

## THE DEVELOPERS

### Renewable Development Company

When the Renewable Development Company (RDC) first promoted its plans for Cefn Croes, much was made of its claim to be a Welsh company, and thus endear it to the National Assembly and the local population. In fact the only Welsh connection is the address on its notepaper: The Long Barn, Waen Farm, Nercwys Road, Mold, Flintshire. This is an office staffed by one woman in a converted barn just outside Mold, close to the English border. The sign outside the office says: 'West Coast Energy'.

The company is in fact registered in Scotland. Company No. SC 163708, registered office 50, Lothian Road, Festival Square, Edinburgh. It is described as a 'Business and Management Consultancy' – a 'holding company' – which permits it to do virtually anything, anywhere! (according to the Articles of Association). It specialises however in energy:

- generation of power, including electricity and heat from any source of energy, including wind, hydro, solar, biomass and energy from waste,
- to design, improve, exploit, manufacture, import, export, wholesale, retail and deal generally in all types of wind turbines.....
- to act as advisors, consultants, experts, and to provide skilled advisory services and personnel in connection with the aforementioned,
- to act as electrical, power, electronic, mechanical, hydraulic and other engineers.

The company was set up in 1997, and its Directors are Geraint Jewson from Mold, and Eugene Buick and Michael Haas from California. Mrs Paula Jewson is the company secretary and 400 £1 shares are divided between the Directors, Mrs Jewson, Graham Appleton and Peter Kirk.

Geraint Jewson was formerly an employee of MANWEB, the Welsh regional electricity network now taken over by Scottish Power and he is a Fellow of the Royal Institute of Chartered Surveyors.

Of interest are his project companies, sister companies and other group undertakings. Project companies which were currently trading and used to bid for Non Fossil Fuel Obligation (NFFO) Power Purchase Agreements were detailed in a letter from Geraint Jewson dated March 17<sup>th</sup> 2000 to Kaye Little.

The sister company is West Coast Energy, and this acts as local agents and project managers for proposals. Simon Tribe is the Project Manager and Stephen Salt is the

Planning and Development Manager. West Coast Energy provides planning and environmental consultancy services to RDC and on its website, it boasts: *'Our team has a proven track record of obtaining planning consents for major, often controversial developments.'* Is this a covert reference to the Cefn Croes application/decision? West Coast Energy provided the so-called independent Environmental Impact Assessment (EIA) for the Cefn Croes development. Its directors and shareholders are: Geraint Jewson, Paula Jewson and Graham Appleton. Mrs Jewson is the company secretary.

Cambrian Wind Energy, whose name is on the 106 Planning Agreement for Cefn Croes, was jointly owned by RDC and ENRON.

In July 2001, this company owed £139,000 to RDC and £470,500 to ENRON, its joint 'parents'. (Ref. abbreviated financial statements from Companies House.)

'Holdings' also include Galloway Wind Power (Scotland)

Shap Wind Power (England and Wales)

Skye Wind Farms (Scotland)

and RDC was responsible for developing the 20 MW Anglesey wind power station backed by National Wind Power.

During the last 3 years, the extent of the connections between these various companies has become more complex, with companies changing names, ceasing to trade, being taken over, amalgamated. The whole of the UK's electricity generation, distribution and retail market has been in a state of constant flux and change since New Labour came to power in 1997, in part the legacy of privatisation in 1989. This is also due to the New Electricity Trading Arrangements (NETA), 2001 Climate Change Levy, 2002 Renewables Obligation and other changes in New Labour's Energy policy. (See Science chapter.)

In this world of globalisation few electricity generating or distribution companies in the UK are actually owned by genuine UK companies, although they may maintain their original UK names. Powergen is now owned by a German company, E.On, and Innogy, which includes nPower, National Wind Power, Windworks and Juice, was recently taken over by RWE, also German. Since privatisation, of the 14 British electric companies, 9 are now foreign-owned.

Against this frenetic background of changing policies, the big rush for renewables and the huge potential profits through the subsidies available, developers identify suitable sites for wind power stations, negotiate with the land owners and other interested parties and commission the Environmental Impact Assessment (EIA). They then submit the planning applications to the Local Planning Authority (LPA), and once planning permission is granted

the actual construction and management of the power station is undertaken by one of the major utilities, whose finance underpins the whole operation.

