



C/O The Claddach Kirkibost Centre
Claddach Kirkibost, HS65EP,
Isle of North Uist.
Tel/Fax: 01876 580 390
Scottish Charity SC 041709

Report to February 2013 AGM by NUDC Chair – Robert Fraser

Directors of NUDC

The current Directors of NUDC are; Ada Campbell, Archie Campbell, George Jackson, Robert Fraser (Chair), Mustapha Hocine, Iain MacPhail, Uisdean Robertson, and Andrew Ross.

Diane MacPherson resigned as a Director in December 2013.

Archie Campbell, George Jackson and Robert Fraser are standing down as Directors at this AGM but are eligible for re-election.

NUDC constitution allows for a maximum of 10 Directors.

Acknowledgements

Fellow Directors – The past year has at times been challenging but despite this NUDC has made progress with a number of projects. Thanks to all Directors who have made a substantial contribution to the work of Company in the past year. All the Directors give their own time on a volunteer basis in the hope of making North Uist a more vibrant and prosperous place to live.

Diane MacPherson – I and the other Directors were sorry that Diane opted to resign as a Director. We are however very pleased that Diane is still willing to help with the Development Plan and the surfing project when we have our Development Worker in place.

CnES - Thanks to CnES for making the services of the North Uist Community Co-ordinator available. Special thanks to Alison Cropper who has provided considerable support on the Wind Turbine Project.

Community Energy Scotland – Without the help and financial assistance from Community Energy Scotland we would have not been able to progress the Wind Turbine Project. Special thanks to Kathleen MacDonald and Dr Colin Anderson.

Highland and Islands Enterprise and LEADER – Both these organisations have provided financial support which allowed NUDC to employ Elaine Cleary as a Development worker. Special thanks to Joanna Peteranna who has worked on our behalf to secure further Development Worker assistance.

Climate Challenge Fund – Thanks for their funding award which has allowed NUDC to progress the Wind Turbine Project.

Urachadh Uibhist – Have provided support and accommodation for the Company. Without this support, progressing the work of NUDC would have been very challenging.



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Storas Uibhist – Thanks for their advice and co-operation on grid connection issues.

North Uist Community Council – Thanks for their continuing support and willingness to act as the applicant as part of the Planning approval process. This saves NUDC 50% of the application fee.

North Uist Estate and Claddach and Claddach Illery Township – Thanks for their co-operation and support and their willingness to make the land available for the Wind Turbine Project.

Community and Members – Thanks for all the support from members and the community. Special thanks to those who turned up to the information evenings and contributed their thoughts and ideas on the wind turbine project, our aims, potential projects and where funding from the turbine income could help.

Web Site and Face Book

North Uist Development Company now has its own web site and face book page. The pages are regularly updated. For more information on the work of the Development Company please follow these links;

<http://www.isleofnorthuist.com/>

<https://www.facebook.com/isleofnorthuist>

Andrew Ross (NUDC Director) has created the sites and keeps them updated. A big thanks to Andrew.

North Uist Development Company (Trading) Ltd.

On the advice of our accountants Mann Judd Gordon Ltd. NUDC has formed North Uist Development Company (Trading) Ltd. All business transactions will be processed through the trading company. The formation of the trading company will allow NUDC to reclaim VAT on the turbine project. The Directors of NUDC (Trading) are Archie Campbell, Ada Campbell, Robert Fraser, George Jackson, Uisdean Robertson and Andrew Ross.

Projects

Development Plan – Following the series of consultation evenings in the summer, the Development Plan has been revised and updated to reflect the feedback which was received. Special thanks to Diane MacPherson who has carried out most of this work. The Plan is an evolving document which will be revised on a regular basis to reflect the views and the feedback received from the community.



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Large Turbine Project

In the early part of the year it became apparent that grid capacity would become available and the possibility existed to increase the size of the project from 1.8MW to 4.6MW. Those who attended the public consultation meetings in May gave unanimous support to this change and NUDC applied to increase the capacity of our grid connection.

An offer was received from SSE for 1.8MW of firm grid capacity and 2.8MW of non-firm grid capacity. The company discussed with Storas Uibhist the option of working together to share the additional firm capacity which Storas Uibhist has secured.

