

7.2 LMM 25/06/2024 - INVESTMENT FOR OFFSHORE WIND

MOTION

That Council:

- 1 Welcomes the recent announcement by Minister for Climate Change, the Hon. Chris Bowen MP, preliminarily offering a feasibility licence for the potential Novocastrian Wind Pty Ltd project.
- 2 Notes that the Novocastrian Wind project has the capacity to generate over two gigawatts of electricity, equivalent to powering 1.2 million homes.
- 3 Acknowledges that offshore wind manufacturing at Port of Newcastle has the prospect to generate an estimated 300 ongoing jobs and further 3,000 construction jobs.
- 4 Welcomes the NSW Government 2024/25 budget commitment of \$128.5 million for regional road upgrades and infrastructure at the Newcastle Port to enable the transport of equipment components to Renewable Energy Zone projects.
- 5 Acknowledges Minister for Climate Change, Energy, Environment, and Heritage, the Hon. Penny Sharpe, and Minister for Skills, TAFE and Tertiary Education, The Hon. Steve Whan, for hosting the Renewable Energy Workforce Strategy roundtable at Newcastle City Hall on Thursday 13 June 2024.
- 6 Supports the NSW Premier, the Hon. Chris Minns MP's comments regarding the continuation of prohibiting nuclear generated power in NSW and reiterates our commitment to being a nuclear free city.
- 7 Reaffirms our commitment to transitioning towards a low carbon economy that simultaneously creates secure jobs for the Hunter Region.

RELATED PREVIOUS DECISIONS

LMM 24/11/2020 - HUNTER RENEWABLE ENERGY ZONE

LMM 08/12/2020 - NEWCASTLE OFFSHORE WIND

LMM 28/02/2023 - SUPPORTING THE GREATER NEWCASTLE (HUNTER) OFFSHORE WIND ZONE.

BACKGROUND:



THE HON CHRIS BOWEN MP
Minister for Climate Change and Energy
Member for McMahon

SHARON CLAYDON MP
Member for Newcastle

JOINT MEDIA RELEASE

**Hunter offshore wind industry a step closer,
unlocking regional jobs and energy security**

20 June 2024

The Albanese Government is paving the way for energy and job security in a region that has helped to power Australia for generations, with next steps announced for the Hunter offshore wind zone.

This industry represents a huge opportunity for regional Australia, providing reliable renewables to power homes and heavy industry while creating highly skilled and well-paid jobs.

Offshore wind in the Hunter could support future onshore manufacturing, as it builds on the local industrial expertise and infrastructure.

Equinor and Oceanex have been preliminarily offered a feasibility licence for the potential Novocastrian Wind Pty Ltd project. Only one feasibility licence is being proposed because other applications were for overlapping areas and found to be of lower merit.

Should the project go ahead, it would employ around 3,000 workers during construction and create around 200-300 permanent local jobs. It would inject development expenditure worth hundreds of millions of dollars into the Hunter region and leverage existing heavy industry.

It could generate over 2 GW of electricity, equivalent to powering 1.2 million homes or two Tomago smelters.

Minister for Climate Change and Energy Chris Bowen will conduct further consultation with applicants and First Nations groups before a final decision is made.

Consultation with First Nations groups, communities, unions and marine users will continue throughout the feasibility licence process, while environmental studies and a detailed management plan is prepared.

As well as providing reliable renewable energy to Australian industry, offshore wind projects will be required to maximise their use of Australian supply chains and closely consult with local industry and workers on their project plans to ensure local workers and businesses benefit from the establishment of this new industry.

There are also clear requirements for the offshore wind developer to consult with fishers and avoid, mitigate and offset any impacts on fishing.

The Minister is also announcing today, that he expects recreational fishers will be able to travel and fish within offshore wind zone, which already occurs internationally in the United Kingdom and Denmark.

In those jurisdictions turbines are around 2 kilometres apart with an exclusion zone of just 50 metres around turbines. It means fishing vessels can go about their normal operations within the wind farm.

If feasibility for the Novocastrian Wind Pty Ltd project is proven, the developer can then apply for a commercial licence to build an offshore wind project to generate electricity commercially.

Minister Bowen said the shortlisted project did the most to support the Hunter's industries and communities while protecting the environment and sharing the ocean.

