APPENDIX C7(2): COMMENTS RECIEVED

Comments on Basic Assessment Report

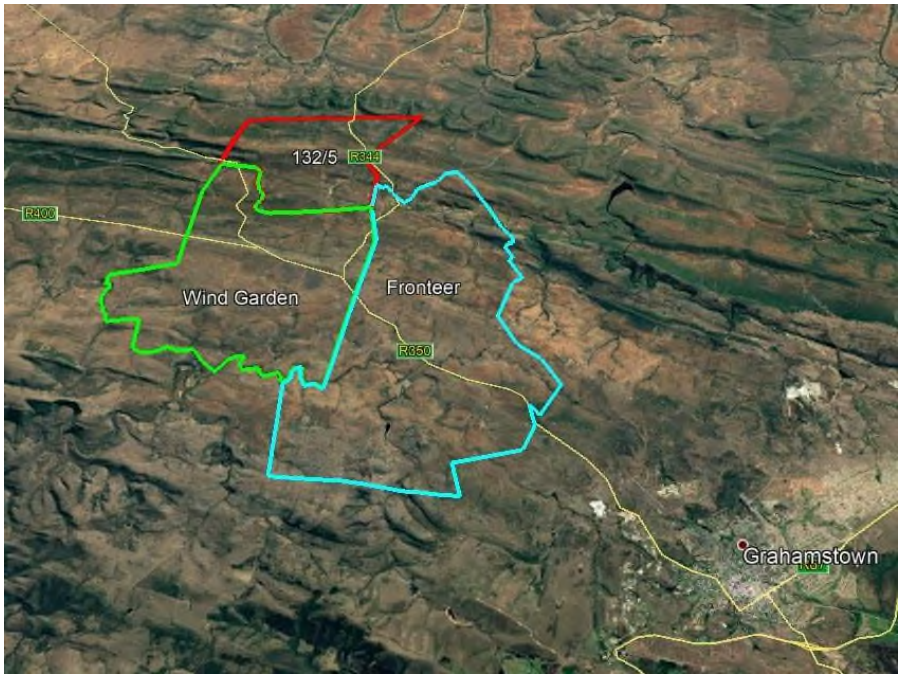
Review period 04 March 2021 – 06 May 2021

(C&RR: Point 1)

Key Stakeholders and Interested & Affected Parties

APPRAISAL CORPORATION

DETERMINATION OF DEROGATION IN VALUE OF PORTION NO. 5 OF VAN DER MERWES KRAAL NO. 132, ALBANY DIVISION, EASTERN CAPE PROVINCE, COMMONLY REFERRED TO AS CLIFTON



Prepared for: Mr Richard Summers
Richard Summers Inc
Unit 126 Victoria Junction
De Waterkant
Cape Town

Prepared by: J.L. Falck
Professional Valuer
(FIVSA)

Our Reference: AC220014

Date: 03 May 2021

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FIGURES

ATTENTION: MR RICHARD SUMMERS

Summers Inc
126 Victoria Junction
De Waterkant
CAPE TOWN

Your Ref.	:	Clifton / N. Orphanides
Our Ref.	:	AC220067 Clifton
Date	:	03 May 2021

Dear Sir

DETERMINATION OF DEROGATION IN VALUE OF PORTION NO. 5 OF VAN DER MERWES KRAAL N0. 132, ALBANY DIVISION, EASTERN CAPE PROVINCE, COMMONLY REFERRED TO AS CLIFTON

Further to your instructions dated 08 April 2021 and subsequent correspondence, please find herewith our report. Our instruction is to determine the derogation in value of the Subject Property ("**Clifton**") due to the proposed development of two wind farms in the direct area: the Wind Garden Wind Farm ("**Wind Garden**") and the Fronteer Wind Farm ("**Fronteer**")

1. In the first instance we will comment on the Basic Assessment Reports undertaken by Savannah Environmental ("**Savannah**"), the consultants in respect of both the above projects. The reason for this is threefold, i.e.:

1.1 to determine the likelihood of factors impacting on value;

1.2 to determine the reliability of the assessment in determining factors that might impact on value; and

1.3 to determine if the projects potentially give rise to significant socio-economic impacts e.g. impacts on market value of surrounding properties / game reserves

2. With this as basis, we will determine the potential impact on the market value of Clifton in respect of both projects. This will be done on an "**unencumbered**" basis, i.e. disregarding the wind farms, and an "**encumbered**" basis, i.e. as if the wind farm project is approved and developed

3. This report will be dealt with in three sections, i.e.:

3.1	**Introductory Section** (pages 1 - 8)	:	Includes a covering page; contents pages; letter of transmittal; appraisal certificate; assumptions and limiting conditions; definitions; terms of reference and date of valuation
3.2	**General Report** (pages 9 - 36)	:	A discussion on the studies compiled by Savannah, with emphasis on the efficacy of the studies in identifying, evaluating and assessing socio-economic impacts that impact on property value and the suitability of the data / evidence tabled for the purposes of decision-making under the National Environmental Management Act ("**NEMA**") in connection with such impacts
3.3	**Valuation Report** (pages 37 - 53)	:	Discussion of the Neighbourhood Area and Subject Property, valuation methodology, market research, value analysis and conclusion on values. The impact of the wind farms will be the difference between an "unencumbered" value (disregarding the two wind farms noted above) and an "encumbered" value (assuming the wind farms have been constructed and are in full operation). This derogation in value should be considered in the evaluation of the desirability of the wind farms

4. Please do not hesitate to contact us should you have any enquiries in the above respect. Thank you for the instruction

Yours sincerely

J.L. Falck
Professional Valuer
(FIVSA)
for Appraisal Corporation

A. APPRAISAL CERTIFICATE

We, the undersigned, certify that:

1. This report has been prepared in conformity with recognised standards of appraisal procedure and ethics. To the best of our knowledge and belief the statements contained in this report are correct

2. The opinions expressed herein are based on a full and fair consideration of all the pertinent facts and/or factors available to us as at the date of preparing this report

3. We have no present nor contemplated interest in the outcome of this valuation, nor do we have an interest in the properties which are the subject of this valuation, which would affect the statements expressed and/or the values determined herein. Neither our employment nor our compensation is contingent upon reporting the values determined herein

4. A personal inspection of the Neighbourhood Area and the Subject Property was performed by ourselves. We also did an investigation into comparable market data in order to assist us with this valuation

