

Silverton Wind Farm
Community
Enhancement Program





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Community Enhancement Program

November 2017

About AGL

AGL Energy Limited (AGL) is committed to helping shape a sustainable energy future for Australia. We operate the country's largest electricity generation portfolio and are the largest ASX-listed investor in renewable energy providing energy to more than 3.5 million customer accounts. Proudly Australian and with more than 180 years of experience, we have a responsibility to provide sustainable, secure and affordable energy for our customers. Our aim is to prosper in a carbon-constrained future and build customer advocacy as the economy decarbonises. That's why we have committed to closing our coal-fired generation fleet by 2050 and will continue to develop innovative solutions for our customers.

About the Silverton Wind Farm

The 200 MW Silverton Wind Farm located in western New South Wales (NSW) is the first greenfield development for the Powering Australia Renewables Fund (PARF) and will be largest in NSW. PARF is a partnership between AGL, QIC and Future Fund for the development of approximately 1,000 MW of large-scale renewable energy projects. The Silverton wind farm will produce approximately 780,000 MWh of renewable energy annually, which can power more than 137,000 average Australian homes.

In January 2017, AGL announced that a joint venture consisting of GE and CATCON had been awarded the engineer procure and construct contract for the delivery of the approximately \$450 million Silverton wind farm.

GE-CATCON is responsible for the wind farm works, which includes the supply, transportation, erection, and commissioning of 58 wind turbine generators, together with the design and construction of the wind turbine generator foundations, site access roads, electrical reticulation system, external road upgrades and the construction of an operations and maintenance facilities.

TransGrid has also been engaged for the delivery of the connections works which includes the 220kV wind farm substation and approximately 25 kilometre transmission line to connect the wind farm to the National Electricity Market (NEM). The wind farm is anticipated to be operational in mid-2018.

AGL's Commitment to Community Engagement

AGL maintains a company-wide engagement policy and management standard that applies to stakeholders and the community. AGL's approach to stakeholder engagement is outlined in the 2017 Sustainability Report (www.agl.com.au/sustainabilityreport), and can be summarised in terms of leaving a positive legacy.

AGL will strive to make a net positive social, economic, and environmental contribution to the communities in which we operate. AGL's community engagement commitments that operate under this framework are that AGL will:

- **Be proactive:** we will engage with communities early and often, so that we understand and respond to their interests and concerns.
- **Be flexible and inclusive:** we will offer a range of engagement opportunities that are tailored to the variety of needs and preferences of the communities in which we operate.



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- **Be transparent:** we will act honestly and ethically in all our dealings with the communities in which we operate.
 - **Support our employees and contractors to engage well:** we will provide tools, peer support and training to enable our staff to deliver on our commitment.
 - **Continuously improve our engagement:** we will evaluate the effectiveness of our engagement and modify it as needed to ensure that our activities address community needs and expectations.

Community Enhancement Program

In accordance with Condition 18 of the Project Approval, AGL is required to prepare a Community Enhancement Program in consultation with Broken Hill Council, the Silverton Village Committee and the Silverton Community Consultative Committee within six months of the commencement of construction, in accordance with Condition 18 (Schedule 2) of the Project Approval.

The Community Enhancement Program seeks to outline AGL's community engagement commitment and how it can add value to the local community through the development and operation of the Silverton wind farm. The Community Enhancement Program are initiatives which were developed with the local community and included in Appendix 3 of the Project Approval – refer below:

- Silverton Community Fund (Silverton Local Community Investment Program)
- Solar Silverton Program
- Water Tank Program
- Mobile Reception Program

Silverton Local Community Investment Program

AGL's corporate community investment program consists of activities that span community investment and benefit sharing and supports local community initiatives, projects, and events.

Through Local Community Investment Programs, we aim to deliver community wide benefits, encourage innovation in and support for issues of community significance, and build and maintain strong relationships with communities.

Support can be provided through sponsorships, donations and grants for initiatives that will benefit the community and align with AGL's values. AGL's values of Safe, Sustainable, Inclusive and Focused are to be reflected in initiatives, projects and events under this program.

The Silverton Local Community Investment Program of \$15,000 per year + CPI will be established with the objective to broaden the environmental and community benefits of the wind farm within the local community. The Assessment Committee will prioritise applications from the local Silverton village (i.e. within 10 kilometres of the project) as a preference before applications from the broader region.

