

## INFORMATION SHEET

When a wind farm developer wants to build a wind farm there are several charges they have to pay.

One of them is the Development Contribution Scheme.

The requirement to do this was set out in Section 48 of the Planning and Development Act 2000 (<http://www.irishstatutebook.ie/2000/en/act/pub/0030/sec0048.html>) (1)

There is no set rate for this charge laid down by central government. Each county sets its own charge.

Some set it by MW, others set it per turbine.

There is a wide range of charges.

For rate set by MW, Kerry charges €1,000 and Limerick charges €11,000 per MW.

For rates set by turbine, Monaghan charges €1,000 and Wexford charges €18,000.

In the case of Donegal, which our group is most familiar with, the Council decided to not charge wind farm developers to pay into the Development Contribution Scheme.

Developers are told:

... 'the current Donegal County Council Development Contribution Scheme does not make provision for contributions payable in respect of wind energy developments' (Letter of 31<sup>st</sup> January 2014 to Declan Clarke, developer of Crockbrack Hill Wind Farm. PA 12/70002; PL 05A.240394).

Donegal Council states that developers are charged Special Charges to cover local roads and infrastructure and that these are in the place of the Development Contribution Scheme.

Our questions are:

In relation to Donegal

- do the Donegal Special Charges just relate to the necessary work to get the turbines built?
- is there a portion of the charge that is for local community development on top of the necessary works? If so how is that calculated? Are the calculations applied equally to all wind farm developers?
- are local communities consulted on their needs and how the revenues could be best spent on behalf of the local community?
- this Special Charges process is not referred to in any public documents that IWEAG has been able to find. Why the lack of transparency?
- for example, if the Crockbrack Hill wind farm was to be charged at the Wexford rate, the developer would be paying €36,000 into the Development Contribution Scheme. Are they paying the equivalent for the local community under the Special Charges, over and above the necessary works?
- Is the sum of all the Special Charges (the part relating to community infrastructural and facilities development) equivalent to €4,158,000.
- Is this Special Charges process getting the best income for the people of Donegal?

At a conservative estimate, with available wind data for Donegal, wind turbines with an output capacity of 2MW (two mega watt), a rotor diameter of 82 meters, a hub height of 82 meters, placed on top of Crockbrack Hill (183m above sea level), turbine

availability estimated with 96-97%, will produce an energy yield of 6,570,510 kWh per year. This output multiplied with a feed-in tariff of about 7.2ct per kWh, will yield an estimated profit of €460,000 per year.

So a wind farm like the two turbines that will be built on Crockbrack Hill makes €920,000 in profit per year.

Allow two years to pay off costs, there will be twenty three years of profit.

So the Crockbrack Hill wind farm will make €21,160,000 over 23 years.

Though Donegal has one of the highest number of turbines, it is at the same time one of the most deprived counties with the highest levels of emigration. At this time there are 231 turbines in Donegal. If they were all charged at the Wexford rate, the Council would be bringing in an income of €4,158,000 for Donegal.

Taking these figures to calculate an example, the wind farm developers will make €2,443,980,000 (2.4 billion euro) in profit in Donegal over the next 23 years. These figures are estimates and will of course change with differences in the turbine make, output /installed capacity, wind farm location, hub height, rotor diameter etc.

In relation to Donegal Council and An Bord Pleanala

- the developer at Crockbrack Hill has been through three appeals. In the Conditions that are attached to all developments An Bord Pleanla clearly states:  
‘The developer shall pay to the planning authority a financial contribution in respect of public infrastructure and facilities...in accordance with the terms of the Development Contribution Scheme made under section 48 of the Planning and Development Act 2000’
- how come Donegal Council has the authority to not apply this Condition, when all An Bord Pleanala Conditions are the final judgment on what has to happen?

In relation to all the Counties in Ireland.

- Do they charge the developer for the necessary works to get the wind farm built? And then charge the DCS on top?
- are the Councils aware of the range of charges that exist at this time across Ireland?
- Is each county getting the best deal from the developers in their county?

In relation to central government

- why are counties allowed to set their own charges?

Notes:

(1) Definitions of Infrastructure and Facilities:

Section 48 of the Planning and Development Acts 2000 - 2011 (“The Act”) gives the following meaning to “public infrastructure and facilities”

(a) “the acquisition of land,

(b) the provision of open spaces, recreational and community facilities and amenities and landscaping works,

(c) the provision of roads, car parks, car parking places, sewers, waste water and water treatment facilities, service connections, watermains and flood relief work. (d) the provision of bus corridors and lanes, bus interchange facilities (including car parks for these facilities) infrastructure to facilitate public transport, cycle and pedestrian facilities, and traffic calming measures,

(e) the refurbishment, upgrading, enlargement or replacement of roads, car parks, car parking spaces, sewers, waste water and water treatment facilities, service connections or watermains,

- (f) the provision of high capacity telecommunications infrastructure, such as broadband,
- (g) the provision of school sites,
- (h) any matters ancillary to paragraphs (a) to (g)".

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