5. There are **53** pages, inclusive of **7** figures, all of which all are essential to the valuation as set out herein

6. Words importing any one gender in this report shall also include the other, words importing the singular shall include the plural and vice versa and words importing persons shall include partnerships, bodies corporate and companies they represent

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7. In our opinion, the derogation in the market value of the Subject Property, i.e., the amount a willing buyer will pay a willing seller in the open market, for the particular property (**Portion No. 5 of Van Der Merwes Kraal No. 132, Albany Division, Eastern Cape Province**), as at the date of valuation (30 April 2021) is close to of 20% of its market value

8. All mapping and photography were done by us

9. The stated values exclude Value Added Tax ("**VAT**")

J.L. Falck
Professional Valuer
(FIVSA)

for
Appraisal Corporation
Date : 03 May 2021
Place : Cape Town

B. DEFINITIONS

The market value of the property, which is based on the highest and best use, is determined. These two terms are defined[1] as follows:

1.1 Market Value

"The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing where the parties had each acted knowledgeably, prudently, and without compulsion."

1.2 Highest and Best Use

"The highest and best use must be physically possible (where applicable), financially feasible, legally allowed and result in the highest value. If different from the current use, the costs to convert an asset to its highest and best use would impact the value."

C. DATE OF VALUATION

The date of valuation is 30 April 2021

[1] Defined by the International Valuation Standards Council, 2020

DETERMINATION OF DEROGATION IN THE VALUE OF PORTION NO. 5 VAN DER MERWES KRAAL NO. 132, ALBANY DIVISION, EASTERN CAPE PROVINCE, COMMONLY REFERRED TO AS CLIFTON

GENERAL REPORT

1. INSTRUCTION

We were instructed by Mr Richard Summers of Summers Inc, to comment on the specialist reports compiled by Savannah Environmental for the Wind Garden and Fronteer Wind Farms and which fall within our field of expertise. This relates largely to the issues of visual, noise and socio-economic impacts on property values. These reports include amongst others the two Basic Assessment Reports (both dated March 2021) and their annexes

2. THE PROPOSED WIND FARMS

2.1 The Wind Garden Wind Farm

2.1.1 What follows below is a summary of the main aspects of the wind farm. Only essential information is noted here, even though we relied on more than this to form our opinions. The information was obtained from the Basic Assessment Report ("**BAR**") compiled by Savannah Environmental in March 2021 and the attachments to the BAR

2.1.2 Wind Garden is to be constructed on the following properties, all in the Albany Division:

(i) Portion 4 of Farm No. 132, extent 885.1100ha

(ii) Portion 5 of Farm No. 182, extent 517.5309ha

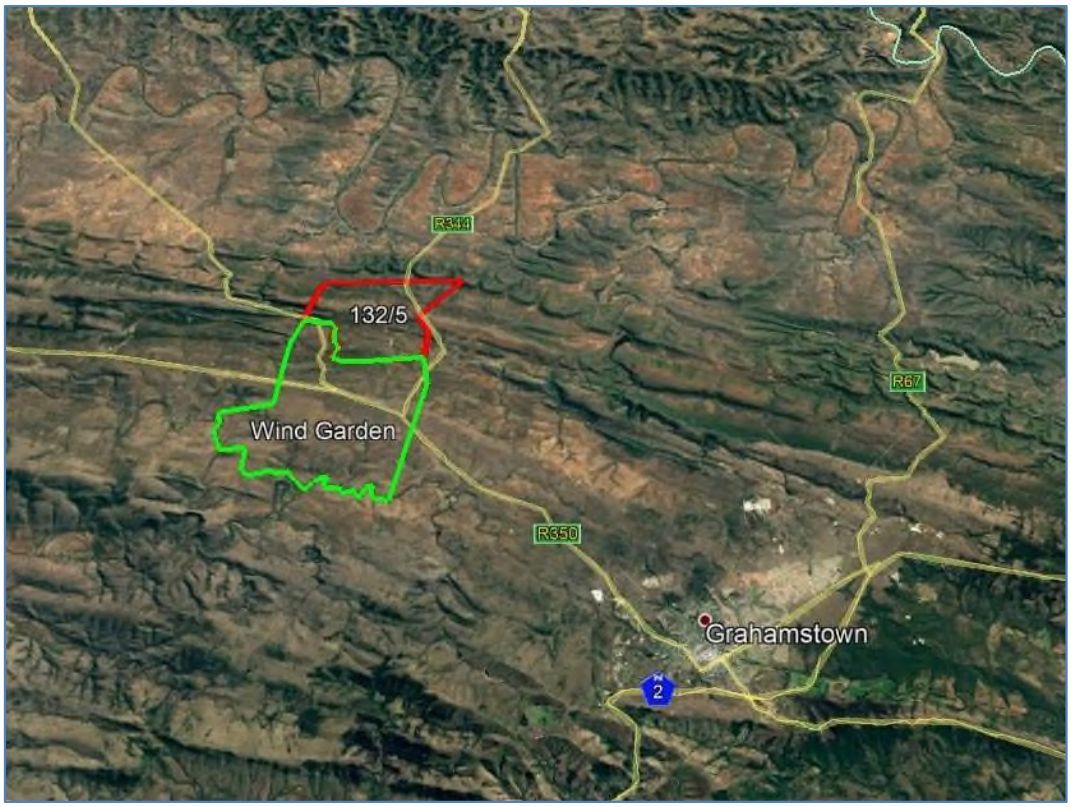
(iii) Portion 8 of Farm No. 182, extent 370.2040ha

(iv) Remainder Farm No. 183, extent 1,664.8608ha

(v) Portion 1 of Farm No. 183, extent 364.0522ha

2.1.3 This facility will comprise some 47 turbines with a height of 120m, with the blade tip reaching a height of 200m. All in all, some 264MW of power will be generated here. The location of Wind Garden, in relation to the Subject Property is reflected on **Figure 1**. The northern boundary of Wind Garden is also the southern boundary of the Subject Property. The effect of this on the value of the Subject Property will be discussed later in this report

Figure 1: Wind Garden (in green) and Clifton (in red)



2.1.4 The properties that are to be developed have a total extent of ±3,801.7577ha. This is some 12% larger than the development envelope extent quoted in the BAR, ±3,400ha[2]. The BAR indicates the footprint of the facility (the actual portions taken up by structures) to be ±66.6ha, but this figure can be regarded as misleading as it comprises the sum-total of each individual structures' footprint. In fact, the whole development envelope of ±3,400ha will be taken up, as the structures will be located some distance from each other. The extent also does not include the power lines and pylons not located on the above five properties, but which form part of the project

