POINT AND SANDWICK DEVELOPMENT TRUST

Minutes

of meeting held at Lews Castle College, Thursday 11 February 2010

SEDERUNT Calum MacDonald, Donnie MacDonald, Scott Connor, KD MacDonald, Liz Chaplain, Andrew MacKenzie, Nan Morrison, Livingstone, Alex Ferguson, Wendy Reid (Development Trusts Association).

APOLOGIES DJ MacSween, Donald MacRitchie

MINUTES The minutes of the last meeting were read out and approved.

MATTERS ARISING There were no matters arising.

CURRENT BUSINESS

1 Introduction

CM introduced Wendy Reid, thanked her for coming and hoped that everyone present could remain for the entire workshop. He had just returned from a Scottish Renewables Conference and would like other directors to attend similar such conferences in the future subject to the availability of funds.

Nan Morrison then stated that she and her two colleagues would leave immediately after the meeting and before the DTA training session.

She explained that Sandwick Grazings Committee had recently invited the Stornoway Trust Factor to a meeting to discuss the Beinn Ghrideag lease. They had gained the impression that the Factor was hostile to the Point and Sandwick proposal and favoured the Lewis Windpower (LWP) Project instead. The Factor had stated that: 1) Beinn Ghrideag site 'belonged' to LWP and that the letter that the Factor had sent to Point and Sandwick Trust saying that the Stornoway Trust were 'minded' to lease the site to PSDT had no legal weight; 2) that the North Sandwick Grazings Cttee were personally financially liable if the PSDT project were to run into trouble; and 3) that the Grazings Cttee would be much better off cooperating with LWP as they would 'pay more'. In the circumstances, continued NM, the North Sandwick Cttee could not continue their co-operation with PSDT until these points were answered as they had to protect the interests of the crofting shareholders.

The reaction from all of those present was one of disbelief and anger that the Factor had made such remarks.

CM responded to the points in detail, beginning by reminding everyone of how they had been kept fully informed throughout the past five years, including the correspondence from the Factor in September offering the lease on the site, which CM had brought with him. As regards the specific points raised, he stated 1) that the letter did have legal significance under Scots Law, particularly given that PSDT had received grant aid from Community Energy Scotland and the Climate Change Challenge Fund on the strength of the letter; 2) that there was no personal liability falling upon the Grazings Cttee members of any kind as their role was simply to receive half the rent paid to the Trust; 3) and that the level of rent was determined by the Trust themselves and it would be the same for LWP and PSDT. Hence each of the Factor's assertions were demonstrably false.

There followed a general discussion in which several Board member emphasised the crucial difference between the PSDT project and the LWP project. The former was community-led for the sole benefit of the community (throughout the Western Isles). Hence the community, including Sandwick, would benefit not just from the rent received but from the totality of the profit made by the wind farm which would be disbursed by a Board which included a representative from the North Sandwick Grazings Cttee and from Sandwick Community Council. By contrast, LWP were owned by Amec and EDF (which is in turn owned by the French Government), and would expatriate 90% of the profit out of the islands. They did not even have an office or any employees on the island.

With PSDT the community is in control of its own affairs. With LWP it is not.

The representatives from Sandwick accepted the explanations given and shared the general dismay and anger at the remarks and behaviour of the Factor. Although NM had to leave to go to work, Am and ML agreed to remain for the rest of the training workshop.

NM undertook to pursue the SY Trust for a copy of the minutes taken at the Grazings meeting.

ACTION: NM

2 Point and Sandwick Power Report

This item will be dealt with by DJ MacSween at the next meeting.

3 Enercon Update

Enercon has arrived at an impasse with SSE over the issue of local grid instability and has now requested the help of PSDT to sort out the problem. This may necessitate setting up a meeting of all parties, probably in Perth.

CM is currently awaiting a reply from Allan MacDonald of SSE.

The problem is that there is a need for a statcom device (at £1/2m) to stabilise the grid but SSE appear more interested in the interconnector which would not be ready till 2013. PSDT could approach OFGEM but they could accept the SSE argument for waiting till 2013.

An alternative solution would be for Enercon to incorporate their own statcoms in their turbines but SSE have so far rejected this solution as it is in conflict with the 'Grid Code' under which SSE operates. This Code would therefore need to be amended but SSE is not in the mood to debate this with Enercon.

ACTION: CM

4 Planning Conditions Update

There is nothing new to report. CNES has to write to HIAL. CM has a meeting with the Convener at 2pm on Friday to discuss planning issues and difficulties with the SY Trust.

ACTION: CM

5 Stornoway Trust Lease Update

CM had held a meeting with the Chairman of the Trust and Duncan MacKay from Sandwick North St to dispute the assertions made by the Factor at the Grazings Cttee meeting.

The Chairman undertook to investigate and to expedite the lease agreement. CM had told him that a draft lease was needed straight away and that the lease needed to be formally agreed and signed by April to meet Lottery deadlines.

ACTION: CM

6 Finance Update

This will be dealt with at the next meeting.

7 Membership Database Update

JP has twelve new membership forms from the AGM and DM has a further three.

ACTION: DM

8 Registration of Directors with Companies House

This will be discussed at the next meeting.

ACTION: DM

9 There being no other competent business, CM invited Wendy to conduct the Training Workshop. At the end, CM thanked everyone for coming, especially Wendy and hoped that we would have similar workshops in the future.