"The Hunter has been an industrial and economic powerhouse for generations, and my decision today is a big step towards providing that powerhouse with reliable renewables," Minister Bowen said.

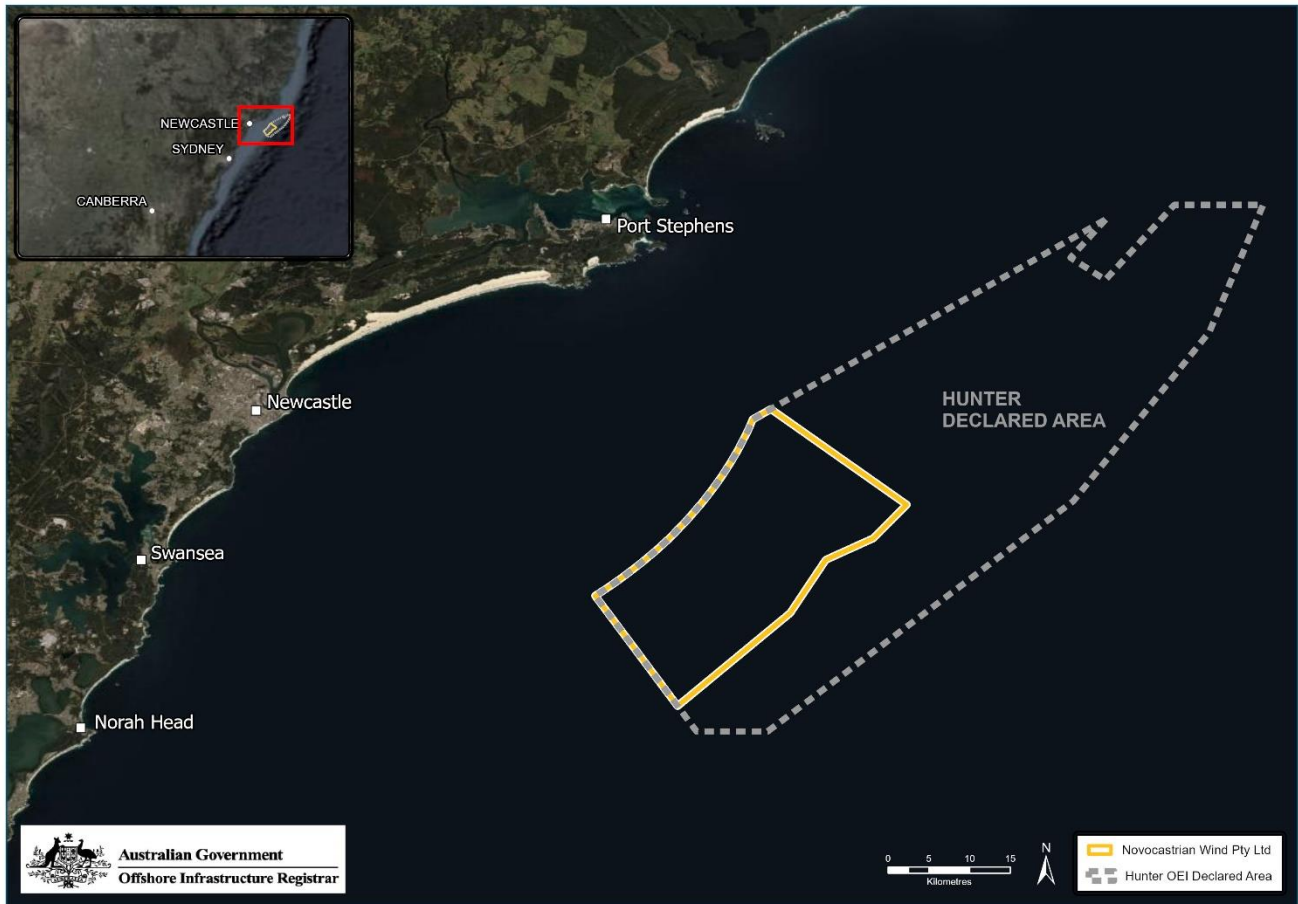
"The project I've shortlisted offers the biggest rewards for the Hunter and Australia – supporting our workforce and energy security, protecting our environment and sharing our marine space with the people and industries who rely on it today."

Member for Newcastle Sharon Claydon said that there is no other region as well placed as Newcastle to take advantage of the fantastic opportunities presented by renewable energy and the offshore wind industry.