2.2 The Fronteer Wind Farm

2.2.1 What follows below is a summary of the main aspects of this wind farm. Only essential information is noted here, even though we relied on more than this to form our opinions. The information was obtained from the Basic Assessment Report ("**BAR**") compiled by Savannah Environmental in March 2021 and the attachments to the BAR

[2] Wind Garden Wind Farm, BAR dated March 2021, page 4

2.2.2 Fronteer is to be constructed on the following properties, all in the Albany Division:

(i) Remainder Farm No. 131, extent 989.2785ha

(ii) Portion 1 of Farm No. 132, extent 98.5026ha

(iii) Portion 1 of Farm No. 184, extent 176.1244ha

(iv) Remainder Farm No. 187, extent 1,857.8052ha

(v) Portion 1 of Farm No. 187, extent 2,231.2067ha

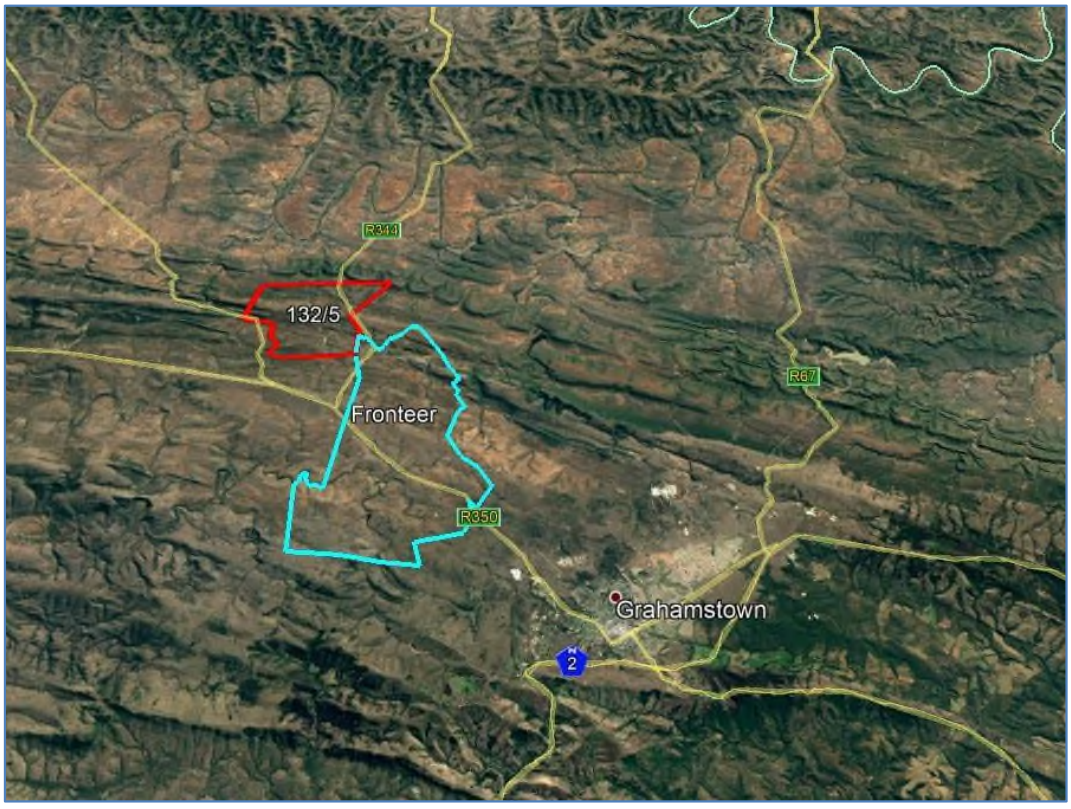
(vi) Portion 2 of Farm No. 187, extent 232.3136ha

(vii) Portion 3 of Farm No. 187, extent 303.1848ha

(viii) Portion 1 of Farm No. 189, extent 331.4451ha

2.2.3 The location of Fronteer, in relation to the Subject Property is reflected on **Figure 2**. It is evident that Fronteer's northwestern boundary is also the southeastern boundary of Clifton

Figure 2: Fronteer (in blue) and Clifton (in red)



2.2.4 The properties that are to be developed have a total extent of ±6,219.8609ha, of which ±2,689ha comprises the development envelope[3]. The BAR indicates the footprint of the facility (the actual portions taken up by structures) to be ±49.4ha, but this figure can be regarded as misleading as it comprises the sum-total of each individual structures' footprint. In fact, the whole development envelope of ±2,689ha will be taken up, as the structures will be located some distance from each other. This facility will comprise some 38 turbines with a height of 120m, with the blade tip reaching a height of 200m. All in all, some 213MW of power will be generated here

3. THE BASIC ASSESSMENT REPORTS ("BAR's")

3.1 Both the Wind Garden BAR ("**WGBAR**") and the Fronteer BAR ("**FBAR**") will be discussed under this heading, as they are fairly similar and contain the same basic information. Where necessary, we will highlight differences. Both reports were completed in March 2021 by Savannah Environmental. What follows below is our objective opinions as valuers, and should not be construed as a specialist opinion on the reports

3.2 We are of the opinion that the reports and annexes are in certain cases factually incorrect, that certain aspects as disregarded and that others did not get the clarification it deserves. We will focus on those issues that affect property valuers, more specifically the value of the Subject Property, but will also note other issues that were noticed even though they fall outside the ambit of valuation

3.3 We will not focus on the many errors noted in the BAR's, but it is worthy to note that the number of errors can be a reflection of the quality of the report and the diligence with which it was prepared. Although some of the errors could be deemed insignificant, others can be construed as misleading. One example of this is where roads are incorrectly indicated on maps (Figures 8.2 and 8.16), thus reflecting a more developed area than what is actually the case. In other places farms were named, not indicating that they form part of a protected area, or game reserves indicated to be smaller than what they actually are (Figure 1.3 of both BAR's). This has the potential to underplay the negative effect of the projects on the surrounding environment and not giving the decision makers the option to rely on accurate information