In the case of Cefn Croes, the utility chosen by Mr Jewson was ENRON. Subsequent to ENRON's collapse and disgrace, the interests of ENRON Wind Overseas Development (EWOD) were taken over by another American company, General Electric Power Systems. Cambrian Wind Energy, which now holds the legal interest in the Forest Enterprise land, is a tenant. RDC and General Electric (GE) are expected to merge as a new GE business – General Electric Wind Energy, and this company will develop Cefn Croes. At the time of writing, May 2003, Mr Jewson confirmed that GE is still the Cefn Croes backer.

Mr Jewson predicted to one campaigner that Cefn Croes would yield £400 million for ENRON during its 25 year lifetime but with the recent Government Energy Report and new subsidies, this could be considerably more. It is not known how much RDC will be paid for the development process. Examination of the abbreviated accounts for RDC and its sister companies from Company's House show negative balances for the last submitted figures 2001 – 2002.

RDC's business is therefore high risk and speculative, with no significant income during the years of development, but good rewards if planning permission is granted. It is therefore vital for the developers to get the desired planning decision, and a lot of effort is directed towards persuading local councillors, county councillors, and planning officers to support their plans.

Success for the company hinges on the planning decisions. In the case of Cefn Croes the final decision was not taken locally, but by virtue of its size, by the Secretary of State at the DTI, under the terms of Section 36 of the 1989 Electricity Act. However, in order to avoid a costly and time-consuming public inquiry it was crucial to persuade local councillors not to oppose the development – if they had, a public inquiry would have been mandatory.

In 1997 RDC was awarded a contract to construct a 38.4 MW wind power station under tranche 4 of NFFO. Another company, Renewable Energy Systems (RES) was also awarded a contract for Cefn Croes for a 30MW wind power station. Both companies were in discussions with the landowners, Forest Enterprise (FE), and one campaigner telephoned both companies at this time and was told that the development was to be a partnership. However, RDC obtained a further 16 MW under NFFO 5 which conveniently took the installed capacity of their contract over the critical 50 MW threshold, thus taking the decision away from the LPA and into the hands of the DTI in London.

Why was Cefn Croes identified as a suitable site? At the Ceredigion Planning Meeting on July 11<sup>th</sup> 2001, Dai Lloyd Evans, the Council Leader, waved around a map – the site selection map. This was the first time this particular map had surfaced, despite a request to

the developers from John Evans, Ceredigion's Senior Planning Officer, to explain how Cefn Croes had been selected.

Developers are under certain constraints. They do not expect to gain approval in National Parks, Areas of Outstanding Natural Beauty (AONBs), or Sites of Special Scientific Interest (SSSIs). They are constrained through local plans against proximity to other wind power stations, and proximity to dwellings because of the noise and vibration effects. But the map showed that once an anemometer mast (to measure wind speed) is sited, that place is likely to be selected. Cefn Croes anemometer masts were in position, on high points of the plateau by 1999.

RDC maintained that they had considered five possible sites with suitable wind speeds (guide 20 mph [7.5 metres per second]) of which 3 were rejected because landowners were not interested, absence of local grid connection and sensitive bird sites. Requests for details of the other sites were refused as 'commercial in confidence'. This lame excuse is hard to justify.

Cefn Croes, according to Project Manager, Simon Tribe in a letter to John Evans at Ceredigion Council dated February 12<sup>th</sup> 2001, was ideal because there were:

- *no ecological objections*
- *no residential noise objections* [anxieties were expressed by nearby householders to RDC and the Council]
- *no residential visibility concerns* [again anxieties were expressed]
- *no issue of proliferation due to MOD policy and grid capacity issues* [does this mean that the MoD will block further applications and that the grid is over-supplied?]

Mr Tribe continued;

*'It is RDC's belief that this combination is perhaps unique in Wales, and justifies the site selection procedure which it adopted. RDC focuses their efforts on sites which would present fewest constraints in planning terms, whilst remaining viable technically and economically.'*

To these 'justifications' could be added the unwritten subtext:

- Compliant land 'owner' [FE desperate for monies - £5 million in the red at the end of 2001].
- Very sparsely populated therefore less chance of significant opposition.
- Conveniently close to the sub-station at Rhydlydan, owned by Powergen, therefore the grid connection costs lower.
- Ceredigion Council has a track record of questionable planning decisions.

