

Kype Muir Wind Farm Extension

A Community Partnership Proposal

Also includes an update on
the Kype Muir Wind Farm

We invite you to public exhibitions on:

Tuesday 9th September 2014

Sandford Village Hall

Strathaven Road, Sandford ML10 6PE

Tuesday 9th September 2014

Lifestyles

2 Udston Mill Road, Stonehouse ML9 3JL

Wednesday 10th September 2014

Gilmourton Hall

Ryelands, Gilmourton, Strathaven ML10 6QN

Thursday 11th September 2014

Ballgreen Hall

34 Glasgow Road, Strathaven ML10 6LZ

Between 2:30pm and 6:30pm at all venues



100m to tip turbines at West Durham Wind Farm

Energy for everyone's benefit

**We look forward to
meeting you at the
public exhibitions and
receiving your feedback
on our proposals for
Kype Muir Extension**

At the exhibitions, you can:

- View and discuss the detailed proposals for Kype Muir Extension
- Learn about our overall commitment to the economy of South Lanarkshire and the opportunities for local businesses
- Share your views and provide feedback to the team on our project feedback forms
- Hear about how the Kype Muir Wind Farm is progressing
- Discuss how Kype Muir and the extension could help to deliver your community action plans
- View our state of the art 3D model of the local area

If we have not met yet



100m to tip turbines at West Durham Wind Farm

Banks Renewables is part of the Banks Group and provides renewable energy technologies that help meet our society's need for energy in a sustainable and considerate way

Development with care is at the heart of our way of working, and it is proven in every one of our projects by actions, more so than words. Respect and consideration for your environment, your community and our customers, employees and suppliers are at the centre of everything we do.

Your personal contact



Siobhan Samson
Community Engagement Coordinator

Siobhan Samson is your community engagement coordinator for the Kype Muir and the Kype Muir Extension projects – you may already know her from meetings in the area. Siobhan is always keen to hear how you would like your area to benefit – environmentally, socially and economically – from the project.

If you can not make it to the exhibitions but would like to ask any questions and share your views, you can write to or email Siobhan at the address on the back cover of this newsletter.

We'd love to hear from you.



125m to tip turbines at Marr Wind Farm

Where are we now

We have been working closely with your community for four years on our proposals for the Kype Muir Wind Farm and the Kype Muir Extension. In that time we have held five public exhibitions, attended numerous community council meetings and met directly with many local people and community groups. Your feedback has not only helped us to design both proposals but it has also allowed us to create specific community partnership proposals which we hope will create a positive, lasting legacy for your community.

In this newsletter, we will update you on our Kype Muir proposals and outline how this project could benefit your community socially, economically and environmentally in the near future. We will also provide more information on our plans for the Kype Muir Extension and outline how this proposed development could support your local action plans and priorities.

PROJECT UPDATE:

Kype Muir

A planning application for the Kype Muir Wind Farm was submitted to both South Lanarkshire Council and the Scottish Government in August 2011

The proposals have received widespread support from local people as well as a number of local businesses. Kype Muir received planning permission from the Scottish Government in May 2014, which will deliver significant social, environmental and economic benefits.

Key benefits

£137M

INVESTMENT INTO
THE SCOTTISH
ECONOMY

226

TOTAL JOBS
SUPPORTED

£11M

COMMUNITY
BENEFIT FUND

576

ACRES OF NEW
HABITAT CREATED

Supportive local business

“We have been working with Banks throughout the development phase to ensure that we are given every opportunity to win work as a result of Kype Muir and Kype Muir Extension wind farms. These two projects, if constructed, could be extremely valuable to our business and will provide a platform from which we can grow and in doing so protect the local jobs we currently offer and create new opportunities for local people.”

