

The Nant y Moch Wind Farm

Community Liaison Group

Tenth Meeting
23rd of February 2011 at 7.00pm
Neuadd Goffa Talybont

Minutes

Chair: Hazel Lloyd Lurban Ceredigion's Association of Voluntary Organisations

Active Members:

Gerwyn Jones	Ceulanamaesmawr Community Council
John Jones	Blanerheidol Community Council
Andy Rowland	Ecodyfi Manager
Anwen Haynes	Llancynfelin Community Council
Gareth Daniel	Melindwr Community Council
Wynne Jones	Pentir Pumlumon Development Officer
Richard Owen	Trefeurig Community Council
Harry Tolland	Ysgybor y Coed Community Council
Madeline Cowley	Project Manager, SSE Renewables

Observers:

Dai Dudley	Blaenrheidol Community Council
Eirlys Lloyd	Ceredigion County Council
Allan Lewis	Ceredigion County Council
Vanessa Garwood	Regeneration Manager, Powys County Council
Lowri Jones	Regeneration Officer, Powys County Council
Eluned Morgan	Director of National Development for SSE
Eluned Lewis	Community Liaison Officer, SSE Renewables
Ross Easton	SSE

Secretariat: Eluned Lewis Community Liaison Officer, SSE Renewables

Translator: Eurwen Booth

Apologies:

Monica Boehringer	Forestry Commission Wales
Michael Phillips	Dulas

1. Welcome and Introductions:

Hazel Lloyd Lurban welcomed everyone to the tenth meeting of the Community Liaison Group (CLG). A round the table introduction took place.

2. Apologies' received:

The above apologies were noted. Representatives were reminded that if they are unable to attend they should inform the Alternate Active Member in order to ensure that the organisation is represented at the meeting and involved in any decision making which takes place.

3. Declarations of Interest:

Hazel Lloyd Lurban asked if there were any declarations of interest, of which there were none. It was noted that if any arise during the course of the meeting they would be noted.

4. Agree the minutes of the last meeting – Active Member discussion:

Hazel Lloyd Lurban asked members to look over the minutes of the last meeting page by page before confirming them as accurate. Richard Owen proposed the minutes as an accurate record of the meeting and all agreed with this.

5. Matters Arising from the minutes:

There were no matters arising from the minutes.

6. SSE Community Benefits Policy:

Madeline Cowley introduced Eluned Morgan the Director of National Development for SSE in Wales to the group. Eluned Morgan thanked the members of the Community Liaison Group for their involvement so far with the engagement process and for attending tonight's meeting. She went on to talk through the Community Benefits Policy for SSE which has been agreed by the Board and the Chief Executive of SSE. The amounts were as follows:

A fixed payment of Valued at £2,000 (as at 1 April 2008) for each megawatt (MW) of installed capacity. This is around £256,000 based on the lower capacity figure of 128MW and is payable for the lifetime of the project (or 25 years, whichever is shorter). The payment is indexed annually to RPI (maximum of +3%; if deflation, previous year's payment maintained).

A variable payment which is a bonus annual payment relating to the performance of the wind farm (payable in relation to 25 years of net annual output) and linked to the existing UK Government 'Renewables Obligation Order' incentive scheme (2.5% share of recycled Renewable Obligation Certificate (ROC) price). The annual variable payment for the Nant y Moch wind farm's output is expected to be around £46,525 based on the 2008/09 Recycled ROC figure published by Ofgem. However, due to the nature of the payment, the value will vary, and could equally fall to nil should the recycled ROC (buy-out) price fall to zero in any year, the wind farm ceases to generate, or the Government's scheme be withdrawn.

A one off Energy efficiency/social enterprise fund with a one payment of £384,000 based on the lower wind farm capacity of 128MW. Should the installed capacity change, this figure will be amended accordingly.

