

THE DEPARTMENT OF TRADE AND INDUSTRY

The Department of Trade and Industry (DTI) is one of Westminster's largest departments – with a budget of £3,800 million and a total of nearly 4,000 staff (projected figures 2003/4). It is responsible for international trade policy, policy in relation to industry, commerce, businesses, consumer protection and competition policy, and of importance to our cause: the development of national policies in relation to all forms of energy and the development of new sources of energy.

When new Labour came into power in 1997, their manifesto stated a commitment to:

‘An energy policy designed to promote cleaner more efficient energy use and production including a new and strong drive to develop renewable energy sources such as solar and wind energy and combined heat and power. We see no economic case for the building of new nuclear power stations.’

By 2001, this evolving energy policy as stated in their new manifesto had become a commitment to:

‘A secure diverse sustainable supply of energy at competitive prices to deliver 10% of UK electricity from renewable sources by 2010.....We will consider setting further targets for renewables with particular focus on **OFFSHORE WIND**, solar and biomass technologies.’ (Editors emphasis)

There was no mention of onshore wind.

In the intervening years, the energy policy has been developed, with various consultation papers, review, and finally in February 2003, a White Paper on Energy. The resulting Energy Bill has recently had its second reading in the House of Commons (March 2003).

Since 1997, there have been four Secretaries of State (SoS) for Trade and Industry: Margaret Beckett, Peter Mandelson, Stephen Byers, and the current SoS Patricia Hewitt. The second and third incumbents ‘resigned’ from the Cabinet after well-publicised problems. Mrs Beckett is now with the Department of the Environment, Food and Rural Affairs (DEFRA) (renamed following the foot and mouth debacle and widespread condemnation of MAFF – the Ministry of Agriculture, Fisheries and Food). Mrs Hewitt was promoted to her current position from her role as DTI Minister for small business and e.commerce and formerly she had been a research director for Andersen, ENRON's auditors.

There have been as many Energy Ministers as Secretaries of State since Labour came to power in 1997: Helen Liddell who is now SoS for Scotland where the Executive is promoting wind power on a huge scale, and Peter Hain is now SoS for Wales and at the time of writing also Leader of the House of Commons. He infamously declared in the Western Mail on

November 25th 2002 just after his appointment: *'We've got to end the curse of nimbyism, which is really like a plague, or we will end up with, whether we like it or not, more nuclear power stations.'*

Energy Minister Brian Wilson (who 'stepped down' after the June 2003 Cabinet reshuffle), has also been guilty of 'smearing' anti-wind opponents in the national press and through the British Wind Energy Association (BWEA). Lord Sainsbury of Turville is Parliamentary Under-Secretary of State for Science and Innovation. He is a major benefactor to the Labour Party's coffers and their spokesman on science in the House of Lords. He was the only supporter of wind energy during a Lords debate in February 2002. (See sub heading at the end of this chapter).

Cefn Croes fell under the remit of the DTI for its consent, because its installed capacity is greater than 50 megawatts (MW). Any power station generating more than 50 MWs needs central government's consent, by virtue of its size and implications for the National Grid (Section 36 of the Electricity Act 1989). The fact that Cefn Croes will never produce 50 MWs of power, even with all the turbines turning, was not considered relevant. (Wind power stations on average only operate at between 25% and 30% of their installed capacity). With Government policy sympathetic to large wind developments it behoves developers to by-pass local planning authorities (LPAs), which might oppose them, and submit applications which exceed the magic but arbitrary figure of 50 MW installed capacity. This is a piece of outdated legislation.

The permanent civil servants at the DTI dealing with power station consents are Gary Mohammed and Walter Gusmag. Bob Proud deals with the grid connection applications and consents i.e. the cables and pylons required to take the electricity from the turbines to the nearest sub-station where it is transformed for the regional distribution network and fed into the National Grid.

At this juncture, it should be stated that the permanent civil servants and other officials at the DTI dealt with our numerous letters, emails and questions with patience and courtesy. Only since the decision was finally ratified following our unsuccessful legal challenge have the responses become dilatory. This is understandable as they have been inundated with wind power station applications at the rate of one a week since the Cefn Croes approval. Cefn Croes is regarded by the wind industry as a 'test case' and it has indeed opened the floodgates.

Personal responses from Patricia Hewitt or Brian Wilson are never received, although they should respond to MPs' questions, posed on behalf of constituents. Responses are usually the bland, non-informative, 'toeing-the-party-line' variety and there is no sense of urgency.

Of importance to Cefn Croes are;

- The Climate Change Levy 2001
- The Renewables Obligation 2002 imposed on industry and the electricity generators by Labour. This legislation arose as a result of the Kyoto Climate Change Conference but was not in place at the time when Cefn Croes was decided. (See 'Science and Technology' chapter)

Whilst most people agree that we need to reduce the amount of greenhouse gases emitted into the atmosphere, there is no simple formula which equates 1% reduction in greenhouse gas emissions to a 1% increase in energy production from non-fossil fuel sources.

