

COMMUNITY ENHANCEMENT PROGRAM



UPPER LACHLAN SHIRE COUNCIL
AND
TARALGA WIND FARM NOMINEES (No 2)
PTY LTD

COMMUNITY ENHANCEMENT PROGRAM
Taralga Wind Farm Nominees (No 2) P/L and Upper Lachlan Shire Council

1. INTRODUCTION

The Taralga Wind Farm (the Project) is a development consisting of 51 wind turbines in the Southern Tablelands region of NSW. The Project was assessed as State Significant Development/ as that is defined in accordance with s76A(7) of the Environmental Planning and Assessment Act 1979 (NSW) (EPA Act) and was given development approval in 27 February 2007 by the Land and Environment Court of NSW, which has been modified multiple times. The Project is being delivered by Taralga Wind Farm Nominees (No 2) Pty Ltd ACN 159 439 522 as trustee for the Taralga Wind Farm Operating Trust (TWFN No 2 P/L) and entities associated with it.

2. PURPOSE OF THIS DOCUMENT

This document describes and establishes the mechanism for administering the Community Enhancement Program (CEP) for the Project as agreed between TWFN No 2 P/L and the Upper Lachlan Shire Council in order to enhance the community's quality of life.

2.1 Projects Offer

There is no requirement in the Projects development consent for TWFN No 2 P/L to prepare a Community Enhancement Program, nor to provide any funds for the purpose of community enhancement. The Project has offered to provide funds for these purposes in accordance with its culture of corporate responsibility, consistent with the requirements imposed on similar programs under s355 of the *Local Government Act 1993* (NSW).

TWFN No 2 P/L is dedicated to active participation in, and support of, the Upper Lachlan Shire Council community, and has offered to fund initiatives for the direct benefit of the local community by initially establishing a Community Fund and has earmarked an endowment of \$127,500 per annum adjusted to take account any increase in the Consumer Price Index (All Groups Index for Sydney) overtime, commencing 12 months from the date of Commercial Operations Date of the Project.

3. THE COMMUNITY ENHANCEMENT PROGRAM

3.1 General Guidelines

What is the Community Enhancement Program

The CEP is intended to provide funds from TWFN No 2 P/L to enhance and enrich community initiatives throughout the local community. The CEP is an initiative being delivered jointly by the Upper Lachlan Shire Council and TWFN No 2 P/L.

Within the CEP the Community Fund will provide financial contributions to community projects and initiatives such as equipment purchases, facility construction, renovation/rehabilitation projects, new programs or special funding that will enhance the community's quality of life and wellbeing.

It is proposed that the CEP is governed by the terms outlined in this document.

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What are the objectives of the CEP?

Overall objectives of the CEP are to:

- Benefit the members, associations and businesses located within the target community.
- Support (and not harm) any individual, activity or infrastructure belonging to the target community commencing upon commissioning of the Project until the end of its life.
- Be honest and accountable to the target community's entitlements.
- Be lawful and subject to an independent audit.

How much funding will be provided for the CEP and when will it become available?

The total CEP funding commitment is:

- \$2,500 per completed wind turbine per year. 51 turbines are proposed to be installed.

Funding would be adjusted to take account any increase in the Consumer Price Index (All Groups Index for Sydney) over time, commencing 12 months from the date of Commercial Operations Date of the Project.

It is expected that the distribution of funds will begin in the 2014/2015 financial year.

3.2 CEP Processing

How do I apply for funding?

Application processes are tailored to each funding stream to ensure that all relevant information is collected.

- Community Fund application forms will be processed and administered by the Community Fund Committee (the Committee) and a guide will be prepared to assist applicants. Incomplete application forms will be returned.

Additional requirements for eligibility are outlined in more detail in Section 4.

Who can apply for CEP funding?

The eligible target community for the CEP includes:

- Community funds, projects/programs or facilities that are located within, or provided a direct benefit to, the community within 20 kilometres of the Project.

Eligible property owner and resident applications would be given preference, however, non-permanent residents who work within the area and property owners who do not reside within the area are considered members of the community and are encouraged to apply.

