

Farmer fears potential public liability insurance risks living next door to Neoen's Culcairn solar farm

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ABC Rural

Alternative Energy

Wed 12 Jun 2024 at 11:18am



Mr Pumpa has concerns for the future of his business. (ABC Goulburn Murray: Faith Tabalujan)

In short:

A farmer from southern New South Wales is concerned about the amount of public liability insurance available in light of a solar farm development next to his property.

Stephen Pumpa fears he would be liable if a fire spread from his place to the solar farm.

What's next?

He is hoping for a solution before construction of the solar farm is completed in 2026.

A push to build a solar farm next to the land Stephen Pumpa's family has been working for four generations has the southern NSW farmer worried.

The Culcairn solar farm, which is expected to be operational by 2026, will cover 1,000 hectares and share a 7-kilometre boundary with the Pumpas' property.

Mr Pumpa said he was concerned about a fire starting on his property and spreading to the solar farm.

He said the \$50 million he had in public liability insurance might not be enough.

"It would only take a small fire or something like that to get into that development and we wouldn't have enough funds to cover that damage," he said.

He said \$50 million would easily cover a house rebuild, shed rebuild, livestock, and fencing.

"But when it comes to rebuilding an industrial estate or the loss of production on that, it just doesn't add up," he said.



Stephen Pumpa is concerned about the risks associated with the solar development. (ABC Goulburn Murray: Faith Tabalujan)

In a statement, a spokesperson for the Rural Fire Service said that while a fire burning near a solar farm may require a different approach due to the potential electrical hazard, the presence of a solar farm would not stop firefighters from fighting the fire.

The spokesperson also said that under section 63 of the Rural Fires Act 1997, landholders and occupiers of land had a responsibility to prevent the risks of spreading fire on their land.

Mr Pumpa said he and the developer had taken that into consideration.

"On one side of my property I've fenced a laneway to give a break," he said.

"They will have a fence and a roadway around their inside but basically to get coverage we need indemnity," Mr Pumpa said.

"I don't think it's unreasonable that the solar institution should bear some of the responsibility moving into a rural area and putting industrial works in that area."

Company perspective

Neoen, the company behind the Culcairn development, was approached for comment.

It referred the ABC to [its website](#) which states the company "will have its own insurance policy in place to provide coverage in the unlikely event that solar farm equipment is damaged by fire".

The company says adjoining landholders would have to be negligent in causing damage to have any liability for fires that spread from their property to the solar farm.



The Culcairn development will implement an insurance policy to provide coverage. (Supplied: Culcairn Solar Farm)

In a statement, a spokesperson for the Department of Planning, Housing and Infrastructure said the department was aware of concerns being raised by stakeholders and it was continuing consultation with the insurance industry.

The department has released a draft policy framework document that aims to provide guidance on solar, wind, and transmission projects.

"While negotiations on outcomes between landholders and developers are a private matter, the draft framework does include guidance on private agreements and benefit sharing with local communities," they said.



Mr Pumpa says more regulation and planning should be implemented in renewable energy zones. (ABC Goulburn Murray: Faith Tabalujan)

Insurance costs rising

The Insurance Council of Australia said the rising cost of cover had nothing to do with renewables.

"Premiums are rising because of the escalating costs of natural disasters, the increasing value of homes and vehicles making them more expensive to replace, and inflation pushing up building and vehicle repair costs," the council said in a statement provided to the ABC.

"Solar farms are not currently impacting or influencing the price of insurance."

According to the insurance council, insurers have not raised concerns about rural properties neighbouring energy infrastructure and it has not been a primary driver of claims denials.

Despite his concerns about insurance, Mr Pumpa said he would continue to farm alongside the development.

"We can't do anything, it's been signed off and approved along with three others in the shire ... and they're going ahead with them," he said.

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