EWAN TURNER
DRUMCLOG PLANT LTD

£6M

POSSIBLE LOCAL
CONTRACTS



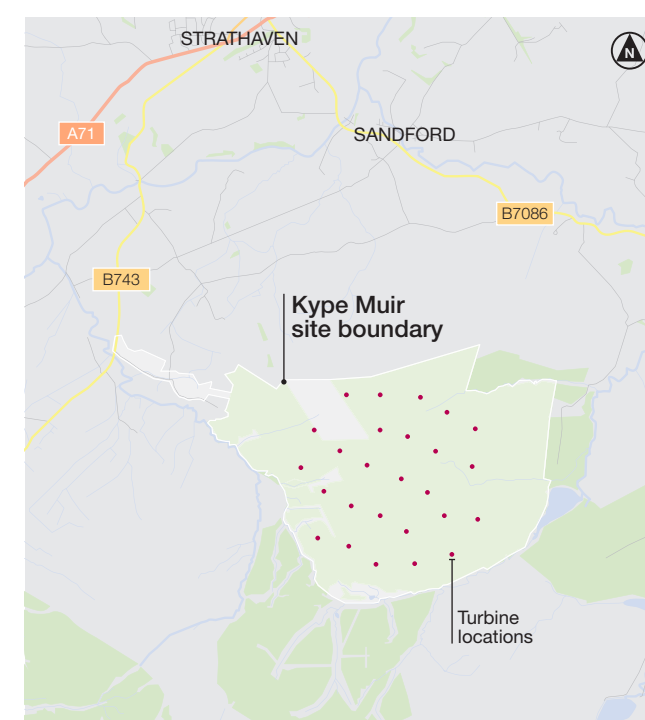
100m to tip turbines at Armistead Wind Farm

Keeping our word

We are in discussions with your local community regarding the creation of a not-for-profit social enterprise which could take advantage of some of the contracting opportunities associated with the delivery of the Kype Muir project

This enterprise could help to provide further work based training and employment opportunities to 17-24 year olds in your community

Location and layout



Key project facts

Number of turbines: 26

Turbines dimensions: Maximum height of 132m to blade tip

Lifespan: 25 years in operation

Location:

Situated in the Kype Forest approximately 5km south of Strathaven

Potential amount of energy generated:

Installed capacity of up to **88.4MW**, which would provide electricity for approximately **61,500*** homes. This is the equivalent to the removal of 46,900 petrol cars from the roads each year

*Figures are approximate and are based on calculations using the Scottish Government's carbon calculator

Grid connection:

Via underground cables connecting to Coalburn substation



100m to tip turbines at West Durham Wind Farm

Why extend Kype Muir?

We believe that the Kype Muir Extension is a well designed wind farm that will deliver a lasting positive legacy for your local community

KEY FACTORS:

- Windy site with good grid connections
- The wind farm will have a low visual impact due to natural screening provided by Kype Hill and will be largely hidden behind the Kype Muir Wind Farm (once built)
- Kype Muir Extension will further help your community deliver its long term aspirations through the potential support of your local action plans, currently being developed by the communities surrounding the wind farms
- Kype Muir Extension will create an increase in local economic opportunities and support local businesses where possible
- Allows best use of the infrastructure required for the Kype Muir Wind Farm, delivering efficiencies and therefore a greater share of community revenues

Kype Muir Extension key benefits at-a-glance

WHILE KYPE MUIR EXTENSION IS DEVELOPED AND CONSTRUCTED

2 YEAR PERIOD



WHILE KYPE MUIR EXTENSION IS OPERATIONAL

25 YEAR PERIOD



ENVIRONMENTAL BENEFITS

25 YEAR PERIOD



WHILE KYPE MUIR EXTENSION IS DECOMMISSIONED

1 YEAR PERIOD



*Figures are approximate and are based on calculations using the Scottish Government's carbon calculator, using a capacity factor of 31.5%.
†Emissions figure for an average petrol car per mile (0.39001 tonnes per 1,000 miles) found in 2012 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting by the average number of miles driven identified in the 2010 RAC Report on Motoring (9,335 miles)

Our partnership proposal

We've developed a community partnership offer that gives you a stake in your local wind farm

- The proposed partnership would provide your community with:
- A **2.5% share** in the **annual gross revenue** of both Kype Muir and the Kype Muir Extension. This increase is due to the overall efficiency savings the Kype Muir Extension could deliver, if it were to go ahead
 - Based on our early estimates of long term wind speeds and future energy prices **2.5%** of the gross revenue from both wind farms could equate to **£33 million*** over their 25 year life spans
 - We have underwritten this offer with a commitment to contribute **£5,000 per megawatt** installed capacity, which under current proposals, equates to **£18.5million** over both wind farm's life span
 - Due to the level of community revenue for Kype Muir having already been set, the overall split is detailed in the table below

*This is an estimate based on an independent wind yield and energy production estimate backed up by data gathered from the onsite mast as well as the most up to date ILEX information (estimate of future energy prices) produced by Poyry.

