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TOWN PLANNING REPORT

MORWELL PEAKING GENERATION FACILITY
MAY 2026 (UPDATED AUGUST 2026)

PREPARED FOR MORWELL FLEXGEN PTY LTD

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1. EXECUTIVE SUMMARY

Spiire Australia Pty Ltd (Spiire) acts on behalf of Morwell FlexGen Pty Ltd in support of a planning permit application for the use and development of a peaking energy generation facility at 454 Commercial Road, Morwell in south-east Victoria.

The project is located in the Latrobe City Council area and is subject to the Latrobe Planning Scheme (the "Scheme").

Pursuant to Clause 72.01-1, the Minister for Planning (the Minister) is the responsible authority for matters under Divisions 1, 1A, 2 and 3 of Part 4 of the Act, and matters required by a permit or the scheme to be endorsed, approved or done to the satisfaction of the responsible authority, in relation to the use and development of land for an energy generation facility with an installed capacity of 1 megawatt or greater.

With a total 20.5-megawatt capacity, the Minister is the responsible authority for this planning permit application.

The site is within the Industrial 1 Zone and affected by the Environmental Significance Overlay - Schedule 1 (ESO1), Flood Overlay (FO) and Land Subject to Inundation Overlay (LSIO). The site is within a Bushfire Prone Area and part of the broader site is within a mapped area of Aboriginal Cultural Heritage Sensitivity (ACHS), although the activity area is not within the ACHS, therefore exempting the project from requiring a Cultural Heritage Management Plan.

The following planning permit triggers are applicable:

- Clause 33.01-1: To use the land for the purpose of an energy generation facility
- Clause 33.01-4: To construct a building or construct or carry out works within IN1Z
- Clause 42.01-2: To construct a building or construct or carry out works within the ESO
- Clause 42.01-2: To remove, destroy or lop any vegetation within the ESO
- Clause 44.04-2: To construct a building or to construct or carry out works within the LSIO

This application does not propose to subdivide land or remove native vegetation. There are also no works proposed to the existing vehicle accessway onto the site from Commercial Road, noting that the existing sealed carriageway and wide shoulders provide adequate space for left in/out turn movements, as required by the proposed use.

The proposed development is considered to be generally in accordance with relevant planning policy contained within the Latrobe Planning Scheme.

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2. INTRODUCTION

2.1 OVERVIEW

This Town Planning Report has been prepared by Spiire on behalf of Morwell FlexGen Pty Ltd, in support of a planning permit application for the use and development of the land at 454 Commercial Road, Morwell for the purpose of an energy generation facility.

It is proposed to develop and use the land for the purpose of an energy generation facility, specifically a peaking generation facility. This project will be capable of providing up to 20.5 megawatts of electricity back into the electricity network in times of peak demand, preventing the network from being overloaded.

Pursuant to Clause 72.01-1, the Minister for Planning is the responsible authority for matters under Divisions 1, 1A, 2 and 3 of Part 4 of the Act, and matters required by a permit or the scheme to be endorsed, approved or done to the satisfaction of the responsible authority, in relation to the use and development of land for an energy generation facility with an installed capacity of 1 megawatt or greater.

The overall site measures 27.74 hectares and is located amongst industrial and rural uses. This includes the Hazelwood Open Cut Air Mine approximately 1.5 kilometres to the west; Morwell Power Station 500 meters south-west and various manufacturing, waste and transport operations located directly east of the site. The *facility area boundary,* where the buildings and works, and future operation will occur occupies approximately 0.35 hectares of the overall site. The facility area is characterised as undeveloped paddocks, currently used for grazing purposes with a vehicle access to Commercial Road. There are several 22kV and 66kV transmission lines and towers that traverse the site in east-west and north-south directions.

The purpose of this report is as follows:

- To provide an overview of the subject site and surrounding area.
- To outline the specific details of the proposal.
- To identify the relevant planning provisions of the Latrobe Planning Scheme.
- To provide an analysis of the proposal against the relevant planning requirements.

This report is accompanied by and should be read in conjunction with the following documents:

- Appendix A – Current Land Title.
- Appendix C – Concept and Layout Plan prepared by Spiire, May 2026
- Appendix D – Air Quality Impact Assessment, prepared by SLR, May 2026
- Appendix E – Acoustic Report, prepared by SLR, May 2026
- Appendix F – Bushfire Hazard Assessment, prepared by Spiire, May 2026
- Appendix G – Stormwater Management Plan, prepared by Spiire, May 2026
- Appendix H – Traffic Assessment, prepared by TraffixGroup, May 2026
- Appendix I – Flora and Fauna Assessment, prepared by Biosis, May 2026
- Appendix J – Cultural Heritage Due Diligence, prepared by Triskel Hertiage, May 2026

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2.2 PROJECT SUMMARY

A summary of the key town planning details of this application are provided in Table 1 below:

Table 1: Project Synopsis

Project Synopsis		
Property Address	454 Commercial Road, Morwell, VIC, 3840	
Parcel Details	Lot 1 on plan of subdivision 449981E	
Volume Folio	Volume 10499 Folio 286	
Encumbrances	The following easements are identified on the Plan of Subdivision: ▸ Overground power lines; ▸ Underground power lines; ▸ Electricity transmission; ▸ Above ground communications; ▸ Access ways; ▸ Underground electricity supply; and ▸ Sewerage. These easements benefit the following parties: ▸ Eastern Energy Limited; ▸ GPU Powernet Pty Ltd; ▸ Central Gippsland Region Water Authority; ▸ Crown Land	
Total Site Area	27.74 ha (approx.)	
Facility Area Boundary	0.35 ha (approx.)	
Planning Scheme	Latrobe Planning Scheme	
Planning Controls	Zone	Industrial 1 Zone (IN1Z)
	Overlays	▸ Environmental Significance Overlay – Schedule 1 (ESO1) ▸ Flood Overlay (FO) ▸ Land Subject to Inundation Overlay (LSIO)
Proposal	Use and development of an energy generation facility.	
Planning Permit Triggers	Clause 33.01-1	To use the land for the purpose of an energy generation facility under IN1Z.

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Project Synopsis		
	Clause 33.01-4	To construct a building or construct or carry out works within IN1Z
	Clause 42.01-2	To construct a building or construct or carry out works within the ESO
	Clause 42.01-2	To remove, destroy or lop any vegetation within the ESO
	Clause 44.04-2	To construct a building or to construct or carry out works within LSIO
Cultural Heritage	Part of the property is within a mapped area of Aboriginal cultural heritage sensitivity (ACHS). The facility activity area is not located within the mapped area of ACHS and as such, a CHMP is not required.	
Bushfire	The site is located in a designated Bushfire Prone Area (BPA).	

2.3 PROJECT NEED

The National Electricity Market (NEM) energy transition is well underway with forward investment in renewable generation, storage and firming capacity needed to meet current and future consumer demand growth as well as provide sufficient capacity to enable the planned retirement of baseload coal facilities over the next 5 to 10 years.

Much of the current storage capacity in service, as well as that expected to be deployed in the near term, is of relatively shallow duration (having 4 hours storage capacity or less) and best suited to the daily balancing of renewable generation with consumer demand.

Deep storage and supplementary firming generation is needed to cover extended seasonal and critical demand peaks; renewable energy lulls (ie: many consecutive "dark and still" days), drought periods (which reduce hydro capacity); wholesale gas constraints; and/or major outage events.

Peaking or firming generation, such as that provided by Morwell Peaking Generation Facility (MPGF), only operates for very limited hours each year (refer to Section 5.2 below) to provide "backstop" capacity to maintain system stability and supply certainty (ie: "keep the lights on") when other forms of generation and/or storage are unavailable or insufficient to meet such peak/critical demand events.

Such peaking generation facilities enable greater supply reliability, certainty, and affordability for consumers; enables greater renewable generation deployment; and facilitates the orderly closure of baseload coal facilities with net lower overall system-wide greenhouse gas emissions.

This approach is consistent with the Victorian Government Industry Policy energy security objectives and the Australian Energy Market Operator (AEMO) energy transition roadmap as outlined in their two recent Integrated System Plans (ISP) released in 2024 and 2026 (draft)[1,2,3].