"Newcastle's world class infrastructure, our deepwater port, skilled workforce, abundant resources and energy smarts means our region is poised to lead this transformation," Ms Claydon said.

"A new offshore wind industry in Newcastle means new jobs in local manufacturing, construction, maritime, transport and logistics industries, as well growing our vocational education and training pathways – at TAFE and University.

"This announcement builds on the Albanese Labor Government's strong commitment to ensuring that regions like Newcastle and the Hunter play a lead role in generating, storing and distributing clean energy now and into the future."



ENDS

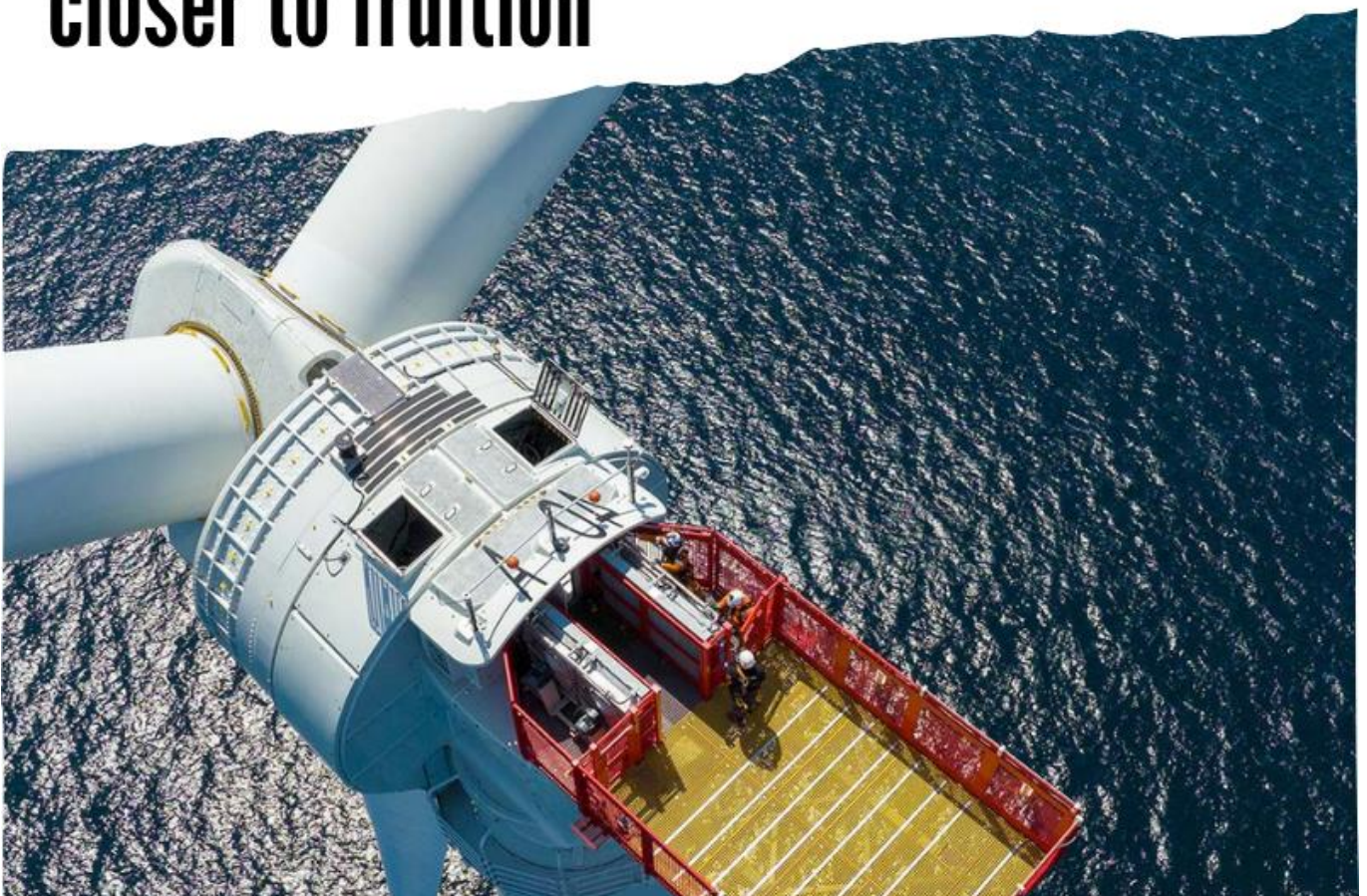
HUNTER OFFSHORE WIND ONE STEP CLOSER TO FRUITION

Published: 20 Jun 2024



Media Release
20 June 2024

Hunter offshore wind one step closer to fruition



The Maritime Union of Australia welcomes the strides towards an offshore wind powered future around the Australian coastline with the next steps announced for the Hunter offshore wind zone made by the Australian Federal Government this week in the Port of Newcastle.