However, simplistically this equation is often made and not questioned.

Hence: 'We must reduce CO₂ emissions by 10% by 2010' becomes 'We must produce 10% of our energy needs from renewable sources by 2010.' The true situation is more complicated.

The Kyoto Protocol has become the rationale for major changes in Government policy in energy, but developing third-world countries are not bound by it and the USA and Russia have not signed up to it. Therefore it cannot yet be ratified. The UK's total contribution to global greenhouse gas emissions is 2%.

Laudable though its aims may be, even if Britain produces all of its energy from renewable sources, it will have only a minute impact on world-wide greenhouse gas emissions, but monumental effects on our own countryside environment if those renewable sources are land-based turbines.

Companies struggle to meet the new obligations. Generating companies desperate to produce the required 10% to meet the Renewables Obligation, diversify into the only technology 'mature' enough to reach their quotas – (this despite at least 20 years of research by the DTI into other alternatives, often misdirected and ill-funded).

Why haven't the DTI managed to bring on line other, less environmentally damaging, technologies? Why have they failed so dismally to support research and development into wave, tidal and solar technologies? British industry could surely have responded with the right kind of government backing and financial incentives. Inventors could have been encouraged. Energy conservation and efficiency could have been promoted more vigorously. Within industry it is widely recognised that there are more British jobs in the manufacture of energy efficiency and conservation developments than there will ever be in the wind industry. Questions as to how many jobs there are in the UK directly involved with the manufacture of

wind turbine components remain unanswered by the DTI. There is much talk of the economic potential of the wind industry but in Wales there are only 275 full time jobs in renewable energy generation. (See the National Trust document 'Valuing our Environment'.) This compares with 4,250 jobs generated by walking and mountaineering in Wales (ref. Professor Midmore's report, Rural Studies Department, University of Wales, Aberystwyth).

Currently, in the rush to wind, we import most of the turbine components from abroad – Holland, Denmark, Germany, Japan, USA – much good that is to UK industry, or our balance of payments. The Cefn Croes development, now to be constructed by General Electric Wind Energy, is likely to manufacture its own 1.5 MW turbines. So how certain is it that there will be ANY British input?

Several facts emerged, as the consultation responses to the application came back to the DTI.

The goal-posts were moving. Objectors had initially been told that if either of the two official consultees (i.e. Ceredigion County Council (CCC) and the Countryside Council for Wales CCW)) objected, a public inquiry would be triggered.

When it was clear that the CCW had objected (this was everyone's interpretation, except the SoS) we thought that a public inquiry would be ordered (so did the DTI officials). It subsequently became clear however that CCW's response was not afforded the same weight as the failure of the Ceredigion Councillors to object. So, the Government's own statutory advisor on the countryside was in effect 'demoted' and the votes of a group of councillors, many of whom lived 50 miles away from the site, were deemed more important.

The SoS also emphasised the absence of the word 'object' in the CCW's response to justify her statement that they had not 'objected'. No one else interpreted the CCW's response this way. DTI officials, Ceredigion's planning officers and the National Assembly for Wales all interpreted CCW's response as an objection. (See CCW chapter)

Other objections rolled in unabated.

One of the DTI officials was asked how a judgement would be made if the number of written objections equalled those in support. He said that the 'quality' of the opposition documents to the Cefn Croes proposals was 'of the highest order'. Although so sparsely populated, those who did object wrote long, logical, well-reasoned letters – many based on hard scientific evidence, some from the heart, with passionate pleas for historic, cultural and beautiful landscape, and some pragmatic considering the effect on Wales's second most important

economic activity – tourism. We were led to believe that the Minister and SoS would take into account the ‘quality’ of the arguments against.

Weight was supposedly given by the SoS to the response from the new National Assembly. Their response, which in content and presentation fell short of the standards of professionalism that one might expect from a national administration with aspirations to government, concluded:

‘The DTI will need to satisfy itself that all the information pertinent to this case has been collected, scrutinised, and accorded appropriate weight in the decision making process, and indeed, whether this can be achieved without a public local inquiry, given that a public local inquiry is the accepted means of testing and collecting information in a comprehensive and transparent manner, and where the issues involve more than local considerations.’

There was however little evidence in the SoS’s decision to finally approve the power station, delivered on the 23rd May 2002, that she had taken any account of either the CCW response or the NAW in effect asking for a public inquiry. Everything seemed to hinge on the fact that a group of councillors in Ceredigion had failed to object – however, they had not assumed responsibility for the decision, because they knew it would be made in England. The exact circumstances of this contentious decision have been referred to in detail in the chapter on Ceredigion County Council.