[1] Victorian Industry Policy (June 2025) https://djsir.vic.gov.au/priorities-and-initiatives/industry-policy
[2] AEMO Integrated System Plan (June 2024) (AEMO 2024 ISP) https://www.aemo.com.au/energy-systems/major-publications/integrated-system-plan-isp/2024-integrated-system-plan-isp
[3] AEMO Integrated System Plan (Jan 2026) (AEMO Draft 2026 ISP) https://www.aemo.com.au/consultations/current-and-closed-consultations/draft-2026-isp-consultation

The AEMO Draft 2026 ISP notes: *"In the near term, coal-fired generators would be needed to help meet both generation and system security requirements until replacement services are installed"* and forecasts all Victorian coal fired generation capacity (4,820 MW currently) is expected to close by 2034-2035, as presented in Figure 1 overleaf.

This represents a marked reduction in the available firm generation capacity which requires: *"New generation, storage and firming must be in place before coal power stations retire, and to meet Australia's growing demand for electricity"* with *"different forms of storage and firming are needed across the NEM to smooth out the peaks and troughs in renewable generation" and that "secondary fuels (such as diesel or hydrogen) may be necessary to maintain reliable electricity supply, as well as other resources …"* particularly during simultaneous winter peak gas/electricity demand events (and renewables lulls) - as noted in the AEMO 2024 ISP.

The technology platform utilised by the facility is analogous to the standby generation equipment common in many hospitals, data centres, airports, cool stores, manufacturing and commercial sites, and will be subject to a scheduled and preventative maintenance regime to ensure overall optimal efficiency and reliability.

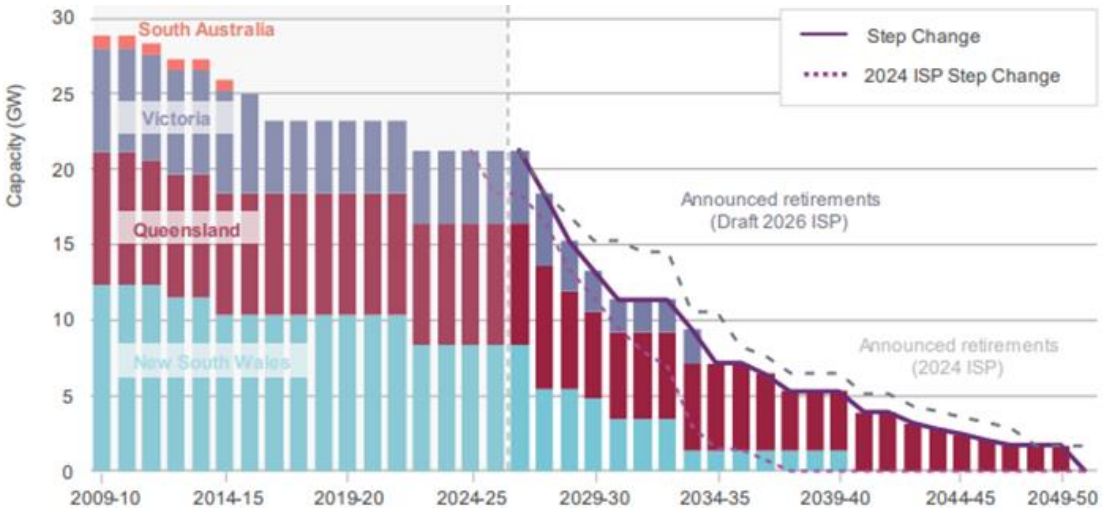


Figure 1: AEMO Draft 2026 Integrated System Plan – Figure 2 Coal Capacity Retirements (GW, 2009-10 to 2049-50)

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3. CONSULTATION

In preparing this submission, the proponent has consulted with various referral authorities. Consultation details are detailed below.

3.1 LATROBE CITY COUNCIL

In preparing this submission, the proponent has consulted with Latrobe City Council's Statutory Planning and Economic Planning departments. Council is supportive of the proposal, noting that the proposal supports Council's land use objectives for this corridor of Morwell - a core industrial hub for the Gippsland region.

3.2 AFFECTED PARTIES AND REFERRAL AUTHORITIES

3.2.1 FIRE RESCUE VICTORIA

The proponent has sought out FRV's comments on this proposal. FRV is generally supportive of the proposal, and will need to review and endorse the relevant plans.

3.2.2 WEST GIPPSLAND WATER CATCHMENT MANAGEMENT AUTHORITY

The proponent has consulted with the West Gippsland Water Catchment Management Authority regarding flood levels across the site. The recommendations of the Catchment Management Authority, particularly in relation to the 1 in 100 year Annual Exceedance Probability due to climate change impacts has been incorporated into the proposal.

3.2.3 ENVIRONMENTAL PROTECTION AUTHORITY - DEVELOPMENT LICENCE

Under 'Schedule 1—Prescribed permission activities and fees' of the Environmental Protection Regulations 2021, a facility generating electrical power from the consumption of a fuel at a rated capacity of at least 5 MW of electrical power is deemed to be both a Prescribed Development Activity and Prescribed Operating Activity (Regulation 70-K01 - Power Generation). Therefore, a Development License from the EPA is required and currently being sought.

A Development License Application was lodged on the 18th of May 2026. EPA representatives were consulted on the proposal prior to lodgement, and feedback received from those preliminary discussions indicated overall support for the proposal.

It is requested that DTP coordinate their public consultation on this proposal in concert with the EPA's consultation on the Engage Vic website, to assist with providing clear and consistent communications and stakeholder engagement regarding the proposal.

3.2.4 AUSNET

Discussions with AusNet regarding connection to the electricity network lines was commenced at project inception with ongoing modelling and engineering design continuing to resolve specific grid connection approach and associated requirements.

3.2.5 LOCAL BUSINESSES AND COMMUNITY

The proponent continues to seek to consult with relevant local businesses and the broader community in relation to the project as it progresses.

4. SITE AND SURROUNDS

4.1 SUBJECT SITE

The site is 454 Commercial Road, Morwell and is within the municipality of Latrobe City Council, located to the south-west of the intersection between Commercial Road (C475) and Monash Way (C456) as shown in Figure 2.

The overall site area is 27.74 hectares and is an irregular shaped land parcel. The site exhibits a slope down towards the north of the site with a depression/existing culverts located to the east and north-east portion of the site and directed to the existing point of stormwater discharge.

Aerial imagery dating back to 1945 indicates that, whilst the site has not been occupied by buildings, the ground surface has been significantly altered, primarily for grazing and more recently industrial/commercial uses. Most vegetation across the site are non-native species and have been planted in recent decades.

Currently, the northern portion of the site is utilised by a geotechnical drilling contractor with a large maintenance shed, offices, shipping containers, significant plant and equipment storage and car parking across crushed rock/hardstand areas. The balance of the site is used for horse agistment (particularly under/around the existing overhead powerline easements) and/or paddocks of mostly cleared pasture with limited significant and largely non-native vegetation.

The site has extensive electricity easements, as well as other telecommunications, water/sewerage and access easements. The electricity easements include six (6) 22kV distribution electricity powerlines and a further ten (10) 66kV sub-transmission electricity powerlines which traverse the site, with direct access to the nearby Morwell Terminal Station to the immediate south.

The Morwell Peaking Generation Facility (MPGF) will be developed on a circa 0.35 hectare portion of the property in a central location in a largely cleared/open paddock which is unaffected by the existing easements. This location is a local ridge of the site and sits above the flood levels as nominated by the water catchment authority with safe and unhindered access to the adjacent existing electricity grid infrastructure. Primary vehicle access to the facility is available using the existing internal road from Commercial Road with secondary access from Porters Road/Monash Way.

A Site Plan, Aerial Photo and Facility Concept Plan is presented in Figures 2, 3 and 4 respectively.

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Figure 2: Site Plan - 454 Commercial Road outlined in red. Facility Boundary outlined in orange.

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Figure 3: 454 Commercial Road Site Aerial Photo - View from North/Commercial Road.

4.2 TITLE DETAILS

The land is within Certificate of Title Vol/Folio 10499/286.

There are various easements that traverse the site. Refer to Appendix A for a full copy of the Certificate of Title.

There are no restrictions on title that prevent the application from being considered.

4.3 SURROUNDING AREA

The site is within an Industrial 1 Zone and forms part of the large industrial area within Morwell, noting that the Morwell Power Station and Hazelwood Open Cut Coal Mine are situated west of the site. Several 22kV and 66kV transmission lines traverse across the site, and are particularly close to the proposed facility area. The site has been strategically selected for the existing connections to the electricity grid, which are operated by Ausnet.

The site is well connected to the arterial road network, with Princes Highway 250 metres north of the site and existing on ramps in both directions immediate to the site.