[3] Wind Garden Wind Farm, BAR dated March 2021, page 4

3.4 Policy and Legislative Context

3.4.1 The BAR's refer to the Easter Cape Provincial Draft Development Plan ("**PDP**"), 2014 [4]. Although the document identifies seven sectors with high potential for economic development, the BAR's focus almost exclusively on climate change and renewable energy. It is no coincidence that both those considerations are directly relied upon by the EAP to motivate why these projects are desirable. This subtle but significant It fails to note that the Tourism Sector (and specifically including eco-tourism) is an equally relevant sector, instead suggesting that renewable energy is the only relevant consideration. This is clearly not the case if one views applicable policy more holistically

3.4.2 The PDP expressly identifies game reserves in the Eastern Cape Province as top attractions for international tourists and that international tourism spending is 40% greater than domestic tourism spending [5]. This is an important issue as it has a direct impact on tourism property. As the Subject Property was purchased with the express view of developing a game farm for tourists, it is also applicable here

3.5 The Profile of the Immediately Affected Area [6]

3.5.1 It seems that this information (in the BAR's) was obtained from the Socio-Economic Impact Assessments compiled by Urban-Econ in January 2021. These portions of the BAR's contain a number of inaccuracies. These inaccuracies include information on tourism, agricultural operations and visitor numbers, all essential issues in an assessment such as being undertaken here

3.5.2 Where at first this section of the report refers to "*the land on which the proposed wind farm… will be located*" (1st paragraph), it also refers to "*the area surrounding the proposed wind farm*" (2nd paragraph). From this, we conclude that this section deals with the farms on which the wind farms are to be developed, as well as (at least) the neighbouring properties. It will therefore include the Subject Property (Clifton) and the Kwandwe Private Game Reserve, located to the northeast of the Subject Property

[4] WGBAR page 49, FBAR page 49
[5] PDP, page 56
[6] WGBAR page 144, FBAR page 142

3.5.3 Some of the inaccuracies in the description of the receiving environment include [7]:

(i) "*Tourists (predominantly local hunters or visitors) will visit the farms to hunt (normally for biltong), hike or utilise bike trials*"

And

"*Approximately 42 international tourists visited the area in a year (32 for hunting purposes, 5 for leisure or game viewing, and 5 for eco- or adventure purposes)*"

We completed a similar study to this for Kwandwe and in this way obtained their guest figures. This indicates that in terms of numbers, some 85% of visitors are international tourists, being about 8,418 bed nights per annum on average. What is however more important is that the contribution of foreign visitors is ±95% to income, with the average rate per room for a local guest being about 35% of that of a foreign guest. The importance of foreign tourism is therefore significantly underplayed in the BAR's and the motive for doing so is not clear. This could possibly be attributed to the small sample of farms surveyed, disregarding a major player and neighbour such as Kwandwe

(ii) "*Agricultural operations (including hunting and tourism) in the directly affected area employ approximately 30 people*"

Kwandwe also informed us that, on average, they employ around 256 persons. Most of these workers live in the staff villages on the property, together with their families. The figure of 30 persons is therefore incorrect and seemingly grossly underestimated, once again the manner in which information is reported in the BAR's underplays the importance an operation such as Kwandwe has on employment and the supply of housing in the area

(iii) "*Approximately 335 domestic tourists visited the area in a year (115 for hunting purposes, 70 for leisure or game viewing, and 150 for eco-or adventure purposes).*"

It is possible that this statistic is based on figures of 2020, which was not a "normal" year for the hospitality and tourism industries. To use this to determine the effect of a wind farm, that will be in operation for at least 20 years and take a further 2.5 years to construct, is disingenuous

[7] WGBAR page 145, FBAR page 142

Based on the information obtained from Kwandwe, in excess of 3,000 guests visited the reserve in 2019. About 14% of this was South Africans, some 420. If this figure of 420 is added to the other game, eco-tourism and leisure farms in the area, it is obvious that the figure of 335 is not accurate. This type of inaccuracies taints the objectivity of the report as a whole, resulting in a perception of bias

3.5.4 The profile of the immediately affected environment is in our opinion the starting point of such a study, identifying the subjects / issues that must be evaluated. As an example: if the base information is that only 42 international tourists visit the area annually, the effect of losing these tourists is deemed minimal. If a more realistic amount of say 4,000 is used, the loss of income once these guests no longer visit the area is far more substantial - changing the effect of the wind farm on the receiving community from "Low" to "High" (see discussion under paragraph 3.7.3 below). The accuracy of this information is therefore essential - an attribute that these reports seem to lack

3.6 Noise Impacts [8]

3.6.1 Wind turbines produce sound, mostly due to mechanical operations and aerodynamic effects of the blades. Although the BAR's claims that modern turbines are quieter than before, it concedes that the sounds "*can impact on areas at some distance away. When potentially sensitive receptors are nearby, care must be taken to ensure that the operations at the wind farm do not cause undue annoyance or otherwise interfere with the quality of life of the receptors.*"

3.6.2 The noise impact of the Wind Garden project on the Subject Property is emphasised by the fact that the closest turbine is less than 1km from the main dwelling and guest accommodation on the Subject Property. Should one consider that ambient noise levels in this rural area are generally low, the impact of spinning turbines will have an effect on the property's use and enjoyment. As part of the BAR, noise measurements were done, in close proximity to the buildings on the Subject Property. This indicated that "*crickets were audible and dominant, with slight wind induced noises ("WIN:). Sounds from the house was also measured, with times when birds and win were the dominant noise"*. With this in mind, the impact is expected to be severe. Also, one should consider that as wind speeds increase, the noise will increase, especially in the case of winds from the south or southwest

[8] WGBAR pages 137 and 202, FBAR pages 135 and 199

3.6.3 The noise from wind farms differs between the different stages. During the construction phase, noises could include civil works such as roads, the construction of the foundations of the turbines and the substation, transport of components and equipment to site and site preparations. Although it is projected that this work will mostly occur during the day, weather conditions and time constraints could result in night time work. This will have a severe impact on the Subject Property's enjoyment, taken the current ambient sounds. The impact of day time construction is indicated to be "Low", with a score of 7, while the night impact during the construction phase is indicated to be "Medium" (score of 56). Taken the close proximity of the Subject Property to the Wind Garden project, these scores should indicate the absolute minimum impact on will experience

