

From: [REDACTED]
To: [Cleve Hill Solar Park](#)
Subject: Response to the Funding Statement
Date: 15 May 2019 07:25:53
Attachments: [Response to the Funding Statement.docx](#)

Dear Mr Jones,

I have reviewed the above document and have concerns about the level of experience held by the two solar industry specialists: Hive Energy Ltd and Wirsol Energy Ltd.

I cannot see this as a specific topic for review in the draft Examination agenda and request this is added as a separate agenda item. The reason for my request is attached.

I hope my observations can be included for consideration.

I will be attending the Preliminary Meeting on 30 May.

Kind regards,

Marie King

Cleve Hill Solar Park Project Development Consent Order application Preliminary Meeting 30th May 2019

FUNDING STATEMENT – Section 2

Capital Funding – Corporate Structure and Assets

Dear Mr Jones,

I have reviewed the above document and have concerns about the level of experience held by the two solar industry specialists: Hive Energy Ltd and Wirsol Energy Ltd. I cannot see this as a specific topic for review in the draft Examination agenda and request this is added as a separate agenda item. The reasons for my request are detailed below.

Marie King

Cleve Hill Solar Park Limited – Experience

Response to details included in Capital Funding section of Funding Statement document in DCO application

2.1 CHSPL (Company Number 08904850) is the applicant for the Order pursuant to the APFP Regulations. CHSPL is registered in England and Wales. CHSPL is a joint venture formed by two solar industry specialists: Hive Energy Ltd and Wirsol Energy Ltd. Both companies have an extensive background in the development of solar energy parks in the UK and abroad.

2.2. CHSPL is part owned by Hive Energy Ltd ('Hive') via Hive Cleve Hill LLP, a subsidiary of Hive. Founded in 2010 by Giles Redpath, Hive Energy has become established as one of the largest and most experienced solar PV developers in the UK, responsible for the installation of in excess of 300 MW of solar PV generating capacity across the country.

• **Response:**

- ***According to Hive's website (as at 7 May 2019), Hive Energy UK have 28 solar parks either in operation or planned. These total 358.4 MW, similar to the expected generation level from the one solar park at Cleve Hill, so a very different proposition to what they have been involved in previously.***
- ***According to the site descriptions provided by Hive on their website (<http://www.hiveenergy.co.uk/our-uk-solar-parks/>) none of the sites they've developed on previously have been in sensitive areas such as Graveney Marshes, nor in areas which cannot be effectively screened or adjacent to residential buildings.***
- ***There are no specific details about the orientation of the panels but, again, from the details provided on their website, they do not appear to have experience of dual orientation.***

2.3. Hive developed the Southwick Estate Solar Farm in Hampshire, energised in March 2015, and at the time the largest solar park in the UK with an installed capacity of 48 MW. Hive is now commencing the roll out of a pipeline of subsidy-free solar parks in the UK.

• **Response:**

- **According to Hive's website, the Southwick Estate Solar Farm in Hampshire was installing capacity of 40MW, just 11% of the proposed size of Cleve Hill.**
- **The Southwick Estate site is divided into three parcels of lower-quality, grade 4 level land and is well-screened with existing hedging and trees. Again, a very different proposition to the Cleve Hill proposal.**

2.4. Building on its UK experience, Hive has opened a number of overseas offices and is currently developing a pipeline of international projects across Europe, South America, Africa and Asia, including an operational site in Turkey and a 58 MW solar park in Cuba about to commence construction.

- **GREAT response:**
 - **Hive's press release on 28/3/19 announces construction starting on the Cuba solar project. The press release on 5/11/18 stated capacity of 50 MW, not the 58 MW claimed by CHSL.**
 - **The first operational site in Turkey was just 10 MW, so not comparable to the Cleve Hill development.**
 - **Press release on 28/2/18 announced planning permission for 45.5 MW solar park in Spain. No further press releases on progress.**
 - **Press release on 19/4/18 announced confirmed plans to deliver 1.5 GB of solar projects across Spain. Locations or individual development sizes not specified. No further press releases on progress.**

2.5. Hive is committed to using the knowledge and expertise gained in the UK to develop large-scale, low-cost solar, across the world.