PROJECT	GROSS REVENUE %	COMMUNITY FUND CONTRIBUTION (£/PER MW INSTALLED)	LIFE CYCLE COMMUNITY FUND	LIFE CYCLE GROSS REVENUE
Kype Muir	1.5%	£5,000	£11,000,000	£12,000,000
Kype Muir Extension	4.0%	£5,000	£7,650,000	£21,000,000
TOTAL	2.5%	£5,000	£18,650,000	£33,000,000

Employability and training initiative

We have been talking to local people and listening to how you would like to see your wind farm revenues benefit your community. Top of your agenda is employment and the local economy.

We are developing a charter which will set out our commitment to the local economy and local people.

To support this we are currently pulling together a group of partners including local schools, colleges, employers and the council to develop a range of initiatives aimed at increasing the volume of employment opportunities for local people.

INITIATIVES MAY INCLUDE:

- Subsidised apprenticeship opportunities
- Grants for local start up businesses
- Support for local/regional businesses wishing to employ local people
- Additional bursary support for local people wishing to take up further education opportunities
- Support for local people wishing to retrain

Supporting local action plans and priorities

The revenue generated by the two wind farms could be used to drive investment in your locally developed action plans and priorities, helping achieve the aims and objectives set out by your own community.

Your community councils are already drafting these plans. Get involved and help shape your community's future.



Local habitat management

What would this mean for your community?

Having an annual revenue stream over the 25 years lifetime of the wind farm presents an opportunity for long lasting, positive change to be affected



Scottish Covenanter Memorials Association grant

Connect 2 Renewables

If approved, the Kype Muir Wind Farm Extension will contribute significantly to your local community not just socially as we've already discussed but economically and environmentally as well

Times are tough right now for many small to medium sized businesses across the country. We believe where the skills and capacity are available contractors should be sourced locally to work on our projects.

DEFINING THE OPPORTUNITY

Banks Renewables will ensure local businesses are given every opportunity to provide the project with goods and services. We are developing a local charter which will set out how we intend to deliver the maximum level of economic benefit. This will also set out what we expect local firms to commit to in return. This will be set out at our Connect 2 Renewables charter launch in soon.

If Kype Muir Extension is granted planning permission the range of services that will be needed will include concrete producers, reinforced steel manufacturers, local stone quarry companies, consumable retailers, construction companies (for the compound building), accommodation, catering, cleaning, waste solutions, plant hire, steel fabricators and fencing contractors.

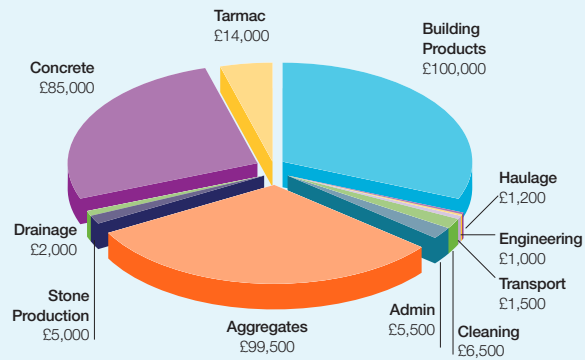
OUR INVITE TO LOCAL BUSINESS

If you are a local business with these types of skills then please come along to find out more. Businesses attending will be able to meet members of the Banks team, add their business to a preliminary tenders list and network with other local companies.