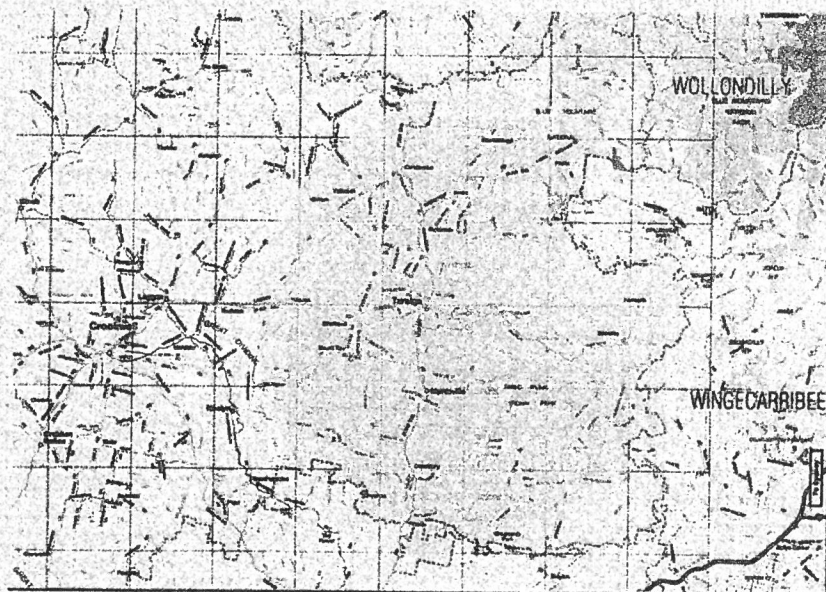
The target community excludes:

- Landowners who have granted a lease or easement to the wind farm owner.

The purpose of the CEP is *to broaden the benefits of the wind farm within the local community*. Therefore, landowners who already benefit through lease and easement payments from the wind farm owner are excluded from the target community for the CEP.

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Figure 1: Target community area



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How often will applications be processed during the year?

Applicants will be informed of decisions after the end of the applicable review period. This will include feedback as to whether the application has been successful or not and relevant rationale.

Community Fund:

- Applications will be administered on an annual basis. The application process will adhere to following yearly timelines:
 - November - January - requests for applications,
 - January - February - the Committee to review applications,
 - April - Committee approval of applications and notification of applicants, and
 - June - funds released.

Application processing and funding allocation will consider the funding cycle for other programs and the potential need for more than one funding opportunity each year.

Table 1: CEP Structure

SECTION	COMMUNITY FUND
OBJECTIVES	To address issues directed at improving the quality of life for the people of the target community. For the provision of community facilities, services and community interest groups.
CRITERIA	As outlined in Section 4
PROCESS	Applications will be invited yearly. Each eligible application will be assessed and brought to the Committee for review.
ELIGIBLE PARTIES	Target community members within 20 kilometres. Applications outside the target community will be considered based on their merits and if it meets the key objectives.
GOVERNANCE	Committee consensus decision. Refer to the Upper Lachlan Shire Council Code of Meeting Practice in the instance where no consensus is reached.
ADMINISTRATION	Secretarial support will be provided by Upper Lachlan Shire Council.
TIMING	Following Project commissioning. Applications will be assessed in line with the administration and review periods outlined in Section 3.2.
COSTS	The costs of administering the Community Fund shall be paid to the Council out of the Community Fund on an as needed basis and be no more than \$5,000 per annum, indexed to CPI over the life of the project.

4. COMMUNITY FUNDEDETAILS

4.1 Funding process and criteria

Who will govern the Community Fund?

A Community Fund Committee (the Committee) will be formed to govern the Community Fund. As the Project is located within the Upper Lachlan Shire Council Local Government Area (LGA), the Upper Lachlan Shire Council will be responsible for governance of the Committee.

The Committee will be constituted under Section 355 of the *Local Government Act 1993*. Section 355 enables councils to obtain the assistance of committees, including those constituted by external individuals (such as citizens from within or outside the local council area).

Committee members will be appointed for four years and the effectiveness of the group will be reviewed annually by a sub-committee comprising: a representative of TWFN No 2 P/L and Upper Lachlan Shire Council. A quorum for decision making will be a majority of appointed members.

The Committee would be required to comply with applicable Council policies and statutory requirements. These may include, but are not limited to:

- Code of Conduct.
- Code of Meeting Practice - Section 355 Committees.
- Section 355 Committee policy.
- Work Health & Safety Act.
- Risk Management.
- Privacy and Personal Information Protection Act.
- Government Information (Public Access) Act.
- Local Government Act and Regulations.

What is the role of the Community Fund Committee?

