

1. Relevant Background Information for this Application

This section comprises 4 sub-sections:

- 1.1 Previous rejection of this site by nPower
- 1.2 The applicant and associated companies
- 1.3 Dunsland Turbines Opposition Group (DTOG)
- 1.4 Bradford & Cookbury Parish Council (BCPC)
- 1.5 Torridge District Council: statements and commitments

1.1 Previous rejection of this site by nPower

1.1.1 It is understood that the landowner, Mr. Tony Marsh, bought the site approximately 10 years ago. This is not the first time he has tried to get a wind farm built on it. nPower (formerly National Power) studied the site approximately 6 years ago and subsequently decided not to proceed with any planning application. nPower is one of the largest electricity generating/supply companies operating in the UK, ranking alongside EDF (Electricité de France), Scottish Power (Iberdrola Group, Spain), Scottish and Southern Energy (now trading in wind power as Airtricity), Centrica (British Gas), E.On (formerly Powergen, Germany) and British Energy (Nuclear, soon to be majority-owned by EDF).

1.1.2 Mr. Marsh will not be able to hear the turbines from his home 3 kilometres away.

1.2 The applicant and associated companies

1.2.1 Bolsterstone plc is a project management company representing a commercial property and investment group based in Chesterfield. The commercial property market has virtually ground to a halt in 2008. New office developments and warehouses remain over-supplied, unsold and unoccupied. Very little new build is being started. Wind farm development could be a welcome and lucrative diversification for the group.

1.2.2 Bolsterstone is on record as saying that it:

'moved into wind energy with "an initial tranche of £50 million earmarked for investment in renewables". The majority of the spending will be in onshore wind power.' (<http://www.renews.biz/examples/reNews141.pdf>)

1.2.3 This first part of this statement implies that £50 million is in position and ready to use. This is not true. Mr. Mike Corker, who is in charge of all of Bolsterstone's wind farm projects, confirmed at the public exhibition for the Dunsland Cross Wind Farm, held at Bradford & Cookbury Village Hall on 24th and 25th October, 2008, that no funding was yet in place for any of the projects, nor would it be until potential investors could be satisfied that there was proof of economic viability and that planning permission had been granted.

1.2.4 The financial affairs of applicants are not the province of planning officials as they seek to determine valid applications. **Torridge District Council (TDC) should be mindful of the information in paragraphs 1.2.5 - 1.2.16 below**, however, if it is to avoid the possibility of a messy and expensive planning problem in the years to come.

1.2.5 Inspection of Bolsterstone's accounts, made up to 31st December, 2007 and filed at Companies House, shows that the consolidated net asset value of the Bolsterstone group of companies was very substantially less than the sum stated in paragraph 1.2.2. The accounts of

the company set up specifically for this wind farm, Bolsterstone Innovative Energy (Holsworthy) Ltd., were dormant as of the same date. Since then, property values have fallen considerably.

1.2.6 If this application is granted planning permission in 2009 it is not likely to be turning a profit until 2016 at the very earliest. Site development constraints at Dunslund Cross, coupled with a sub-optimal wind resource, are likely to reduce the appeal of this project as an investment opportunity. In a market where other renewable energy projects, including other wind farms, would offer significantly better returns, a wind farm at this location might not be considered sufficiently attractive to venture capitalists and other investors.

1.2.7 The world-wide economic difficulties (the 'credit-crunch'), coupled with spiralling turbine costs and supply difficulties, may mean that the developer might struggle to complete this wind farm in the time frame stated in its community newsletter, in the event of planning permission being granted. It is possible, however, that the developer could call on reserve funds held in the name of a foreign company which may have been created for legitimate tax planning purposes.

1.2.8 The applicant might protest that the risk in the project is a concern for the developer alone, but **there is considerable risk in this project for Torridge District Council** as well. TDC must be mindful that a situation could arise whereby planning permission is granted but no wind farm is ever constructed. Even worse would be that the project is started and halted; the 'white elephant' scenario. This proposal has already blighted the lives and the ability of local residents to market their properties by the very nature of its existence and the uncertainties surrounding it. This situation could persist until any planning consent expires naturally in the event of the developer failing to proceed with the project. TDC has a duty of care not to expose its residents to such an outcome.