In October the Directors of NUDC made the decision to revert to the smaller 1.8MW project. This decision was made for the following key issues;

- The 2.8MW non firm element of the project was unlikely to be economically viable.
- Additional Planning burdens which CnES would place on the larger development. (The 1.8MW project does not require an EIA).
- Significantly higher capital cost of larger project. (£7.6m against £2.7m, figures by Community Energy Scotland)

The Directors are also considering the option of down-rating the project to 1.5MW. This, if allowed by OFGEM, would result in an improved return as the project would qualify for a higher "Feed in Tarrif" rate. If this option is successful the latest figures produced by Community Energy Scotland give an estimated annual profit of £257,000 in years 1 to 15 and £433,000 in years 15 to 20.

NUDC are on the point of making the Planning Application for the development. The application will be made through North Uist Community Council. In preparation for the application NUDC have commissioned and completed an Otter and Bird Survey, an Archaeology Survey, Visualisations and an LVIA.

The Ministry of Defence have changed their view on the Development. They have advised that they will object to the development on the grounds of Radar Interference. We are working with the MoD and CnES in the hope that this objection will be removed. This is a major hurdle for the development.



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Lease of Land. We continue to seek a reasonable and fair agreement with North Uist Estate (NUE) in respect of the "Options Agreement" and a "Draft Lease". We have met with both the Township and George MacDonald, Factor for NUE on a number of occasions but securing the final document has proved very time consuming. We commenced our discussions with NUE in the autumn of 2010. To allow the project to progress, it is essential that agreement is reached in the very near future. This is one of the major challenges facing NUDC.

Delivery Programme. It is the intention to have the turbines erected in March 2014 however this date has now been placed in considerable jeopardy by the failure to secure the options and lease agreement with NUE and overcoming the objection from the MoD.

Kite Surfing

Working with ExPix, an extreme and action sports media company, NUDC hosted a group of International Kite Surfing Stars in October. Kite Surfing will be a new sport at the 2016 Olympics. The October visit was a very successful event with North Uist getting media coverage both locally and internationally. The event was covered in America and as far away as China.

The Directors are already working with ExPix to develop last year's visit into a much larger event this year. NUDC hope that this will make North Uist an autumn "must do" venue for kite surfers.

In November Ruairdh MacDonald of Sollas has joined the Directors as the point of contact between ExPix and NUDC.

Bayhead Office

Our Bayhead Office is a success storey. Rooms have now been leased by two businesses. The public areas are regularly used by a number of groups.

The local doctor provides a local surgery every two weeks. This provides an important local service which was lost when the Tigh Ceilidh was closed. Neither the Health Board nor Lochmaddy Surgery make any contribution to the building running costs. This is disappointing as NUDC must fund the lease and running costs for the building. Until the turbine project is operational NUDC have no income other than grant funding for specific projects.

Currently the building is leased from Comhairle nan Eilean Siar. It is in poor condition and NUDC are unable to raise grant money to pay for repairs and upgrading due to the lease period. NUDC hope to meet with CnES in the near future to address these issues.



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Udal

NUDC through Uisdean Robertson continue to be involved with this important project.

Assistance to Other Community Groups

In the past year NUDC have assisted the following groups in funding applications and project development work.

- Old Lochmaddy Hospital Development Group.
- Urachadh Uibhist.
- Langass Woodland.

Since Elaine Cleary's employment ended, NUDC have been unable to offer assistance to other community groups.

Development Worker Assistance

At the end of September, funding for Elaine Cleary's post ended. This was a result of HIE's decision not to extend the CAM project in North Uist. The Directors were extremely disappointed to receive this news particularly given that most of the other CAM project workers in the Western Isles had their Contracts extended to the end of September 2013.

Following discussions with HIE, NUDC have recently been offered a CAM worker post for a year. NUDC hope to appoint a Development Worker before the end of February. When appointed, the Development Worker will be responsible for;

- The development of NUDC's Bayhead Office.
- The development of the Wind Turbine Project.
- Assisting the Directors with updating NUDC's Development Plan.
- Seeking views for the wider Community on NUDC's Development Plan.
- Assisting the North Uist Community in setting fair and robust criteria for the distribution of funds from the Wind Turbine Project.
- Assisting other Community Groups with their development proposals.

Robert Fraser 19 February 2013