3.6.4 The BAR's indicate that the day time noise levels during the operation phase is less significant. We do not agree with this, as the enjoyment and experience of the Subject Property will be compromised. In the case of night-time and weekends, the quiet environment is indicated to be more important. The BAR however indicates that there are "*no potential noise sensitive developments living within 500m from any wind turbines*" [9]. Why this specific figure was used is unknown, as the noise from a 200m high turbine should be fairly similar at locations of 500m and say 750m. With the main buildings of the Subject Property being less than 1,000m from the nearest turbine, the impact is in our opinion severe. This is in contrast to the score on the BAR impact table, indicating a "Low" impact with a score of 22 [10]

3.7 Visual Impacts [11]

3.7.1 This will in our view be one of the most important factors to consider, taken its "visible" effect on the surrounding areas and especially the Subject Property, sharing boundaries with both wind farm projects. If an area, marketed for its natural and scenic attributes, is visually scarred, it loses its appeal and marketability. Once demand diminishes, values decline. We will therefore also refer to specific portions in the Visual Impact Assessments ("**VIA's**") for Wind Garden and Fronteer, both compiled by Logis and completed in February and March 2021 [12]

[9] WGBAR page 203
[10] WGBAR page 206
[11] WGBAR page 206, FBAR page 203
[12] WGBAR and FBAR Annexure K

3.7.2 In the VIA's the methodology of the study is explained. This indicates that the potential visual exposure is firstly determined, whereafter the visual distance to the facility is determined. This taken into account the "reduced impact over distance" principle. After this, the areas of high viewer incidence are determined, with consideration of the visual absorbency capacity of the landscape. From this a visual impact index is calculated, i.e. the magnitude of the visual impact. This forms the basis of the impact significance determination, i.e., the impact as a function of extent, duration and probability, which is then reflected in an impact statement

3.7.3 Lastly, the preferred alternative is proposed, including possible mitigation measures to limit the impact of the project during its various stages. The impact is indicated as a score, where a score below 30 points is deemed low (no direct influence on the decision to develop) and a score between 30 and 60 points is deemed "Medium / Moderate". Here the impact could influence the decision to develop in the area. Where the score is above 60, the impact is regarded as "High", i.e., "*the impact must have an influence on the decision to develop in the area*" [13]. This will be discussed in more detail later

3.7.4 Where the land use and settlement patterns of the area is discussed in the VIA's, it is noted that there are a number of protected areas in the region. The Indalo Protected Environment and a number of owners of informal private protected areas, game farms (including the Subject Property's owner) and stock farms surrounding the projects generally oppose the construction of wind turbines within the region. It is noted that these properties generally "*rely on the natural environment of the region in order to function effectively*" [14]

3.7.5 After evaluation of each of the two projects, the effect on the area is described as "Very High", i.e., for potentially sensitive visual receptors within a 5km radius (about 95% of the Subject Property falls within this range). As distance increases, the impact is reduced (according to the VIA's), i.e., a "High" impact for properties within a 5 and 10km radius, and "Moderate", i.e., 10 to 20km. Farms are listed in terms of the impact of each project. The two VIA's have a fairly similar result, with Wind Garden being slightly more severe than Fronteer. First mentioned is indicated on **Figure 3A**, with Fronteer on **Figure 3B**

[13] WGVIA page 53, FVIA page 52
[14] WGVIA page 14, FVIA page 14

Figure 3A: Impact of Wind Garden Wind Farm on Clifton

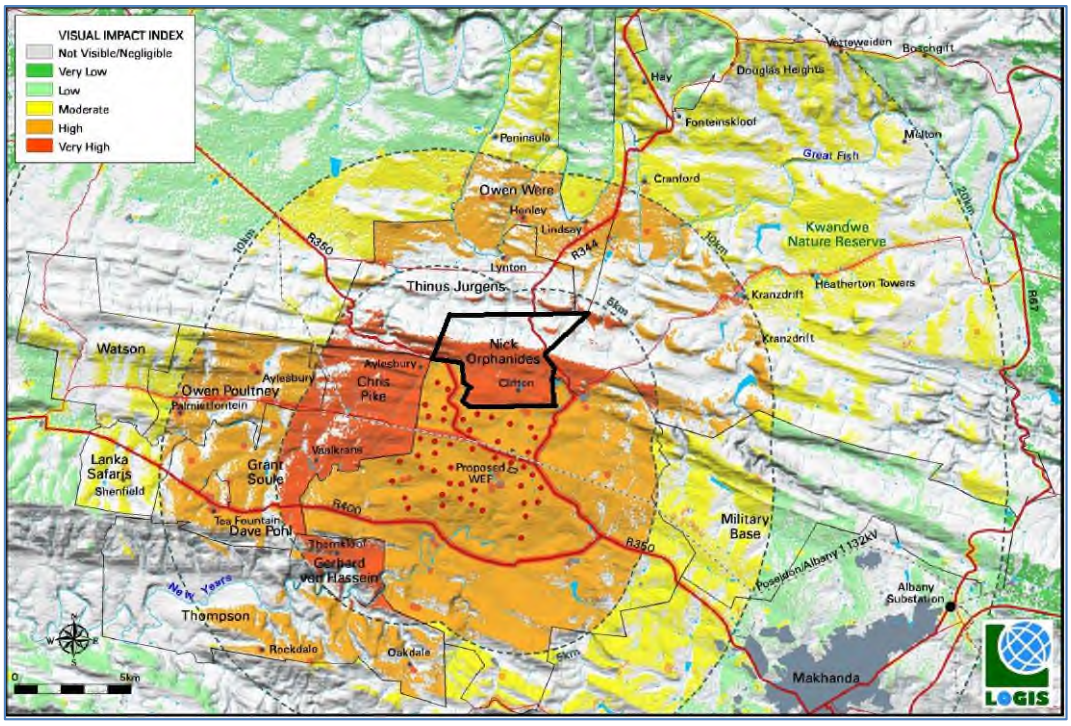
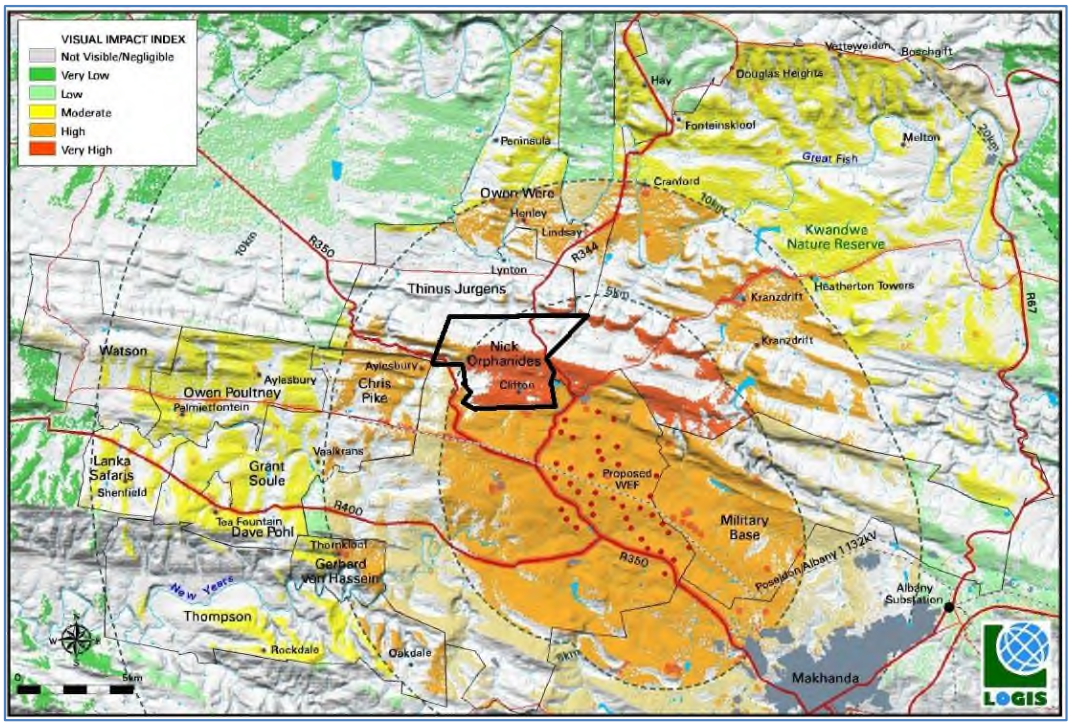