Once all the submissions, responses and letters were in, and the consultation period over, the civil servants would have prepared a report for Mr Wilson’s consideration, and he would then have briefed the SoS prior to her decision. We already knew what Mr Wilson was ‘minded’ to do. In an announcement which took everyone by surprise, including his team at the DTI, on December 10th 2001 just after opening a wind development at Parc Cynog in South Wales he stated that he was ‘*minded to approve*’ Cefn Croes.

ENRON was imploding. The Government consultation review from the Performance and Innovation Unit (PIU) not yet published. It was just before Christmas (another good time to ‘bury bad news’?). The National Assembly’s Economic Development Committee on Renewable Energy was still being prepared. Was this announcement not premature?

Immediately afterwards the Campaign for the Protection of Rural Wales (CPRW) discovered that an organisation called the ‘Camddwr Trust’ was in discussions with the Forestry Commission and other local land owners in the Tregaron and Lampeter areas regarding a wind power station of 165 turbines, up to 400 feet high. This proposal would profoundly affect the uplands above Strata Florida (the ancient famed Cistercian monastery), the tiny Soar-y-Mynydd chapel, the Drovers’ road above Abergwesyn, and views around Llyn Brianne – in effect, the spine of the Cambrian Mountains.

Brian Wilson appeared in a studio broadcast at a wind energy conference in Paris with Dr Dafydd Huws, the Camddwr Trust's front man. He is an ex-chairman of Plaid Cymru, and part owner of the Mynydd Gorddu wind power station also in Ceredigion. The two were obviously well known to each other and singing from the same song sheet.

Had the Cefn Croes approval been deliberately announced in advance of the Camddwr Trust proposals? We have always maintained that allowing Cefn Croes through would open the floodgates for other land-based wind power stations in the Cambrian mountains. Cefn Croes was regarded – certainly by Rhodri Morgan in the NAW, and DTI officials, and the wind industry as a 'test case'. Brian Wilson said in an interview that he wanted to '*unblock a log-jam*' of planning applications. He had no time for a public inquiry which would only '*kick the matter into touch for another period of time*'. It was clear he did not want any delays in the decision.

What, however, did his civil servants recommend him to do re Cefn Croes? No-one has been allowed sight of the report upon which he based his decision. It is shrouded in secrecy. One of Ceredigion's constituents, via her MP Simon Thomas, asked if Mrs Hewitt would deposit the civil servants' advice in the House of Commons library. Her reply '*...under Exemption 2, Internal discussion and advice of the Code of Practice on Access to Government Information, I do not intend to publish the advice from DTI officials to Ministers.*' Why not? What did the report say that is so confidential?

It is believed that the civil servants would have told Mr Wilson that there were three options:

- Approve without public inquiry.
- Full inquiry/hearing.
- Discretionary inquiry on a limited basis where visual impact and cumulative effects could be fully aired to test the view that the landscape is special.

It is firmly believed that the final option was the one recommended. However, Mr Wilson and the Secretary of State declined this advice, and proceeded with option 1, thus leaving themselves open for a legal challenge. **The Secretary of State and the Minister must take responsibility for the actions they subsequently took.**

The legal challenge was duly made on June 28th 2002, by the Cefn Croes Action Group, before the 6 week time limit following the formal consent ran out. A judicial review into Mrs Hewitt's decision was applied for in the High Court in London.

DTI officials were probably not surprised. One campaigner received a communication saying '*Well done! Know any good hotels in Cardiff?*' The assumption was that the judge would approve the judicial review application, and that this would be held in Cardiff. Sadly, we were not awarded a judicial review. (See chapter The Legal Challenge). However, following the

group's unsuccessful challenge, neither the DTI nor the developers asked for costs, as they were entitled to, and we believe that this was in tacit recognition of the strength of our case. They were relieved that they did not have to further defend themselves before another court, and possibly a judge more conversant in Welsh matters.

The White Paper on Energy, produced in February 2003 after the Cefn Croes decision has received a lukewarm response. It is notable for the removal of 'targets' for 20% of renewable energy by 2020, and replacement by 'aspirations'. But for energy conservation and efficiency measures, which would save far more CO₂ emissions, there are neither targets nor 'aspirations'. The 'aspirations' have not been translated into numbers of land-based turbines, which is surely something we should know. Nor are regional targets spelled out. We know that Wales has, with National Assembly compliance, been targeted for more than its fair share of on-shore turbines and Ceredigion in particular is to bear the brunt.

