Employment opportunities in power generation have decreased significantly over time as dam building activities have ceased and operation activities have been largely automated.
- In more recent years the West Coast has been able to develop its tourism sector, which provides income and employment to a steady and increasing number of people. These main economic drivers have and continue to play a determining role in the growth and opportunities of the population of the West Coast communities.
- The character of mining work practices has changed with an increasing pattern of mining families living out of the area with workers coming in for four days of long shifts. This reduces the degree of identification between the community and the mining companies, and undercuts much of the social and economic role that mine workers and their families once played West Coast communities.
- In spite of historic strength in the mining sector and a growing tourism industry, the population of the West Coast has been in decline for at least two decades and continues to fall. It is estimated that up to 10% of workers in west coast live outside the west coast, particularly in mining, construction and healthcare. This reduces local spending, the proportion of families resident in the area and tends to 'hollow out' communities. It also contributes to a declining local population, even while employment levels in the area remain strong. Reflecting this trend, Western Tasmania has a smaller proportion of family households than the state average.
- An important factor in people's daily lives on the West Coast is its climate and rainfall specifically. With annual rainfall between 2 and 3 meters a year rainfall is an undeniable presence. Other factors specifically affecting the demographics of the West Coast are its remoteness, natural beauty and the affordability of real estate.
- The West Coast is is 2 to 2 ½ hrs drive to the north west coast and about 3 ½ to 4 hours to Hobart in good conditions. However the roads are windy and hilly and often subject to adverse weather including snow and ice at times.
- According to the ABS Census 2011, the State Suburb of Tullah (Code SSC60379 (SSC)) had 198 people. A map of the State Suburb of Tullah can be seen in Figure 2 below.



Source: ABS Quick Stats 2011

Figure 2: Tullah Area

The top five countries of ancestry reported in 2011 in Tullah were Australian, English, Scottish, Dutch and Irish. In 2011, almost 80% of residents of Tullah reported being born in Australia. For the same year, 76% of residents reported that both their parents were born in Australia.

In 2011, the workforce comprised 97 people with 65% working full time and 24% working part time. The unemployment rate for the same year was 7.2%, just slightly higher than the state rate for the same year.

The most common occupations in Tullah in 2011 were Machinery Operators and Drivers 26.1%, Technicians and Trades Workers 22.7%, Professionals 11.4%, Managers 10.2%, and Labourers 10.2%. This reflects the heavy mining focus of the workforce in Tullah. Of the employed people in Tullah 29.1% worked in Metal Ore Mining. Other major industries of employment included Electricity Generation 9.3%, Other Mining Support Services 8.1%, Accommodation 8.1% and Libraries and Archives 5.8%.

In 2011, Tullah there were 51 families, of which, 42% were couple families with children, 40% were couple families without children and 18% were one parent families. The average number of children per family was 1.6. The median weekly household income was \$1,297 which was similar to the Tasmanian average for the same year.

There were 162 private dwellings in Tullah in 2011, with an average of 1.9 people per household. Of these, only 60% of private dwellings were occupied, well below the state and national rates for the same year. This reflects the population loss the town has seen in the last decades since the completion of generation projects in the area.

3. Potential impact of the Project

As an essential first step for designing the engagement activities, a desktop assessment was performed to investigate who is likely to be impacted and how. The following potential impacts have been identified, however it is worth noting that as there are no residents within 15km of the site, therefore the level of impact on local communities is expected to be minor.