CREATING LOCAL OPPORTUNITIES

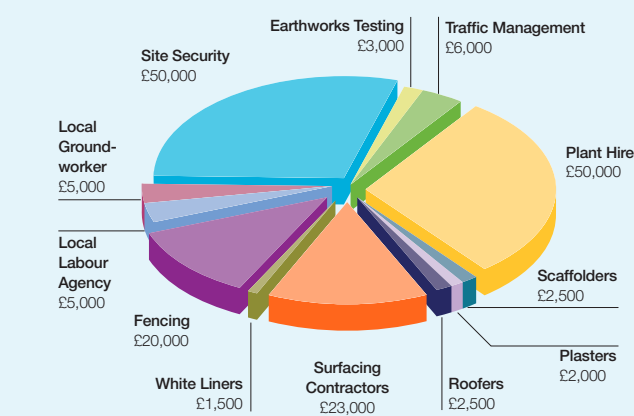
In 2011, we built a four turbine wind farm at Marr in Doncaster. Below are figures showing the kind of local suppliers and subcontractors that were used and how much was spent with each.

Spend on local material suppliers at Marr Total: £321,200



The Kype Muir Wind Farm and the Kype Muir Extension are far larger than Marr Wind Farm, which could mean significant investment with local suppliers and subcontractors if the projects were to go ahead.

Local subcontractor spending at Marr Total: £170,500



Turbine construction at Armistead Wind Farm (100m to tip turbine)

Environmental benefits

- The Kype Muir Extension Wind Farm if approved would make an important contribution towards meeting Scotland's over arching renewable energy targets of 50% by 2015 and 100% by 2020
- Reduce greenhouse gas emissions by harnessing the power of the wind to generate electricity equivalent to the annual requirements of approximately 38,000 homes*
- The extension would reduce CO₂ emissions by up to 85,000 tonnes* per year in comparison to a carbon emitting energy source
- A habitat management plan will be introduced to help enhance habitats and support wildlife

*Figures are approximate and are based on calculations using the Scottish Government's carbon calculator, using a capacity factor of 31.5%.

Economic benefits

- We are looking to appoint a Scottish-based construction company as our main contractor, and your local economy stands to benefit from the awarding of local construction sub-contracts via this main contractor
- The wind farm will also generate annual business rates supporting the regional and national economies
- The wind farm would help promote rural diversification and optimise productivity from the land as normal agricultural activities would still be able to take place right up to the base of the turbines





100m to tip turbines at West Durham Wind Farm

PROJECT DETAILS:

Kype Muir Extension

We have now finished all environmental investigations on site and have designed the wind farm taking account of all the findings as well as community feedback. We are now preparing a planning application for an 18 turbine scheme that will be submitted to the Scottish Governments Energy Consents Unit in September 2014

Key facts

Number of turbines: 18

Dimensions of turbines:

10 turbines will have a maximum height of 132m to blade tip
8 turbines with a maximum height of 152m to blade tip

Lifespan: 25 years in operation

Current land use: Commercial forestry and moorland

Location: Located approximately 7.5km to the south of Strathaven, South Lanarkshire

Potential amount of energy generated:

Installed capacity of up to 61.2MW

Grid connection:

Yet to be confirmed but likely to be via overhead cables on wooden poles or underground to Coalburn Substation, sharing the same connection as the Kype Muir Wind Farm