Is it too cynical to think that this site selection was deliberate and indicative of collusion between the DTI and the developers?

In January 1999 at a Special Planning Meeting of Ceredigion County Council significant alterations were made to the local structural plan, instigated by the British Wind Energy Association (BWEA), the developers trade organisation. (See the Chapter on Ceredigion County Council [CCC].)

As mentioned earlier in the chapter, by 1999 anemometer masts were in place to measure wind speeds, on two high points of the Cefn Croes plateau.

RDC's initial discussions with the 'stakeholders' FE, CCW and the RSPB resulted in some turbines on the plans being re-sited to avoid the two SSSIs adjacent to Cefn Croes – but only just! Several turbines are within several hundred yards of the Llynoedd Ieuan SSSI to the north west and Elenydd immediately to the south. The turbines also just skirt the Montgomeryshire border, thus avoiding the need for approval from Powys LPA.

At a national level, BWEA and ENRON were meeting with the then Secretary of State, Peter Mandelson, and Energy Minister, Helen Liddell (who became Scottish Secretary), at the DTI.

### **The British Wind Energy Association (BWEA)**

It is now necessary to consider the key role in the development process of the British Wind Energy Association (BWEA). This is a powerful lobbying trade organisation for anyone involved in the exploitation of wind energy in the UK.

*'BWEA acts as the industry voice, co-ordinating information and intelligence on every aspect of wind energy in the UK for dissemination to Government and other agencies.'*

Its leaflet 'On-Shore Wind Turbines' June 2000 states that it had:

- Lobbied successfully for renewable energy to be exempt from the new climate change levy on electricity supplied to business.
- Published the strategy document 'Regionality' outlining how each region can make its contribution to the overall national targets.
- Held stakeholder dialogues with organisations such as the Countryside Council for Wales and the RSPB to ensure continued appropriate development of onshore wind farms.

Amongst its 118 corporate members in 2000 and relevant to our case were: ENRON Wind, RDC, West Coast Energy, and solicitors Bond Pearce. Bond Pearce is a firm of solicitors which acts on behalf of BWEA. They also act for RDC, and represented them in the High

Courts when we issued our legal challenge. Furthermore, it was Bond Pearce who, on behalf of the BWEA submitted the representations to alter and significantly weaken Ceredigion Council's Local Plan, and it was Bond Pearce who submitted the 106 Planning Agreement for Cefn Croes to the National Assembly.

A visit to the BWEA's website at [www.bwea.com](http://www.bwea.com) is illuminating and recommended to anyone wanting to understand the push for renewables (and profit). It promotes aggressive lobbying of Ministers at the highest level of Government, and has connections in high places, with its directors sitting on several of the Government's energy advisory panels. After our failure to obtain a full judicial review the following appeared on the website of Bond Pearce under the heading 'Landmark Case Opens the Way for Wind Energy Expansion.' It read:

*The Government's policy to generate 10% of the UK's electricity needs from renewable sources received a major boost this week, following Mr Justice Burnton's rejection of a High Court challenge to planning consent for the UK's largest wind farm to date, at Cefn Croes in Wales.*

*According to Marcus Trinick of Bond Pearce, who acted on behalf of the Renewable Development Company in the case, and is Secretary of the British Wind Energy Association, 'Consent for the wind farm demonstrates central government's commitment to renewable energy projects.*

***'The successful outcome of the case also supports the Government's determination that acceptable renewable development projects should not be unnecessarily delayed by a prolonged consent process, particularly if the government is to achieve a 10% renewable energy target by 2010' says Trinick.***  
[Editor's emphasis.]

*The Cefn Croes Action Group challenged the Secretary of State's decision in March to give consent to the erection of 39 wind turbines at Cefn Croes without the need for a public inquiry. The consent is the first for a wind farm granted under the provisions of the Electricity Act 1989. The development will be the largest wind farm in Wales.*

*Bond Pearce, headed by Luke Gabb, Marcus Trinick and Graham Wigglesworth, acted for the Renewable Development Company, handling all legal aspects from commercial property and planning issues through to the defence against the application for judicial review.*

*Marcus Trinick is a Partner at commercial law firm Bond Pearce specialising in planning and environmental law. He is recognised as a leader in these fields.*