- Increased noise associated with operation of the diesel generators for three months 24hrs per day in a rural environment. Extensive noise modelling has indicated that at Que River Substation site noise emissions will comply with all Tasmanian noise management legislation.
- Increased heavy trucks and traffic on local roads both associated with delivery and installation of the equipment and delivery of diesel. Potential spills when refuelling. This will affect residents right along the transport route. A traffic management plan will be prepared to address these issues.
- Potential reduction in local air quality associated with burning diesel. The fuel type will be based on the 2009 Fuel Standards Determination, generators will be run to specification to minimise emissions. Other factors such as topography and prevailing winds are also important. Air emissions modelling has indicated that at Que River Substation site emissions will comply with the Tasmanian *Environment Protection Policy (Air Quality) 2004*, also known as the Air Quality EPP.
- Potential unforeseen impacts on closest local towns e.g. such as inconvenience to workers at the existing industries, tourists etc. from trucks and traffic. Potential short term visual impacts

Although Que River Substation site will meet all regulations for both noise and air quality based on modelling a formal complaints process is in place for stakeholders to refer to (See Section 7.1 Issue Management).

4. Key Stakeholders

A comprehensive list of stakeholders for the temporary diesel generation Que River site has been developed. The key stakeholder groups to be actively engaged with are discussed below.

1. Nearby Residents and local businesses

Nearby Residents are the most impacted of all stakeholder groups. Engaging with them early to inform them about the project, it's rationale, timing and likely impacts for them, is essential. However, there are no residents are within 15kms of the project site.

2. Western Coast Council and Waratah Wynyard Council

Councils will be primarily concerned about the direct impact this project will have on local residents affected by the diesel installation. Regular contact with the General Managers, Mayors, senior staff and the elected members will be beneficial and judicious for ongoing collaboration as the project proceeds.

3. Regulatory bodies

Hydro Tasmania is working with Environment Protection Agency and Workplace Safe Tasmania to meet all necessary requirements.

4. Broader Tasmanian Community

Ensuring that the broader community understands how Hydro Tasmania is ensuring energy security for the state is important. It is also important to recognise the unique circumstances and the opportunity this presents to Hydro Tasmania to gain the support and cooperation of all Tasmanian by conducting respectful communications with the broader community.

5. Engagement Activities

Table 1 below summarises the proposed engagement activities planned for the Que River substation project site including the timing and relevant stakeholders. Some engagement activities have begun and this is updated below.

Table 1. Engagement activities for Que River Substation planned and to date

Stakeholder groups	Engagement activity	Details and comments
Council A) West Coast Council B) Waratah Wynyard Council	A) Phone call to General Manger or relevant senior manager at Council to discuss matter and book time for face to face meeting B) Conduct meeting (GM, Planner etc) and HT project rep. C) Email letter of formal confirmation of proceeding and preliminary details (or alternatively confirmation via phone and correspondence of not proceeding)	Discuss project details, approval process, potential impacts (e.g noise, emissions, and traffic movements) and planned engagement with community/residents. Offer <ul style="list-style-type: none"> • Briefing note for distribution to Councillors about project. • Monthly emailed updates to GM and request to forward to Councillors • Copies and notification of any correspondence with residents – via mail outs or local newspaper articles
Local/broader community within vicinity of the sites	Media article in local paper to update broader community	Article 1 - This is a key mechanism for sharing information about the justification for the project with the broader communities, and specifics about what is proposed for the site. Article 2 – Update on activities TBD Article 3 - Update on activities TBD
Follow up contact with all stakeholders on a monthly basis	Follow up contact with all stakeholders on a monthly basis <ul style="list-style-type: none"> • via updates • phone calls • (mechanism dependant on stakeholders /issues) 	Regular contact with community in the vicinity of the sites

Please note this list is not exhaustive. Additional community engagement activities may be undertaken as required.

6. Communication Channels and materials

The key communication channels which stakeholders can access information of relevance are:

Hydro Tasmania

Phone: 1300 360 441.

Website: www.hydro.com.au/energy/energy-supply-situation-and-response/

EPA Tasmania:

Phone: (03) 6165 4599.

Website: www.epa.tas.gov.au

Table 2 below summarises the communication channels and materials planned for the Que River Substation project site including the timing and relevant stakeholders. Some engagement activities have begun and this is updated below.