The Silverton Local Community Investment Program will operate for the lifetime of the Silverton wind farm.

The Local Community Investment Program documentation outlines the eligibility criteria, guidelines, and the application and acquittal process.



Silverton Solar Program

AGL is offering a 5kW solar PV for leaseholder and residences within 10 km of the Silverton wind farm.

AGL has completed preliminary consultation with Silverton residents regarding opportunities for solar systems during April – May 2017 and completed a desktop assessment of local procurement and installation capacity.

Four local Clean Energy Council (CEC) accredited installers operate within the Broken Hill area. AGL Solar is currently progressing an expression of interest for the Silverton Solar Program, which includes a shortlist of the local accredited installers based on their have capacity to install solar systems. Final determination will depend on commercial offering and capacity to complete the program.

Installation of the 5kW solar PV system will depend upon the following considerations at each Silverton property:

- Structural integrity → Condition of roof
- Presence of hazardous materials → No asbestos
- Electrical condition of the property → Condition of switchboard

Following award to an accredited installer, AGL Solar will facilitate property inspections with a builder to assess the property conditions noted above and develop an installation works program.

Water Tank Program

As part of the local enhancement initiatives, AGL is offering a domestic sized water tank to all inhabited residences within 10 km of the project to capture valuable rainwater for residential usage.

AGL has sought quotes for water tanks with potential local suppliers and installers (plumbers) and will arrange for property inspections to assess the following:

- Structural → Assess the ground condition
- Connection → Assessment of roof drainage

Installation will depend upon property inspections and availability of local suppliers and installers.

Mobile Reception Program

During consultation with the stakeholders of the Silverton wind farm, AGL became aware that mobile reception coverage is a concern across the local community. This resulted in the mobile reception program being identified as a community enhancement commitment as part of the Modification 3 Project Approval. The commitment involves the contribution of up to \$50,000 for mobile reception improvement works for the Silverton community.

Silverton is a “community reported black spot” – refer to the *National map of reported mobile black spots*:

<https://www.communications.gov.au/what-we-do/phone/mobile-services-and-coverage/mobile-black-spot-program>

Silverton does not form part of the priority locations identified by the Government in May 2017 as part of the mobile black spot program: <https://www.communications.gov.au/documents/mobile-black-spot-program-government-priority-locations>

As part of the initial feasibility study, AGL undertook a desktop assessment to understand the existing mobile reception infrastructure of each services provider (e.g. Telstra, Optus and Vodafone).



This feasibility assessment demonstrated that Telstra currently provided the better level of coverage to Silverton, however, it is considered as “poor” as demonstrated by the “community reported black spot”. Telstra also has existing infrastructure within the Silverton Village which could be leveraged as part of the mobile reception program.

As a result, AGL has been working with Telstra on mobile reception coverage options in Silverton, and have identified a 4GX solution that would offer some mobile reception improvements across the local area near the existing Telstra infrastructure.

The installation of a 20 metre monopole at Telstra’s Silverton Exchange site with a 4GX small cell will provide 4G 700 MHz coverage to the Silverton Village. Construction timing for completion would be approximately four months, subject to approval requirements and availability of power.

AGL is aware that the Silverton community is seeking expanded mobile phone coverage from what has been proposed and will continue to work with relevant stakeholders to identify the most optimal outcome.

Appendices

- AGL Community Engagement Policy - <https://www.agl.com.au/-/media/AGL/About-AGL/Documents/Who-We-Are/AGL-Community-Engagement-Policy.pdf?la=en>;
- AGL Procurement - <https://www.agl.com.au/about-agl/who-we-are/agl-procurement>
- Silverton Construction Community Engagement Plan - https://www.agl.com.au/-/media/AGL/About-AGL/Documents/How-We-Source-Energy/renewable_energy/Silverton-Wind-Farm/Silverton-Community-Engagement-Plan-May-2017.pdf?la=en;
- Silverton Community Consultative Committee September 2017 Presentation (relevant slides p31 – 43) - <https://www.agl.com.au/-/media/AGL/About-AGL/Documents/How-We-Source-Energy/Wind-Community/STWF-PARF-CCC024-Presentation-Sep2017.pdf?la=en>
- Silverton Community Consultative Committee September 2017 Presentation (relevant slides p38 – 47) - https://www.agl.com.au/-/media/AGL/About-AGL/Documents/How-We-Source-Energy/renewable_energy/Silverton-Wind-Farm/STWF-PARF---CCC-023---Presentation-July2017_170727.pdf?la=en
- Silverton Local Community Investment Program – *enclosed*

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About Local Community Investment Programs

Through our involvement in and support for local community initiatives, projects and events, AGL aims to deliver community wide benefits, encourage innovation in and support for issues of community significance, and build and maintain strong relationships throughout the communities where we operate.

