

**Another forum is
announced – but
Holyrood still has:**

No strategy for Scottish energy

Twelve months ago, Holyrood's Enterprise & Culture Committee (ECC), whose job it is to scrutinise the work of the Enterprise, Transport & Life-long Learning Department, launched an inquiry into renewable energy in Scotland.

Westminster is responsible for energy policy – Holyrood cannot legislate a secure and sustainable energy supply for Scotland.

While the 'renewable' component of energy supply is devolved, there is no energy portfolio and no mechanism for discussing it other than as a commodity.

Nevertheless, the ECC's Inquiry, though unable to take a broad view, was rigorous within its remit. Its report unanimously criticised the Executive's renewables policy and warned that if its targets were to be met it would need quickly to switch from a over-reliance on onshore wind.

The Executive is not obliged to accept the recommendations of a parliamentary report but, when a committee spends a year taking evidence and makes unanimous recommendations, it must at least appear to heed its advice.

Shortly after the summer recess, the Executive published its response. It agreed fulsomely with the points it liked and ignored the ones it didn't.

One committee member summed up the response as 'anodyne and self-congratulatory'. *VoS News* concurs.

The committee took the unusual step of publishing an eight-page booklet highlighting its recommendations and urging the public to comment on the report and the Executive's response.

In the best parliamentary fashion, both documents were debated on 6 October preceded by a motion which required no vote (see page 4). So both the Executive and the ECC could congratulate themselves on having won.

It's good to see that Holyrood doesn't stand for any of that archaic nonsense that goes on at Westminster.

One lesson of the debate was that, while there are many MSPs who will defend wind-power unquestioningly to their dying day and who are characterised in the main by a dangerous ignorance of electricity generation issues, others have taken the trouble to learn something about renewables and power generation and are showing increasing concern about current policy.

Rural tourism abandoned in wind-power frenzy

'Wind energy manufacturing has created jobs at Kintyre, at Nigg and at Glenrothes, and has the potential to continue to do so, both here and in other parts of Scotland...'

So says Jim Wallace (see page 6). But we show the reality: trying to compete with the big players in a crowded market threatens bitter jobs disappointment.

But this is nothing compared to the risk that the wind frenzy poses to rural tourism. It doesn't take a genius to work out that if you industrialise a landscape famous all over the world for wildness, unspoilt beauty and tranquillity there is just a chance that some people won't come any more.

We do not say that it will definitely happen. But only a fool would say that it will *not* happen.

There are, it seems, such fools in the Executive.

Back in 2002, Holyrood's petitions committee instructed VISITSCOTLAND to gauge the response of tourists to the proliferation of wind-power sites. A well-conducted survey suggested that up to 25 per cent of tourists would be 'less likely' to return to an area covered with turbines and that 15 per cent would 'definitely' stay away.

Upwards of 30,000 people depend for their livelihood on rural tourism. Few, if any, parts of Scotland are without large areas under active consideration as wind-power sites. Over 6,000 jobs could be at risk.

The Executive appears totally indifferent. It seems that a 'very senior' member told VISITSCOTLAND to 'de-emphasise' its report. With some success.

The Enterprise & Culture Committee 'saw no evidence' of a negative impact said its former convenor. Speakers in the debate seemed unaware of the report's existence.

But visitors have already expressed horror at the number of proposed wind sites. If only a small percentage holiday elsewhere, many jobs will go.

Your argument, Mr Wallace, is a little lop-sided.

Letters + Letters + Letters + Letters + Letters

And what did some of those 'loopy environmentalists' make of it ... ?

Many MSPs said that this was the best Holyrood debate so far.

The others must have been awful. While speakers reflected their party line, many seemed to have made little effort to think their position through.

There seemed to be universal agreement on the need to upgrade the grid with the SNP vehemently advocating uniform grid charges.

They also claimed that since, historically, populations have moved to the sources of power, perhaps the Highlands and Islands could see a resurgence.

But why would they when all our power would be cheaply exported to the south of England?

There was general agreement that hydrogen was a 'clean' way forward.