Table 2. Engagement activities Que River Substation planned and to date

Communications Channels	Details and comments
Establishment of complaints handling process	Well documented recording and resolution process for all complaints and enquiries received. All correspondence to be recorded in Stakeholder Database (Consultation Manager).
Set up feedback mechanisms including project email and phone number	Before information is shared with stakeholder, appropriate feedback mechanisms need to be set up. These provide an important avenue for members of the broader community to raise concerns or questions. Inform Business Operations staff/officers and pathway for enquires
Preparation project materials for use with all stakeholders. Materials to include: <ul style="list-style-type: none"> • Site Fact Sheet • Feedback /complaints mechanism promoted on materials/site managers/contractors • Update Hydro Tasmania website about site • Site managers informed of feedback /complaints mechanism 	The materials will be used as a foundation for communicating with all stakeholders. All materials will be based on key messages and will be aimed at providing relevant and easy to understand information about the project.

Please note this list is not exhaustive. Additional communication channels may be utilised/established as required.

6.1 Key Project Information

This information will be updated throughout the project to ensure their continued relevance.

Temporary Generation Project

- Hydro Tasmania aim to engage genuinely with all affected and interested community members, landowners, Council and stakeholders about this proposal and throughout the period of installation and operation. Hydro Tasmania believes “Engagement is respectful. It should be at the starting point of and be an integral component of any program or project development”.
- Tasmania is facing a combination of several months of unprecedented low rain inflows and an extended Basslink outage. Since the Basslink outage in late December 2015, Hydro Tasmania has been securing alternative generation options such as gas generation via the Tamar Valley Power Station and contingency diesel generation options.
- Hydro Tasmania is committed to providing energy security to Tasmania to keep our economy and society running. We have been exploring a number of options to achieve this, given this new challenging situation.
- Hydro Tasmania is proposing to install temporary diesel generation installations at a number of sites in the north and south of the state. All sites being evaluated are co-located with existing Hydro Tasmania power stations, TasNetworks substations or switchyards or on or adjacent to major industrial load customers.
- Hydro Tasmania appreciates and acknowledges that living nearby the temporary diesel installation may impose some inconveniences upon nearby residents for several months.
- Impacts and inconveniences for nearby residents may include increase ambient noise levels, potential air pollution impacts and potential traffic increase or hazards from truck movements. In order to mitigate and monitor these impacts Hydro Tasmania will do the following:
 - Keep in regular communication over the period that the temporary installation is operational
 - Ensure traffic management plans are in place and implemented
 - Conduct ambient monitoring of noise and air quality if required.
- Quality diesel fuel will be sought and burnt to minimise any emission problems (based on the 2009 Fuel Standards Determination).
- Community updates about the likely timeframes for operation of the temporary generation project will be provided – via local media update articles and local resident mailouts.
- Refer to FAQs on our website <http://www.hydro.com.au/energy/energy-supply-situation-and-response>

Site Specific Information

The Que River Substation site has been selected because there is an existing Hydro Tasmania Facility there and a large buffer zone between it and nearby landowners (over 15km). Modelling of impacts meets EPA standards for noise and emissions.

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- Four bulk fuel storage tanks feeding the generators;
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- Infrastructure to support the installation including access road, hardstand areas or support plinths for the generators and fuel tanks, site workshop, storage etc;
- Temporary access road to maintain access to the Que River Substation.

The site is located in Western Tasmania, approximately 15km North East of the township of Tullah. The project site is located in the Waratah Wynyard municipality, however the township of Tullah is within the West Coast Council area.

7. Evaluation

This plan will be monitored and reviewed at regular intervals to ensure it continues to meet its engagement objectives. Reviews will be undertaken to identify:

- changes in project scope and timing
- suitability of proposed communication methods
- community and stakeholder needs and interests
- relevance of the plans content
- progress against plan objectives.

Where necessary, the plan will be updated in response to these reviews.