*Marcus and his team at Bond Pearce are currently advising on 13 offshore wind farm applications including planning consents and environmental impact assessments. In addition to the offshore market Bond Pearce now acts for most of the UK's wind energy developers. The firm was involved in all aspects of the development of the first onshore wind farm in the UK over a decade ago and since then has been involved in more than 90 projects and developed a national reputation in this field.*

*Marcus is a board member of the BWEA and a member of UKELA, RTPI and the European, Republic of Ireland and American Wind Energy Associations. He is also appointed to the Law Society Planning Panel, the DTI Renewable energy and Wind Energy Advisory Committees.*

*An advocate at over 300 public inquiries, he advises on planning applications and appeals concerning minerals, housing, industrial, energy and tourism developments. He advises on energy generation projects across the UK and Denmark and on a number of biomass and energy from waste projects, plus aspects of EU environmental law.*

In order to 'sell' the National Wind Power's 'Windworks' scheme for three turbines, which circumvents normal planning rules by not requiring full EIAs, BWEA embarked upon a major promotional exercise via land-use magazines such as 'Country Smallholder', 'Organic Farming', 'Farmers Guardian'. The 'Windworks' scheme was promoted as a 'nice little earner' for farming, forestry and small-holding diversification through 'harvesting of the wind'. Internal publications for groups as diverse as accountants, planning consultants and estate agents have also been targeted for this offensive.

How BWEA has managed to persuade New Labour that the policies of other Government departments such as the Ministry Of Defence, Forestry Commission, Countryside Council for Wales, and the National Assembly should be subjugated to the dominance of wind turbines remains a mystery. A recently published response by the BWEA on May 13<sup>th</sup> 2003, to the Parliamentary Renewable and Sustainable Energy Group (PRASEG) inquiry on the Energy White Paper makes clear the direction that it wants the Government to take. To summarise:

- 2020 'aspiration' for 20% of energy from renewables should become a firm 'target'.

- The 2005/6 review of the Renewables Obligation, which benefits developers of renewables should take place sooner. BWEA *'is confident that Government's expectation that wind power will play the largest part is correct.'*
  - Grid access problems to be eased. *'Constraints....tend to be institutional rather than technical hence increased political commitment to achieving solutions must be applied.'*
  - Implementation of PPS22 Planning Guidance for Renewables in England to promote planning consents.
  - Overcoming radar-related and low-flying restrictions from MOD.
  - A 'hearts and minds' campaign to win over public decision-makers. *'Government has a key leadership role to play here.'*
- 'The barriers to further development of the UK's vast wind resource are not technical but rather institutional and as such are entirely within Government influence.'***

To further emphasise the closeness between the BWEA and the DTI, chairman David Still will shortly leave the BWEA to take up a two-year appointment at the DTI as Renewables Advisor.

## **ENRON**

We now need to look closely at the relationship between Geraint Jewson of RDC and the company he selected as the preferred financial backer for the Cefn Croes project – ENRON.

ENRON was an interesting company. Little was known about it by the general public in 2000 when RDC first made its application. However, its activities were already causing alarm amongst city analysts, and groups like 'Corporatewatch'. Stories were beginning to appear in the 'Business News' section of 'Private Eye' detailing its questionable business ethics.

ENRON started life as a Houston, Texas-based energy utility. It was a major contributor to George Bush's presidential campaign funds. It became greedy and expanded its operations world-wide, with some spectacularly dishonest accountancy methods – off balance trading. It was involved with electricity price-fixing in California, and in June 2001, stories were emerging about this in the 'Davis Enterprise' and 'New York Times' newspapers. Articles in the 'Observer Business News', May 20<sup>th</sup> 2001 and the 'Guardian' July 28<sup>th</sup> 2001 referred to its lobbying activities, dirty dealings and problems with Indian electricity companies which involved privatisation and exploitation. The author of 'The God of Small Things' and now a famous environmental campaigner, Arundhati Roy, wrote that ENRON's techniques involved bribes to 'educate politicians' and bureaucrats to smooth the path of its massive contract to build a power plant near Bombay. Its poor Human Rights record was attacked by Amnesty

International. It showed scant environmental concern for CO<sub>2</sub> emissions, being responsible for the building of Japan's first coal-fired power station.

Yet, this was the company deliberately chosen by Geraint Jewson as his co-partner in the Cefn Croes development – the 'bank-roller' for his enterprise.