1.2.9 The applicant has stated that it is seeking planning permission for a wind farm at the site for 25 years, after which one of two things could happen: the site will be re-powered with bigger, more powerful turbines, subject to a new planning application, or the wind farm will be decommissioned, the turbines removed and *'the site will be restored to its former state'*. (Bolsterstone community newsletter, October 2008) The 'former state' referred to is not strictly true as the Environmental Statement accompanying the application makes it clear that concrete foundations will just be top-sliced and covered, underground cables will be cut and left *in situ* and access tracks and roads will be left behind. TDC should be mindful that any guarantees given by the developer to return the site to its 'former state' will be worthless if the company ceases to exist or sells the site and moves on before the end of the 25-year period. Decommissioning wind farms is a very expensive business since, despite the shortcuts described above, it still involves the removal of thousands of tonnes of concrete and associated buildings and infrastructure.

1.2.10 In order to make sure that TDC is not left with the responsibility of restoring the site to its former state it should insist that the developer, or the landowner, or both, tender a bond, guaranteed by the developer's and/or landowner's bank, for an estimated value of the site clearance costs. This is common practice in applications involving authorities and tenders for major works. It shows that the applicant is willing to demonstrate a commitment to complete the project if the application is successful. Such a bond would be returnable to the developer or landowner upon the successful restoration of the site at the end of 25 years. The holding of the bond for the duration could be used to enhance the finances of TDC.

1.2.11 An alternative to a bond would be for TDC to accept a lien from the developer or landowner, or both, for future revenue from the wind farm, the lien taking priority over any repayments to investors, shareholders or associated companies.

1.2.12 A further alternative would be to insist upon a Section 106 agreement for the decommissioning of the site, the agreement being relevant to the land and binding upon any owner of the land now, or in the future, if the site is sold.

1.2.13 If minded to approve this application, TDC planners should seek advice from specialists with regard to the issue of financial guarantees for the project before any planning permission is granted.

1.2.14 The council should also realise that, in the granting of any planning permission for this industrial development it will be re-classifying the land from greenfield to brownfield with all the future development implications this carries. Such a change of land classification immediately adjacent to a SSSI, as is the case at Dunsland Cross, would be unacceptable.

1.2.15 The council should also investigate the *modus operandi* of the company. It has created approximately 20 companies for its future wind farm projects, with registered names such as 'Bolsterstone Innovative Energy (Seventeen) Ltd.' As the projects near the application stage the company name is switched, thus 'Bolsterstone Innovative Energy (Three) Ltd.' became 'Bolsterstone Innovative Energy (Holsworthy) Ltd.' The limit of liability will be set very low.

1.2.16 TDC should investigate whether Bolsterstone intends to retain ownership of this wind farm once it is built and operational. Since it has no history of wind farm development, the council should examine if it has a history of building and selling, either before or just after completion, in other development projects. It may be the intention to contract out the operation of the wind farm. TDC might have a difficult time pursuing or enforcing conditions if the ownership changes or if the operation is under the auspices of another company.

1.2.17 Economic viability for a wind farm project can only be proven by 12 months' worth of anemometer data collected at the site. Bolsterstone will not have this data available at Dunsland Cross before March 2010 at the earliest, so it seems foolhardy to be applying for planning permission for this wind farm at this stage.

