

# Foreigners scoop renewable energy windfalls

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Foreign entities will clean up under Victoria's renewable energy target and reverse auction program, with new analysis showing foreign companies make up five of the six funded by the program and about 96 per cent of the generation capacity.

Premier Daniel Andrews last month promised Victoria would emerge as Australia's "capital of renewable energy" as he unveiled a plan to underwrite six new wind and solar farms in the state, generating enough electricity to power up to 650,000 homes.

As the Andrews government continues to duck questions over the cost of the program, energy advocates have argued that the bulk of economic contribution from six newly announced solar and wind farms is going overseas.

Australian Power Project chief executive Nathan Vass said taxpayers would be forced to effectively "pay twice" for the program — once when they pay their electricity bill and again through government support of the companies running the solar and wind farms. "Australian industry won't get much of a benefit from this deal," Mr Vass told *The Australian*. "This will only help manufacturing jobs in China, Europe or the US where most wind turbine and solar panel manufacturers are based."

State Environment and Energy Minister Lily D'Ambrosio defended the government investment, saying the new wind and solar farms would create jobs, while local content requirements would stimulate local industries.

"These projects are about creating local jobs, reducing emissions and delivering lower power prices for Victorian families and businesses," Ms D'Ambrosio said.

"Thanks to our support for renewable energy, these projects will exceed local content targets and Portland manufacturer Keppell Prince will double its workforce over the next six months."

A local content target of 64 per cent has been set for all projects, as well as a target of 90 per cent for local operations and 90 per cent for local steel.

Projects that exceeded the targets were scored higher, a government spokesman said. Under the plan, the Andrews government has approved three new wind farms at Berrybank near Geelong, Mortlake and Dundonnell near Warrnambool, and three new solar farms near Benalla, Cohuna near Echuca and Cawarp near Mildura.

Spanish groups Acciona, Union Fenosa and FRV have won the contracts for the Winton Solar Farm, the Mortlake South Wind Farm and the Berrybank Windfarm, while New

Zealand-owned Tilt Renewables and Canadian Solar have won the other two contracts. Just one company — Leeson Group — is Australian-owned.

The company, which will build the Cohuna Solar Farm in the state's central tablelands, will generate just 3.7 per cent of the total 928.1MW of new supply guaranteed under the reverse auction.

Evansford farmer Donald Thomas, who has been living near the large, Acciona co-owned Waubra windfarm for five years, told *The Australian* that turbine noise had affected his health, his family and his business.

Mr Thomas said the fact that the profits were going overseas only exacerbated the discomfort.

"I wouldn't mind so much if some of the money was going back into people in this country," he said, "but they don't care about us sitting up there in Spain."

"They don't listen to our complaints ... they don't give a damn about us in Spain.

"And why would they?"

The new power generation is being underwritten by the state government via contracts for - difference that provide the winners with development certainty.

If the new plants produced electricity to their full capacity, the five foreign owners would be guaranteed annual revenue of between \$159 million and \$164m.

Together, the projects will produce enough power for 646,273 households and reduce electricity sector greenhouse gas emissions by 16 per cent by 2035.

Some energy advocates say the wave of new-generation power farms could pull forward the - closure dates of the state's coal-fired power stations, snuffing out baseload power supply.