The Local Community Investment Program forms part of AGL's commitment to support the communities where we have ongoing activities.

Support can be provided through sponsorships, donations and grants for initiatives that will benefit the community and align with AGL's values.

AGL's Values

Safety and beyond At AGL, safety comes first, because physical and mental wellbeing are fundamental to a successful workplace.

We create a supportive environment, where we feel safe to challenge the norm, to speak up, to say what we mean.

Safety is a shared responsibility, by taking care of each other, AGL becomes a better business for all.

Sustainable thinking Taking care of the environment and the communities where we operate is something we consider in everything we do.

We are future-focused, proactive and adaptable to change.

Every decision we make today, is based on always thinking ahead to find the right path forward.

Inclusive of all We welcome all and harness our diversity through trust and respect for one another.

We seek diverse views, enriching our thinking to drive greater performance.



Focused on what matters

All that we do leads to our customers, so we consider them in everything we do, and strive to enrich their experience.

We relentlessly push ourselves to go further, to not only improve what we do but to exceed expectations.

We give our focus and energy to all the things that matter to AGL's success, always acting honestly and with integrity.

What can the Silverton Local Community Investment Program fund?

Sponsorships, Donations and Grants

- \$5,000 or less
- Small, one-off donations and sponsorships
- Deliver an event, program or initiative that provides benefits to the local community
- *Contributions may be cash or in-kind*

Key areas of focus

The program targets a range of community needs including:

- Education
- Youth
- Environment
- Health, safety and wellbeing
- Community infrastructure
- Arts and culture
- Economic development
- Social welfare



Application process

	Applications open	Applications close	Applications assessed	Applicants notified	Funding issued
Funding Round	27 November 2017	22 December 2017	Late January 2018	February 2018	March 2018

How to apply

- Read the application guidelines
- Complete the application form
- Please sign and submit your completed application form:
Email: AGLCommunity@agl.com.au
Or
Mail: Silverton Wind Farm
Local Community Investment Program
Locked Bag 1837
St Leonards NSW 2065

Important information about applications

- An organisation can submit more than one application provided funding requests and initiatives are different.
- Where multiple organisations request funding for the same project or initiative, we suggest a consolidated application is signed off by the CEO, President or School Principal to ensure that all funding requirements are considered in the one eligible application.
- Organisations will be required to submit photos as part of the acquittal process. It is a condition of your application that any images provided can be used by AGL to explain and promote the Local Community Investment Program.
- AGL cannot assist you in filling out the application form. However, your local AGL Community Relations Manager can assist you to understand the application process and requirements.
- We cannot accept late applications.
- AGL can request further information if required.

Eligibility criteria and guidelines

Successful Local Community Investment Program recipients should meet the following criteria:

1. Be a legal entity, registered in Australia with a current ABN.
2. Be a registered charity, not-for-profit, educational institution or organisation with a demonstrated governance structure.



3. Deliver an event, program or initiative that provides benefits to the local community. Preference will be given to Silverton before the broader region.
4. Have in place a current public liability insurance policy.

Groups that do not fit the above criteria can apply for funding through an auspice arrangement. An auspice agreement is an agreement where the organisation (the 'Principal Organisation') agrees to apply for funding on behalf of a second organisation (the 'Auspiced Organisation'). The Principal Organisation then receives, holds and administers the funding for the Auspiced Organisation.

AGL will prioritise grants to locally run projects, initiatives, or events that:

- Have tangible aims and initiatives.
- Provides benefits to the communities where we operate.
- Contributes to one or more of the key areas of focus:
 - Education
 - Youth
 - Environment
 - Health, safety and wellbeing
 - Community infrastructure
 - Arts and culture
 - Economic development
 - Social welfare
- Are valued and visible in the community.
- Are focused and have a long-term vision.
- Funds granted to successful applicants must be spent on the approved project within the agreed timeframe.
- Are consistent with AGL's Values.