Bennetts Creek, a manmade water channel traverses along the western boundary of the site. and a large catchment abuts the north-west boundary of the site.

Key facilities in proximity of the site include:

- Hazelwood Open Cut Coal Mine (bounds the site to the west)
- Morwell Power Station (south-west of the site)
- Char/Lignite Briquette Processing (directly south of the site)

- Morwell Electricity Terminal Sation (south of site)
- Morwell Transfer Station (Tip) (east of Monash Highway)
- Green Waste Processing/Composting Facility (south of the site)
- Other major electricity network and generation infrastructure assets
- Transport, Telecommunications and Manufacturing Warehouses

The site's industrial zoning, proximity to electricity grid infrastructure, surrounding industrial uses and significant buffer distances to sensitive receptors are key factors in site selection for this facility.

Refer to Figure 4: Facility Concept Plan for further details.



Figure 4: Facility Concept Plan

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5. PROPOSAL

This planning permit application seeks approval to use and develop part of the land at 454 Commercial Road, Morwell for the purpose of a peaking energy generation facility. Approval is also sought for the associated removal of (non-native) vegetation.

The peaking energy generation facility is specifically defined as an *energy generation facility* in the Latrobe Planning Scheme as follows:

> *Land used to generate energy for use off site other than geothermal energy extraction. It includes any building or other structure or thing used in or in connection with the generation of energy.*

5.1 OVERVIEW

The proposed facility will have 20.5 megawatts (MW) of electricity generation capacity. Its primary objective is to provide prompt and high-reliability standby capacity for very limited periods in response to critical wholesale energy market demand, network or adverse weather events, to ensure ongoing energy supply continuity, affordability, and local network stability.

As such facility operation is expected to be relatively limited, typically only 200 hours per annum on average (or about 2% of the year), but this may vary depending on the extent and frequency of any such critical demand and adverse events encountered in any given year (refer to Section 5.2 for details).

Table 2 overleaf presents key facility components and includes: ten (10) containerised generation units, each capable of generating approximately 2MW electrical output; site main transformer, Switchroom and Control Room Building; Site Maintenance Store and two self-bunded Fuel Storage tanks.

A water storage tank and septic tank will also be provided on site. The facility will be appropriately fenced off with appropriate security fencing to ensure only authorised staff can access the site. The facility will be located centrally within the site with primary vehicle access from Commercial Road via an existing internal access roadway.

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Table 2: Key Facility Details

Facility Features
Energy Generation Facility, including: CONTAINERISED GENERATION UNITS ▸ Ten (10) containerised generation units: - Providing a total nominal output of 20.5 MW (megawatts) (approx. 2MW output per unit) and each measuring approximately 14 m x 3.6 m x 3.7 m (L x W x H). - Each unit includes an engine/alternator and integrated engine control, exhaust, cooling (using air-cooled radiators), ventilation, oil and fuel/day tank systems; all housed in an engineered pre-packaged rigid weatherproof and noise-attenuated enclosure. ▸ Two (2) separate generator exhaust common manifold systems each serving (5) generation units and having an exhaust stack measuring approximately 5.5 m high. FUEL STORAGE ▸ Two (2) 70m^3 capacity self-bunded above ground fuel (diesel) storage tanks, pre-fabricated and certified to the relevant regulatory/Australian Standards, each of approximate dimensions of 12.2m x 2.5m x 2.9m (L x W x H). ELECTRICAL WORKS ▸ Switchroom Building: which contains medium-voltage (MV) switchgear, circuit breakers, protection relays, measurement, metering, and auxiliary systems to enable safe connection of the generators to the electricity grid; and control room of approximate dimensions 22.5m x 4.0m x 5m (L x W x H). ▸ 11/22kV transformer and 22 kV connection to existing electricity grid infrastructure. OTHER ▸ Maintenance Store Building which provides storage for key equipment, spares and liquids (premixed engine coolant and engine oil) store and includes provision for staff amenities, with total approximate dimensions 20m x 8m x 5.5m (L x W x H). ▸ Firefighting water storage tank (if needed as per FRV requirements) and Septic Tank ▸ Secure facility fencing and site security systems ▸ Existing vehicle access to the facility area from Commercial Road and staff/contractor parking and fuel delivery vehicle offloading/turnaround area

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5.2 OPERATIONS

This facility's primary objective is to provide prompt and high-reliability standby energy generation capacity for very limited periods in response to critical wholesale energy market demand, network and/or adverse weather events to ensure ongoing energy supply continuity, affordability, and stability and within the context of the broader energy sector transition away from base-load coal generation (refer to Section 2.4).

Using recent historical data (2017 to 2025) as a guide the facility operation is expected to be limited to 200 hours per annum on average (or about 2% or 7 days total of a given year). However in particularly exceptional years this may increase up to 1,200 hours per annum.

Also whilst facility operation may be required at anytime, it is usually expected to occur during late afternoon and early evening periods during summer and winter, particularly coinciding with extended seasonal or critical demand peaks and lulls in renewable generation.

The facility will be available to operate in a fully automated fashion to respond to such critical and adverse events on a 24/7 basis, outside of times scheduled maintenance activities. It will beremotely monitored with scheduled regular and prompt site attendance by authorised personnel for routine inspections and maintenance tasks as required.

A suite of quality, safety and environmental risk and management procedures will be developed to cover the delivery, operation, maintenance and eventual decommissioning of the facility to ensure its compliance with EPA and all other regulatory requirements.

5.3 TRAFFIC

The traffic demands and impacts to the local road network resulting from the proposed development are negligible. As the expected frequency of staff attending the site is very low, the demand for on-site car parking and impacts to the local road network are equally minimal. Three (3) informal car parking spaces are provided for at the facility, easily accessible by the existing 4-metre-wide access road extending from Commercial Road. The parking area is capable of accommodating 6.4 metre long small-rigid vehicles (SRV). This will be adequate to cater for maintenance staff.

On average, the facility will receive approximately one fuel (semi-trailer) delivery per week or fortnight (50 to 100 deliveries per annum). Parking for the fuel delivery trucks has been designated on the plans, adjacent to the two self-bunded fuel tanks. This ensures that fuel deliveries can be conducted conveniently and safely, minimising the fuel transfer risk between the delivery vehicles and the storage tanks.

Access is provided into the site directly off Commercial Road (270 metres north of the facility area). There are no upgrade works required or proposed to the existing accessway onto the site from Commercial Road, noting that the existing sealed carriageway and wide shoulder provide adequate space for left turn movement required. The surrounding industrial context, including Commercial Road ensures the surrounding road network is capable of accommodating large semi-trailer fuel trucks.

An internal court bowl (in the form of a D-shape) is proposed. This court bowl has a 15m radius, will have a crushed rock surface and will allow enough room for a small-rigid fuel delivery vehicle to access and exit the site safely in a forward direction. It is also noted that all relevant roads to the site are included in an approved B-double truck road network and the court bowl could accommodate such a vehicle, if the need arises.

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The existing access path on the site is 4 metres wide and includes two (2) 6-metre-wide passageways for a length of 20 metres to accommodate fire emergency vehicles, in accordance with CFA requirements.

The traffic report prepared by Traffix has appropriately considered traffic movements in and out of the site, car parking demand and includes swept path diagrams. For further detail, please refer to Appendix H.

5.4 STORMWATER MANAGEMENT

The site is affected by water inundation and flooding in various parts. Therefore, the proposal has been carefully located and designed to ensure all equipment associated with the peaking generation facility is located on land that is not affected by flood waters. The existing natural flow path along the eastern half of the site acts as a natural water catchment, extending towards the northern (front) boundary, where the legal point of discharge is located.

The stormwater strategy involves the inclusion of a catch drain and detention basin to restrict outflows to the pre-development flow rate, ensuring that increased runoff from the site does not impact downstream environments and assets. The flow restriction occurs at the outlet of the detention basin. An outlet swale, which ultimately leads to the existing natural stormwater path will ensure sediments and gross pollutants from the stormwater are effectively treated onsite. Minor regrading of the site, including parts of the facility area (up to100 mm of fill and cut) and along the access road and vehicle turnaround bay (up to ~800-1000mm of fill in some sections) will be required.

The solution proposed is deemed to satisfy the requirements of Clause 53.18 of the Latrobe Planning Scheme, noting all stormwater quality measures for phosphorus, nitrogen and suspended soils complies with the objectives of the Urban Stormwater Best Practice Environmental Guidelines (BPEM).

