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Central Planning Unit, Donegal County Council, County House, Lifford, Co. Donegal

By email to: developmentcontributionscheme@donegalcoco.ie

15<sup>th</sup> August 2016

## Re: Draft Donegal Development Contribution Scheme 2016–2021

The Irish Wind Energy Association ("IWEA") is Ireland's largest renewable energy representative body, and as such has an active interest in the potential for sustainable energy. IWEA is committed to promoting the use of wind energy in Ireland and beyond as an economically viable and environmentally sound alternative to thermal or nuclear generation and promotes awareness and understanding of wind power as a primary Irish renewable energy resource. IWEA members are involved in more than 85% of the wind farm capacity planning to build from now to 2020 and wind energy today delivers over a fifth of Ireland's electricity annually.

IWEA welcomes the opportunity to respond to the consultation on the Draft Donegal Development Contribution Scheme 2016–2021. We also welcome the proposed exemption from development contributions provided for Community Wind Turbines and for Autoproducers, as a positive support to renewable generation.

IWEA has, however, strong concerns regarding the proposed contributions for renewable energy developments. The proposed development contribution of €2,000 per 0.1 MW (or €20,000 per MW) generated for renewable energy projects marks a dramatic rise in development contribution levels. IWEA is aware that previously, renewable energy would have been dealt with under special development contributions and that this is the first time that renewable energy has been assigned to a specific category.

We note that the Donegal proposed development contribution rates stand disproportionately with neighbouring counties where under current charges, Leitrim County Council today charges €8,666.40 per turbine, or €2,888.80 per MW, if the standard turbine capacity is taken as 3 MW and Sligo County Council currently charges €5,000 per turbine, which equates €1,666.67 per MW.

This payment for commercial wind turbines in Donegal would represent a dramatic increase for a standard 3MW turbine, which, under the proposed new contribution of €20,000 per MW, would amount to a €60,000 charge per turbine. This represents an unjustified and wholly excessive charge for a standard 3 MW wind turbine.

IWEA notes that the current County Donegal Development Plan 2012-2018 commits under Chapter 7 to support the development of renewable energy, and specifically commits under *Chapter 7.2 - Energy:* 

"To facilitate the development of a diverse energy portfolio by the sustainable harnessing of the potential of wind, solar, hydro, wave, tidal, biomass, bio energy, oil and gas. To facilitate the appropriate development of associated infrastructure to enable the harnessing of these energy resources and to promote and facilitate the development of Donegal as a Centre of Excellence for Renewable Energy. Also to facilitate the development of appropriately located on and offshore wind energy proposals in accordance with the Wind Energy Strategy."

IWEA proposes that this significant Development Contribution rise runs contrary to the existing provisions of Donegal's current County Development Plan, as the scale of contribution rises could deter development. Therefore IWEA calls for this excessive development charge to be brought into line with the neighbouring counties' current development contributions levels.

Every new wind farm development provides a substantial contribution to the local and national economy through local direct investment, job creation, local authority rates, land rents and increased demand for local support services in construction, operation & maintenance, legal and accounting and project management. Wind farm developments also provide community benefits as set out in the *IWEA Best Practice Principles in Community Engagement & Community Commitment*<sup>1</sup>. More wind energy on the system will also result in lower and more stable electricity prices for consumers while helping us achieve our energy and climate targets.

As outlined in the Government <u>Development Contributions Guidelines for Planning Authorities</u>: "Development contributions are not cash-cows: there is an important balance to be struck between the funding of public infrastructure and the need to encourage economic activity and promote sustainable development patterns. It is essential that development contribution schemes do not impede job creation or facilitate unsustainable development patterns."

IWEA would also like to draw attention to the following requirement also contained within the Government Development Contribution Guidelines for Planning Authorities<sup>2</sup>: "Planning authorities <u>are required</u> to include the following in their development contribution schemes: Options for reduced charges in respect of renewable energy development to promote uptake of renewable energy technologies."

In that context, IWEA believes that the scale of development contributions proposed for wind energy in Donegal is wholly excessive and without recognition of the requirements of the current Government guidance.

<sup>&</sup>lt;sup>1</sup> http://www.iwea.com/iweabestpracticeprinciplesinco

<sup>&</sup>lt;sup>2</sup>http://www.environ.ie/en/Publications/DevelopmentandHousing/Planning/FileDownLoad,32162,en.pdf

We would welcome the opportunity to meet with you to further discuss. We would also finally propose that wind turbine linked development contributions should **be 'ring-fenced' for use directly** in the local communities hosting the wind farm.

Yours sincerely,

\*Sent by email, without signature.

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