Further to your Information request ER65003 please find your questions and our responses below:

A report, “Developing Weirpower”, was presented to the Royal Borough of Windsor and Maidenhead (RBWM) Cabinet on 24 October 2012. Members were updated on the European Regional Development Fund (ERDF) hydropower grant application.

The minutes of the RBWM Sustainability Panel on 13 November 2012 confirm that the RBWM Cabinet on the 24 October 2012 had given delegated authority to accept a £940,700 ERDF grant to support development of hydropower, which had been match funded by SouthEast Power Engineering Ltd (SEPEL) and the Environment Agency.

The report to the RBWM Cabinet on 24 October had indicated that of the £940,700 ERDF grant, £145,500 was to go to the Environment Agency and SEPEL for studies e.g. fish monitoring studies, £145,000 was to go to SEPEL for knowledge transfer of hydropower, £75,000 was to go to SEPEL and others for supply chain development and £93,980 was to go to SEPEL for other capital costs of hydropower sites. In return, SEPEL was to provide £738,450 “match funding” of the part capital costs of hydropower sites.

I understand from the Department for Communities and Local Government (DCLG) that the grant has yet to be awarded.

On 26 January 2013, SEPEL’s Annual Returns stated that it had £304 cash, current liabilities of £104,511 and a book value of minus £88,798. (Source DUEDIL)

In October 2012, in an article, “On Her Majesty’s Service” in the magazine, “International Water Power & Dam Construction” http://viewer.zmags.com/publication/0ba7e8e8#/0ba7e8e8/32, David Dechambeau, Chief Executive of SEPEL, wrote, “The turbines at Windsor Castle are unique in several ways and we have been awarded a grant from the European Union Redevelopment Fund (sic) (ERDF) to study the developments and improvements we have made to the technology.” To be clear, SEPEL’s Chief Executive wrote in October 2012 that SEPEL had been awarded a ERDF grant (public money) to study the developments and improvements that SEPEL had already made to the technology.

SEPEL took over the hydropower development at Romney Weir, Windsor, in early 2009. This followed the withdrawal of the well-funded and experienced npower which had written to the RBWM that there were still significant challenges in making Romney Weir hydropower a viable asset. In 2009 SEPEL wrote on its website, “Construction of the Romney Weir hydropower plant will take place in 2009 and the system will be commissioned and become operational in late 2009.”

The Romney Weir plant was still not generating commercial electricity in February 2013, over three years later than predicted by SEPEL.
According to SEPEL's website, David Dechambeau is described thus: "He has spent his career in the design, construction and operation of geographically dispersed projects. Most recently he was responsible for the design and construction methods for the first hydropower system on the River Thames at the Romney Weir just below Windsor Castle." On the Projects page of the SEPEL website it is stated: "Southeast Power Engineering has a variety of projects underway or under investigation in the UK, Europe and the USA." On the Home page it is stated: "By selecting appropriate technology and utilizing creative construction techniques, Southeast Power Engineering is leading the way in developing carbon free power and developing the natural resources in the UK, Europe and the USA, in environmentally sound ways." When he made a presentation in Marlow on 7 March 2013, David Dechambeau was asked to name the other projects that he had completed or which were in progress (as suggested by the SEPEL website and his business and social media entries). He said that the (unfinished) Romney Weir, Windsor Castle project was the only one.

I am advised by the Department for Communities and Local Government that the applicant for the proposed South East Hydropower project is the Royal Borough of Windsor and Maidenhead, and SEPEL is one of the delivery partners. As set out in Section 3 of The National ERDF Handbook the organisation leading the bid, i.e. the Royal Borough, will be fully and legally responsible, and therefore financially liable, for the delivery, monitoring and compliance of the whole project. It is for the lead partner, in this case the Royal Borough, to take the appropriate steps to ensure that delivery partners have the necessary reserves and expertise to deliver their elements of the project.

Can you please therefore inform me about the due diligence that the RBWM has carried out to confirm:

1. that SEPEL is capable of match funding £738,450.

Response: I have been advised that Match funding of ERDF projects has to be compliant with ERDF regulations, and is subject to inspection and audit. SEPEL's expenditure on Romney weir provides the match funding of £738,450 identified, and is sufficient for this purpose.

2. that SEPEL and its officers have the qualifications, experience, expertise and proven track record, including the portfolio of hydropower projects in the USA, Europe and the UK reported on SEPEL's website, to justify payment of £145,000 for hydropower knowledge transfer, £145,500 (shared with the EA) for studies and £75,000 for hydropower supply chain development. It is material that the Chief Executive of SEPEL, when asked at Bisham Parish Council on 15 April 2013 what his qualifications were, replied that he had none, he said he was a developer.

Response: ERDF projects are funded through a competitive application process. The South East Hydropower project was developed in response to a call for applications, in March 2011, to promote onshore renewable energy in the South East, and improve the competitiveness of the region. The hydropower development at Romney weir provides an opportunity for learning, and SEPEL has made available the site for this purpose. The award of EU funding to SEPEL will support jobs and growth in RBWM and
the South East, and is a good example of the intended use of ERDF funding.

3. that it is appropriate to award £93,980 of public funds to SEPEL for "other capital costs".

Response: See answer to 2. above.

4. that the ERDF grant that Mr Dechambeau says in his magazine article has been awarded to SEPEL “to study the developments and improvements that we [SEPEL] have made to the technology” is the same ERDF grant that has yet to be awarded to the RBWM? If so, is it appropriate to award public money to SEPEL, especially to study developments and improvements to the technology that SEPEL has already made?

Response: ERDF projects are funded through a competitive application process. The South East Hydropower project was developed in response to a call for applications, in March 2011, to promote onshore renewable energy in the South East, and improve the competitiveness of the region. A provisional award was made to RBWM in November 2011, and negotiations have been continuing to ensure the project is compliant with ERDF rules. The award of ERDF grant to SEPEL is contingent on the South East Hydropower project being contracted, and SEPEL is acting on its own risk in studying the developments and improvements they have made to technology.

This concludes your request ER65003.

If you require translation of the information you have been sent please do not hesitate the contact us.

If you are unhappy with the information we have provided in response to your request please write to:

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or send an e-mail to martin.tubbs@rbwm.gov.uk

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http://www.rbwm.gov.uk/web/foi_information_requests.htm
We are keen to hear about your experience with the Information Management Team here at the Royal Borough of Windsor & Maidenhead and look forward to receiving any comments you have about the way your information request was processed.

Please send any feedback to the Information Management Team Manager either by e-mail martin.tubbs@rbwm.gov.uk or in writing to the address above.

Yours sincerely

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