Turbine dimensions

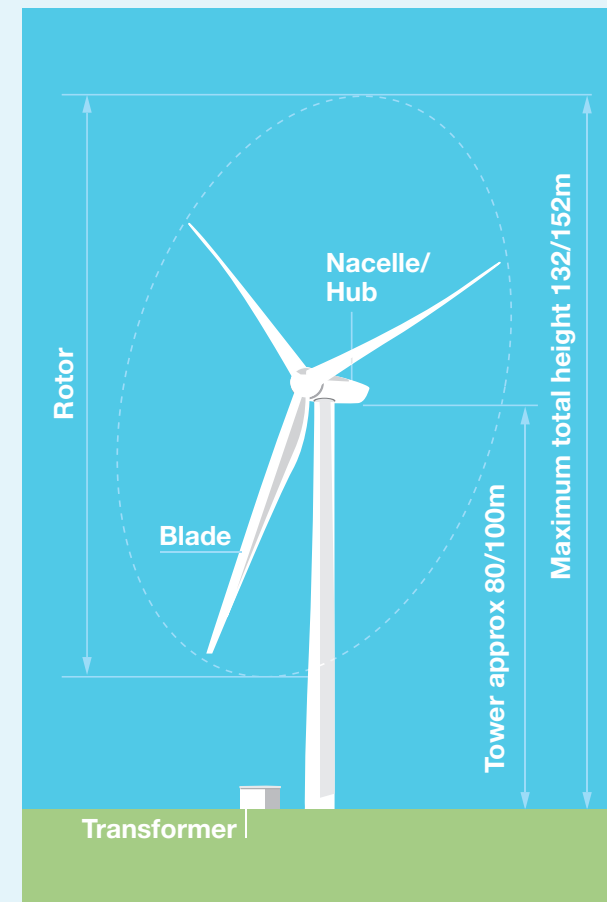
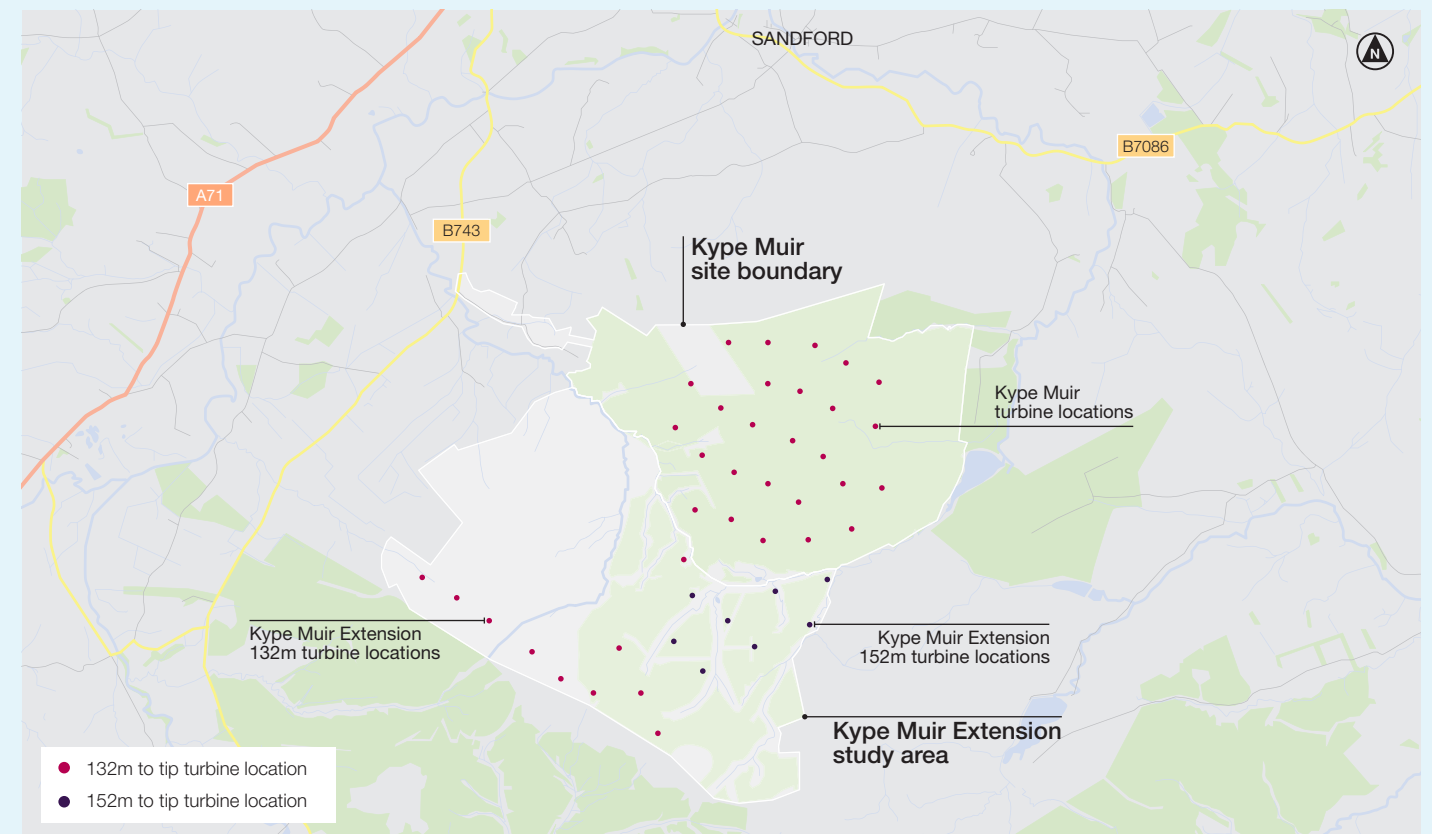