The LibDems even called it a 'renewable energy source'. It isn't. It needs a primary energy source to extract it.

The Greens have visions of the northern isles replacing the Middle East in the supply of motor fuel.

Why would a fuel company locate there, or even Aberdeen, to pipe hydrogen (sourced from risky wind or wave technology) to the south of England when a local nuclear station could do more of a job at lower cost?

Oil is used for far more than motor fuel and the Greens were unknowingly advocating nuclear power as the only technology capable of supplying the vast energy needs of hydrogen-based fuel.

There also seemed to be general agreement that wind power (onshore at least) had run its course although, as the energy minister appeared to be reading a paperback through many speeches, he presumably wasn't interested.

Marine power was advocated (Greens again but fairly general) to replace wind with Scotland set to become a world leader.

Of what I am not sure since many countries have no sea access, many that do have little tide while others

have no waves. Some, such as Canada, have coast and tide and waves but a 2,000 mile feed to the interior may be too much. The market is limited.

ROCs and planning guidelines are to be reviewed. VIEWS OF SCOTLAND needs to be on the consultation committee otherwise SPREG (90 per cent wind industry) will do their usual dirty.

So, the list goes: Conservatives very much against; backbench Labour quite concerned; SNP a bit for. The Greens would sell their grandmother to get any renewables – though without knowing anything about them.

Peter Hodgson

I found the debate pretty depressing but not entirely unexpected.

I've been a lifelong Labour supporter but they were the least informed, the least forward thinking – and the most negative about campaigners.

Maureen Macmillan made vituperative comments about 'loopy environmentalists' and 'shameless NIMBYs' and was applauded by colleagues.

I thought this out of order, aimed at the gutter press and unworthy of a serious debate.

The Labour speakers also wanted to compare their obsession with wind power with the 'visionary' decision to build hydro schemes in the 1950s. They were not seriously challenged.

John Farquhar Munro (LibDem) spoke up bravely about his constituents' concerns about pylon proposals and called for independent estimates of the cost of various options, including an undersea cable from the Western Isles.

But he also made enthusiastic claims for 'vast untapped economic potential' from wind energy, with Denmark having 16,000 jobs in an industry that generates DKK two billion annually from it – and Gigha

eventually earning £120K a year.

Sarah Boyack made thoughtful points particularly in relation to planners' lack of awareness regarding applications for energy schemes.

She pointed out that when she was lecturing to planning students just five years ago such issues were not part of their training.

The SNP seem to have convinced themselves that renewable energy, including wind power, will bring major economic benefits to rural areas and major export opportunities for Scotland.

The Enterprise Committee spoke enthusiastically about all the jobs the Vestas factory is bringing to the depressed area round Campbeltown.

Rob Gibson (SNP) enthused about the way that renewable energy schemes will lead to the repopulation of rural areas, reversing the loss of their youngest and brightest.

In his view, 'the interference with natural beauty is a small price to pay'.

The Conservatives were by far the best speakers and the most sympathetic to protestors.

Mary Scanlon said that wind 'farms' is a misleading name with its overtones of earthiness. The reality is industrialisation of the countryside.

They challenged the '40 per cent by 2020' policy on the grounds of there being no estimates of demand in 2020 nor clear ideas about where the other 60 per cent will come from.

They also stressed the lack of any estimate of reduction in CO₂ emissions and called for a moratorium on applications until the production of guidelines scheduled for 2006.

The SNP were a bit vague on this, some speaking for a moratorium, others not so clear.

The minister announced an advisory forum to develop this guidance, involving representatives from a range of statutory organisations, communities etc.

Although the impact of turbines and pylons on tourism got mentioned (and pooh-poohed), there was no recognition of the very extensive community of hill users despite hill walking being a very widely enjoyed activity in Scotland.

Letters + Letters + Letters + Letters + Letters

I noticed glowing references to SPICe – the Scottish Parliament Information Centre. They might be useful people to send information to.