5.4.1 OVERFLOW CAPACITY AND 1 IN 100 YEAR STORM EVENT

The facility design will also locate all critical infrastructure above the Nominal Flood Protection Level as advised by the WGCMA (which is comprised of the 1-in-100 year flood event level plus a suitable additional freeboard height) and which accommodates the WGCMA climate change requirements.

A Stormwater Management Strategy is included in Appendix G.

5.5 BUSHFIRE

The site is within a Bushfire Prone Area and includes appropriate fire safety measures to minimise the spread of fire across the site. As part of this application, a Bushfire Hazard Assessment has been prepared. The assessment establishes the broad landscape characteristic of the surrounding area to fit within the definition of a ‘Type 2’ landscape based on:

- The type and extent of vegetation located more than 150 metres from the site consists predominantly of open grasslands.
- Extreme bushfire behaviour that will directly impact the site is unlikely due to the predominant grasslands and relatively flat topography to the west-northwest.

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- No designated neighbourhood safe place is located nearby the site; however the site is in close proximity to the urban centre of the township and/or there is substantial cleared/open space in the vicinity of the site, both which would provide shelter from a bushfire.

5.5.1 BUSHFIRE MITIGATION RESPONSE

Key proposed bushfire mitigation measures for this facility are presented in Table 9 and subject to further consultation with FRV and finalisation of the relevant plans as detailed in Section 10.5.2.

Issue	Mitigation Measures
Fuel Storage	▸ Containerised self-bunded fuel storage tanks constructed to relevant Australian Standards including AS1940 (storage and handling of flammable and combustible liquids).
Engine Oil	▸ Engine oil will be stored onsite in small volumes in an appropriately designed building with appropriate spill containment, isolation, ventilation and security.
FRV Access Requirements	▸ A 4 metre-wide all-weather vehicle access track and 6-metre-wide passing bays (for a length of 20 metres) are incorporated into the design. The access track is also clear of encroachments for at least 0.5 metres on each side. ▸ The 15-metre radius court bowl proposed will enable fire trucks (and semi-trailers up to 20 metres long) to enter and exit in a forward direction. ▸ Additional emergency access/exit is provided for via Porter Road, south of the facility area.
Fire Detection Systems	▸ Appropriate fire detection, alert and alarm and control/isolation systems are built into each generation unit; the Switchroom and Control Room Building and Maintenance Store Buildings.
Landscaping	▸ As per the FRV's landscape requirements, landscaping will be kept to a minimum and maintained to ensure it does not inadvertently increase the fuel load available on site.
Electrical	▸ Equipment design, installation, operation and maintenance in accordance with WorkSafe and Australian technical and safety standards with appropriate fault isolation, earthing, lighting protection equipment installed. ▸ All electrical work to be conducted with the appropriate risk assessment, mitigations and controls as required consistent with WorkSafe requirements ▸ Electrical equipment to be located in secure enclosed cabinets/areas with access only by suitably licenced/experienced personnel with appropriate PPE ▸ Appropriate ongoing inspection/maintenance of plant and equipment ▸ Suitable procedures to be implemented and supported by ongoing staff training
Firewater Containment	▸

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	▸ Advice from a fire risk assessment specialist indicates that a firewater containment volume of 36 kL is sufficient (which includes the fuel storage volume + 10% plus an allowance for firefighting foam volumes). ▸ As a condition of the EPA Development Licence, a firewater containment plan will also be prepared for EPA and FRV endorsement.
Fire Fighting Water Storage	▸ The inclusion of a water tank within the facility area of suitable capacity for emergency firefighting purposes (if required by the FRV).

Table 9: Bushfire Mitigation Measures

5.5.2 RISK MANAGEMENT AND MONITORING, EMERGENCY, AND FIRE MANAGEMENT PLANS

Fire Rescue Victoria (FRV) has advised that as a condition to operate, a Risk Management and Monitoring Plan (RMMP); Emergency Plan (EP); and Fire Management Plan (FMP) will need to be submitted to the EPA and FRV for endorsement (and prepared in consultation with FRV) at least three months prior to construction commencing. It is anticipated that this requirement will be a condition of any Development Licence issued by the EPA.

The facility will be expected to incorporate a range of passive and active fire protection and mitigation measures (which will be detailed further in the plans above), including:

- Cleared vegetation zones and non-combustible fire breaks/surfaces (crushed rock, mineral earth, etc) will be provided around all key plant and equipment, including generation units, fuel storage tank and the liquids store
- Having suitable separation distances between key plant and equipment.
- Impact protection measures (bollards, rails) to protect critical plant and equipment and storage tanks from onsite vehicle movements.
- Facility structures and construction materials selected are appropriate for the proposed duty having an appropriate fire resistance rating and/or low to nil combustibility (generally metal/colourbond structures with concrete footings).
- Each containerised generator:
  - Is internally bunded to enable the capture and containment of any minor oil/liquid leaks within the unit for removal and appropriate disposal as required.
  - O&M procedures will require the routine inspection, and prompt cleaning and remedial action the source of any leaks as required;
  - Incorporates extensive monitoring of numerous engine, alternator and other plant and equipment parameters which will trigger automated;
    i. Alerts and alarms for operator attention (onsite or remote); and/or
    ii. Shutdown and both plant electrical and fuel supply isolation where predefined abnormal operation and alert levels are reached (and before conditions which may lead to a fire event occurring).
- Continuous automated fire detection equipment will be installed in all critical areas (including within each generation unit) as well as manual emergency isolation/alarm points also provided; alerts/alarms for both onsite and remote operator attention; and/or automatically trigger safe and emergency plant shutdown and plant electrical and fuel supply isolation;

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- Fire extinguishers will be installed at suitable locations around the site as well as first aid kits, eye wash station, spill kits as applicable;
- Emergency site access to be provided at least two locations;
- Ongoing site and facility operations and maintenance procedures will include procedures consistent with all regulatory requirements, generally accepted good practice, regarding such items including:
  - Ensuring all plant and equipment is maintained with OEM equipment manufacturers requirements and generally accepted good practices, specifically including inspection, testing and maintenance of the fire protection measures as outlined above.
  - Maintaining good site security and housekeeping practices including ensuring site vegetation is kept to a suitable minimum (particularly during declared Fire Danger Periods) as well as restricting relevant site activities during declared Total Fire Ban days;

These preventative, mitigation and management measures as well as others will be detailed further in Appendix F: Bushfire Hazard Assessment

5.6 NOISE

The proposal incorporates suitable noise enclosures for the genset units and attenuator for the exhaust of the generators. Acoustic modelling demonstrates full compliance with the Victorian EPA's statutory noise controls for commercial-industrial premises.

Under the Environmental Protection Act 2017 and the Environmental Protection Regulations 2021, the EPA requires that noise emitted from a facility not exceed the specified day, evening and night-time limits set out in the Noise Protocol (EPA Publication 1826.4) for each identified noise-sensitive receptor, and that the source be mitigated "as far as reasonably practicable" using Best Available Techniques and Technologies (BATT).

Six noise receptors / listening locations were identified with an assessment undertaken against night-time limits (being the worst-case scenario) and incorporating the facility generator enclosure, exhaust silencer and continuous engine-parameter monitoring mitigation approaches consistent with EPA's BATT requirements for noise attenuation.

The noise assessment results are presented in Table 3 and show the predicted noise levels at all six identified receivers are below the respective EPA night-time (worst-case) noise limits.

Table 3: Acoustic Results

Receiver	Predicted Noise Level (dBA)	Noise-Character Adjustment (dB)	Effective Noise Level (dBA)	Night-Time Noise Limit (dBA)	Compliance
R1	36	2	38	39	Yes
R2	35	2	37	47	Yes
R3	34	2	36	39	Yes
R4	27	2	29	30	Yes
R5	24	2	26	30	Yes
R6	27	2	29	30	Yes

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More information on the acoustic impact and mitigation measures is available in Appendix E: Acoustic Assessment performed by SLR Australia.

5.7 AIR QUALITY

An Air Quality Impact Assessment was prepared to ensure the facility will satisfy the APAC standard air emission quality targets under the project operation requirements.

The air-quality methodology for the Morwell peaking-generation site followed a systematic approach and was based on comparisons of air pollutant dispersion model results with ambient air quality standards. The dispersal of emissions to air from the operation of the project were modelled using AERMOD in accordance with EPA requirements (refer EPA Publications 1961.2 and 1957).