1.2.18 Writing in reference to Bolsterstone's Brixworth Wind Farm proposal to be submitted to Daventry District Council, Professor Michael Jefferson made the following comments:

'Bolsterstone is an unusual applicant, their previous experience being in industrial estates, office blocks, retail parades, and – the nearest perhaps they get to renewable energy and climate change mitigation – the construction of 22 (yes, 22) advanced eco-friendly homes in Norwich (the "Ecotessey Park" development). Although for the latter Bolsterstone claim "all our thinking is aimed at the future when the climate will be warmer and energy more expensive", this outlook does not seem reflective of the total corporate endeavour. Such, however, is the generosity of the Renewables Obligation scheme to investors (a 4-5 year payback period and 25% per annum internal rates of return are not considered unusual) that Bolsterstone claims to have access to an initial tranche of £50 million "in conjunction with funders" for "investment in renewables, of which the majority will be invested in onshore wind power". For various reasons, backed by sources and data given in the Background section above (which can be found at www.stopbrixworthwindfarm.co.uk/brixworth-wind-energy-proposal/ :DTOG), these ambitions in fact reflect over-generous rewards to investors and result in the sub-optimal siting of many wind energy developments in relation to the electricity they generate and the carbon emissions they avoid.

*The conclusion to be reached is that **Bolsterstone does not have experience in renewable energy in general, or wind energy in particular**, but the scale of subsidies from electricity consumers on offer through the UK's Renewables Obligation scheme clearly supports their "ambitions to become a major provider of 'green energy' in the UK.'*

(Michael Jefferson is Professor of International Business and Sustainability at the London Metropolitan Business School. He has been a Lead Author, Contributing Author, Review Editor, and Expert Reviewer for the Intergovernmental Panel on Climate Change. He wrote the energy policies chapter in the UN's "World Energy Assessment" (2000). He was the first lead consultant for the G8 Renewable Energy Task Force. For many years he was Chairman of the Policies Committee of the World Renewable Energy Network/Congresses, and is an Associate Editor of the journal "Renewable Energy".)

1.2.19 Bolsterstone says it has 'screened many hundreds of sites nationally'. In a tacit admission of its inexperience in this field (Bolsterstone has never built a wind farm before), the company says that it:

'...works with experienced specialist environmental, planning and aviation consultants to filter out unsuitable sites and prepare suitable sites for planning applications.' (www.dunslandcrosswindfarm.co.uk/about-us.asp)

1.2.20 In an interview which appeared in the *Oxford Mail* on 5th November, 2008, regarding the company's Fewcott Wind Farm proposal, Bolsterstone's Mr. Corker said:

'There have been a lot of searches going on over the country for suitable sites. We have probably come up, in three years, with only 10 we think could be possible.'

This is because the best sites have already been taken by other developers. Bolsterstone, a late arrival into the wind industry, is having to trawl through rejected or sub-optimal sites in an attempt to build its wind farms.

1.2.21 For the scoping and production of Environmental Statements for most of its projects, including the Dunsland Cross project, Bolsterstone is hiring the services of Arcus Renewables Consulting Ltd., but it has used one other consultancy, Dulas Ltd. for another current application near Knighton on the Welsh Borders.

1.2.22 DTOG notes that Bolsterstone has stated that it has short-listed 12 sites from which it intends to take 10 forward into planning. This suggests that Bolsterstone is not fully confident in all of the sites and accepts that 2 applications might fail.

1.2.23 The current projects are as follows:

Newlands Wind Farm, near Carlisle (www.newlandswindfarm.co.uk)	Application Rejected
Reeves Hill Wind Farm, near Knighton (www.reeveshillwindfarm.co.uk)	Herefordshire decision imminent (Powys planning officer recommending refusal)
Dunsland Cross Wind Farm (www.dunslandcrosswindfarm.co.uk)	Application submitted
Brixworth Wind Farm, near Daventry (www.brixworthwindfarm.co.uk)	Application imminent
Great Cransley Wind Farm, near Kettering (www.greatcransleywindfarm.co.uk)	In scoping
Fewcott Wind Farm, near Bicester (www.fewcottwindfarm.co.uk)	In scoping
Trawden Wind Farm, near Burnley	In scoping

In addition to these projects, three more at Fletchertown, Aston and Woodland are believed to be in preparation.