There was plenty of good stuff about supporting other forms of renewable energy, diverting resources from onshore wind to do this, about needing a comprehensive energy strategy, needing to widen the environmental concern greatly, not just concentrating on electricity generation, etc.

But I was disheartened to see just 45 MSPs at the start of the debate dwindling to around 30 by the end.

Nicki Baker

DON'T FORGET wild-life – it didn't get mentioned. Strangely, the RSPB did. On a number of occasions.

As they are drawing revenue from

renewables, they are at risk of having a financial interest in any decisions or recommendations that they make.

In the proposed 'advisory forum', I trust that VIEWS OF SCOTLAND will be invited to take part as their membership includes some people with a great deal of technical knowledge.

Also, they are unlikely to be swayed by financial gain as they do not have the status of 'pecuniary advantage stake-holders'.

Alasdair Morrison's 'privileged position' remarks against Prof Bellamy, Mr Hodgson and 'illegitimate' scaremongers (what on earth are those?) were disgraceful.

Would he use such remarks in a debate on, say, euthanasia?

I felt that the debate was moving forward with some dignity and sense

of 'pulling together' until he joined in.

Character assassination is the mark of the frustrated bully who cannot come up with reasoned argument. Has he perhaps been on a BWEA 'public relations' training course?!

Mr Hodgson's warning about the possibilities of an Aberfan type disaster should have been welcomed – he may well have averted one!

Karl Pipes.

- **How does your elected representative respond to concerns about wind power? Dismissive? Helpful? Open-minded? E-mail us at edit.vosnews@viewsofscotland.org with a star rating for your MSP of one to five for fair representation of constituents' views and we will publish a league table in a later issue.**

'Loopy environmentalists' and their scare stories . . .



The peat slides in Ireland caused by turbine construction were very real, as were engineers' unheeded warnings to the South Wales Coal Board prior to the Aberfan disaster. (See Alasdair Morrison on Aberfan scare stories, page 5). The incident occurred in Derrybrien, Co Galway last year. The next VoS News will feature the event and the subsequent reports, inquiries and court cases in full. We also hope soon to have a report on the mechanics of peat slide.

The debate in brief

HOLYROOD'S ENTERPRISE & Culture Committee recently published *Renewable Energy in Scotland* – the first official parliamentary criticism of Executive energy policy.

It followed a thorough exploration of the predominant component of the renewables mix – wind power.

The Executive's response (which one committee member called 'anodyne and self-congratulatory') showed that there was a good deal of clear water between it and the committee.

Twenty-one MSPs spoke: the committee's deputy convener, Mike Watson, proposed the motion; the new deputy minister for Enterprise and Lifelong Learning, Allan Wilson (who replaced Lewis MacDonald and had been in post for 48 hours) replied for the Executive and the committee's new convener wound up.

Mike Watson expressed disappointment that many of the report's recommendations had either not been accepted or had been ignored by the Executive.

In reply, Allan Wilson gave way so many times he managed to say very little and was so light on specifics that a long and distinguished ministerial career might well lie before him.

He did announce that he had asked his officials to develop plans for (yet another) advisory forum that would

The ECC's motion:

'That the parliament commends the 6th Report 2004 (Session 2) of the Enterprise and Culture Committee, *Renewable Energy in Scotland*, including its support for the Executive's ambitious renewable energy targets; recognises that, if the targets are to be met, further development of all sources of renewable energy will be necessary, and urges the Executive to take active steps to ensure that the targets are met from a range of renewable sources including wind, wave, tidal, solar and bio-mass, that energy efficiency measures continue to increase and that the current planning regime is kept under review to facilitate this.'

'bring together experts from throughout Scotland who have an interest in renewable energy'.

This would look at what John Swinney had called a 'congestion of applications in a small geographical area' and might include, he explained, heritage bodies, environmental groups, local authorities and the industry.

No engineers or local residents apparently need apply.

Phil Gallie asked whether renewables targets are a percentage of capacity or supply and raised the possibility of the measurement of emissions savings. The deputy minister made no response.

Both Richard Lochhead and Rob Gibson pointed to the need for public support for wind power. They seemed to believe that all that was necessary to achieve this was to make clear the 'direct benefit' to communities.

