Arecleoch Extension Economic Impact

During the lifetime of the development Arecleoch Windfarm Extension is expected to create opportunities for:

- haulage;
- turbine base and access track construction;
- fencing installation;
- forestry work;
- catering;
- transport;
- the supply of building materials (e.g., concrete); and
- mechanical, electrical and supervisory services;
- waste management;
- site and building maintenance and cleaning;
- waste oil recycling;
- forestry work;
- snow clearing;
- cleaning;
- consumables deliveries.

"Over a 4 year period, the local windfarm projects and extensions were of great financial benefit to my cleaning business. As well as allowing me to increase the hours of my current staff, I was also able to offer employment to 4 additional staff members for the duration of the work"
Verena Graham, Verena's Cleaning Services

Construction

- Total direct construction spend estimated at £97m, with £18m being spent in Scotland, and almost £15m Scottish GVA.
- Peak construction employment of around 120 jobs on site, with around 140 FTE jobs created during the wider construction phase.

Operation

- £116m GVA during the operational phase in Scotland, with around £42m GVA in SW Scotland.
- Around 10 - 14 FTE jobs during the operational phase in SW Scotland with an additional 10 – 14 FTE elsewhere in Scotland.

Climate Change & Carbon Reduction

The potential savings in CO2 emissions due to the proposed Development replacing other electricity sources over the lifetime of the windfarm are approximately:

- **96,000** tonnes of CO_2 per year over a fossil fuel mix of electricity;
- Assuming a 40-year life, the turbines would save **2.42m tonnes** of CO_2 emissions compared to a fossil fuel mix of electricity and repay the carbon emissions related to construction activity in around two years[2];
- The UK Government announced in June 2019 that it will commit to a new plan to cut greenhouse gas emissions to 'net zero' by 2050, to tackle climate change.

Environment

- The project would bring forward and increase broadleaf woodland by **30.6 hectares** with associated environmental benefits.

Powering the Future

Onshore wind is the is the lowest-cost form of new power generation available[3].

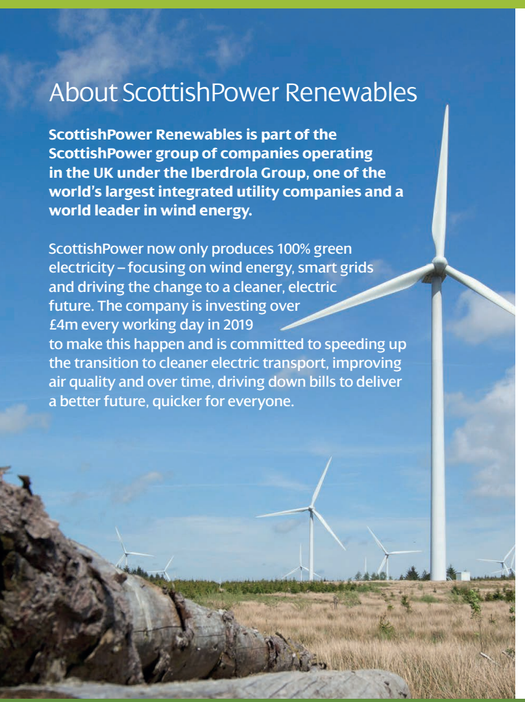
UK Public Support for Onshore Wind has reached a record high of 79% according to the BEIS Public Attitudes Tracker report published May 2019.

Arecleoch Windfarm Extension

A proposal to develop an extension to the existing Arecleoch Windfarm

SCOTTISHPOWER RENEWABLES

Better future, quicker



About ScottishPower Renewables

ScottishPower Renewables is part of the ScottishPower group of companies operating in the UK under the Iberdrola Group, one of the world's largest integrated utility companies and a world leader in wind energy.

ScottishPower now only produces 100% green electricity – focusing on wind energy, smart grids and driving the change to a cleaner, electric future. The company is investing over £4m every working day in 2019 to make this happen and is committed to speeding up the transition to cleaner electric transport, improving air quality and over time, driving down bills to deliver a better future, quicker for everyone.

Site Summary - key facts

200m tip height

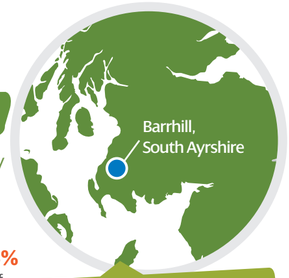
13 wind turbines

of around **5.6MW** capacity

Installed capacity of around **72MW**

Capable of producing up to **75%** to **85%** of the the output of the existing 60 turbine Arecleoch windfarm

Generating enough power for 53,000 – 60,000 homes[4]



Battery storage and ancillary services to National Grid

The larger turbines will typically produce

4 to 4.5 times

the annual output of the existing Arecleoch turbines

Economic Benefits

Community Benefit Fund and opportunity for shared ownership

Jobs supported - Meet the contractor days for local business opportunities

Training and education

Once operational the windfarm will contribute a significant sum in business rates to the economy, expected to be in the region of £500,000 - £600,000.

In 2017 a report by BVG Associates looked at economic benefits from eight onshore windfarms commissioned by SPR in SW Scotland during in 2016-17. A summary of the findings showed[1]:

A total investment of **£1.6 Billion**

66% UK content

51% Scottish content, including 16% local (south west Scotland)

Over the lifetime of the projects this estimated the economic impact as:

£297 million local value-added

Benefits to the Community

SPR has a long association with the south west of Scotland with windfarms in both South Ayrshire and Dumfries and Galloway. Community benefit funds have contributed to a wide variety of good causes in South Ayrshire, which include:

25 skills and employment projects

27 environmental projects

158 youth and education projects

Some examples were:

- Ailsa Horizons Ltd - Carrick Rural Opportunities Project to tackle local unemployment and underemployment;
- Bursaries to local residents for upskilling;
- Funding a development officer post with North Carrick Community Benefit Company;
- Girvan Community Sport Hub - funding a pilot project seeking to recruit, train and support young people into employment;
- Barrhill - Employment of Village Handyman.

To date, SPR has contributed over £5.7M in community benefit funding to communities in South Ayrshire, and over £5.4M toward initiatives in Dumfries and Galloway.

SCOTTISHPOWER RENEWABLES

References
(1) BVG Associates; 2017; Economic benefits from onshore windfarms
(2) Scottish Government Carbon Calculator for windfarms v1.5.1
(3) BEIS; Electricity Generation Costs, 2016
(4) BEIS; Sub-National Electricity and Gas Consumption Statistics, Jan 2018 (based on average household consumption of 3781 KWh)

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Better future, quicker

Cover image: Arecleoch Windfarm, turbine tip heights 118m.
Other images: Whitelee Windfarm, turbine tip heights 110m.