

CLACKMANNANSHIRE COUNCIL

Report to Council of 18th December 2008

Subject: Erection of Wind Turbines

Prepared by: Peter Morrison, Property Team Leader

1.0 SUMMARY

- 1.1. This report gives details of a proposal to site four wind turbines on the former landfill site at Forthbank, Alloa and highlights the issues and benefits.
- 1.2. It also seeks agreement to progress to the development stage of the project and details the process of consultation that will take place if the proposal is approved by Council which will include:-
- Clarification of risks
 - Risk resolution and technical studies
 - Environmental Impact Assessment
 - Consultation
 - Planning application and determination
- 1.3. The costs of the development work will be borne by Partnership for Renewables (PfR) with no financial implications for the Council beyond the necessary officer time required to facilitate the development process.

2.0 RECOMMENDATION

- 2.1. Council is asked to agree that a standard lease option is concluded with Partnership for Renewables (PfR) to proceed to the development stage, over a period of 24 to 36 months, for the proposal to site four wind turbines on the former landfill site at Forthbank, Alloa.

3.0 BACKGROUND

Partnerships for Renewables

- 3.1. Partnerships for Renewables (PfR) is a Carbon Trust Enterprise company independently funded jointly by the Government and the private sector. Its objective is to accelerate the transition to a low carbon economy and is focused on identifying opportunities to work in partnership with public sector bodies to develop and manage onsite renewable energy projects.
- 3.2. PfR was created as a one-stop shop to develop projects from conception to completion by funding, developing, constructing and operating renewable energy assets. It offers a low risk, minimal cost renewables solution for public sector bodies to access the economic and environmental benefits associated with renewable energy and contribute to climate change. The initial focus is on single or multi-turbine wind projects, typically using 2.3MW machines on 80 metre towers.
- 3.3. The Carbon Trust created PfR in 2006 and in March 2008 they successfully secured a major strategic partner, when HSBC Environmental Infrastructure Fund committed up to £18 million to acquire 49% of PfR, in a deal which gave PfR access to £100m of equity and development funding.
- 3.4. With its funding and development resources fully in place, PfR has been tasked by government to become a major renewable energy company with an initial target to deliver 500mw of onshore wind generating electrical power to supply the equivalent of 230,000 homes.

Work in Clackmannanshire to Date

- 3.5. The Council were approached in May 2008 by PfR regarding possible locations for wind turbines in Clackmannanshire.
- 3.6. Following initial screening and feasibility investigations the Forthbank site was identified for the possible sighting of four 80m high turbines and PfR have now approached the Council for permission to undertake a more detailed study as part of the development process.

4.0 DEVELOPMENT PROCESS

- 4.1 The objective of the development process is to deliver an implementable planning permission which maximizes the installed capacity of sites and ensures that the Local Planning Authorities concerns have been addressed.

4.2 The development of a site for wind energy is divided into eight stages, within which a host of different activities are undertaken. The eight stages are:-

1. **Bulk and Site Screening:** Landholdings are assessed against set pass/fail criteria.
2. **Project Feasibility:** Site specific Feasibility Report; including identification of key risks, consultations and constraints.
3. **Development Phase 1:** Clarification of key site risks and objections.
4. **Development Phase 2:** Resolution of key site risks.
5. **Development Phase 3:** EIA, planning application and planning permission.
6. **Post Consent:** discharge of conditions.
7. **Construction.**
8. **Operation.**

4.3 The work undertaken in stages 1 & 2 has been completed and is described in paragraphs 3.5 & 3.6 above. This report seeks approval to allow PfR to proceed to stages 3-5 over the next 24-36 months.

4.4 A standard set of legal documents has been tailored for public sector specific requirements. The framework greatly simplifies the Council's need to demonstrate compliance with Public Procurement Regulations.

5.0 CONSULTATION

5.1 Prior to developing the project further a communications strategy will be developed by PfR in consultation with the Council. This will clarify roles and responsibilities and help to ensure a co-ordinated approach throughout the development process.

5.2 PfR want to ensure that the local community is consulted and involved throughout the development process and that the consultation process is tailored to the specific project. To do this they will work closely with the Council and local community groups to ensure that the consultation process is both relevant and accessible.

5.3 A copy of the detailed project communication strategy can be made available on request. However the main points are:-

Who will be Consulted? - A key part of the consultation programme is to identify key stakeholders – community groups, local interest groups, constituency MPs, councillors and media. Throughout the development process the list of key stakeholders will grow. PfR will ensure that project information is provided to these groups in a timely fashion. It would be PfR's intention to ensure that key groups and individuals have access to information prior to it being made available to local media.

Timing - PfR consult at a very early stage of project development. By involving the local community throughout the development process and giving

them access to information as it becomes available the local community is able to feel part of the development process.