Figure 3B: Impact of Fronteer Wind Farm on Clifton



3.7.6 From this it is evident that around 58% of Clifton is affected by either of the wind farms. A significant drawback of this process is that each project is assessed as a stand-alone project, i.e., their combined effect is not indicated and is downplayed as a result. In total, some 6,089ha (i.e., more than 12,000 rugby fields) will be improved with 85 turbines. This will make it one of the bigger contiguous wind farm areas in the country

3.7.7 The VIA's do not show the exact location of where the photo simulations were taken. Based on the map on Page 42 of the Wind Garden VIA, "Viewpoint 4" seems to be located just north of the dwelling and guest accommodation of the Subject Property (despite the buildings not being shown on the photograph). These photo simulations in **Figure 4** show the severe and scarring effect on the Subject Property, especially if one takes into account that the majority of the Subject Property is affected and located within 5km of the projects

Figure 4A: Photo Simulations in the Vicinity of the Subject Property's Dwelling

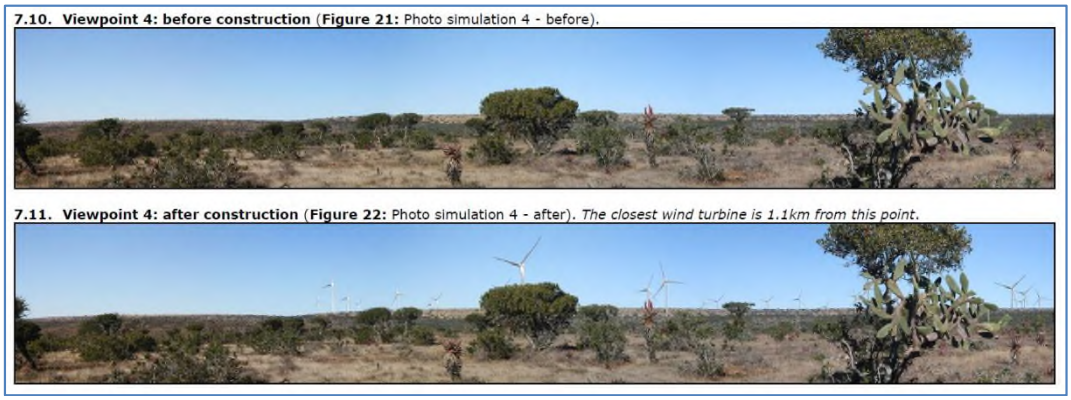
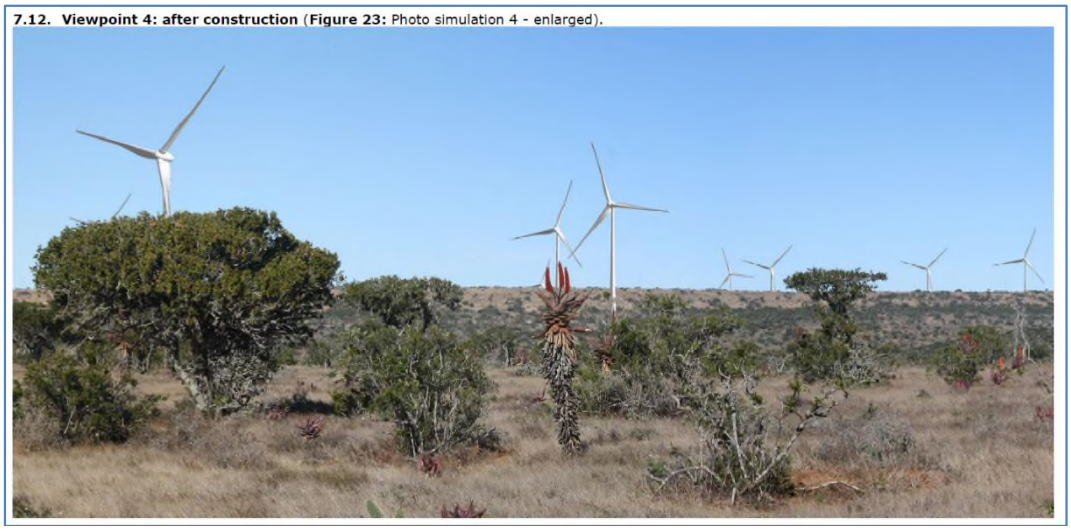


