POINT AND SANDWICK DEVELOPMENT TRUST

Minutes

of meeting held at Tiumpan Community Centre, Wednesday 02 September 2009

SEDERUNT Calum MacDonald, DJ MacSween, Scott Connor, Jean Staines, Liz Chaplain, Angus McCormack, Willie MacFarlane, Alex Murray, George MacDonald, Andrew Mackenzie, Donald MacRitchie, Jane Macintosh, Donnie MacDonald.

APOLOGIES KD MacDonald, Norman MacLeod.

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

MATTERS ARISING **Accounts and Financial Report**
The accountant has now been issued with the relevant banking details.

CURRENT BUSINESS **1 Meeting with Amec and British Energy**
CM and DJ met with Alasdair Rennie representing Amec and Simon Baker representing British Energy. AR suggested that PSDT enter into a 'partnership' with them and have our turbines incorporated into their own proposed scheme. He was reminded that ours is a *community* scheme and that his suggestion was highly unlikely to be accepted.

It was apparent that the siting of our turbines would be 'inconvenient' to Lewis Windpower. Could we shift them? No, they were told. PSDT has already established the precise coordinates of the turbines, all the relevant data and planning permission had been acquired and we were making rapid progress with the rest of our plans. AR seemed less than happy at this response.

The final request from LWP was that PSDT promise not to assist any rival development to LWP. CM and DJM responded that we could guarantee not to help any private sector developer but was told that a guarantee not to help other community groups could not be given. In fact, Melbost and Branahuie Grazings Committee had already approached us with a view to possible developments on its land and we had agreed to help.

CM and DJ were surprised at the level of LWP's ignorance regarding crofting rules and regulations. For example, they had no idea what an apportionment was.

Rennie and Baker said that they could not commit themselves to any specific answers about our lease request without discussing the matter with their Boards. They were reminded, however, that these answers were urgently required. It is known that they have, indeed, had their Board meetings but there has been no response so far.

CM reminded directors that SSE had offered a partnership where PSEC would retain a controlling interest of 51%. On the surface, it is a good deal but no further details have been provided and PSDT are not minded to dilute their identity as a community company.

CM had a meeting with Charlie Nicolson of the Stornoway Trust and gave him a progress report. He was asked why the Trust does not take the initiative and develop its own windfarm. There were several options open to the Trust, for example, Sgurr Energy would be prepared to do most of the work for a 20% stake in the venture. Why has the Trust put all its faith in LWP and not even explored the possibilities of taking charge of its own future?

LWP pays the Galson community group a sum of £10,000 per annum over an effective 70-year period. In addition to this however, Galson, very astutely, plans to develop a further area of land separate to their deal with LWP. Furthermore, in 2012 the payment steps up to £100,000 which may see the withdrawal of LWP from the deal. Presumably the LWP lease with the Stornoway Trust is similar.

Charlie Nicolson appeared to be interested in exploring options and said that the Factor would be in touch after the Trust meeting on the 31st..

Unfortunately, we have since learned that at the meeting of the Stornoway Trust on Monday 31 August, the Trustees were specifically instructed not to attend any meetings of PSDT on the grounds that this was a conflict of interest. The Committee were dismayed to learn this and the conflict of interest argument was rejected as entirely specious. Together with the fact that the Trust Factor is unwilling to give PSDT the 'letter of comfort' it has been seeking for some time or to pressure LWP to do the same, then it is a totally unacceptable situation.

This intransigence has already resulted in CES rejecting a request for finance for Melbost and Branahuie's feasibility study on the grounds, quite understandably, that the lease agreement is not in place.

It has also emerged that the Tolsta community group has also written several letters to the SY Trust asking for a lease with no reply.

After discussion, the directors concluded that pressure must be brought to bear on the SY Trust if our own plans are not to be jeopardised in any way and the following actions were agreed upon:

1 Letters would be sent to each of the Trustees informing them of the situation as it stands. They would be asked to re-consider their stance and appreciate the knock-on effects on the numerous organisations that PSDT had already agreed to support financially in the future.

2 Each of the above organisations would be informed of the situation and of the possible consequences.

3 Melbost and Branahuie Grazings Committee would indicate, in writing, their displeasure at being denied funding for their feasibility study as a direct result of the SY Trust's attitude and actions.

4 Inform the Press of the current situation and how we are dealing with it.

It was suggested that PSDT acquire a copy of SY Trust's Deeds in order to be more informed of the latter's responsibilities to the voters of the Trust area. **Action: CM**

2 Meeting with SSE

CM attended a meeting of 'EcoHeb' in Inverness at which was present Allan MacDonald of SSE. The grid connection to Lewis and Harris is considered as unstable and cannot cope with any more 'load'. This can be overcome by installing a piece of technology called a Statcom Device. It should allow a further 24mw to be transmitted at a cost of £1.5million and allow all the community energy groups to connect.
It would be SSE's preference not to pay for the device.
This could be ready for June 2011 but it would be advantageous if not necessary to have in place by the Spring of 2010 all the finance and all the consents required. Then a firm connection date could be given.

To prevent overload, there have to be constraints. At certain times of the year, according to weather conditions and according to rate of consumption of energy, SSE may have to curtail the energy 'flow'.There are two options open to SSE.

1 Target the newer groups
2 Target the larger groups.

It was agreed that a letter be sent to the Department of Trade and Industry, now known by the catchy title of Business Enterprise and Regulatory Reform (BERR) to request a consultation. **Action CM**

The directors and others, who have always been informed that the interconnector had to cope with an energy flow of 450mw in order to make it viable, were very surprised to hear that the figure is in fact

150mw. That is especially interesting in that it negates the argument used by some individuals that the Amec venture is crucial to securing an interconnector.

3 Report on Enercon Presentation

Enercon, a company owned and controlled by one individual, currently has a 50% share of the German market in the supply of wind turbines. It supplies top-of the-range turbines with a 15-year guarantee and a further guarantee that they will be 98% operational over that period.

The turbines do not have the traditional gearbox. Instead, the unique design of the blades allows them to pitch in order to switch the turbine on or off. Also, unlike conventional turbines which cut off instantly, the new design allows for a gradual slowing down. There are no long cut-out periods thus making them more efficient. The blades not only draw energy from the outer edges but also use the inner radius of the swept area. The advantages over conventional blades are as follows:

1 Less noise emission due to optimized blade tips
2 Longer service due to reduced road impact.
3 Easier transportation due to streamlined blade design.
4 Higher efficiency due to modified blade design.

Enercon can also supply small Statcom Devices (mentioned earlier) to attach to the turbines at a cost of approximately £65,000 each.

Of further interest to PSDT is Energon's close working relationship with the Co-operative Bank and Triodos Bank. This could be useful when seeking finance, particularly when the former is prepared to offer 90% funding.

After initially disappointing news, Melbost and Branahuie will be pleased to know that Enercon are willing to do their feasibility study if we provide them with relevant information.

4 Financial update and AOCB

The accountant will provide details at the next meeting.
The directors approved the creation of a website by Alex Tearse at a cost of £1,400.

5 DONM

The next meeting is scheduled for Tuesday, 22 September.