The most common air pollutants associated with the combustion of fuel in emergency generation units, as proposed, include:

- Carbon Dioxide (CO)
- Nitrogen Dioxide (NO_2)
- Sulphur Dioxide (SO_2)
- Some volatile organic compounds (VOC)
- Poly aromatic hydrocarbons (PAH_s)
- Particles with diameters of less than 10 microns and less than 2.5 microns ($PM_{2.5}$)

The dispersed emissions of CO, SO_2, VOC and PAH_s from the combustion of diesel is relatively low when compared against the consumption of NO_2. Therefore, if there is no exceedance of NO_2 and $PM_{2.5}$ against the relevant APAC criteria, it can be safely assumed that all of the other common air pollutants (CO, SO_2 and VOC and PAH_s) emissions from the operation of the facility would not exceed the criteria limits.

Having regard to this, the air quality assessment methodology focused on the maximum cumulative NO_2 and $PM_{2.5}$ pollutants at ground level concentration, including existing background concentrations.

5.7.1 AIR EMISSION RESULTS

The relevant APAC standards for NO_2 and $PM_{2.5}$ is listed below.

Pollutant	Averaging Period	Air Quality Standard
NO_2	1 year	150 ug/m^3
$PM_{2.5}$	24 hours	25 ug/m^3

Table 4: APAC Standards

In assessing if the facility would meet or exceed (ie: result in lower concentrations) the relevant APAC standard, a series of sensitive receptor points across residential and commercial uses nearby to the proposed facility were identified with modelling as per EPA guidelines incorporating the relevant facility and local topographical and meteorological information.

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The facility will have two (2) separate generator exhaust common manifold systems (to assist with air quality measures), with each: serving five (5) generation units each; and each having a 5.5 m (approx.) exhaust stack.

Using the above exhaust manifold configuration two scenarios were modelled for the purposes of air-quality assessment namely: typical operation scenario (which is generally expected to fall within 4pm - 7pm); and a worst case (24-hour continuous operation, 365 days per annum) scenario.

The air-quality modelling results are presented in Table 5 and Table 6 and confirms the facility meets the relevant APAC standard for both NO_2 and $PM_{2.5}$ emissions for a hypothetical worst-case scenario (24 hours / 365 day operation) with further reductions for the typical scenario expected as per the table below and the EPA licence limit figure. Project $PM_{2.5}$ results are a relatively low proportion of overall background concentrations.

Operation Scenario	**Concentration (ug/m³)**				
	Project	**Background**		**Project (OLM)**	**Cumulative**
	NO_X	**NO_2**	**O_3**	**NO_2**	**NO_2**
typical (4pm - 7pm)	230	30	40	61	91
worst case (24 hrs)	789	11	44	122	133
APAC Standard					**150**
Compliance with APAC Limit					**Yes**

Table 5: Air-Quality Modelling - NO_2 Results
Note: OLM = Ozone Limiting Method, refer to Air-Quality Assessment report for details.

Operation Scenario	**Concentration (ug/m³)**		
	Project	**Background**	**Cumulative**
typical (4pm - 7pm)	0.4	14	14
worst case (24 hrs)	1.6	6.2	7.8
APAC Standard			**25**
Compliance with APAC Limit			**Yes**

Table 6: Air-Quality Modelling - $PM_{2.5}$ Results

The Air Quality Assessments confirms that the proposal can satisfy relevant EPA and APAC emissions requirements.

Additional information on the methodology, inputs, assumptions and results regarding how the facility satisfies air quality emission standards is detailed in Appendix D: Air Quality Impact Assessment Report prepared by SLR Consulting Australia.

5.8 ODOUR

The proposal will not cause any adverse odour emissions.

It is noted the *low sulphur content* of Australian diesel and the high combustion temperatures, the potential for the release of odorous compounds such as unburned hydrocarbon or sulphur will be very low such that the potential for any odour nuisance in surrounding areas would be minimal to nil (and noting the surrounding land uses and considerable buffer distances). The Proponent

advises that such issues are highly uncommon in their experience and that of its advisors, particularly given the advanced integrated monitoring and management systems employed in current stationary reciprocating engine generation facilities using a dedicated/single fuel source.

Refer to page 2 of the Air Quality Impact Assessment Report performed by SLR Consulting Australia for further information on odour impacts.

5.9 VEGETATION REMOVAL

As part of the facility set up, vegetation consisting of small shrubs and insignificant trees will need to be removed in the immediate vicinity of the facility area. This is required for site access, to provide an unobstructed connection easement to 22kV electricity network and also to assist in reducing fire fuel loads and fire risk hazard immediately adjacent to the facility in accordance with FRV landscaping guidelines.

Under the provisions of the ESO, a permit is required to remove the vegetation.

A Flora and Fauna Assessment was prepared as part of this submission. This report confirms that none of the vegetation proposed to be removed, as shown on the concept plans is indigenous to Victoria and therefore the vegetation proposed for removal will not trigger a planning permit under Clause 52.17 (native vegetation removal) or any requirement under the Environment Protection and Biodiversity Conservation Act 1999.

There is one large, scattered tree (River Red Gum) in the centre of the broader site immediately west/north of Culvert 1 (refer Figure 3) which is to be retained. We note minor surface regrading immediately south of Culvert 1 is required as part of implementing the stormwater strategy and this scattered tree will be protected during such works if so required (and noting the existing fences in place which may be sufficient for this purpose).

The Flora and Fauna Assessment, prepared by Biosis is included in Appendix I.

5.10 GROUNDWATER

The Morwell FlexGen facility design and ongoing management practices will incorporate suitable controls consistent with EPA Guideline 1698 to prevent any contaminants arising from the facility impacting on groundwater.

In particular:

- The fuel storage unit is of double skinned/self-bunded design with interstitial monitoring provided to allow early detection should any leaks occur, and located above ground upon suitable and elevated concrete footings.
- The liquids store (engine oil and coolant) volumes kept on site will be minimal with appropriate storage and handling requirements (as detailed above).
- Preliminary site geotechnical assessment and engineering design suggests that shallow foundations are expected to be of raft/pad footing design with only relatively shallow excavation required. No groundwater access, use or dewatering is expected as part of facility construction and/or ongoing operation.

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6. PLANNING POLICY FRAMEWORK

This section of the report sets out a summary of the relevant planning controls and provisions contained within the Latrobe Planning Scheme.

6.1 MUNICIPAL PLANNING STRATEGY

The following Municipal Planning Strategies (MPS) and their objectives and strategies are relevant to this proposal:

Clause 02.03-1 – Settlement

This clause identifies Morwell as a key industrial centre and acknowledges Morwell's importance as a transport and government service provider through its manufacturing, power and other industrial activities.

Clause 02.03-4 – Natural Resource Management

This clause seeks to minimise land use conflict with coal resource development, and protect urban amenity, coal resource development and the productive use of land in the coal resource and buffer areas.

Clause 02.03-7 – Economic Development (Economic Growth and Industry)

This clause acknowledges that new energy production provides an economic opportunity in Latrobe and highlights the outer-east part of Morwell as being a node for industries due to proximity to existing infrastructure. The clause further states that alternative energy industries should be encouraged in locations with convenient access to existing energy distribution infrastructure.

Latrobe has a large industrial sector and seeks to support industrial uses as per the Industrial Framework Plan in Clause 02.04. The industrial framework plan under Clause 02.04 seeks to develop the Morwell-Maryvale Industry Growth Corridor as the main industry growth area of Latrobe. Land use conflicts may arise between industry and sensitive land uses and need to be managed.

An assessment of the proposed development against the State Planning Policies is provided at Section 7 of this report.