Diagram for illustrative purposes only - not to scale

Design considerations

- Landscape and visual** – Minimising the perceived landscape and visual impact while maximising output was a key driver in the design of Kype Muir Extension. We believe that our current turbine layout design (which takes into account the layout of the approved Kype Muir Wind Farm) achieves the right balance of turbine numbers and energy output.
- Noise** – the site has been designed to fully comply with national guidance on acceptable noise limits.
- Archaeology** - There are no scheduled monuments or listed buildings within the site boundary and no part of the wind farms lie within a conservation area.
- Ecology and Ornithology** – all findings from the preliminary investigations have been taken into consideration and there is not expected to be any significant effects as a result of this development.
- Wind monitoring mast** – Two met masts have been installed at the Kype Muir site allowing us to undertake a full noise and wind monitoring assessment in preparation for the application. Initial readings over this period have been strong.
- Turbine heights** – Due to the sites topography, we have sought to maximise the extension's output by increasing the height of the least visible turbines placed to the south of the site (see below).

Location and layout



What the Kype Muir Extension could look like

The following pages show what the Kype Muir Wind Farm Extension could look like from a selection of important viewpoints in the area. These visualisations show 132m and 152m to tip turbines, highlighted in red so you can identify them easier. The visuals also include the turbines of the wind farms yet to be constructed in the area, such as Kype Muir and Dungavel. To view more visualisations please come along to one of our public exhibitions.