The Committee's role will be to:

- Publically call for applications for funding of projects or activities to benefit the local community.
- Evaluate funding applications and make recommendations to Council.

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Committee tasks will include:

- Identifying priority projects/programs and activities for funding.
- Establishing the selection criteria for the evaluation of applications.
- Developing an application form and guide to assist applicants.
- Publically advertising: nominations for community Committee members, appointed Committee members; call for funding applications and selection criteria.
- Evaluating applications against selection criteria.
- Making recommendations to Council's Operational Plan and budget process.
- Reviewing funding priorities for upcoming financial years.

Who are the Committee Members?

The Committee will include:

- An authorised representative from TWFN No 2 P/L;
- Mayor of Upper Lachlan Shire Council or Councillor delegate;
- General Manager of the Upper Lachlan Shire Council or Council delegate; and
- Two community representatives.

The Chair of the Committee would be appointed by the agreement of the Committee, and an Executive Officer, appointed by Upper Lachlan Shire Council will be responsible for the provision and distribution of meeting notes and relevant documentation to Committee members. The Executive Officers specific role, i.e. whether they would form part of the committee or have a purely administrative role would be determined by Upper Lachlan Shire Council.

Replacement members are required in the case of a Councillor stepping down from the Committee and must be replaced by another elected member from that Council. If a casual vacancy arises, the Committee would determine a suitable replacement. Observer status may be granted to Upper Lachlan Shire Council elected members and other community members on request.

Who can become a Community Representative?

Persons who live within the Upper Lachlan Shire Council LGA who are able to demonstrate skills and experience relating to the terms of reference, under the Council 355 Committee Policy, are eligible to apply. Preference will be given to nominees that live within the target community.

Landowners who have granted a lease or easement to any wind farm owner are not eligible to become a community representative.

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Membership on the Committee is purely voluntary. Expenses incurred can be submitted to TWFN No 2 P/L, however, reimbursement is not guaranteed and is at TWFN No 2 P/L discretion.

How do I apply to become a Community Representative?

Community members will be invited to nominate for the Committee through an advertisement in a local paper and through direct communications from Upper Lachlan Shire Council. Selection of community representatives will be conducted by the sub-committee, however, final membership of the Committee be confirmed by the Upper Lachlan Shire Council.

4.2 FUNDING APPLICATION

How do I apply for Community Fund funding?

Application forms will be made available on the Upper Lachlan Shire Council website and can be requested at any time. Application forms will include a guide to assist applicants to ensure that the application is completed correctly and all supporting documentation is included. Applications should be sent to Upper Lachlan Shire Council via email or post. Incomplete application forms will be returned.

Applications will be subject to the administration and review periods as outlined in Section 3.2.

What criteria will be used to evaluate applications?

Due to the limited funds available not all requests that meet the established criteria will be approved. The selection criteria will be confirmed and communicated to the community following the Committee's establishment. As a guide, general selection criteria may include:

Project benefits

- direct and indirect community benefit.
- quality of life/community wellness enhancement.
- program/ project operational efficiencies.
- demographics served.

Target community need

- public safety/improved access.
- provide a direct service to the community.
- Council/community support.

Availability of funding

- prior funding to applicant.
- demonstration of need for financial assistance.

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Project/ program viability

- background of applicant (i.e. organisation size/ representation, prior experience).
- the extent to which project or program duplicates other available facilities or programs in the area.

In addition to the above, applications must satisfy the following criteria:

- Aim to improve the quality of life for the people in the Target Community.
- Aim to provide facilities and services for the target community.
- Not profit individuals or private entities.
- Provide full financial and legal disclosure on the activity and be subject to independent audit.

Programs or projects with benefits beyond the target community will be considered based on their capacity to benefit those people within the target community. Funding will not be allocated to projects/ programs or activities that may harm wind farm operations.

All eligible applications, from individuals, businesses and or organisations meeting the selection criteria will be reviewed and considered by the Committee. The Committee will meet to discuss and determine, through consensus, the successful application(s). Given that the final funding decisions are to be endorsed by the Upper Lachlan Shire Council, if there is a discrepancy between the Upper Lachlan Shire Council's desires for the direction of funding and that of the Committee this will be referred back to the Committee for further discussion and resolution.

Is the information in my application protected?

The *Privacy and Personal Information Protection Act 1998* applies to information that is provided to the Committee. Personal information provided in the application form will be used for the purpose of administering the Community Fund only.