Murdo Fraser called for a moratorium on applications to which there was a substantial body of objections to allow time for national strategic guidance to be published.

Oil & wind giant faces US Sudan wrath

CURIOSLY, Richard Lochhead (SNP), Maureen Macmillan (Labour) and Jamie Stone (LibDem) all singled out *Talisman Energy UK* for special praise.

The Canadian oil giant's subsidiary plans to turn Beatrice Field (north-east of the Moray Firth) into a giant off-shore wind-power site. In August this year, Talisman Energy Inc reported that:

[A] demonstrator project will receive £3 million in funding from each of the Scottish Executive and the UK Department of Trade and Industry and six million Euros from the European Commission. Talisman and their co-venturer in this project, Scottish and Southern Energy (SSE), will each contribute over £7 million.

To date, Talisman and SSE have conducted four feasibility studies, collectively spending £2 million.

The announcement was made at a celebration in Aberdeen marking Talisman's tenth anniversary in the UK. Among guests in attendance [was] Jack McConnell ...

A few weeks after Jack the Lad's Talisman trip, he jetted off to China, leapt off the plane and lectured his hosts on human rights. Before explaining the benefits of Scottish-made coal-fired generation plant.

Talisman's 'friends at court' presumably do not read *The Herald*. It had carried a story only that morning about a significant 'class action' law suit filed against the company in New York.

The plaintiffs, which include the Presbyterian

Church of Sudan, allege that the Sudanese army has driven people from their homes in order to secure Talisman's oil fields in 'the same sort of attacks that the world is now registering in Darfur.'

According to US lawyers, the complaints allege that Talisman Energy Inc and the government of Sudan 'have collaborated in a joint strategy to deploy military forces in a brutal ethnic cleansing campaign against a civilian population based on their ethnicity and/or religion for the purpose of enhancing [their] ability to explore and extract oil from areas of southern Sudan by creating a *cordon sanitaire* surrounding the oil concessions located there.'

The company reportedly sold its stake in the Sudan project to the Indian national oil business ONGC Videsh for \$750 million in March 2003.

Chief executive Jim Buckee is quoted as saying that, in the event of the signing of a peace agreement, 'We will come back to Sudan'.

He explained that the decision to pull out had been made because 'US pressures' threatened to exclude Talisman from financial markets.

To be fair to our opponents, the case has been highlighted in Scotland by Friends of the Earth.

More 'loopy' environmentalists, one supposes.

The outgoing convener of the committee, Alasdair Morgan, reported that the committee 'saw no evidence that tourism is affected negatively by wind farms'.

Probably, like many other people, he was unaware of the largely unreported but thorough survey commissioned by VISITSCOTLAND in 2003 (when the committee's deputy convener, Mike Watson, was Minister for Tourism). Unfortunately, this is not available on VISITSCOTLAND's web site.

The venom directed at objectors was particularly inappropriate since the committee had specifically invited public reaction to its report.

Maureen Macmillan expressed her concern at what she called the 'shenanigans of some loopy environmentalists

and shameless NIMBYs [who] are causing communities to shy away from a major source of revenue'.

A personal attack was made on David Bellamy by Western Isles member Alasdair Morrison. He went on to accuse 'a Mr Hodgson' of being responsible for many scare stories 'one of the most unpleasant of which is the threat that children might be swept away in an Aberfan-style disaster if turbines are erected close to villages or on moorland.'

But see page three – and the next *VoS News*.

He added: 'I tell Mr Hodgson and all of his ilk that my attitude to renewable energy will be guided by my constituents' interests and not by scaremongers.'

This remains to be seen.

An open letter to Jim Wallace ...

**The Rt Hon Jim Wallace QC MSP,
Minister for Enterprise & Lifelong Learning
from the Chairman, VIEWS OF SCOTLAND,
4 October 2004**

NECESSITY HAS forced our members into a detailed study of wind power: among us all, we probably know as much about wind issues as anyone, including the Executive's Energy Division.

