SUBMISSION BY STRUAN STEVENSON MEP

Targets

The SNP Government set overly-ambitious targets without proper planning or investigation into the consequences. They manipulated energy policy as a means for their own political gain rather than for the good of the country. Their focus on wind energy, both onshore and offshore, will not be sufficient to reach their targets yet they continue on their absurd stampede for renewables which has become their flagship policy, second only to independence in order of importance.

The commercially available renewable technologies are simply not up to the task. They are visual monstrosities that produce a trickle of electricity at vast cost to the consumer. They don't significantly reduce CO2 emissions and they threaten to plunge us into an energy crisis. There are currently around 3,500 turbines operating in the UK at an installed cost of £7 billion. They can generate around 5.5GW of energy; in other words little more than a medium sized gas or coal-fired power station. Another 7,000 turbines are in the planning pipeline.

But even once all 10,500 of these turbines are up and running, it will not be nearly enough to achieve the UK target of 20% renewable energy by 2020, or the even more ludicrous 100% electricity target set by the Scottish government. To reach these targets we will need a six-fold increase in giant turbines, or 60,000 of them across the UK, many of them here in Scotland. The total cost will be in excess of £200 billion, even with economies of scale.

Hunterston B and Torness, which together provide us with 30% of our power, are nearing the end of their active lives. In fact Hunterston will be closed in 2016. A new nuclear plant would not be commissioned and fully operational before 2019 at the earliest. So to avoid widespread blackouts at the end of the decade, we will be relying on large numbers of open cycle gas turbines being constructed between 2012 and 2015. Increased dependency on imported gas will increase demand. Increased demand will increase fuel bills and increased fuel bills will increase fuel poverty when 800,000 Scots are already faced with the stark choice between food or fuel.

To achieve the ludicrous target of 30 GW of installed wind capacity by 2020 would mean virtually doubling every year the number of on and offshore wind farms currently under construction. Even the experts struggle to justify such unrealistic targets. The Adam Smith Institute and the Scientific Alliance recently noted that to deliver 18 or 19 GW of offshore wind, the Government would need to construct another 5,000 turbines before 2020. With roughly 3,000 days left until 2020 and estimating that around 120 days per year will be suitable for offshore construction, starting from today, 5 turbines will have to be installed every day until 2020. Anyone can see that this is improbable, if not totally impossible.

The SNP Government has forgotten that for a target to be realistic, it has to be founded on factual data and a comprehensive engineering based technical
assessment. To quote experts from the Institution of Mechanical Engineers, "if a target is not achievable there is no point setting it" and right now there is no practical strategy in place to ensure that Scotland will achieve the SNP’s 2020 targets. No comprehensive engineering assessment has been published in the public domain which would support the targets. From an engineering perspective, the Institution of Mechanical Engineers can't see how a sufficient installation rate will be achieved through current policies. They urge the SNP to refocus on a pragmatic, 'real world' approach to what can actually be realised. They want the Scottish Government to clearly state its engineering based methodology for achieving the ambitious targets without delay. I couldn't agree more.

**Challenges**

**Technology, supply chain, infrastructure, skills and workforce development:** There are a number of significant barriers to achieving the 2020 targets. These include:

1. inappropriate infrastructure,
2. inadequate technology
3. a deficiency in skills,
4. a lack of manufacturing capability
5. a lack of funding.

Our electricity grid is outdated. It was built to connect large centralised electricity generating plant to industrial and domestic customers, not to facilitate remote power generators using local renewable sources. It needs a multi-billion pound investment which consumers would pay for. The UK is not in an electrical transit corridor. It is part of an ‘electric island system’. Therefore, balancing the grid when we have wind energy is incredibly difficult. If the UK generates too much wind energy, you risk overloading the grid. That is why the National Grid has to pay power companies and landowners to shut down their turbines when there is too much wind. What a shame it would be if we did pay for all these changes, only for future governments to realise what a scam large-scale wind power is. Our Government must ensure transparency. They must tell us where the money is sourced, where it is spent and they must demonstrate best value for money.

Significant development work is needed to improve the efficiency of offshore wind technology. I would like to say that this will create Scottish jobs, but we simply don't have sufficient numbers of qualified personnel for the development, assembly, operation or maintenance of this emerging offshore technology. Can the SNP Government really expect to train the necessary manpower, install the turbines and update the grid in 8 years? No. We will end up heavily subsidising the entire industry and creating huge amounts of jobs for the countries that can complete the tasks for us. Right now, the heavily subsidised green jobs which our taxpayers fund are actually being created in countries where turbines are manufactured and not in the countries that install them. The majority of the steel towers are delivered from Germany and
Denmark, the turbine blades are built in Scandinavia and the gear boxes are constructed in China. Scotland is by no means devoid of manufacturing industries, but we lack a sufficient manufacturing base for the large volume of equipment which will be required to meet the 2020 targets.

**Planning and consents:** One of the most significant problems when addressing the issue of a wind farm site is the current system of assessment that exists in addressing the potential impact such a development would have on the land and local community. The Environmental Impact Assessment (EIA) Directive gives the developer the responsibility to conduct the assessment and then gives the local authorities the task of evaluating their findings. Given that the UK has a considerable number of scientific experts with the ability to provide the relevant information related to the potential impact, it seems incongruous that the onus to do so lies solely with the wind farm's developer, who can employ an expert who will advise in favour of the wind farm's construction.