Consultation Tools - The consultation programme will be developed specifically for the project and location. However a number of consultation tools are likely to be used:-

- Website
- Public exhibitions
- Newsletters
- Presentations
- School visits
- Permanent displays
- House visits
- Wind farm visits

Community Input - The community will be encouraged to get proactively involved in the development in several ways:

- Local environmental groups are invited to liaise with the independent consultants.
- Local interest groups are invited to help shape the community consultation programme.
- PfR will provide example planning conditions to the local community. This enables both supporters and objectors to seek reassurance from the planning officer that certain standards will be adhered to if the application is approved.
- If a development goes ahead a community fund, receiving an annual payment will be established. The fund is administered by representatives of the local community, to be spent in any way that the community sees fit. Consultation will take place to discuss how this package will be administered and organised.
- The local community will be asked to help us develop traffic and construction management plans. These plans specify the details of how PfR will operate on the ground to build the project.

6.0 SUSTAINABILITY IMPLICATIONS

6.1 There are several sustainability implications associated with this project these include:-

- Development of a green energy source
- Savings of 8900 tonnes of Co2 emissions per annum
- Use of a redundant land resource
- Visibility of masts
- Migratory birds
- Local SSSI
- Radio communication links

- Protection of the encapsulated methane on site
- Background sound emissions

6.2 All of these areas will require to be assessed and dealt with to meet the requirements of Council Policies, Strategies, Plans and guidelines.

7.0 FINANCIAL IMPLICATIONS

7.1 There are no costs to the Council associated with the development other than officer time.

7.2 The project will provide an income to the Council in two areas:-

Revenues from land leases - These are 6% of total electricity revenues in the first 10 years of the project, rising to 8% from year 11. A minimum payment of £3200/MW installed is guaranteed, irrespective of actual operations. Independent benchmarking is available to demonstrate value for money. If four wind turbines were installed this would produce an estimated income of £119,500 per annum in years 1-10 and £169,300 per annum in years 11-20 based on a twenty year lease agreement.

Potential lower electricity costs - Where projects can feed an onsite energy demand, PfR can provide a long term electricity supply contract at a substantial discount to market prices. Accurate projections of potential savings are difficult to provide given the fluctuating nature of current energy prices. Using an open book approach PfR disclose the technical assessments and commercial economics based on project-specific financial modelling, providing transparency to the Council.

7.3 In addition as outlined earlier a community benefit fund can be established for improvements in the adjacent area.

8.0 CONCLUSIONS

8.1 The project if completed would contribute to reducing the Councils Carbon footprint, produce outputs from a redundant landfill site and provide an element of income to the Council with no financial investment required.

8.2 The project would put the Council on the road to meeting our renewable energy, sustainability and climate change objectives. It will also assist with statutory targets that are undoubtedly to be set for Scottish authorities in the near future.

9.0 DECLARATIONS

(1) The recommendations contained within this report support or implement Corporate Priorities, Council Policies and/or the Community Plan:

- **Corporate Priorities (Key Themes)** (Please tick ☒)

- | | |
|---------------------------------------|-------------------------------------|
| Achieving Potential | <input type="checkbox"/> |
| Maximising Quality of Life | <input type="checkbox"/> |
| Securing Prosperity | <input type="checkbox"/> |
| Enhancing the Environment | <input checked="" type="checkbox"/> |
| Maintaining an Effective Organisation | <input checked="" type="checkbox"/> |

- **Council Policies** (Please detail)

- **Community Plan (Themes)** (Please tick ☒)

- | | |
|--------------------------------|-------------------------------------|
| Community Safety | <input type="checkbox"/> |
| Economic Development | <input type="checkbox"/> |
| Environment and Sustainability | <input checked="" type="checkbox"/> |
| Health Improvement | <input type="checkbox"/> |

(2) In adopting the recommendations contained in this report, the Council is acting within its legal powers. (Please tick ☒)

(3) The full financial implications of the recommendations contained in this report are set out in the report. This includes a reference to full life cycle costs where appropriate. (Please tick ☒)

Head of Service

Director



Report to Council

To accompany all Reports to Council

To: Head of Administration And Legal Services

Author: Peter Morrison

Date: 17 November 2008

Service: Development & Environmental Services

Date of Meeting: 18th December 2008

Title of Report: Erection of Wind Turbines

Recommendation that the attached report be:

1. Given unrestricted circulation

✓

(tick appropriate box)

2. Taken in private

By virtue of paragraph ____ of schedule 7A, Local Government (Scotland) Act 1973.

Appendices attached to this report (if none, state "none")

1. None

2.

3.

4.

List of Background Papers (if none, state "none")

1. Partnerships for Renewables - Feasibility Study October 2008

2. Partnerships for Renewables - Project Communication Strategy

3.

4.

Note: All documents specified must be kept available by the author for public inspection for four years from the date of the meeting at which the report is considered.