View from: Sandford



View from: Strathaven War Memorial



What the Kype Muir Extension could look like

View from: Stonehouse Community Centre



View from: Lesmahagow



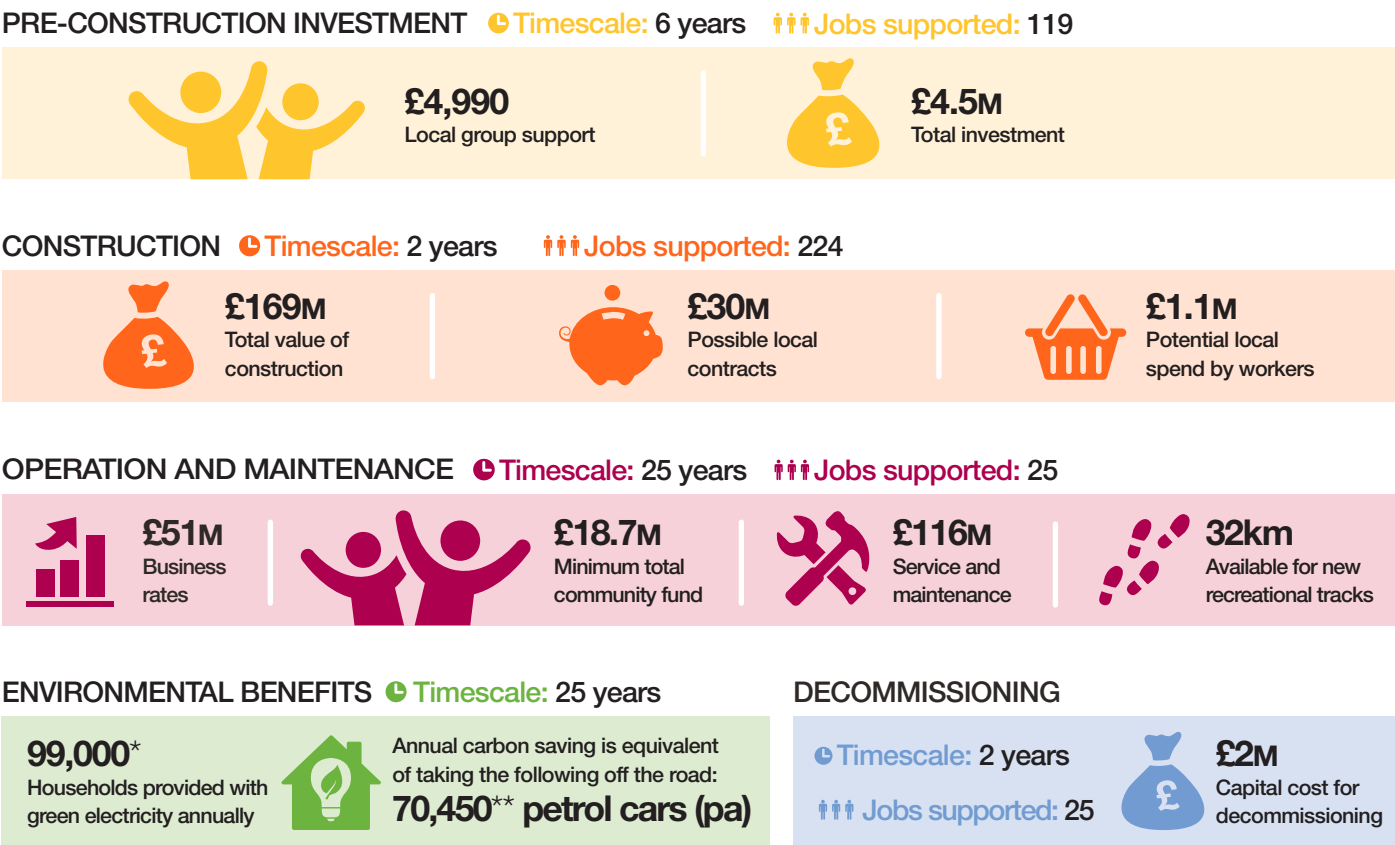
Twice as good

If both the Kype Muir Wind Farm and the Kype Muir Extension projects were to go ahead, it would mean even more social, economic and environmental benefits would be delivered to the local area over the projects life cycles

Key benefits of both projects



Benefits throughout the lifetime of both projects



*Figures are approximate and are based on calculations using the Scottish Government's carbon calculator, using a capacity factor of 30%.
**Emissions figure for an average petrol car per mile (0.39001 tonnes per 1,000 miles) found in 2012 Guidelines to Delta / DECC's GHG Conversion Factors for Company Reporting by the average number of miles driven identified in the 2010 RAC Report on Motoring (9,335 miles)



100m to tip turbines at West Durham Wind Farm

Final thoughts

We believe the Kype Muir Wind Farm and the Kype Muir Extension are well designed sites that will deliver lasting positive legacies for your local community

- The community partnership proposal and Connect 2 Renewables initiatives that could result from these projects have the ability to create far reaching benefits and deliver a positive lasting legacy by offering:
- A direct community revenue share worth upwards of £32 million
 - The ability to direct this investment towards your local action plans and priorities
 - A major economic boost to the local area brought about by the local business investment throughout the life of the proposed site

Support us and make this happen

You can register your support for the project by logging on to our website. We look forward to meeting you at our exhibitions and hearing your views and suggestions on your local wind farm at Kype Muir Extension. If you can not make it to one of our exhibitions, we would still like to hear from you. Please write or email:

 kypemuirext@banksgroup.co.uk

 0191 378 6100 or 0844 209 1515*

 www.banksgroup.co.uk/kypemuirext

 @The_Banks_Group

 www.youtube.com/TheBanksGroup

 Siobhan Samson, Banks Renewables, 2nd Floor, Block C,
Brandon Gate, Leechlee Road, Hamilton, Lanarkshire ML3 6AU

*Calls to 0844 numbers are charged at local rate from a BT landline, charges from other providers and mobile networks may vary.

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