The local authorities themselves presently lack the essential scientific expertise to determine any potential project as damaging or counter productive. Consequently, they rely on the relevant official bodies to make specialist observations about the proposed location on their behalf. These official bodies handle vast amounts of wind farm cases bringing into question their ability to manage a case quickly, accurately and without agenda.

Proving that a site is unsuitable would have great financial implications. This is why overturning a decision to construct wind farms proves almost impossible for the local communities involved. This unfair balance built into the EIA process must be addressed. Local communities cannot compete financially with developers. This is particularly so with local rural communities, the very places where developers want to construct wind farms. The power currently lies with city investors, big developers and the local authorities, the very people who won’t be directly affected by the proposals.

An EIA carried out by the local communities would consume vast amounts of public money and time including several days field work, collating the field data, reviewing the EIA information, writing the report and even appearing as an Expert Witness at a Public Inquiry. This process just refers to investigating proposals on peatland. One also has to consider the site's archaeology, water quality, noise and ornithology. This would subsequently add to the cost and time of an EIA.

Local communities should be given a stronger voice in the planning process of any development which would significantly affect their local area. A fund should be provided by the developer which can be used by the local community to create their own EIA if necessary. This would guarantee further examination of assessments already carried out by local developers to ensure a full investigation of any development, not just wind farm construction.

The funds could be created through a bond given from the developer to the local authority at the start of the project in respect of any restoration work
required at the end of the working life of the development. This local community bond could also be applied to the initial planning application and could be based on not only the physical scale of the development but also on the economic costs.

Not only would this provide the local community with the power to object to any proposal but would encourage the developers to research thoroughly the implications of such proposals and to produce good EIA documents which local councils would be happy to accept without having to consult other official bodies. This would encourage a win-win situation whereby developers produce high quality EIA documents and local communities feel content that the documents represent the true potential impacts of such a development. This also reduces the current time-consuming, costly and conflicting system currently in place and assisting those who feel disenfranchised by the planning process.

**Access to Finance**

The subsidy-driven renewable sector must be reformed. These subsidies provide the funding for renewable companies and developers to construct their projects. But it is taxpayers and consumers who foot the bill. The impacts on consumers and their bills have been drastic and it will only get worse if something is not done.

One issue caused by more wind power, which every single Scot will face is further rises in our fuel bills which will in turn force many people into fuel poverty which is broadly defined as the inability to heat a home to an acceptable standard at a reasonable cost. The definition used by the Scottish Government is: "a household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income on all household fuel use. Extreme fuel poverty is defined as being required to spend 20% of income on fuel to maintain an adequate heating regime".

In Scotland, the eradication of fuel poverty is required by the Housing (Scotland) Act 2001. Before the SNP took control of our country, the fuel poverty rate in Scotland did fall from 35.6% in 1996 to 13.4% in 2002. However from that point onwards, the rate has been steadily rising year on year to 32.7% of households in 2009 - almost back to the 1996 levels. Is it a coincidence that this rise has coincided with the widespread roll-out of wind power? Now fuel poverty across the UK is reaching unprecedented levels. Over one third of Scottish homes, over 800,000 people, are currently battling fuel poverty even though our Government planned to eradicate fuel poverty for vulnerable households by 2010. They failed.

In 2007, the SNP Government stated, and I quote, "we have more than enough energy to end fuel poverty. The SNP will deliver more streamlined government with a greater focus on achieving strategic targets. It will be well-placed to reduce levels of fuel poverty across Scotland and have the breadth of focus and range of responsibilities needed to act effectively." In a move
reminiscent of their ambitious 2020 targets, the SNP has set November 2016 as the new target to eradicate fuel poverty. Yet despite renewing their commitment to eradicating fuel poverty they actually reduced fuel poverty expenditure from a total of £70.9 million in 2010-2011 to a total of £48 million in 2011-2012. Add in the various market incentives for renewable energy inevitably contributing to generally higher energy costs and you have another impossible target set by the SNP.

**Energy Market Reform and the Subsidy Regime:** The subsidy regimes must be completely over-hauled and the vast sums of money given to windfarm developers must be cut. The Climate Change Levy, the Renewables Obligation, and the Feed-in Tariffs will not meet the challenge of the Scottish Government’s renewable targets. Without these subsidies, it is unlikely that anyone would invest in wind power but with them windfarms become a very attractive and extremely lucrative option for developers. Low-carbon technologies and renewable technologies have been overly incentivised by an assortment of carrots and sticks which simply line the pockets of renewable energy companies and landowners.

It has been estimated that Department of Energy and Climate Change green policies could be adding 45% to electricity costs by 2030 for medium sized business owners. These extra costs will damage competitiveness and undermine viability, especially for high energy users. They risk driving industry to migrate overseas along with their CO2 emissions, thus having zero net impact on global emissions totals. We have already seen this happening in Spain. Even worse, consumers are footing the bill for vast amounts paid to shut down windfarms when there is too much wind. Ofgem and the National Grid are predicting that paying windfarms to shut down could cost almost £300 million a year by 2020.

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