2.6. The other shareholder of CHSPL is Wirsol Energy Limited ('Wirsol'). Wirsol is the UK component of the Wirsol Group of companies. Wirsol is a highly experienced solar park developer, constructor and operator across the UK and Australia. Wirsol has built and operates 24 solar parks (totalling 159 MW of generation capacity) across the UK, and 5 solar parks across Australia (totalling 397 MW of generation capacity). Wirsol has a current pipeline in the UK of 150 MW of solar schemes, and 577 MW in Australia. For the year ending 31 December 2017, Wirsol's accounts reported an annual turnover of over £50 million.

- **Response:**
 - **From the Wirsol UK website (<https://wirsol.co.uk/portfolio>), as at 7 May 2019, it shows they have just 5 solar park sites under their ownership, totalling 64.2 MW, not the 24 suggested by CHSP. One of these is operational, the remainder are reporting a status of 'Acquired'.**
 - **Wirsol press release on 24/2/15 announced the sale of 2 solar parks, totalling 42 MW, in the UK.**
 - **Press release on 3/4/17 announces they have completed connection of 19 solar projects across the UK, totalling 105.5 MW.**
 - **Press release announces the disposal of a portfolio of 19 solar projects across the UK.**
 - **This raises large concerns that Wirsol will also dispose of their share in the Cleve Hill development shortly after it is operational. In view of this, how confident can we be that any agreements we get from Wirsol will be accepted and continued by the new owners? This is particularly important in view of the sensitivity of the site and the applicant's intention to take over responsibility for the flood defences from the EA.**
 - **The largest solar park developed by Wirsol in the UK was 28.93 MW at Grove Park, Oxfordshire, just 8.26% of the size of the Cleve Hill proposal.**

- *The Wirsol website does not stipulate the panel orientation for the solar parks still within their ownership, but all 23 solar parks that they have disposed of were single orientation, not the dual orientation proposed for Cleve Hill.*
- *From the Wirsol Australia website (<https://wirsol.com.au/portfolio/>) they currently have 9 developments in Australia:*
 - *3 showing as operational, the largest of which is 69 MW*
 - *3 as 'connected', the largest at 110 MW, and*
 - *2 in development, the largest at 300 MW*
- *Wirsol provide details of one battery storage site in Gannawarra (GESS) with 25 MW / 50 MW storage capacity which will be integrated with the Gannawarra solar farm. This consists of a large Tesla powerpack battery with the 50MW GSF to "enhance the reliability of the grid in the North West region of Victoria and unlock further economic growth. The financing of GESS is further underpinned by a long-term commercial services agreement with EnergyAustralia, who will operate the battery." Whilst Wirsol may be involved in installing the battery, they will not be operating it so have no relevant experience in this area.*
- *All of the developments in Australia had panels with single-axis tracking.*
- *All of the developments in Australia were either on farmland or grazing land with no residential buildings within the immediate vicinity.*
- *Wirsol has been involved in one development in the Netherlands. This is 30 MW with east-west panel orientation. This is situated on an industrial site close to a sea port.*

2.7. Wirsol is a brand of the energy service provider WIRCON GmbH, which is the majority shareholder of Wirsol. WIRCON is based in Germany, and as of 2016 had an annual turnover of over €150 million. WIRCON's majority shareholder is Dietmar Hopp, a German software entrepreneur.

- **Response:**
 - *The annual accounts for Wirsol included in this document show annual turnover of c£84m, significantly less than the €150 m quoted above (based on historic exchange rates as at 31/12/2016 this would equate to c£128 m).*
 - *Despite the differences above, the turnover for 31/12/17 is significantly less than that of 2016.*

2.8. The audited accounts for Wirsol are attached at Appendix 1.

- **Response:**
 - *The question arises around the need to sell the majority of their solar parks.*
 - *Press releases announce:*
 - *Refinancing 9 solar sites totalling 45 MW for £36.4 m.*
 - *Solar battery farm at Gannawarra in Australia underpinned by \$25 m grant from Victoria government.*
 - *Press release on 25/1/16 stated "The photovoltaic plant is also the first project, since WIRSOL's fresh start in the year 2013, for which the project planners have obtained secure financial backing for 15 years from Landesbank Baden-Württemberg (LBBW) – the Baden-Württemberg federal state bank." What was the fresh start referred to? What happened prior to 2013?*

In summary, I can find no evidence from the public records of either Hive or Wirsol that they have experience in delivering a development that:

- *Is the size of Cleve Hill*
- *with east-west oriented panels (only one small site identified)*
- *on a highly sensitive site*
- *close to local residential properties*
- *includes the management of flood defences*
- *includes significant battery storage*

As a result, I believe this is something that should be challenged during the examination.

Marie King