6.2 PLANNING POLICY FRAMEWORK

The following planning policies, objectives and strategies are relevant to the consideration of this proposal:

Clause 11.01-1R – Settlement – Regional Victoria

- *Providing for appropriately located supplies of residential, commercial, and industrial land across a region, sufficient to meet community needs.*

Clause 11.01-1L – Morwell

Morwell Town Structure Plan (MTSP)

- *Screen industry in MTSP Area 7 from residential areas along the western boundaries of the industrial precinct by providing a buffer of open space and vegetation.*

Clause 11.02-1S – Development Capacity

- *Maintain access to productive natural resources and an adequate supply of well-located land for energy generation, infrastructure and industry.*

Clause 11.03-3S – Peri-urban areas

- *Identify and protect areas that are strategically important for the environment, biodiversity, landscape, open space, water, agriculture, energy, recreation, tourism, environment, cultural heritage, infrastructure, extractive and other natural resources.*

Clause 13.07-1S – Land use compatibility

- *To protect community amenity, human health and safety while facilitating appropriate commercial, industrial, infrastructure or other uses with potential adverse off-site impacts.*
- *Avoid or otherwise minimise adverse off-site impacts from commercial, industrial and other uses through land use separation, siting, building design and operational measures.*

Clause 14.03-1S – Resource exploration and extraction

- *Ensure planning permit applications clearly define buffer areas appropriate to the nature of the proposed extractive uses, which are to be owned or controlled by the proponent of an extractive industry.*

Clause 17.03-1S – Industrial land supply

- *Provide an adequate supply of industrial land in appropriate locations including sufficient stocks of large sites for strategic investment.*
- *Appropriate buffer areas can be provided between the proposed industrial land and nearby sensitive land uses.*
- *Retain the potential of the Morwell South Heavy Industry Precinct and land within the Special Use - Brown Coal Area to function as locations that are suited to major heavy industry (Area 9 on the Morwell Town Structure Plan in Clause 11.01-1L).*

Clause 19 – Energy supply

- *To facilitate appropriate development of energy supply infrastructure.*
- *Support the development of energy generation, storage, transmission, and distribution infrastructure to transition to a low-carbon economy.*
- *Facilitate energy infrastructure projects that help diversify local economies and improve sustainability and social outcomes.*

An assessment of the proposed development against the Planning Policy Framework is provided at Section 7 of this report.

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6.3 ZONE

6.3.1 INDUSTRIAL ZONE – SCHEUDLE 1

The site is entirely located in the Industrial Zone – Schedule 1 (IN1Z). The specific purpose of the IN1Z includes:

- *To provide for manufacturing industry, the storage and distribution of goods and associated uses in a manner which does not affect the safety and amenity of local communities.*

The use as an Energy Generation Facility is not specifically listed within the table of land uses that forms part of the IN1Z provisions. It is therefore captured as 'any other use' within Section 2 of Clause 33.01-1 which requires a permit.

Figure 5 illustrates the project site in relation to the zone.

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Figure 5: Subject Site Zoning

Figure 3: Overlay Plan

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6.4 OVERLAYS

The site is affected by several overlays. Buildings and works associated with the facility will trigger a planning permit under each of the overlays (except the Flood Overlay). The ESO also triggers a permit for vegetation removal.

6.4.1 ENVIRONMENTAL SIGNIFICANCE OVERLAY – SCHEDULE 1 (ESO1)

The site is wholly affected by the ESO1. Schedule 1 of the ESO relates to the urban buffer associated with the coal industry within Latrobe.

Clause 1.0 Statement of Environmental Significance

The coal industry is of national and State importance due to its use as the primary energy source for the electricity generating industry in Victoria. The impact on the environment is radical. Buffers protect those elements of the Coal Buffers Policy Area such as urban settlements from the impact of the radical change to the environment from the coal industry.

Clause 2.0 Environmental objective to be achieved

To ensure that development in the Gippsland Coalfields Policy Area provides mutual protection of urban amenity, coal resource development, the continued social and economic productive use of land and is compatible within a buffer area including reservations and for services ancillary to a Brown Coal Open Cut outside the buffer area.

In accordance with the details of the Schedule, any development within ESO1 must:

- *Be compatible with adjacent urban and coal related uses of land;*
- *Provide an opportunity for improvement in the visual amenity of areas surrounding the urban settlements, and the visual protection from the effects of coal resource development on the landscape;*
- *Be productive within the constraints required from mutual protection, separation and compatibility of adjacent uses: and*
- *Maintain the integrity of the buffer area and discourage any incremental or future pressures for urban or coal related development in the future.*

Notable to this overlay is the requirement for details of drainage works, a landscaping layout and a fire management plan for any development within 1000 metres of a mining licence. No current mining licence is within 1000 metres of the site, and therefore, for the purposes of this planning application, a fire management plan is not required.

6.4.2 LAND SUBJECT TO INUNDATION OVERLAY (LSIO)

The site is also partly affected by a LSIO (refer to Figure 6).

Purpose

The purpose of the LSIO is to:

- *To identify flood prone land in a riverine or coastal area affected by the 1 in 100 (1 per cent Annual Exceedance Probability) year flood or any other area determined by the floodplain management authority.*

- *To ensure that development maintains the free passage and temporary storage of floodwaters, minimises flood damage, responds to the flood hazard and local drainage conditions and will not cause any significant rise in flood level or flow velocity.*
- *To minimise the potential flood risk to life, health and safety associated with development.*
- *To protect water quality and waterways as natural resources by managing urban stormwater, protecting water supply catchment areas, and managing saline discharges to minimise the risks to the environmental quality of water and groundwater.*
- *To ensure that development maintains or improves river, marine, coastal and wetland health, waterway protection and floodplain health.*

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Figure 6: Site Overlay Plan

6.5 PARTICULAR & GENERAL PROVISIONS

The following particular and general provisions of the Latrobe Planning Scheme are relevant to this application.

Please note that this application does not propose to subdivide land or remove native vegetation. There are also no mitigation works proposed to the existing accessway onto the site from Commercial Road. The existing access along Commercial Road includes a sealed carriageway and wide shoulders that provide adequate space for the left in/out turn movements required. Therefore, a permit is not triggered under Clause 52.29 regarding alteration to an access to a road in a Transport 2 Zone.

6.5.1 CLAUSE 52.06 – CAR PARKING

The purpose of Clause 52.06 includes:

- *To ensure the provision of an appropriate number of car parking spaces having regard to the demand likely to be generated, the activities on the land and the nature of the locality.*

As the proposed use is not specified within table 1 of Clause 52.06-5, and pursuant to Clause 52.06-6, car parking spaces must be provided to the satisfaction of the responsible authority.

A traffic assessment has been prepared by Traffix (Appendix H) and confirms the proposed car parking meets the anticipated demand generated.

6.5.2 CLAUSE 53.18 – STORMWATER MANAGEMENT IN URBAN DEVELOPMENT

The purpose of Clause 53.18 includes:

- *To ensure that stormwater in urban development, including retention and reuse, is managed to mitigate the impacts of stormwater on the environment, property and public safety, and to provide cooling, local habitat and amenity benefits.*

A Stormwater Management Strategy, prepared by Spiire is included at Appendix G.

6.5.3 CLAUSE 65 – DECISION GUIDELINES

Clause 65 sets out the general decision guidelines that the Responsible Authority must consider when determining an application.

6.6 OTHER MATTERS

6.6.1 CULTURAL HERITAGE SENSITIVITY

Part of the site is within a mapped area of Aboriginal cultural heritage sensitivity (ACHS). However, the facility area is not located within the mapped area of ACHS and under Regulation 7 of the Aboriginal Heritage Regulations 2018, a Cultural Heritage Management Plan is not required for the proposal.

A Cultural Heritage Assessment has been conducted and is included in Appendix J.

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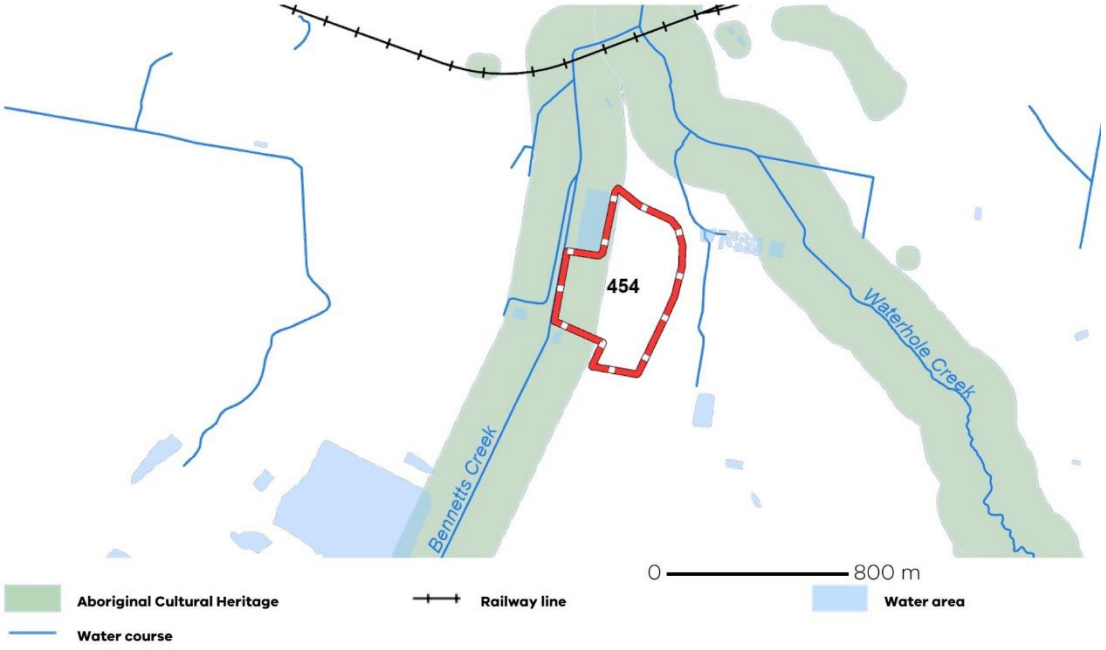