In late 2001, however, ENRON started to collapse, amidst a torrent of allegations of corruption.

During 2000 – 2001 we had tried to interest the national press, local press, councillors, MPs, and the National Assembly for Wales in what we had learned about ENRON, and how dishonest they were – but no one took any notice.

ENRON's misdeeds would no doubt have already been known to the Secretary of State at the DTI as she had been a research director for Andersens between 1994 and 1997. These fraudulent auditors, favourites of New Labour, were the accountants for ENRON and were fully complicit with their paymasters.

Everyone now knows what happened in late 2001 and 2002 as ENRON imploded. The court cases drag on, but so far, no one has gone to jail. The directors who enriched themselves have not yet had their houses and other assets seized but ordinary employees are left with denuded pension funds and worthless shares.

ENRON had intimate connections with New Labour. In 1998, it sponsored tables at the Labour Party Conference. This was just before its successful take over of Wessex Water, eased through by Peter Mandelson. It also owns a gas-fired power station in Teeside, and was interested in developing one in South Wales. It owned Tacke and Zond, German wind turbine manufacturing companies.

What were its motives for joining up with Mr Jewson?

- Profit from sale of electricity with guaranteed prices, underpinned by substantial Government subsidies through the Renewables Obligation.
- Profit from supply of turbine components.
- Buying for itself 'green credentials' and respectability in the USA, but at the expense of the Welsh landscape.

Of relevance to us is the question as to whether ENRON's dubious business ethics and techniques of persuasion were used to facilitate the Cefn Croes application – both at the highest level through New Labour's inexperienced but star-struck Government Ministers and at a local level through 'sweeteners'. Were bribes used in the initial stages of the planning

application? We should never forget Fred William's retort, that the only local support for Cefn Croes was – *'Only since money's been flashing around'*. (see CCC chapter)

Following ENRON's demise, General Electric – another American-owned company stepped in to take over ENRON's viable interests. A recent full page advert in 'The Times' claims that they are the company which can build *'the largest wind turbine'*. They then boast of the *'benefits of two fundamental GE qualities. Our 'can do' attitude. And our 'can think very very big' attitude.'* All of its turbines are manufactured in Germany, Spain, the Netherlands and the USA. So no British jobs there!

### **Developers' tactics**

Future campaigners against inappropriate wind developments should be warned that before the application arrives at the planning department the developers will have been busy behind the scenes – making contact with official consultees, and identifying any potential problems and resistance in order to defuse, neutralise or remove them, with reassurances of mitigation – often tied in with the prospect of obtaining land management plans, which they claim can be used to obtain 'match funding' for environmental improvements. In this way, the compliance of groups like the RSPB, Wildlife Trusts, archaeological organisations and the Environment Agency can be secured. Ceredigion Council Leader, Dai Lloyd Evans admitted that he had had *'lots of correspondence with the developers'* and in the council chamber, in his familiar hectoring, domineering manner, he sounded more like a spokesperson and apologist for the developers than Geraint Jewson himself. What had taken place behind the scenes?

We have noticed during our campaign:

- A reliance on peculiar maps (in EIAs) – these are often small scale and unreadable. Familiar landmarks, names of towns, villages are often omitted or very small. Orientation proves difficult.
- Applications are submitted just before national holidays or other major events, when people's attention is elsewhere, or they are away from home, and unable to respond in time.
- Consultation is as little as they can get away with – there is a marked reluctance for genuine public consultation or debate, to hold public meetings, to provide easy access to plans by placement in libraries etc.
- Biased Environmental Impact Assessment – in the case of Cefn Croes, the so-called 'independent' EIA was produced by sister company West Coast Energy, working from the same premises and owned by the same people. The visual impact of the turbines was seriously underestimated. The developers photo-montages are misleading – and only certain selected viewpoints are shown. The best views are excluded. No attempt at all was made to depict the landscape effect of the grid connection's 45 foot

Trident pylons and overhead cables on the foothills of Plynlimon, or in front of Nant-y-Moch reservoir.