Following this there was a lengthy discussion with a number of issues raised:

Gerwyn Jones asked if the fund could be used to provide cheaper electricity to people in the area and Eluned Morgan explained that it could not. Gerwyn Jones responded that there were caveats to what the fund can be used for, and ultimately it was SSE's decision on what it is spent on. Eluned Lewis responded that there are caveats to the fund, and that this is standard practice and has been made clear by SSE. These caveats include: that the fund is not to be used for individual or personal gain, political or religious activities or for statutory obligations and responsibilities undertaken by the Local Authority. Gerwyn Jones responded again by saying that given the current economic situation, where the Local Authority are making substantial cuts this is an unfair predetermined criteria made by SSE which might not be in the best interest of the community.

Harry Tolland stated that it was clear that the fund had not increased and that there was no opportunity to negotiate the amount of community benefits funding payable on this project with SSE. He added that the members had agreed at the last meeting not to sign the Statement of Community Involvement unless there was an opportunity to negotiate on this. Eluned Lewis agreed that the members had made their depth of feeling on this matter clear at the last meeting, but that SSE had been consistent in their response on this issue. Eluned Morgan responded by saying that SSE treat each community in the same way by offering a standard amount on all wind farm projects. Richard Owen asked on what basis SSE have made this decision on the amount payable and Eluned Morgan replied that it was based on a commercial decision and the amount is higher than average currently being paid on wind farm projects in Scotland. Gerwyn Jones suggested that the amount should be based on the average which was being offered in Wales, not Scotland, and that at the last meeting it was stated that a wind farm project in Powys is paying £5,000 per MW. Ross Easton stated that SSE could not comment or speculate on what other companies were paying or the terms of the payment and reiterated what SSE's community benefit which was payable on this project. He added that in other instances it was actually helpful that SSE have a standard policy as this is a fair and reasonable approach to distributing community benefit funding.

Harry Tolland asked if the expected profit margin on this project could be disclosed and Ross Easton replied that SSE did not disclose this information or on any specific individual generation project within their portfolio. Harry Tolland responded by stating this was simply not good enough. Gerwyn Jones added that SSE had raised the amount of community benefit payable on this project some time ago and didn't understand why they would not be willing to do this again. Eluned Morgan answered that the amount payable was the standard amount and Eluned Lewis added that the amount had only increased in the past after SSE's take over of Airtricity and the community benefit funding payable being brought in line with that of SSE's standard policy.

Hazel Lloyd Lurban stated that she felt that there had been significant discussion around this issue, and that it was clear that the members felt strongly about the amount of community benefits funding payable on the project. She added however that this may not be the correct forum to continue these discussions as the developer SSE Renewables has made it clear that there will be no negotiation on the amount payable. She suggested that a way forward would be for the members to discuss this issue again separately without the developer present and asked the members if this was something they wished to consider. No answer was given.

7. Statement of Community Involvement:

The discussions moved on to the Statement of Community Involvement (SOCI) and Eluned Lewis reminded the members of the Terms of Reference which they all agreed to at the time of the Community Liaison Group's inception, that the group's main work was to agree and oversee the community engagement plan process, which it has done very effectively, and originally to discuss the framework for the community benefits ie the type of projects which could be funded and added that this didn't include discussions on the amount. She asked the group therefore to consider if they were now in a position to agree the SOCI.

Harry Toland stated again that the members had agreed not to sign unless the amount of community benefits funding could be discussed. Allan Lewis stated that he felt uncomfortable with the discussions as it was apparent that members of the Group only wished to negotiate on the amount of community benefit funding payable by SSE and compared this to "feeding at the trough" and that this was hindering them from agreeing the Statement of Community Involvement which was a separate matter. Harry Toland countered this, with regrets that Allan Lewis was uncomfortable with the request for an improved benefits package, but at the same time cared little for his discomfort but was more interested in gaining as much for our communities as was possible. Allan Lewis stated that he felt that the Group, originally set up to provide advice on consultations and to guide the community engagement process had now transformed itself away from its purpose and has veered towards becoming a pressure group lobbying for additional community benefits. He stated that it was correct and to be expected that the community should strive to maximise any financial benefits, and this should be undertaken separately to the aims and objectives of the CLG. He asked the group if there was anything wrong with the community engagement process, and suggested if the answer was yes then the group should not to agree the document, but if the answer was no then it should be agreed and the discussions regarding community benefits kept separate. Anwen Haynes added that there is general consensus that the community engagement has been carried out by SSE but that the community benefits issue was too significant a matter to ignore.