Figure 7: Aboriginal Cultural Heritage Sensitivity and subject site *Source: Vicplan*

6.6.2 LATROBE INDUSTRIAL & EMPLOYMENT STRATEGY, MAY 2019

The Latrobe Industrial & Employment Strategy (Live Work Latrobe) focuses on diversifying the region's economy and creating new job opportunities following the decline of traditional sectors like coal-fired power generation. The strategy aims to position Latrobe City as a key regional hub for new businesses and employment precincts. This involves re-aligning the workforce towards high-tech skilled manufacturing, including renewable and alternative energy generation, as well as industries like advanced mining, agriculture, and food processing.

The strategy also emphasises the importance of making land available for heavy industries. This includes the integration of large format/heavy industry businesses reliant on reliable power supply, and therefore creates a strong potential for the use of fuel generators. These generators are often essential for providing backup power, especially for heavy industrial operations that may require reliable and independent power sources, particularly in a region transitioning its primary energy infrastructure from coal to alternative energy sources.

6.6.3 VICTORIA ECONOMIC GROWTH STATEMENT

Victoria's Economic Growth Statement outlines a vision for a stronger economy by focusing on five key priority sectors: advanced manufacturing and defence, health technologies and medical research, the circular economy, digital technologies, and agribusiness.

The strategy is built on four core actions: opening doors for business, cutting red tape, building new skills, and reaching every community, particularly in regional Victoria. While the statement's primary focus is on a transition to a clean economy with a strong emphasis on renewables, it implicitly supports the use of fuel generators. This is evident in the government's recognition of the need for energy resilience and the importance of a reliable power supply for businesses, especially in regional areas and for critical infrastructure. The

government has also funded projects that include diesel fuel generators as part of energy backup systems for community hubs, acknowledging their role in ensuring continuous power during grid outages caused by severe weather or other disruptions.

6.6.4 VICTORIAN INDUSTRY POLICY, JUNE 2025

The Victorian Industry Policy, released in June 2025, builds upon the state's Economic Growth Statement by providing a framework to boost industry competitiveness, productivity, and resilience. Anchored by four core principles—aligning skills, growing the industrial base, capturing opportunities in emerging industries, and ensuring energy security—the policy aims to position Victoria as a leader in key sectors like advanced manufacturing, health, and the circular economy.

While the policy strongly emphasises the transition to a clean economy and renewable energy, it includes a crucial section on "Energy security and transition" that directly supports the continued and strategic use of diesel generators. This part of the policy acknowledges that a reliable and affordable energy supply is non-negotiable for industrial growth and that industries must be confident they can operate without interruption. By recognising the need to safeguard essential capabilities and improve the cost and ease of doing business, the policy supports the use of fuel generators for backup power, especially for heavy industries and in regional areas where grid reliability may be a concern during the transition to new energy infrastructure.

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7. PLANNING ASSESSMENT

This section provides an assessment of the proposed development against the relevant provisions of the Latrobe Planning Scheme (including the matters set out in Section 6 of this report).

7.1 DOES THE PROPOSAL SATISFY THE OBJECTIVES OF THE MUNICIPAL PLANNING STRATEGY?

This application has been prepared having regard to the Municipal Planning Strategy. The proposed use and development are consistent with the intent and provisions of the MPS for the following reasons:

- Clause 02.03-2 – Environmental and Landscape Values
  - The proposal does not result in the removal of any native vegetation and does not negatively impact habitat for any threatened species. The proposal also does not pose any significant bushfire risk.
- Clause 02.03-1 – Settlement
  - The proposal aligns with the key aim of continuing to support major industries located and establishing in and around Morwell and the significant opportunity to locate large format heavy industries to the south of the Princess Highway.
- Clause 02.03-7 – Economic Development
  - The proposal directly supports the ongoing development of the Morwell Industry Growth Corridor as the main industry growth area of Latrobe. The proposal also supports the retention of buffers between industrial and sensitive use areas where amenity is impacted.

7.2 DOES THE PROPOSAL SATISFY THE OBJECTIVES OF THE PLANNING POLICY FRAMEWORK?

This application has been prepared having regard to the Planning Policy Framework. The proposed use and development are consistent with the intent and provisions of the PPF for the following reasons:

- Clause 11 – Settlement
  - The proposal actively contributes to the sustainable growth of Victoria and in particular, the Gippsland region by future proofing electricity supply during peak times (Clause 11.01-1S).
  - The ongoing growth in the Morwell region is directly supported by the proposal. The proposal continues to support the area's distinct and protected (via the ESO1 buffer) industrial core, and will assist other industrial uses established in the area, noting that the demand for electricity will also grow and this facility will assist the networks capability in times of peak demand (Clause 11.01-1R).
- Clause 13 – Environmental Risks and Amenity
  - The proposal assists in the regions ability to adapt to the impacts of climate change by providing a peaking generation facility which directly supports the electricity network under times of high demand. With climate change impacts resulting in additional energy consumption, the proposal ensures this can be appropriately catered for by the network.

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- Clause 13.02-1S - Bushfire Planning
  - The proposal satisfies the requirements of Clause 13.02-1S by introducing a non-sensitive use to an area that is largely void of vegetation and exhibits a relatively flat topography. Furthermore, the site has good road access with multiple exit routes.
  - The Bushfire Management Overlay does not apply to the site. For these reasons and the relatively sparse vegetation on site and surrounds, the site is categorised as within an area that meets all the indicators of a low-risk environment (Type 2).
  - A water tank, appropriate bunding of the fuel tanks, appropriate fire emergency vehicle access routes and parking arrangements for fuel deliveries close to self-bunded diesel storage tanks have been adopted to mitigate fire risk.
  - It is submitted that the proposal satisfies the requirements of Clause 13.02-1S Bushfire Planning. Refer to the attached Bushfire Risk Assessment in Appendix F for further information.
- Clause 17– Economic Development
  - The proposal promotes like industries to locate within the same area. Clause 17.03-2S Sustainable industry encourage the long-term expansion of the Morwell Industrial Precinct.
- Clause 19 – Infrastructure
  - This energy generation facility includes a peaking generation system to provide essential support to the existing electricity network in times of peak demand. This form of facility ensures the community demand for electricity can be met into the future.

7.3 DOES THE PROPOSAL SATISFY THE OBJECTIVES OF THE INDUSTRIAL 1 ZONE?

The proposed use and development of the land for the purpose of an energy generation facility is consistent with the intent of the IN1Z. The purpose of the IN1Z is to accommodate manufacturing, storage, and distribution of goods and to protect the use of land for industrial uses. A peaking energy generation facility functions as a critical utility installation, a purpose permitted within the zone, and provides essential energy resilience to support industrial operations, particularly for heavy industries and those with high power demands, as well as the broader Morwell community.

The development is located within the Morwell Industrial Hub and is logically located to adjoining Ausnet 22kV and 66kV transmission assets.

Furthermore, the site's heavily industrial surrounds, including the former Morwell Open Cut Mine and the former Morwell Power Station (now the Energy Brix site) ensures that the proposed peaking energy generation facility will not comprise the operation of the existing industrial uses within the area.

Overall, the proposed development is consistent with the decision guidelines of the IN1Z relevant to an energy generation facility and provides an appropriate outcome for the site.

7.4 DOES THE PROPOSAL SATISFY THE OBJECTIVES OF ESO1?

The specific purpose of ESO1 is to manage the interface between the nationally and state-significant coal industry and nearby urban areas. The overlay's Statement of Environmental Significance explicitly notes the environmental impact of the coal industry and aims to protect urban settlements from it through designated buffer areas.

