



CATS - Communities Against Turbines Scotland

www.communitiesagainstturbinescotland.com

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FOR IMMEDIATE RELEASE

Misinformation about energy subsidies

Contrary to popular myth, electricity generation by coal and gas is not subsidised at all by taxpayers or consumers while subsidy for renewables is expected to total £1.78 billion in 2012

A new study by independent consultant Stuart Young explodes the myths that *all* forms of electricity generation are subsidised and that oil and gas receive far more subsidy than renewables.

According to the new peer-reviewed paper released today by CATS

- claims that gas, oil and coal prices were subsidised by £3.63bn in 2010 are totally misleading
- they are predicated upon a highly inventive and dubious notion of “subsidy”
- the £3.63bn “fossil fuel tax breaks” are an imaginary relief on a level of taxation on domestic fuel which never has and almost certainly never will be levied
- On the other hand, the £0.7bn subsidy to wind with which it was compared is indeed a true subsidy to assist an unreliable technology which is likely to rise to at least £1.06bn for 2012, and to which a further £0.72bn subsidy to other renewables and an unknown sum for Feed-In Tariffs need to be added.
- The anticipated £1.78 bn subsidy to renewables in 2012 will be paid for by 66 million people in the UK - which means £27 per head of population or £65 per household

- This figure excludes the cost of the Feed-In Tariff, VAT at 5% (and your electricity supplier's profit margin).

Susan Crosthwaite, Chair of CATS commented:

"For years the wind industry's propaganda machine has been pulling the wool over people's eyes, pretending green energy is free yet deserving of ever more subsidy. Every time electricity bills rise, supporters of wind point the finger at fossil fuel prices, insisting that wind subsidies can't be to blame because all forms of electricity generation are subsidised.

This is a blatant untruth. Stuart Young has shown that oil and gas receive no meaningful subsidy while wind will cost consumers over £1.8 billion in covert subsidy by the end of the year.

Wind energy is a flawed technology - take away the subsidy and no one would build any more turbines.

On top of the ROCs and FITs - the subsidy schemes for wind - consumers have to fund the oncosts of wind energy. This means the ever increasing costs of expanding and upgrading the grid to collect the energy from thousands of turbines spread across the UK, plus the costs of maintaining and developing base-load generation (for when the wind doesn't blow).

When SSE announced price hikes of 9% in domestic gas and electricity prices last week, it had to admit that the cost of distributing energy to customers' home is up 9% since last year and mandatory environmental and social initiative costs have risen by as much as 30%.

The self-serving response of the wind lobbyists and their misguided supporters in green NGOs like Friends of the Earth to such announcements is to call for even more renewables. More renewables means more guaranteed profiteering for the wind energy companies and their hangers-on, but for the rest of us, it means ever higher bills, fuel poverty and an economy crippled by some of the highest energy prices in Europe."

Notes for Editors

1. Stuart Young is an independent consultant and committed campaigner against windfarm development. He is the author of "Analysis of UK Wind Power Generation November 2008 to

December 2010", commonly known as "The John Muir Report"

http://www.jmt.org/assets/pdf/Report_Analysis%20UK%20Wind_SYoung.pdf

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2. Communities Against Turbines Scotland (CATS) is an umbrella group representing communities and individuals struggling against the relentless development of wind turbines.

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