AGL will generally not support:

- Political organisations or political campaigns.
- Religious organisations for religious activities.
- Requests from individuals seeking support for personal reasons.
- A direct or indirect competitor of AGL.
- Organisations or groups whose planned activities may pose a health and safety risk.
- Funding for private companies or commercial entities.
- Activities which encourage the irresponsible use of alcohol or gambling.
- Activities which provide a direct financial benefit to AGL, its subsidiaries, employees or contractors.
- Activities or programs that may breach AGL's Code of Conduct or regulatory, licensing or any other statutory commitments or obligations.



Assessment Process

All applications will be reviewed and assessed by the Silverton Local Community Investment Program Assessment Committee, comprising a representative from AGL and local community members.

Community representative positions are voluntary and community representation enables meaningful community input into the decision-making process. The community representatives are chosen based on experience and broad understanding of the community group they represent. Two Community Consultative Committee members will also be selected to participate on the Assessment Committee.

Applications will be assessed based on the information provided in the application. The following process will be used in assessing applications:

1. Applications will initially be assessed by AGL to ensure the eligibility criteria has been met and further information can be requested if required.
2. The Assessment Committee will provide a merit ranking on all received applications based on:
 - the delivery of an event, program or initiative that provides benefits to the local community, or broader region
 - the contribution to one or more of the key focus areas.

Not every application that meets the assessment criteria may be funded.

AGL will receive the feedback from the Assessment Committee and make the final decision on which applicants will receive a grant. All decisions made by AGL are final.

AGL will contact successful applicants directly to validate any aspect of the application before entering into a Funding Agreement.

Successful Applicants

Successful applicants will receive a “Letter of Grant Approval” from AGL and asked to enter into a Funding Agreement.

Unsuccessful Applicants

Unsuccessful applicants will receive a “Letter of Grant Decline” from AGL confirming the outcome of the application. Requests for additional feedback can be made by emailing AGLCommunity@agl.com.au. AGL encourages all unsuccessful applicants to apply for future rounds.



Application process timeline





Awarding grant funding and acquittal process

Awarding grant funding

All successful applicants will receive approved funding by electronic transfer.

Payment will only be addressed to the nominated organisation.

A remittance will be emailed to the contact person identified on the application form.

Any grant from the Local Community Investment Program includes any applicable GST.

Use of funding

Any funding provided by the Local Community Investment Program must be spent on the approved project within the agreed timeframe.

If at any time the stated purpose and use of the funds cannot be completed in the manner described in the application, the recipient must advise AGL's Local Community Investment Program team on AGLCommunity@agl.com.au. Funds are non-transferable.

Privacy and confidentiality

By completing the application form, the applicant and recipient agree to information being used by AGL for the purposes of assessing the application and if successful, providing a grant.

By completing the application form, applicants consent to AGL disclosing details of successful applicant's projects and the amounts granted to each successful applicant.

Evaluation and acquittal process

Recipients must submit an evaluation report to AGL within two months of program completion.

The evaluation report should include:

- A report on program activity.
- Benefits and beneficiaries.
- Evidence of the use of funds granted for the program (e.g. invoices).
- Copies of photos and promotional materials where possible.

It is the responsibility of the organisation to maintain a complete set of records for acquittal purposes.

Recipients are required to submit photos and or video as part of the acquittal process. It is a condition of your application that any images provided can be used by AGL to promote the Local Community Investment Program (including local media). Written consent of any persons included in photos must be provided to AGL as part of the acquittal process.

Recipients failing to complete the acquittal report will not be eligible to participate in future Local Community Investment Program funding rounds.

AGL reserves the right to request the return of any unspent funds as part of the acquittal process.



AGL reserves the right to undertake quality assurance checks on all implementing partners to ensure funding is spent in accordance with the Funding Agreement.

Local Community Investment Program Assessment Committee

There are seven members who represent the Assessment Committee comprising of:

- Two Silverton Village Committee members
- Two Silverton Community Consultative Committee members
- One broader community representatives
- One local Indigenous representative
- One Regional Development Australia – Far West NSW

All Assessment Committee members must agree to AGL's Code of Conduct, confidentiality, and ensure compliance declaring all perceived or actual conflicts of interests.