

Top executives arrested in Italy wind farm probe

[Print](#)

By Guy Dinmore in Rome

Published: November 12 2009 02:00 | Last updated: November 12 2009 02:00

Italian finance police, mounting an operation codenamed "Gone with the wind", yesterday said they had arrested two of the country's most prominent businessmen in the wind energy sector on charges of fraud and are investigating their sales of wind farms to foreign companies.

Oreste Vigorito, head of the IVPC energy company and president of Italy's National Association of Wind Energy, was arrested on Tuesday in Naples. Vito Nicastrì, a Sicilian business associate, was arrested in Alcamo, Sicily.

Two other men were arrested in Sicily and the Naples area, while 11 others were charged but not arrested. Police said the charges related to fraud involved in obtaining public subsidies to construct wind farms.

IVPC, a leading constructor and operator of wind farms in Italy, did not return calls asking for comment. Mr Vigorito is also well known as president of the Benevento football club.

"Gone with the wind", mounted by the finance ministry's anti-fraud police, started in 2007 and began by blocking public subsidies worth €9.4m (\$14m, £8.4m) granted by the ministry for economic development. Last year, police confiscated seven wind farms with 185 turbines in Sicily linked to IVPC.

Anti-mafia prosecutors in Sicily have launched a parallel investigation. The Financial Times was told in April that a large number of wind farms had been built with public subsidies but had never functioned. Some are visible on the hills above Corleone, a known mafia stronghold.

Police said yesterday they had sent requests for documentation to five foreign companies - two in the Netherlands and three in Spain - that were linked to IVPC. Other companies in Ireland and the UK, said to be Italian affiliates of IVPC, have been asked by Italian authorities to provide information.

Police also said they were carrying out checks on 12 companies in Italy, including a group of nine called variations of IP Maestrale, which share the same street name and number as IVPC in Avellino, near Naples.

International Power of the UK, the largest operator of wind farms in Italy last year with a market share of about 15 per cent, said it owned the IP Maestrale companies.

International Power acquired in 2007 its Maestrale portfolio of wind farms for €1.8bn from Trinergy, an Irish company that had bought them from IVPC two years earlier.

Some of the projects had been developed by Mr Nicastrì, although IP told the FT in April it had no direct relationship with him.

International Power has not been charged with any wrongdoing. International Power in London said yesterday: "We are aware of the arrests made in Italy yesterday. Criminal proceedings in Italy are conducted on a confidential basis and we will not make any comment on either the arrests or the individuals involved at this time."

Mr Nicastrì told the FT in Alcamo in April he had developed the "majority" of Sicily's wind farms, arranging land, financing and official permits.

He had then sold some of the projects for construction to IVPC for further sale to foreign companies. All were functioning, he said at the time. His office declined to comment yesterday.

Additional reporting by Giulia Segreti

Copyright The Financial Times Limited 2009. Print a single copy of this article for personal use. [Contact us](#) if you wish to print more to distribute to others.