1.2.24 On 3rd October, 2008, Carlisle City Council **rejected** Bolsterstone's application for the 3-turbine Newlands Wind Farm near the small village of Cumwhinton, despite a recommendation for approval from planning officer Mr. Angus Hutchinson. **The reason for rejection was visual dominance of the turbines, one of which would have been just 415 metres from a dwelling, with other dwellings similar distances away. 416 metres is the distance one of the turbines will be from a dwelling at the Dunsland Cross site, with several others in the 450-490 metres range.**

1.2.25 On all of the template-based websites now publicly accessible for its projects, Bolsterstone makes the following statement:

Why do we care?

Government policy is supportive, but local implementation is slow. We have studied the science of climate change. We have studied the economics of energy supply and the oil industry. Both have led us to become seriously concerned about the future for our business, the future for our planet and the future for our children.

The UK government is not doing enough to prioritise these issues and much of the world leadership is in a state of denial. So what do we do? Do we all sit back and accept the situation, accepting the legacy we will leave for our old age and for our children's future, or do we do something positive about it?

We have decided to do something - to change the way we think and to change the way we invest our capital. If we all do our bit we CAN change the future - without waiting for government policy to catch up with what is happening NOW.

1.2.26 DTOG members have also studied the issues mentioned in this statement. As a direct result of these studies they neither agree with nor endorse Bolsterstone's analysis of, or alarmist reaction to, the climate change and energy supply debates. Indeed, visitors to the public exhibition remarked upon the lack of understanding and shallow depth of knowledge displayed by the 5 representatives of Bolsterstone and Arcus present at the event. When questioned about these topics, if the answer was not one of the wind industry's standard replies, the representative floundered. It seems they are trying, with difficulty, to follow the British Wind Energy Association (BWEA) advice to 'Think Global, Win Local'. (BWEA 30th anniversary conference seminar, London, 22.10.2008.)

1.2.27 Arcus Renewables Consulting Ltd. has offices near York and in Glasgow. It undertakes site evaluation on behalf of existing wind farm clients and attracts new business by suggesting possible sites to new potential clients. Bolsterstone is one such client. Arcus has undertaken work for some of the largest firms in the wind industry business, including E.On, but DTOG can find no mention of any successful wind farm projects to date on its website.

1.2.28 It is surprising that Arcus, having undertaken work for some of the largest companies, has recommended the Dunslund Cross site to Bolsterstone. E.On and nPower, with their considerable expertise in wind farm projects, would not try to build a wind farm at Dunslund Cross. **This is because their site selection criteria would filter out this location as being unsuitable** on the grounds that the turbines would be too close to each other and to occupied dwellings. They know that the noise could not be contained and thus would cause nuisance to residents.

1.2.29 That Arcus, working to Bolsterstone's brief, has adopted less stringent and less sensitive criteria in the Dunslund Cross Wind Farm application is interesting. What is remarkable is that Bolsterstone applies different minimum distance standards between its own sites. It seems that criteria which are deemed important to protect residents and ensure optimum turbine output at its Reeves Hill project are no longer important at Dunslund Cross. This inconsistency will be examined further in Section 2 of this report.

1.2.30 Having worked for them, Arcus will know that E.On will not build a wind turbine on any site of less than 350 acres or any nearer than 750 metres to any occupied dwelling. The Dunslund Cross site is approximately 165 acres, although much of this is lost through constraints mapping involving such things as microwave links. It will also know that, on 2nd July, 2008, E.On abandoned its Ferndale Wind Farm project in Wales because of concerns that the 'project's original design could potentially pose a noise nuisance to nearby homes'. The necessary mitigation would have resulted in a reduction in the number of turbines so as to make the project uneconomic.

1.2.31 Bolsterstone's proposal is to site 4 turbines as close as 415 metres to occupied dwellings, with the option to reduce this distance to 365 metres through micrositing. Given the

limited space available at Dunsland Cross it is clear that Bolsterstone has a different attitude and set of values compared to more experienced and responsible wind farm developers.

