

# Explanatory Note

## Draft Planning Agreement for the Wellington South Battery Energy Storage System

Council Planning Agreement reference VPA23-001

State Significant Development Application reference SSD-27014706

### 1 Introduction

The purpose of this explanatory note is to provide a plain English summary to support the notification of the draft Planning Agreement for the Wellington South Battery Energy Storage System. This explanatory note has been prepared jointly by Dubbo Regional Council and The Trustee for WEBESS01 Project Trust.

### 2 Parties

The Parties to the Planning Agreement are:

- Dubbo Regional Council (ABN 53 539 070 928) (**Council**); and
- The Trustee for WEBESS01 Project Trust (ABN 50 714 284 083) (the **Developer**).

### 3 Description of the development

On 22 December 2023, the NSW Department of Planning and Environment approved State Significant Development Application SSD-27014706 for the construction and operation of the Wellington South Battery Energy Storage System (BESS), located at 6773 Goolma Road, Montefiores. The BESS will have an overall capacity of up to 500 megawatts / 1,000 megawatt hours, and generally comprise of battery storage modules, and an on-site substation. It will connect to the existing Transgrid Wellington substation to the north-west of the site.

Further information about the project is available on the NSW Government's website at <https://www.planningportal.nsw.gov.au/major-projects/projects/wellington-south-battery-energy-storage-system>

The Developer has made an offer to Council to enter into a Planning Agreement in relation to the development.

### 4 Summary of objectives, nature and effect of the Planning Agreement

The Planning Agreement provides that the Developer will pay to Council a monetary contribution per five-year period, with the amount equal to the following formula:

Monetary contribution = Capital Investment Value x 0.45% x (Operating Capacity ÷ Total Delivery Capacity) ÷ 4.

Council will utilise the funds towards the following purposes:

| <b>Contribution Period</b> | <b>Allocation of Monetary Contribution</b>                                                                                                                                                                                                                                                                                                                                                         | <b>% of Monetary Contribution</b> |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| Year 1 - 5                 | <b>Youth and Welfare Support Initiatives</b><br>Funds allocated towards not-for-profit organisations that focus on intervention strategies for disengaged youth.                                                                                                                                                                                                                                   | 98%                               |
|                            | <b>Administration</b><br>Costs, charges and expenses of administering and auditing the Monetary Contributions.                                                                                                                                                                                                                                                                                     | 2%                                |
| Year 6 - 20                | <b>Strategic Project</b><br>Strategic infrastructure projects located within the former Wellington Local Government Area that are not otherwise to be carried out or funded by or on behalf of a government entity. Strategic Projects are projects that are in accordance with Council's Renewable Energy Benefit Framework and the Developer's Business Standards, as amended from time to time. | 98%                               |
|                            | <b>Administration</b><br>Costs, charges and expenses of administering and auditing the Monetary Contributions.                                                                                                                                                                                                                                                                                     | 2%                                |

## **5 Assessment of the merits of the Planning Agreement**

### **5.1 The planning purpose served by the Planning Agreement, and whether it provides for a reasonable means of achieving the planning purpose**

The main objectives of the Planning Agreement are as follows:

- Ensure the community positively benefits from the development;
- Manage the secondary impacts of the development; and
- Provide opportunities for the Developer to proactively and positively add to the betterment of the community.

### **5.2 How the Planning Agreement promotes the public interest and objects of the Act**

In accordance with section 7.4(2) of the Act, the Planning Agreement has the following public purpose:

- the provision of (or the recoupment of the cost of providing) public amenities or public services.

The Council and the Developer have assessed the Planning Agreement and both hold the view that it provides a reasonable means of achieving the public purpose set out above. This is because it will ensure the Developer makes an appropriate contribution towards initiatives and infrastructure, facilities and services which will have a positive impact on the public who will ultimately use the initiatives, infrastructure, facilities and services.

The Planning Agreement promotes the public interest by ensuring that an appropriate contribution is made towards the provision of initiatives, infrastructure, facilities and services to satisfy needs that arise from the development of the subject land.

### **5.3 How the Planning Agreement promotes elements of the Council's charter under the Local Government Act 1993**

The Planning Agreement promotes elements of Council's charter by:

- providing effective and efficient services to meet the diverse needs of the local community in a way that provides the best possible value for residents and ratepayers;
- investing in responsible and sustainable initiatives for the benefit of the local community;
- providing a means that allows the wider community to make submissions to the Council in relation to the Planning Agreement; and

### **5.4 How the Planning Agreement conforms to Council's capital works program**

The works identified in the Planning Agreement directly address and responds to strategic priorities identified within relevant Council strategies, plans and delivery programs.

### **5.5 Whether the Planning Agreement specifies certain requirements must be complied with before a construction certificate, occupation certificate or subdivision certificate is issued.**

The Planning Agreement does not specify any requirements that must be complied with prior to the issuing of a construction certificate, occupation certificate or subdivision certificate. Clause 4 of the Planning Agreement sets out the requirements for when it becomes operative and binding, and Clauses 8 and 9 of the Planning Agreement set out the requirements for the Monetary Contributions.

## **6 Notes**

This explanatory note is a summary only and must not be used to assist in construing the Planning Agreement.

## 7. Development site