Figure 4B: Encumbered Situation Photo Enlarged



3.7.8 At present, the area and Clifton are accessed by means of rural roads, through a relatively unspoilt agricultural area. If the two wind farms are approved and development goes ahead, the owners and visitors to the Subject Property will have to drive through the middle of these wind farms, with 50 units to the west of the R350 route (the 47 units of Wind Garden and three units of Fronteer) and 35 units of Fronteer on the eastern side of the road. This impact will be exacerbated by the generally undeveloped character of the landscape, with the VIA's indicating this impact to be "High" (a score of 64). The area's sensitive visual receptors, i.e., people travelling along these roads, residents of rural homesteads and tourists passing through or holidaying in the region, would consider visual exposure to this type of infrastructure to be intrusive. It is even "*possible that the potential visual impacts may exceed acceptable levels within the context of the receiving environment (an area with an established tourism industry*)" [15]. The writer further states that the concern and potential opposition from affected land owners and tour operators within the region is valid, as the visual impact is expected to be of high significance. This is exacerbated by the fact that conventional mitigation methods are not available

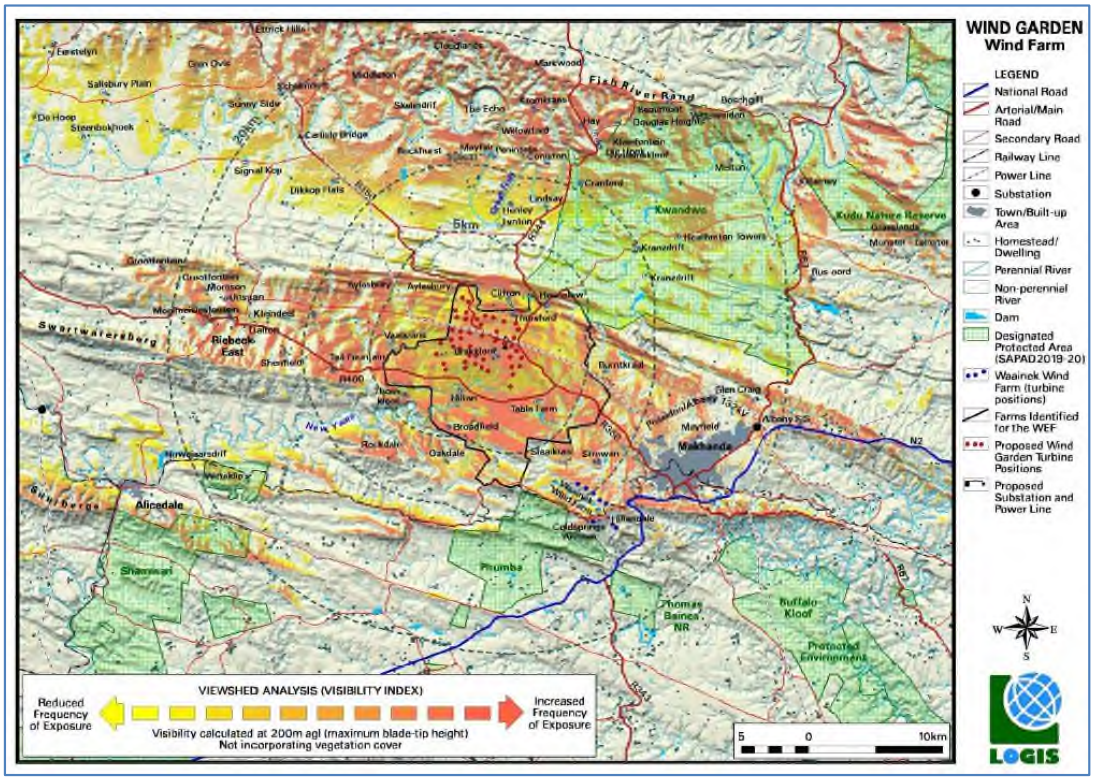
3.7.9 Although the writer of the VIA's indicate that this will not impact on visitor and tourist numbers to the area, this opinion is speculative and is based on the findings in the Socio-Economic Impact Assessment Report, which will be discussed later. Suffice to note at this stage that we do not agree with this opinion

3.7.10 In the discussion of the visual impact in the BAR, it is stated that the "High" impact of the projects should be viewed in the context of some potential moderating factors [16]. The first of these is that the turbines will in most instances be only "*partially exposed*". This is in our opinion not only partially untrue (see paragraph 3.7.8 above), but of limited relevance. Owners and visitors to the area, especially those wanting an eco-tourism experience, are looking for a "Wild Africa" experience [17], and this is not compatible with turbines - be it a part of a turbine or the whole structure. In any event, the bulk of the turbines will be visible from the residential accommodation on the Subject Property, which makes this "moderating factor" irrelevant

[15] WGVIA page 71, FVIA page 70
[16] WGBAR page 207, FBAR page 203
[17] WGBAR page 220, FBAR page 217

3.7.11 The second factor states that fewer turbines are expected to be exposed to the north due to the shielding effect of the escarpment. This too is not accurate, as much of the high-lying areas to the north are impacted by the proposed wind farms. See below **Figure 5**: Map 4, extracted from the VIA's, where the portions indicated in yellow (least) to brown (most) depict the frequency of exposure. The Fronteer VIA has a similar map on page 28

Figure 5: Map 4, extracted from the Wind Garden Visual Impact Assessment



3.7.12 The third factor is that "*the generally longer distances of observation (i.e., beyond 10km) is expected to mitigate the impact to some degree*". It is not stated what this degree is, but it is evident from **Figure 5** that the longer distances do not necessarily mitigate the effect. In fact, most of the properties in the brown band (e.g., Kromkrans, Skelmdrif, Coniston and Hay where the impact is significant) are between 10km and 20km from the wind projects. This moderating factor is therefore not factually correct

3.7.13 Another impact that is identified in the BAR's as a possible visual disturbance is the aircraft warning lights mounted on top of the wind turbines. The BAR's indicate that the lights have the potential to be visible from "great distance" (no distance is identified or indicated in terms of the extent of impact and therefore this impact is unquantified), as they ought to be as a warning system to approaching aircraft. It notes that one way to mitigate this disturbance is to use new technology, activating the lights when an aircraft is detected nearby. As this option is not approved by the Civil Aviation Authority, it should not be seen as a possible mitigation method in connection with these project impacts. There is the chance that the new technology will not be approved by the CAA, by which time it will have erroneously been included and evaluated in this process as a mitigating option. The report is thus seen as misleading by adding this as a mitigation option for the identified impact