For a region that has powered Australia and the world for generations through the extraction and export of rich coal resources, this new energy industry represents a huge opportunity for the Hunter and all of New South Wales, providing reliable renewables to power homes and heavy industry while creating highly skilled and well-paid jobs that will sustain and reward generations of Newcastle workers.

The development of a long term offshore wind industry based in the Hunter could support future onshore manufacturing, as it builds on the local industrial expertise and infrastructure that's required to keep Newcastle's heavy industries working.

With the issuing of feasibility licences for the potential Novocastrian Wind Pty Ltd project, the project is one step closer to fruition.

Should the project go ahead, it would inject development expenditure worth billions into the Hunter region and leverage existing heavy industry during construction, and could generate over 2 GW of electricity, equivalent to powering 1.2 million homes or two Tomago smelters.

Consultation with First Nations groups, communities, unions and marine users will continue throughout the feasibility licence process, while environmental studies and a detailed management plan is prepared.

As well as providing reliable renewable energy to Australian industry, offshore wind projects must be required to maximise their use of Australian supply chains and to skill up local workforces. The MUA stands alongside other unions including the Electrical Trades Union (ETU) in calling for the federal government to ensure local workers and businesses benefit from the establishment of this new industry.

There are also clear requirements for the offshore wind developer to consult with fishers and avoid, mitigate and offset any impacts on fishing.

The government has also announced that they expect recreational fishers will be able to travel and fish within offshore wind zone, which already occurs internationally in the United Kingdom and Denmark.

"The Hunter has been an industrial and economic powerhouse for generations, and my decision today is a big step towards providing that powerhouse with reliable renewables," Minister Bowen said today.

"The project I've shortlisted offers the biggest rewards for the Hunter and Australia – supporting our workforce and energy security, protecting our environment and sharing our marine space with the people and industries who rely on it today," Bowen added.

The developer has said it would employ around 3,000 workers during construction and create around 200-300 permanent local jobs. The MUA has made it clear that these need to be quality, secure jobs on union agreements.

The MUA's Assistant National Secretary, Thomas Mayo, welcomed the announcement, saying, "Our members are keen to get to work on these massive long-term projects. We have the skills and the experience working offshore with massive installations in the offshore oil and gas industry to pivot to renewable energy projects like the Hunter offshore wind proposal."

"The wind is blowing around 20km/hr today offshore near Newcastle, which is nearly double the average speed of inland winds that power land based wind farms, so it's a tremendous resource that we need to tap into for our future energy security. This is how we can tackle the climate crisis and build a safe, secure and affordable energy system – not through expensive and dangerous nuclear power stations," Mr Mayo added.

Mr Mayo highlighted the importance of enforceable procurement standards for offshore wind developers to lock in the economic and social benefits for Australian communities like the Hunter.

"We look forward to working with Minister Bowen and the Albanese Labor Government to ensure these projects provide lasting economic benefit for all Australians. We look forward to seeing these huge floating wind turbines assembled in the Port of Newcastle, with their massive floating foundations made from Australian steel."

Secretary of the Newcastle Branch of the MUA, Glen Williams, has long supported the offshore wind proposals for the Hunter region. "Newcastle and the broader Hunter region faces immense challenges in the energy transition, so this project is a critical next step in securing future industries and jobs for our city and the towns nearby where our members and their families live," Mr Williams said.

"Our branch and our members have a proud history of working alongside the manufacturing, mining and engineering sectors both on the waterfront and aboard ships that export energy and heavy industrial products to the rest of Australia and beyond, so we are excited to play a central role in developing and then maintaining these new renewable energy projects," Mr Williams added.

"Offshore wind is going to provide wharfies and seafarers in Newcastle with well paid, secure employment for generations to come," Mr Williams said.

ENDS