During the Cefn Croes saga, there have been major attacks on the planning system to facilitate planning applications for large developments. It becomes clear that the policies of other government departments must all keel over in subservience to the all-powerful 10% renewable energy target by 2010 of the new Energy Policy (which has yet to be enshrined in legislation):

- The MOD's tactical low-flying areas and RAF's pilot safety anxieties will be overruled.
- The Forestry Commission is being encouraged to use its land to grow massive 400 foot turbines, not 40 foot trees (is this goodbye to their famous two trees logo?).
- Statutory advisory bodies on the countryside are instructed to change their remit and consider 'sustainability' and identification of suitable areas for wind turbines.
- Planning policy has been weakened as local authorities are instructed to identify potential sites for renewable energy projects in their new Unitary Development Plans.

These changes away from core remits can be imposed because the Government holds the purse strings, and through its taxation revenues funds:

- The MOD
- The RAF
- Forestry Commission
- The National Assembly for Wales who in turn fund the Countryside Council for Wales
- Local Authorities

The message to them appears to be, 'Toe the line or we'll cut your funding' rather than the freedom to accept the policy on its merits. Local peoples' views are ignored. We simply pay up and are expected to passively accept whatever mad policies are concocted in Westminster. We are not allowed to see the recommendation made to Ministers, or access

details of the arrangements between the Forestry Commission and the developers as they are protected by the 'commercial in confidence' sham. There is still too much secrecy, and a Big Brother attitude of 'we know what is best for you' prevails. Genuine public consultation no longer takes place – lip-service is paid to public consultation but opinions are then ignored. It will be interesting to see the results of the GM and European Constitution debates.

What goes on behind the scenes at the DTI? On its website, the British Wind Energy Association (BWEA) details one of its achievements as hosting a dinner for DTI Ministers. One of BWEA's solicitors, Marcus Trinick of Bond & Pearce is on the DTI advisory panel. Peter Mandelson met ENRON representatives. Patricia Hewitt was familiar with ENRON through her work for their auditors and certainly was aware of their modus operandi. Brian Wilson was on familiar terms with Welsh wind developer Dafydd Huws, and was fed information by Alison Hill, BWEA's publicity advisor. (ref his reference to only 16 people writing 25% of anti-wind letters which is directly from BWEA publicity.) BWEA have not been discouraged from lobbying hard to change local authority energy policy to favour on-shore wind. It would interesting to know how and why they wield such power within Government circles.

The House of Lords and Cefn Croes

On 25th February 2002 their Lordships debated Wind Energy in what was a well-informed and cogently argued session. Lord Williams of Elvel rose to ask Her Majesty's Government whether they would reconsider their decision to allow a wind farm development at Cefn Croes. He noted that the Minister was not present and commented that this was not just a Welsh question: the outcome would set a precedent for all future such applications, not just in Wales but in England as well. He explained that the application involved 39 turbines, each twice as high as Nelson's Column, in an area of great beauty. Ceredigion County Council had ignored the advice of both the Countryside Council for Wales and their Planning Officer: *'No recognisable planning reason was given'*.

Lord Williams proceeded to trace the history of the application in the National Assembly (as outlined in a previous chapter). He analysed the false claims and inaccuracies of the Department of Trade and Industry's public pronouncements and criticised the Minister for sneering at those who argue in favour of the landscape:

'Frankly, ministerial sneering is only a cover for lack of serious argument.'

'The Cambrian Mountains are to Wales what the South Downs are to South East England.'

He ended by stating that common decency demanded no less that a public inquiry.

Lord Lloyd-Webber supported Lord Williams' remarks, speaking from personal experience of wind power stations. Denmark had called a halt to turbine developments for financial reasons and the need for back-up energy: they

'are, at best, questionable contributors to sustainable energy.'

'The Welsh mountains are among these islands' greatest natural assets.....a great tourist attraction as well as a great tonic to the spirit.....'

He also referred to the need to reduce electricity consumption.

Lord Carlile of Berriew reiterated the points already made and referred approvingly to Simon Jenkins' article in 'The Times' (February 15th 2002) where the turbine towers were described as being *'like a Golgotha of gibbets.'* The process followed by the Government had been hurtful and insulting to the people of Wales.

Viscount Tenby, the Lord Bishop of Hereford, Lord Hardy of Wath, Earl Atlee, Lord Moran, Lord Hooson and Lord Roberts of Conway each spoke in a similar vein:

'It would be unforgivable to ruin these surviving fragments [of wild country].'

Finally, Lord Sainsbury of Turville, the Parliamentary Under-Secretary of State at the DTI, speaking on behalf of the Government, wound up. He referred dismissively to opponents of wind power, then referred to the Government's CO₂ targets and Kyoto, and finally declared that the planning process *'was gone through properly'*.

And that was that!

One cannot help concluding that their Lordship's eloquence, common sense and technical realism accounted for nothing - yet more fuel for the Cefn Croes Action Group's increasing (and continuing) burning sense of injustice.

One of the DTI officials after the failed High Court judicial review application said to one of the campaigners, *'I hope your faith in democracy has not been weakened'*.

Faint hope! What democracy?