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The peaking energy generation facility supports the objectives of the ESO1. The proposed use is in an area that is a heavy industrial use, and is compatible with the established industrial character of the area, which includes the Morwell Open Cut Mine. Placing this facility within the IN1Z and the ESO1 buffer zone reinforces the Latrobe Planning Scheme's strategy of directing high-impact industrial activities to a location that is already designed to contain them, thereby safeguarding the amenity of sensitive land uses like residential zones.

7.5 DOES THE PROPOSAL SATISFY THE OBJECTIVES OF THE LSIO?

The Land Subject to Inundation Overlay (LSIO) is to ensure that any new development on this land is designed to be compatible with flood hazards. The overlay aims to protect life and property by preventing development from increasing flood risk for the community, ensuring the free passage and temporary storage of floodwaters, and minimizing potential flood damage.

The stormwater management response put forward as part of this proposal ensures the facility is built entirely out of flood water levels and that stormwater flows take advantage of the natural and existing gradient of the site towards the north-east. The proposed detention basin, swale and regrading of the site provides the most suitable response to reduce stormwater flows to predevelopment flow rates and satisfy stormwater treatment requirements.

The stormwater management response will minimise flood damage, protect human life and facilities assets.

7.6 DOES THE PROPOSAL PROVIDE A SUITABLE RESPONSE TO AIR AND NOISE QUALITY REQUIREMENTS?

The proposed peaking energy generators have been assessed with respect to both air quality and acoustic amenity, and the findings confirm that no adverse environmental impacts will occur.

The site is located within an Industrial Zone, which provides a relevant and supportive planning context for this type of use; the applicable noise and air quality criteria reflect the industrial character of the area, and surrounding land uses are consistent with a lower sensitivity receiver environment.

Acoustic modelling demonstrates that noise emissions generated by the operation of the diesel generators will not exceed the applicable noise limits prescribed under the EPA Victoria Noise Protocol for Commerce, Industry and Trade (Publication 1411), with predicted noise levels remaining within the permissible dB(A) LAeq criteria at all sensitive receiver locations in the surrounding area. Given the industrial zoning context, the more stringent noise criteria applicable to residential or mixed-use environments are not triggered, further reinforcing that the acoustic performance of the generators is entirely appropriate for the locality.

With respect to air quality, exhaust emissions from the generators have been evaluated against the requirements of the State Environment Protection Policy (Ambient Air Quality) (SEPP AAQ) and relevant APAC guidelines, and the assessment confirms that concentrations of key pollutants — including particulate matter, nitrogen oxides, and carbon monoxide — remain well within accepted threshold limits, even at a 'worst case 24/7 scenario. The air quality report similarly confirms that the closest receptors to the site will not experience adverse impacts as a result of the proposed generator operations, with modelled pollutant concentrations at these locations remaining below the applicable standards. The

siting, screening, and operational parameters, including the manifolds, of the generators have been designed to ensure compliance is maintained during the full life of the facility operations.

The results of both the acoustic and air quality assessments confirm that the proposed use of the generators at this site is consistent with applicable EPA and APAC standards and, when considered within the industrial zone context, will not result in any unreasonable off-site amenity impacts to adjoining or nearby land uses.

7.7 HOW DOES THE PROPOSAL SUPPORT THE VICTORIAN ECONOMIC GROWTH STATEMENT AND THE VICTORIAN INDUSTRY POLICY?

A peaking energy generation facility supports the objectives of both the Victorian Economic Growth Statement and the Victorian Industry Policy, particularly in the crucial area of energy security and business resilience. The Economic Growth Statement emphasises the importance of "Reaching Every Community" and creating a stronger Victoria underpinned by a strong regional Victoria. For this to happen, regional businesses, especially in priority sectors like advanced manufacturing and agribusiness, require a reliable and uninterrupted power supply.

A generator facility serves as a critical infrastructure asset that ensures this reliability, providing backup power during grid outages and thereby giving businesses the confidence to invest, expand, and innovate in regional areas like Morwell. Similarly, the Victorian Industry Policy explicitly states "Ensuring energy security as Victoria transitions" as a core principle. While the state moves towards renewable energy, the policy acknowledges the non-negotiable need for a stable and affordable energy supply to maintain industrial competitiveness.

A fuel based peaking energy generator, which can be brought online quickly to supplement the grid, directly contributes to this objective by shoring up energy resilience, safeguarding essential industrial capabilities, and preventing economic disruptions. The facility's ability to provide this critical stability aligns with the overarching objective of both documents to grow Victoria's industrial base and foster a productive, competitive, and resilient economy.

7.8 HOW DOES THE PROPOSAL SUPPORT THE LATROBE INDUSTRIAL LAND AND EMPLOYMENT STRATEGY?

A peaking energy generation facility directly supports the Latrobe Industrial & Employment Strategy by ensuring the region's energy security and enabling the diversification of its economy. The strategy aims to position the area as a key hub for new and high-tech industries, including advanced manufacturing and logistics, which require a reliable and resilient power supply.

The strategy specifically advocates for making land available for large format/heavy industry investment. By providing a source of backup power that can be brought online quickly during periods of high demand or grid instability, the proposed generation facility mitigates the risk of power outages. This provides industries with the confidence to invest in Latrobe City, aligning with the strategy's core objectives of fostering economic growth, attracting new jobs, and securing the region's future beyond its traditional reliance on coal-fired power.

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7.9 HOW DOES THE PROPOSAL SUPPORT PARTICULAR PROVISIONS OF THE LATROBE PLANNING SCHEME?

7.9.1 CLAUSE 52.06 CAR PARKING

Pursuant to Clause 52.06, there is no specific car parking rate applicable to an energy generation facility. As such, car parking is to be provided to the satisfaction of the responsible authority. Given the nature of the proposed development and infrequent access required, three (3) informal car parking spaces have been provided to cater for the expected demand.

The proposed car parking spaces will accommodate the expected parking demand, including up to 6.4m small-rigid vehicles for fuel deliveries. For further details please refer to the Traffic Assessment prepared by Traffix in Appendix H.

7.9.2 CLAUSE 53.18 STORMWATER MANAGEMENT IN URBAN DEVELOPMENT

The proposed development has considered stormwater management, achieving the requirements of Clause 53.18-2. The submitted Stormwater Management Plan confirms how the proposed development reduces the impact of stormwater on the local drainage system and details infrastructure required on site to ensure this. Please refer to Appendix G for further details and response above to the LSIO.

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8. CONCLUSION

The proposed energy generation facility is consistent with the relevant provisions of the Latrobe Planning Scheme for the following reasons:

- The proposal will provide important infrastructure to help meet community demand for energy services in direct accordance with Clause 19.01-1S.
- The proposal will facilitate an essential connection with the State-wide energy network to ensure its reliable and stable operation into the future.
- The development of an energy generation facility is compatible with the intent of the IN1Z and will provide critical energy supply for other industrial uses during times of peak demand.
- The proposal incorporates appropriate bushfire and stormwater mitigation strategies to ensure the site minimises bushfire and flood risk across the site and surrounds.
- The intended use is compatible with and complementary to the surrounding industrial estate and the objectives of ESO1 and LSIO.
- The proposal presents no adverse noise impacts.
- The expected traffic demand on the local road network is negligible, and the expected car parking demand generated can be fully catered for on the subject site in accordance with the requirements of Clause 52.06-6.
- The Flora and Fauna Assessment confirms that no native vegetation removal is required to facilitate the project.
- The air and odour quality impacts that the proposal will have are considered acceptable in the context of the industrial setting the facility will be located in.

On the basis of the above, it is considered the proposed development will achieve a land use and development outcome which is consistent with that sought by the Latrobe Planning Scheme and that is appropriate for the site and surrounding area.

Accordingly, it is requested that the Minister issue a permit in support of the proposed use and development.

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APPENDIX A

LAND TITLE

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APPENDIX B

CONCEPT AND LAYOUT PLAN

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APPENDIX C

AIR QUALITY IMPACT ASSESSMENT

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APPENDIX D

ACOUSTIC REPORT

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APPENDIX E

BUSHFIRE HAZARD ASSESSMENT

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APPENDIX F

STORMWATER MANAGEMENT PLAN

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APPENDIX G

TRAFFIC ASSESSMENT

APPENDIX H

FLORA AND FAUNA ASSESSMENT

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APPENDIX J

CULTURAL HERITAGE DUE DILIGENCE