MINUTES of Board Meeting

Point and Sandwick Development Trust

5.30pm 4th June 2014 at Café Roo

Present: Angus McCormack, Donald MacRitchie, Donald Taylor, Matt Bruce, Eddie MacGregor, Andrew MacKenzie, Donald John MacSween, Calum MacDonald

Apologies: Duncan Mackay, Jenny Pain, Scott Connor, Liz Chaplin, KD MacDonald

1. **Minutes and Matters Arising**

The Minutes were approved with the correction of the meeting location.

2. **Point and Sandwick Power Report**

a) **Technical Due Diligence**

Calum MacDonald reported that the TDD was now complete. In particular, the issues raised by Natural Power about grid stability and site investigation had been answered by including a contingency of £400k in case a harmonic filter is needed, £80k in case a pre-insertion resistor is needed and £45k in case further site investigation work is required. Including the normal contingencies for construction, the total contingency for the project is now £900k

b) **Legal Due Diligence – Property Docs**

Calum MacDonald reported that there were two continuing delays in the property documents. The first was the release of the wayleave for the SSE cabling, the second was the step-in rights in the Lease for the Santander Bank. Unless they were resolved soon, they would delay financial close and threaten the installation program for the turbines this year.

Angus McCormack reported that he had met with John Buswell and Gary Morton of LWP in the Comhairle building last month and that they had promised that both issues would be resolved and the necessary documents signed by 20th May "at the latest".

As this did not happen another meeting was arranged with Mo Murray, Trust Chairman, on 2nd June to ask that the Stornoway Trust now sign the wayleave. Mo said he sympathised with our position but he said that even though the Stornoway Trust as landowner would normally be responsible for signing way leaves on Trust land, they were powerless to sign anything without the permission of LWP.

The Board expressed their unhappiness and frustration at this situation and asked the Chairman to write to the Stornoway Trust Chairman to arrange a meeting between the two Boards to try and get faster progress.

ACTION: Angus McCormack

c) BoP Program

Calum MacDonald reported that he had met earlier in the day with the team from RJ Macleod in Glasgow to discuss the BoP program, including Hamish Seaton, Mairi Mackenzie and David Fraser who will senior project manager. The meeting was also attended by three SgurrEnergy technical advisors working for us, including Stephen Corr who will be project manager for Sgurr.

RJ Macleod said that they could start mobilising to site as early as 16th June provided we got credit approval from the Bank but that we would need the Lease to be in place before the main construction works could start. RJ Macleod said a start on site by late June/early July was required to allow the turbines to be installed by Xmas, and that would also depend on whether they were also awarded the foundations contract by Enercon.

d) Arrangements for Financial Close

Now that Technical Due Diligence had been completed, Calum reported that the next step was to get credit approval from the Bank, hopefully before the end of June. Financial close would then follow two or three weeks after that. The Board agreed to have their next meeting when the timeline to financial close was clearer.

ACTION: Calum MacDonald

3. General Manager Report

DJ MacSween had distributed his General Manager's Report by email. He reported on discussions he had had with Tolsta community energy about ongoing problems with grid availability being experienced by the other community energy companies. The Board agreed that we convene a meeting with the community energy companies of Eco-Heb after financial close to discuss this problem with them.

ACTION: Donald John MacSween

4. AOB

There was no other business.