Vanessa Garwood asked if the changes agreed at the last meeting had been made to the document and Eluned Lewis replied that it had been amended as agreed and circulated new copies to the members. Vanessa Garwood added that a number of issues being discussed at the same time but that it was important to remember that things needed to be separated. She made the point that the SOCI is a document which records the activities conducted during the community engagement process. Secondly, the community benefit funding is separate to and outside of the planning process and thirdly, if anyone is unhappy about the development then they can object through the planning process.

Anwen Haynes asked if the planning application would be rejected by the Infrastructure Planning Commission if the SOCI was not agreed and signed off by the Community Liaison Group members. John Jones stated that the IPC would reject the application on this basis and added that he had serious concerns about the process as SSE had not discussed the community benefit funding and had also not responded to concerns about the impact of the proposed wind turbines on the dam wall at Nant y Moch. Madeline Cowley answered that it was not likely that the IPC would reject the application if the SOCI was not agreed but that criticisms of SSE's consultation process would be taken seriously as the IPC are required to judge whether the project had consulted adequately. Eluned Lewis noted that regarding the issue of the impact to the dam wall, this had been raised with the noise and vibration experts Hayze Mackenzie and they had reported it was not a concern. She added that this information had been sent to Blaenrhedol Community Council. Madeline Cowley added that she

would ensure further more detailed information would be provided. Gerwyn Jones stated that he did have concerns about the effectiveness of the community engagement, saying that he had commented previously that the attendance at the public exhibitions had been low. Andy Rowland added that in his opinion it wasn't about how many attended, but more about how many asked questions and got answers.

Eirlys Lloyd suggested that a way forward needed to be found. Allan Lewis suggested if the members felt that they could not agree and sign the SOCI document simply because the Group was unable to achieve a satisfactory conclusion on the amount of community benefit funding then appropriate wording should be drafted and inserted explaining the Group had completed the original task in community engagement and was now in the throes of trying to secure additional funding and, for this reason, the members feel it would be inappropriate to sign the SOCI. Hazel Lloyd Lurban suggested another way forward was for her as the Independent Facilitator to sign off the document. Eluned Lewis added that the section 4 of SOCI could include statements from the individual member organisations and urged the members to make use of this opportunity. Hazel Lloyd Lurban asked if the group was in agreement with Allan Lewis's suggestion to include a new paragraph explaining why the SOCI was not signed off by the CLG and for each member organisation to include their own statements if they so wished. All agreed with this. Statements would necessarily have to come from, and to represent the formal views of the member organisation, individuals making comments can do so but in their own name. CLG members were reminded that comments on the community engagement process and any representations on the actual development proposal are two separate issues for the member organisations and the individuals to be mindful of.

Gerwyn Jones raised concerns about how the relationship between some CLG members and SSE seemed to have deteriorated to the point that he really questioned SSE's commitment to actually engaging with the Communities rather than merely going 'through the motions' and 'ticking the box' with regards the consultation exercises. Hazel Lloyd Lurban asked if members wanted her as the Independent Facilitator to sign the document and Gerwyn Jones replied he did not think this was appropriate.

Vanessa Garwood also spoke at length, mentioning not only the £5000 per MW afforded to some communities in Powys but also that some of the comments made by CLG members suggested that with hindsight members seem to have considered that the process was inadequate or flawed. And that if this was the case they may wish to say this as a comment on the process. Which may or may not be considered by the IPC in its evaluation of the pre planning community consultation activity.

Eluned Morgan asked if there would be an accurate record of this process and Eluned Lewis replied that the minutes of this meeting would reflect the discussions and agreements made and that their approval would be sought after allowing a suitable time to receive amendments or comments from the members. It was discussed and agreed the need to receive any statements by any member organisation along with accompanying minutes for the meeting where the statement was discussed and agreed by the 22nd of April for them to be included. Eluned Lewis would confirm this in further correspondence with the members.

9. Any other business:

There being no further business Hazel Lloyd Lurban thanked everyone for their attendance and the meeting was closed.