Our arguments echo those of scientists and the engineering bodies. In contrast, the mainstream environmental groups have a passion, an *idée fixe*, for wind power which transcends rational debate. It seems that their supporters currently have the ear of government.

Reserved policy: the emperor's new clothes

The dash for wind was driven by politicians eager to be seen as working to halt global warming without having to legislate against powerful interests like the transport or aviation industries.

A lack of political or commercial support had held back the development of renewable technologies for many years.

But, in the aftermath of Kyoto, Whitehall – influenced by idealists rather than technicians – warmly embraced the least viable but easiest option, wind power, which was fortuitously anchored in the public mind as *the* source of clean energy.

Engineering counsel was ignored as ambitious targets were set and legislation enacted which provided financial inducement that, whether by accident or design, ensured that the supply of wind power has increased, and could well continue to increase, year on year.

With 'renewables' firmly in its grip and with the prospect of guaranteed, subsidised profits over the next 20 years, the wind industry wants no competition from other, more technically viable, technologies.

It simply *cannot* acknowledge that wind power is unable to fulfil any of the five key aims of Westminster's renewables policy:

- It will make no significant contribution to emissions reduction (the ROC scheme rewards suppliers whether generation reduces emissions, increases emissions or is emissions-neutral);

The ECC invited members of the public to make their views known to, amongst others, the Deputy First Minister. VIEWS OF SCOTLAND sent the open letter reproduced here. Jim Wallace is the minister ultimately responsible for the Executive's renewables policy.

- It will provide no more than a fraction of the country's energy demands without risking grid stability;
- It will hinder the development of alternative renewable technologies as long as wind-power remains a cash cow;
- It will provide Scotland with nothing but short-term, low-grade construction jobs;
- It will make no contribution to rural development but will, in all likelihood, do serious and permanent damage to rural tourism.

Devolved policy: hijacked by spin?

Expectations that wind power will boost the Scottish economy are false – it is not a viable manufacturing opportunity. Denmark enjoys a virtual turbine monopoly in Europe and any new plant is likely to be sited in eastern Europe. Wind power will never bring Scotland significant export earnings.

The industry is set fair to meet a large percentage of England's target by erecting imported turbines throughout the Scottish countryside. This will almost certainly lead to a crisis in our rural tourist industry.

But wind power is not synonymous with renewables: vulgar PR campaigns that try to persuade us that it is the renewable of choice do not change the facts.

Tidal power, on the other hand, could significantly reduce emissions, meet a proportion of the country's electricity demands, provide significant new long-term employment and contribute to rural development.

There is still time for Scotland to regain lost ground in the development of alternative technologies – but only if they are given a level playing field.

Current plans to extend the present inequitable ROC scheme well beyond 2010 will distort the renewables market for many years to come and ensure the predominance of wind energy.

The Enterprise & Culture Committee spared no effort

in looking into the development of renewable energy in Scotland before publishing its report, *Renewable Energy in Scotland*. We urge you to implement its recommendations without delay and:

- create a comprehensive Scottish energy policy to shift the focus from wind power to an appropriate and balanced mix of technologies, broad energy efficiency and demand-reduction measures;
- ensure appropriate investment in other renewables technologies;

- suspend the ROC scheme until it has been refined to reward suppliers only against measured and verifiable emissions-savings;
- call a moratorium on the building of wind-power sites until these measures are in place.

In this way, the Scottish Executive could provide genuine leadership in energy policy and turn what is, at present, a battleground in the planning system into a co-operative push for a real sustainable future.

... and Jim Wallace's reply

Jim Wallace MSP, Deputy First Minister and Minister for Enterprise and Lifelong Learning, to the Chairman, VIEWS OF SCOTLAND, 8 October 2004

THANK YOU FOR your letter coinciding with this week's Parliamentary debate on renewable energy.

Your representation of the Executive's renewables policy as being in thrall to wind development is an extremely inaccurate reflection of our position.