This information may be disclosed in response to an access request under the *Government Information (Public Access) Act 2009*, subject to applicable exceptions under the Act.

Once an application has been approved and funding issued, the recipient, project, amount funded and fiscal year will be a matter of public record.

How will I know if my application is successful?

All applications lodged will receive a response from the Committee, via email or post, advising of the success of their application. In addition, successful applications will be publicised through the Upper Lachlan Shire Council website, "The Voice" newsletter and any other media deemed applicable by the Upper Lachlan Shire Council. All applications are treated as public documents. Should applicants not want details or components of their application made public, this should be stated clearly within the application.

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When an application has been approved the Committee will make the necessary payment arrangements.

What if the project applied for changes once the funding has been approved?

If the scope of the project applied for changes applicants must request, in writing to the Committee, approval for changes. The scope of the program or project funding may only be adjusted with written approval from the Committee.

What happens if the actual costs are less than the approved funding?

If actual costs are less than the approved funding the applicant may;

1. Submit a written request to change the scope of the project, and if approved, apply the unexpended funds for this purpose.
2. Send a cheque, made payable to the Community Fund, for the remaining unexpended funds once the final amount has been confirmed by the Committee. Repayments must be submitted to the Community Fund.

How will the money be managed?

Funds will be held and distributed by the Upper Lachlan Shire Council who will carry any risks and liabilities associated with the distribution of this funding. The awarded funds will be distributed as agreed with the successful applicant(s) and managed through Upper Lachlan Shire Council.

The fund will be managed through an External Restricted Reserve Fund account in accordance with the usual Operational Plan processes for preparing a budget and priority projects (this includes community consultation). Upper Lachlan Shire Council will provide services to manage the administration of the Community Fund.

The Upper Lachlan Shire Council will report to the TWFN No 2 P/L Directors and produce yearly reports on the distribution of funds and/or quarterly reports related to the External Restricted Reserve Fund. In addition, TWFN No 2 P/L will produce reports for distribution to the community outlining initiatives funded and delivered.

Independent Auditor

During each year in which there are funds in the Community Fund, the Upper Lachlan Shire Council must appoint an Auditor to reconcile:

- The Monetary Contributions paid by TWFN No 2 P/L,
- Any payments made by the Upper Lachlan Shire Council; and
- Identify any corrective payments required.

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TWFN No 2 P/L and the Upper Lachlan Shire Council must make any corrective payments identified by the Auditor as being necessary to reconcile the Community Fund. The cost of the Auditor will be paid out of the Community Fund. The Auditor must provide a report on its work undertaken in accordance with this clause within three months of completing that work.

Upper Lachlan Shire Council would undertake an annual review of the Community Fund. This would consider, among other things, drawdown of funds in the year to date, and anticipated drawdown in the next year.

4.3 PROJECT/PROGRAM REPORTING

What reporting is required for approved applications?

Reporting on completed projects is required to ensure that the target community and the Committee can be confident that allocated funds have been used effectively.

Standard templates will be provided to all successful applicants. Applicants must submit final reports using these templates. Funding recipients must permit a representative of the Community Fund to examine records relating to the expenditure of funds to determine if the grant has been properly spent.

When will the report on completed programs/projects be due?

Timing will be agreed at the application approval stage. Agreed project delivery timing will be decided upon on an individual project basis and will follow guidelines stipulated by the Committee

Can the final reporting date be extended?

Yes. If a project/program is not completed within the required timeframe the applicant may request, in writing, an extension. All extension requests must be submitted to the Community Fund.

5 COMMUNITY FEEDBACK

The CEP has been established to secure additional benefit to the community from the Project. Community input to the objectives and proposed administrative arrangements for the CEP will assist to make the fund accessible, relevant, trusted and supported by the community.

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Signed for and behalf of

The Upper Lachlan Shire Council

Sign here: 
Authorised Officer

Print Name: JOHN BELL

Position: GENERAL MANAGER

In the presence of

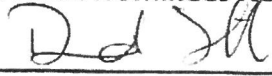
Sign here: 
Witness

Print Name: Phillip Bryce Newlan

Dated 27/2/14

Signed for and behalf of

Taralga Wind Farm Nominees No 2 Pty Ltd

Sign here: 
Authorised Officer

Print Name: DAVID SMITH

Position: DIRECTOR

In the presence of

Sign here: 
Witness

Print Name: Katharine Williams

Dated 7/9/14