1.2.32 One site selection method employed by companies such as Arcus and Bolsterstone is to examine sites previously rejected by bigger companies to see if they could be operated profitably by smaller ones. At the public exhibition, Mike Corker, with Arcus' Mike Bird in attendance, spoke to 3 DTOG members, one of whom was seen to be taking notes. Mr. Corker said that Bolsterstone and Arcus were invited to buy nPower's data for the Dunsland Cross site. They chose not to exercise this option. Instead, they were allowed to examine nPower's data free of charge providing they did not copy or photograph it. This examination led Arcus and Bolsterstone to believe that some of the data could be re-collected and re-interpreted to make the site viable. When asked why nPower had chosen not to proceed with this site itself, Mr. Corker said that the company had decided to restrict itself to bigger projects and that it had sold most of its smaller projects to a company called Cornwall Light & Power (CLP). It is interesting to note that CLP did not elect to develop the Dunsland Cross site.

1.2.33 With Mr. Corker standing next to him, Mr. Bird also said that Mr. Corker and a senior member of Arcus had met with Torrridge's major projects planning officer, Mr. Bob Williams, for guidance relating to this proposal.

1.3 Dunsland Turbines Opposition Group

1.3.1 DTOG is made up of people who live in the village of Brandis Corner, in Dunsland Cross and in the adjacent hamlets. These are the people who will be directly affected by this wind farm.

1.3.2 DTOG came into being after a public meeting was held to discuss the wind farm proposal in The Bickford Arms, Brandis Corner, on 3rd June, 2008. Approximately 80 concerned local residents turned up and, after discussing the implications of the proposal, voted almost unanimously to oppose it.

1.3.3 Action teams of researchers were set up at a subsequent meeting in the Bradford and Cookbury Village Hall on 10th June. On 14th June, three members of DTOG (and two residents from Black Torrington parish, who are concerned about the Scottish Power proposal to site 15 turbines on Chilla Moor near Highampton) went to see the MP for Torrridge and West Devon, Geoffrey Cox QC, in his Tavistock surgery. Mr. Cox gave us his total support saying that, in his view, the better way forward for renewables was not through onshore wind farms, but through microgeneration and better insulation at individual house level, leading to reduced electricity consumption. New nuclear power stations would help to secure the baseload electricity supply.

1.3.4 DTOG started producing regular monthly newsletters to keep the public informed about the progress of the Bolsterstone application and to raise awareness of alternative points of view with regard to wind farm issues. Four well-supported fund-raising events have been held to date. One of them, the first 'Wine & Wisdom' evening, attracted exactly 100 supporters, indicating the strength of feeling the wind farm proposal has created in this community.

1.3.5 DTOG recognises the increasingly urgent need to plan for and secure the UK electricity supply. It is not opposed to the generation of electricity from renewable sources, but it does have serious reservations with regard to the part onshore wind farms can play in securing electricity supplies in the future. DTOG thinks there is a better way forward, with North Sea Geothermal (a clean and almost inexhaustible supply of heat and, therefore, electricity) and Severn Estuary Tidal Schemes playing a significant part.

1.3.6 DTOG acknowledges that it is not part of Torrridge District Council's remit in determining this application to evaluate which of the two sides in the global warming/climate change debate is most likely to be correct, so any references to climate change made by the developer should be read with an open mind.

1.4 Bradford & Cookbury Parish Council

1.4.1 Throughout 2008, Bradford & Cookbury Parish Council (BCPC) has been pro-active in the renewable energy arena. A working group has been investigating all forms of renewable energy and has reported its initial findings with regard to which forms may be appropriate and feasible at a local level. An audit has been undertaken, via the mechanism of individual questionnaires delivered to every single property in the parish, of the current energy arrangements of each household. Levels of insulation of properties was included in this audit. This audit will lead to the formulation of a strategy to improve energy efficiency within the parish and enable bulk-purchase discounts of fuel to be negotiated on behalf of parishioners. Thus, BCPC is in a very good position to respond to the question, 'What are you doing about your carbon footprint?'