We have stated repeatedly that our policy is to develop as wide a range of renewable energy sources as possible. You will have heard Allan Wilson during yesterday's debate map out the many initiatives and steps, both those underway and being planned, through which the Executive will continue to support the development of wave, tidal, offshore wind, biomass and solar power.

These include, for example, continuing discussions with our funding partners to consolidate the role and operation of the European Marine Energy Centre on Orkney, and extending the Centre's test facilities to accommodate tidal devices.

Clearly, however, the role of wind power is your chief concern in all of this. I'm afraid that I fundamentally disagree with almost all of the points that you make in relation to wind energy.

Output from wind turbines will reduce greenhouse gas emissions; you acknowledge as much, although your view is that such reductions ought to be dismissed on the grounds that they are 'insignificant'.

No doubt the same argument could and would be extended to all manner of renewable projects and technologies by those ill disposed towards them. In itself, it in no way undermines the value of wind energy as a renewable source.

You also criticise the Renewables Obligation (Scotland), or ROS, on the grounds that it does not reward emissions reduction. The ROS exists to incentivise the development of new renewable energy developments – in this, it is performing its role admirably.

Wind energy proposals are coming forward because the technology is proven and competitive, an important consideration given our desire to protect consumers from unacceptable rises in costs.

It is worth highlighting that in the most recent year long

obligation period, more ROCs were awarded both to landfill gas and hydro output than to onshore wind.

You should also be aware that the forthcoming fundamental review of the ROS will consider the issue of continued eligibility for established, lower cost renewable technologies. To suspend the ROS, as you suggest, would totally undermine the entire spectrum of renewables development across Scotland and the UK.

I also suspect that I would not be alone in taking serious issue with your organisation's continued downplaying of the economic benefits of wind energy to Scotland.

Your argument that jobs relating to wind energy are unworthy of consideration on the grounds that they are 'short-term' and 'low grade' is an insult to the several hundred people currently employed by the sector in Scotland.

Wind energy manufacturing has created jobs at Kintyre, at Nigg, and at Glenrothes, and has the potential to continue to do so, both here and in other parts of Scotland with the required skills and facilities, such as at Arnish.

Economic growth and stability within this sector will depend upon a steady flow of orders; a moratorium on applications and development, such as you repeatedly demand, would deliver a hammer blow to any such ambitions, and threaten the livelihoods of workers across Scotland. We have no intention of allowing such a blow to be delivered.

I agree with you that the Enterprise and Culture Committee inquiry was rigorously executed, and served an excellent purpose. We reiterated our intention during this week's debate to continue working with the Committee on issues arising from its subsequent report.

We also made clear, and I take this opportunity to do so again, that there is no outright dismissal on our part of legitimate concerns relating to any form of renewable development.

This is reflected in our intention to create a new advisory forum to support the forthcoming review of renewable energy planning guidelines.

This forum, coupled with the full consultation which will accompany the planned review, will allow the widest possible range of views to be taken on board, and ensure that our planning guidelines remain robust and responsive. I hope that you will welcome this move.

Can Scotland play big in wind-power manufacture or is it just –

A cruel and costly fantasy?

DEPUTY FIRST MINISTER JIM WALLACE certainly responded robustly when VIEWS OF SCOTLAND questioned the prospects for a substantial wind-technology manufacturing base in Scotland.

Although the wind sector is undeniably dominated by established Danish and German concerns, he called our views ‘an insult’ to the ‘several hundred’ people currently employed in the sector in Scotland.

VIEWS OF SCOTLAND respectfully suggests that employees and the community at large are entitled to accurate assessments of long-term job security and we make no apology for scrutinising Executive policy in this sphere. The record suggests that it is failing.

Claims about the ability of the renewables sector, particularly wind, to defy long-term historical trends and underpin a revival of Scottish engineering and manufacturing without an energetic and bold programme of research and development can reach outlandish proportions.

Recently, Fife Council heard industry-insider claims that up to 76,000 jobs could be created by the off-shore wind sector alone while WWF and others suggest up to 40,000 jobs in renewables as a whole.