- Promises and lies. Developers make much of the employment opportunities which wind power stations will create, and the promise of local jobs. But they resist being pinned down to the numbers of permanent local full-time jobs which will be created. Turbines require little maintenance, and can be controlled from a computer anywhere in the country. Estimates are stated 'up to' or 'between'. With reference to Cefn Croes, the development of a national control centre was mentioned, but will probably never materialise. Everyone involved with wind power stations knows that, once construction is complete, they need only intermittent attention. For Ceredigion's three pre-existing wind power stations, Mynydd Gorddu, Banc Bwa Drain, Llangwryfon, there is not one permanent full-time local job.
- Similarly, much is made of 'benefits' to the local community – vague talk of a community turbine has come to nothing for Cefn Croes. Community funds can be regarded as straight bribes for community compliance, but are frequently divisive. Most locals do not consider that the benefits of this funding outweigh the enormous disadvantages of spoilt views, reduction in property values and noise and vibration nuisance. The benefits to the local economy are frequently overestimated, and no attention given to the anxieties regarding pre-existing jobs in small tourism ventures. The Welsh input into the development was stressed in the application, but Mr Jewson seems confused as to the amount of British sourced material in the turbines. Initially we were led to believe that the steel tower sections would be made by Cambrian Engineering in North Wales. At the time of writing, however, the contract has not been confirmed, although in early 2003 in an accountancy magazine, Mr Jewson promoted the Welsh-sourced towers. One of the campaigners, in correspondence with General Electric believes that GE's own manufactured turbines – sourced from abroad – probably the Continent – will be used. Developers' promises are unsubstantiated, and easily reneged upon. They should be challenged at every step of the development process and replies obtained in writing.
- Developers use out of date opinion polls and public attitude surveys in order to make the development appear to be 'acceptable' to everyone. These should be challenged by campaigners. Ask them about the methodology, the sample size, the questions that were asked. Also, find out who commissioned the survey. The recently discredited survey from the Scottish Renewables Forum which sounds benign, claimed that visitors were not put off by wind 'farms'. The survey was in fact jointly funded by BWEA which very definitely has vested interests. Do not accept survey findings at face value.
- Bullying tactics are resorted to. Steve Salt wrote an intimidatory letter to the Clerk of Pontarfynach Community Council complaining that he had not been invited to a meeting. 'Heavies' were in attendance at the crucial Ceredigion Council planning

meeting of July 11<sup>th</sup> 2001. Planning officers are subjected to pressure to reveal survey reports and results in advance of publication in order to influence them e.g. the Council's commissioned noise consultant report. Civil servants at the National Assembly for Wales (NAW) were subjected to relentless lobbying from Mr Salt. (It was noticed that at the oral hearing for a judicial review two NAW representatives took measures to avoid him.) Copies of all of the letters written by objectors, both to the council and DTI were requested by the developers. Was this in order to get our names and addresses, to try and demolish arguments, or to smear us?

- When it became clear that there was significant opposition to Cefn Croes a flurry of letters from 'supporters' suddenly started arriving at the Council offices. These were very peculiar – as if blank sheets of paper had been signed, returned, and then addressed, and the text (very brief, only two or three lines, suspiciously similar) added afterwards. Some were even unsigned!
- Recent correspondence in the 'Farmers Guardian' has thrown up a fake letter-writer, claiming to support wind turbines and as a consequence, editorial screening will be heightened and the police are investigating the incident.
- We have all suffered from the insults of wind energy supporters, ranging from Energy Minister Brian Wilson's claim that '*25% of all anti wind 'farm' letters are written by 16 people*' and Welsh Secretary Peter Hain's taunts about NIMBYs, to the disgraceful threat posted on the BWEA website by Alison Hill, their publicity officer, '*We know where you live*'. This identified some key anti-wind campaigners in a most intimidatory and threatening way. We have all received anonymous letters or phone calls trying to silence us. We believe our phones might have been tapped, computer viruses deliberately spread, jobs threatened, homes broken into. One campaigner was told 'if she's not careful she'll find herself face down in the river Aeron'. As many of us live alone in remote cottages, that kind of thing is decidedly unfunny and alarming.

Future campaigners should be warned about these dirty tricks. The stakes are high. The developers have vested interests to advance. Opposition causes delay. Delay costs money. Profit is their main motive and they are prepared to play dirty.

Campaigners opposed to wind turbines need to be thick-skinned, very patient and persistent, and become inured to failure. In our case, although we failed in the High Court we did at least save our beautiful landscape for another year.