3.7.14 A "sense of place" is described as the experience of the environment by a user, based on his or her cognitive experience of the place. An impact on this sense of place is one that alters the visual landscape to such an extent that the user experiences the environment in a less appealing or less positive light. For a rural area, such as the direct neighbourhood area surrounding the project sites, the sense of place is based on its undeveloped nature. With the two wind farms, this is to a large degree lost

3.7.15 The BAR's indicate that the impact on the sense of place within the region (i.e., beyond a 20km radius) is expected to be of low significance [18]. However, it does not refer to the sense of place for users of the areas within the 20km radius. In our opinion, the visibility of the two projects is such that the users (especially those of the Subject Property) will most likely view the area in a more negative light, thereby indicating a "High" or even "Very High" impact. As this affects the experience of the area, it could affect marketability of property and thus value. This is not discussed in the VIA's

3.7.16 There are nine Impact Statements applicable to the Operational Phase. Five of these indicate "High" negative impacts, even with mitigation. This relates to:

(i) the visual impact on residents and visitors within a 5km radius - a score of 64

(ii) the visual impact on observers travelling along roads within a 5km radius - a score of 64

[18] WFBAR page 208, FBAR page 205

(iii) the visual impact on observers travelling along roads within a 5km to 10km radius - a score of 60

(iv) the visual impact on residents and visitors within a 5km to 10km radius - a score of 60

(v) the visual impact of operational, safety and security lighting at night - a score of 60

3.7.17 The visual impact on residents and visitors within a 10km to 20km radius is rated as "Moderate" (a score of 52), but as pointed out under paragraph 3.5.9 above, this is not in line with the evidence in the VIA's. The accuracy of this score is thus suspect

3.7.18 This results in six of the nine impact statements relating to visual disturbances being "High Negative". One would therefore expect that the last step of the methodology discussed before comes into play, i.e., where "*the impact must have an influence on the decision to develop in the area*". Contrary to this, the reports conclude that although "*it is possible that the potential visual impacts may exceed acceptable levels within the context of the receiving environment (an area with an established tourism industry), the proposed development is not considered to be fatally flawed*" [19]. This conclusion in our opinion makes a mockery of the visual impact assessments and can at best be regarded as optimistic. This is especially in view of the average score of ±47 for the 10 visual impact statements in the reports

3.8 Socio-Economic Impacts

3.8.1 The two Socio-Economic Impact Assessment Reports ("**SEIA**'s") were both complied by Urban-Econ Development Economists and completed in January 2021. Chapters 6 and 7 of the SEIA's deal with tourism (hospitality) and property values. Much of our comment will therefore focus on this

3.8.2 The information referred to under paragraph 3.5 was seemingly obtained from the SEIA's. The profile of the immediately affected environment [20] is in our opinion the starting point of such a study, identifying the subjects / issues that must be evaluated thoroughly and accurately during the process. The accuracy of this information is therefore essential to the credibility of the EIA process and assessments undertaken. In this case much of this information in the SEIA's is inaccurate, casting doubt on the outcomes determined

[19] WFBAR page 215, FBAR page 211
[20] WGSEI page 24 and FSEI page 24

3.8.3 With regard to international literature reviews, the SEIA's refer to a number of studies undertaken to determine the impact of wind energy facilities on business tourism. Each of these studies relied upon by the BAR's will be discussed briefly:

(i) The first study referred to was undertaken in Iceland in 2020. It comprised a questionnaire survey, with topics such as tourist and resident's perceptions to the area, the two existing wind turbines, attitudes towards various types of renewable power infrastructure and concerns about climate change. The questionnaire was supported by landscape photographs. After reading the report, the following issues (not all discussed in the SEIA reports of Urban-Econ) were deemed noteworthy:

a. At the time of the study Iceland had only two wind turbines, i.e., a very limited impact in an area this size. This can hardly be compared to the current proposals entailing 85 structures to be erected on a ±6,000ha piece of land

b. The beauty of Iceland lies largely in its nature, i.e., mountains, volcanoes, large ice caps, glacial rivers, etc. When taking a photo of this, orientation is far less important than when taking a photo of for instance an elephant or rhino, with a view of turbines in the background. The Iceland study does not reflect this unique aspect of the receiving environment around the Subject Property

c. Iceland has a fairly mountainous landscape, with the effect that man-made disturbances can be hidden, away from tourism gateways

d. The location of the new wind farm in Iceland that was the subject is not deemed a tourist area, even though one has to travel through the area to get to the tourist destination. As such, it is not comparable with the neighbourhood area / receiving environs of the Subject Property

e. The monetary benefits that accrue to residents (including rental for the property on which the farms are developed and increased retail spending in the construction phases) result in residents being more positive about wind farms than tourists. As tourists indicated that wind farms should be prohibited in national parks and beautiful landscapes in general, one can assume that the typical tourist to the neighbourhood area will be distracted by the two wind farms. This could result in a change of destination or shorter stays, affecting the towns and their economies. This could very well result in the overall medium to long term effect being more negative than positive

(ii) The New Hampshire study was undertaken in 2013. The following is noteworthy:

a. Many of the studies indicate that over time, negative perceptions seem to decline, especially among residents. As this specific wind farm was constructed in 2008, the residents will have been used to it five years later. It was developed and they could not change it - so staying negative will have been in vain. This however does not mean that it did not affect the economy or property market, it only means that it was too late to take action, as the damage had been done

b. New Hampshire is known for its forests and is fairly mountainous. It might be possible that the wind farm was less visible due to the area it was situated in

c. The reasons for visits to the area was:

- Pleasure - 54.8%
- Friends / Relatives - 22.1%
- Outdoor - 8.6%
- Personal (shopping, graduation, wedding, medical) - 5.6%
- Business - 5.3%
- Events - 3.6%

This means that at least 36.6% of visits were destination based, without an option of going elsewhere once the wind farm was constructed

d. This type of visitor will not change his / her location behaviour, as their reason for visiting the area is not affected by the visual or other disturbances caused by wind farms. This is a totally different type of visitor than the current tourist to the neighbourhood area of Wind Garden and Fronteer. As this study is not at all comparable to the neighbourhood area that is being discussed here, it should not have been included in the SEIA's

(iii) The Northumberland Study was undertaken in 2014. Some of the key issues with this study include:

a. This survey was aimed at "potential" visitors - i.e., visitors who have not yet experienced the beauty of the area, nor were they aware of the possible effects of a wind farm. To stay positive in this type of scenario is more likely than when one has experienced an area - there is a better understanding of what the effect of such an operation could be