Much of this, we submit, is fantasy. Examined in the cold light of reality, just how healthy is industrial-scale wind-power manufacture in Scotland?

Arnish, Western Isles

OPENED IN A BLAZE of publicity by Jim Wallace in August 2003, *Cambrian Engineering Ltd's* 85 staff lost their jobs only seven months later as the turbine-tower manufacturer went into administration in February 2004. It owed hundreds of thousands of pounds, much of it to local business.

About £7 million had been spent on yard refurbishment with a further £1.2 million handed to a business which, it turned out, was already in trouble. Its last order (towers for National Wind Power's Causeymire site) was transferred to *Bonus AV* in Denmark which went on to make every last nut and bolt for the project, shipping the lot via Wick.

There is still no buyer though *Cambrian Caledonian Ltd* is reported as preferred bidder. HIE officials and local politicians insist that there is no connection between the

Scotland might be able to emulate the policies which have caused many in Denmark to regret its reliance on wind but it would be unable to emulate its export market since Denmark already has that sewn up. Directly or indirectly, Scotland will buy all its turbines from Denmark.

VIEWS OF SCOTLAND, *Scotland's Landscape - England's Windfarm*, submitted to the Scottish Executive, November 2002.

Jim Wallace was dismissive when we questioned the viability of reviving heavy manufacture through inward investment in the manufacture of wind-power generators.

Here, VoS News examines the Executive's record as it tries to rival European leaders with their own technology, a project which is failing.

former management of Cambrian Engineering and Cambrian Caledonian.

Machrahanish, Argyll and Bute

ARGYLL AND THE ISLANDS Enterprise (AIE) and Highlands and Islands Enterprise (HIE) together spent £9.4 million (including £3.5 million from the EU) refurbishing 100,000 sq ft of the former RAF base in Campbeltown, Kintyre for Danish turbine giant *Vestas* – just as its profits fell through the floor.

Vestas also invested £3 million in the plant which was opened in May 2002 by Jack McConnell. It employs nearly 200 people manufacturing towers and assembling turbines from imported components.

A further £400,000 was promised by AIE in August 2003 to fund upgrades to cope with the then range-topping V80 2MW turbine.

Despite persistent rumours of impending layoffs, *Vestas-Celtic* management has assured community leaders that redundancies following *Vestas's* recent merger with *NEG-Micon* would not affect Machrahanish.

In the event, 325 white-collar and 150 production staff did lose their jobs, albeit in Denmark and Germany.

The company's interim results for 2004 claim an increased group payroll since the merger but it does not say where any new jobs are based.

In Scotland, the company has assembled 15 V52s for SSE's Tangy site and 12 for Airtricity's Ardrossan station, 30 V80s for RWE's North Hoyle (off N Wales coast) and 30 for Scroby Sands near Yarmouth.

Ayrshire

FOLLOWING CLOSE on the heels of publicity for the Campbeltown launch, *Vestas* was widely reported as keen to develop a £50-million, 450-staff site in Ayrshire to make turbine blades.

The project has since been quietly shelved and is unlikely to be revived.

The company has just upgraded its blade-manufacturing facility in Lauchhammer (near Leipzig in the former east Germany).

It reports limited funds following its acquisition of *NEG-Micon* and predicts sub-forecast turnover for 2004.

Curiously, this is not the only time that the company has

found itself unable to meet promises made while government support for the industry is being discussed.

A recent project promising 1,200 jobs in Portland, Oregon is reported by newspapers in the state as abandoned although Vestas insists it is still ongoing.

Developing the sector is not just about throwing money at it

(ECC Renewables Report)

Meanwhile, another Portland, this time in Victoria, Australia, has been promised a blade-manufacturing facility following a large order from a hydro-power developer, despite Vestas concern at a lack of fiscal commitment. The company has also aired plans to open a plant in China.