1.4.2 At its monthly meeting in January 2009, after due and diligent consideration of the Applicant's documents submitted in December 2008 for the Dunsland Cross Wind Farm, BCPC voted unanimously to oppose the application. It also agreed to endorse the reasons for objection raised by DTOG in its report summary (as it was then) and adopt them as its own. (DTOG's report was almost complete but there was no independent acoustician's report at that time.) BCPC asked DTOG if it would be possible to produce a Special Edition of the DTOG report customised for the council. DTOG was happy to oblige.

1.5 Torridge District Council: statements and commitments

1.5.1 Torridge District Council has the difficult and time-consuming task of determining this application. It has made a commitment to:

'Harness the potential of the environment for economic benefit by assisting in the delivery and servicing of a large offshore renewable energy project.'
(*'Towards the Future: Torridge District Council's STRATEGIC PLAN 2008-2010'*. Final Draft.)

1.5.2 DTOG is aware of targets set for TDC in pursuit of renewable developments. As *targets* they are not mandatory. Some of the targets have already been reached. The REAP target, shared with North Devon District Council (NDDC) has already been comfortably exceeded. This development, if consented, will not be operational in time to contribute anything to the 2010 targets set out in Policy RE1. Devon as a whole is on a clear trajectory to meet its targets for 2020 without the insignificant contributions from a proliferation of schemes such as the one proposed for Dunsland Cross. TDC must not allow itself to be pressurised into granting any planning permission where arguments show that none is warranted. DTOG will provide such arguments in this document.

1.5.3 The wind industry is a powerful lobbying force with great financial resources at its disposal. It has succeeded in ensuring that aspects of the planning process are tipped in its favour. An example of this is the wind industry's majority representation in the government's Noise Working Group (NWG) in 1996/7, which set the widely-criticised and discredited ETSU-R-97 standard by which TDC must abide in its inspection of permissible noise levels from this wind farm. The wind industry is well represented again in the 2008 NWG and is actually chairing this group. This conflict of interest has been noted in local and national press editorials.

1.5.4 Wind farm protest groups, of which there are now 200 in the UK, are fully aware of the fact that wind turbines can never guarantee a supply of electricity when it might be needed. The unreliability and intermittency of the wind resource makes wind farms a poor option in the energy from renewable sources sector. It is also well-known that the wind industry frequently makes claims and presents arguments which are less than complete and somewhat economical with the truth. For the benefit of TDC, such arguments will be exposed in full in this document.

1.5.5 TDC needs to guard against leaving itself open to public or media criticism, challenges or litigation from constituents. This could arise if TDC approves an application which DTOG will show conflicts with English Law and contradicts strategies, guidelines or statements made in national, regional and local planning and policy documents. These documents will be clearly identified in this report and reasons why this application contravenes their content will be given.

1.5.6 DTOG is aware of the letter dated 3rd December, 2008, sent by residents of Galsworthy to the TDC Chief Executive. It has noted the contents and the allegations made against TDC officers and councillors in determining the application for the Galsworthy Wind Farm. It expects TDC to have learned from that particular application. A full and close examination of all documents supplied by the applicant and by the opposition is expected in the Dunsland Cross application and a response to every single issue raised is expected in the Planning Officer's recommendation to committee.

1.5.7 DTOG supports TDC in its aim to ensure that Torridge remains:

'a great place to live, work and visit.'

(*'Towards the Future: Torridge District Council's STRATEGIC PLAN 2008-2010'. Final Draft.*)

1.5.8 Recommendation: CONDITION

If this application is approved, Torridge District Council should set a condition that a guarantee bond, lien or Section 106 agreement is in place to cover decommissioning costs before any construction work begins.

Summary of this Section:

The developer has never built a wind farm before.

This site has been rejected previously by an experienced wind farm developer.

There may be no investment funding for this project.

TDC should seek financial guarantees for the decommissioning phase of this project.