Kirkcaldy, Fife

WHEN JIM WALLACE refers to 'wind-energy manufacturing' in Glenrothes, we assume he is referring to turbine blade manufacturer *NOI Scotland Ltd.*

Dutch blade manufacturer Aerpac did indeed start up in Glenrothes in 1999 with about 90 employees but it moved to new premises in Kirkcaldy back in 2000. When Aerpac collapsed in January 2001, the company, including Kirkcaldy, was taken over by the German firm *NOI Immobilien GmbH.*

Reports generally describe the plant's future as uncertain and, despite exporting to North America, Asia and Europe, it continues to struggle with staff now down to 30.

We understand that it is limited to sub-30 metre products whereas new designs need blades of 40 metres or more.

MD Billy Chrystal reported to the recent Public Inquiry on the Drummuir proposal that the company could build blades in Fife – but admitted that it would have re-tool to do so for Drummuir. NOI Scotland yet to make a blade for use in Scotland.

It would seem that, despite its obsession with wind-power, the Executive has done little for this enterprise. Perhaps its people went to the wrong address.

Nigg, Highland Region

THE FABRICATION YARDS at Nigg and Ardersier used to employ 5,000 workers and supported hundreds of other jobs in the area.

HIE reported in November 2002 that, 'Nigg, which famously boasts Europe's largest dry dock, is currently kept on a care and maintenance basis. Ardersier's owners ... announced in August that work at the inner Moray Firth yard had ceased'.

When the Cromarty Firth Port Authority (CFPA) published its annual report in June this year, the position still seemed uncertain. CFPA called on owners Kellogg Brown and Root (KBR) to reveal plans for the 330-acre site.

Certainly it is not easy for lay researchers to determine what is happening there. Reports last year that MoD consultation on decommissioning 27 nuclear submarines

had raised the possibility of Nigg's securing contracts to break up the vessels and remove their reactors were (understandably) controversial.

Besides concerns that decommissioning operations might prejudice tourism, fears have been raised that the work might also deter inward investment or diversification into renewable generation technology.

Long-established off-shore provider Isleburn Mackay and Macleod has not escaped the effects of the decline in North Sea investment but a commendably cautious management has always looked to diversify. It won contracts to provide infrastructure for Scroby Sands, North Hoyle and other off-shore sites. But its commitment is to developing the business, not to wind-power as such. This surely is a business competent to benefit from genuine central support for viable renewable technologies.

Somewhere in Scotland

DANISH TOWER MANUFACTURER DS SM was reported in December 2003 as being on the verge of choosing a site for Scotland's third tower-manufacturing facility and jobs for 50 people.

The announcement was never made and, by September 2004, the project had been abandoned with managing director Claus Bo Jorgensen saying:

The prices for towers are very low in Europe at the moment and it is cheaper for us to manufacture them here [in Denmark] and ship them to Scotland than it is to open a factory. But we still hope to look at the plans again in 2005 and long-term believe there is space in the market for another tower manufacturer.

Speakers in the debate –

Allan Wilson, Deputy Minister for Enterprise and Lifelong Learning, *Lab*

Sarah Boyack, Edinburgh Central, *Lab*

Maureen Macmillan, Highlands and Islands, *Lab*

Christine May, Central Fife, *Lab* *

Alasdair Morrison, Western Isles, *Lab*

Mike Watson, Glasgow Cathcart, *Lab* *

Rob Gibson, Highlands and Islands, *SNP*

Christine Grahame, S Scotland, *SNP*

Richard Lochhead, NE Scotland, *SNP*

Alasdair Morgan, S Scotland, *SNP* * (ex-convener)

Alex Neil, Central Scotland, *SNP* * (new convener)

John Swinney, North Tayside, *SNP*

Murdo Fraser, Mid Scotland and Fife, *Con* *

Phil Gallie, South of Scotland, *Con*

Alex Johnstone, North East Scotland, *Con*

Mary Scanlon, Highlands and Islands, *Con*

John Farquhar Munro, Ross Skye and Inv'ness W, *LD*

George Lyon, Argyll and Bute, *LD*

Nora Radcliffe, Gordon, *LD*

Jamie Stone, Caithness Sutherland & E Ross, *LD* *

Chris Balance, South of Scotland, *Green* *

* denotes a member of the E&C Committee