



## Developing Successful Civic Wind Energy Projects

July 2014



ASC Renewables is an ethical developer of renewable energy projects in the UK, based in Manchester.

The team specialises in developing on-shore wind projects in partnership with Local Authorities, Utilities, Blue-Chips and Independent Landowners.

### **Turn-Key Partner:**

The team delivers each project from cradle to grave, including site identification and feasibility, investment structuring, planning, construction management and lifetime operation.



### **Financial Benefit:**

High returns on investment, new income stream, utilises existing land assets.

### **Environmental Benefits:**

Significant CO<sub>2</sub> reductions.

### **Community Benefit:**

Area saturation, community ownership, protecting front-line services.

## **Small Scale Wind Turbines**





#### **Typical Features:**

11kW - 50kW

河 Height (blade tip) - 34m

> Hub Height - 15m-27m

Blade Length - 7m

Rotor Diameter - 14m

#### **Financial Benefits:**

Capital Investment - £70k Financial Return - £170k IRR – 9% Project life – 20 to 25 years

#### **Environmental Benefits:**





CO<sub>2</sub> displaced – 14 tonnes Homes powered - 8

## Medium Sized Wind Turbines





#### **Typical Features:**

> 0.5 MW

Height (blade tip) - 76m

Hub Height - 50m

Blade Length - 26m

Rotor Diameter - 51m

#### **Financial Benefits:**

Capital Investment - £1.6m Financial Return - £7m to £9m IRR – 14% Project Life – 20 to 25 years £320k Typical Annual Return

#### **Environmental Benefits:**





 $CO_2$  Displaced – 629 tonnes Homes Powered - 263

## Large Scale Wind Turbines





#### **Typical Features:**

> 2.3 MW- 3.0 MW

- Height (blade tip) 105m
- Hub Height 60m-70m
- Blade Length 35.5m
- Solor Diameter 71m

# Financial Benefits (5 turbines):

Funding Options Available Capital Investment - £42m Financial Return - £190m IRR – 28% Project Life – 25 to 30 years



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#### **Environmental Benefits:**

 $CO_2$  Displaced – 48,400 t Homes Powered – 5,750



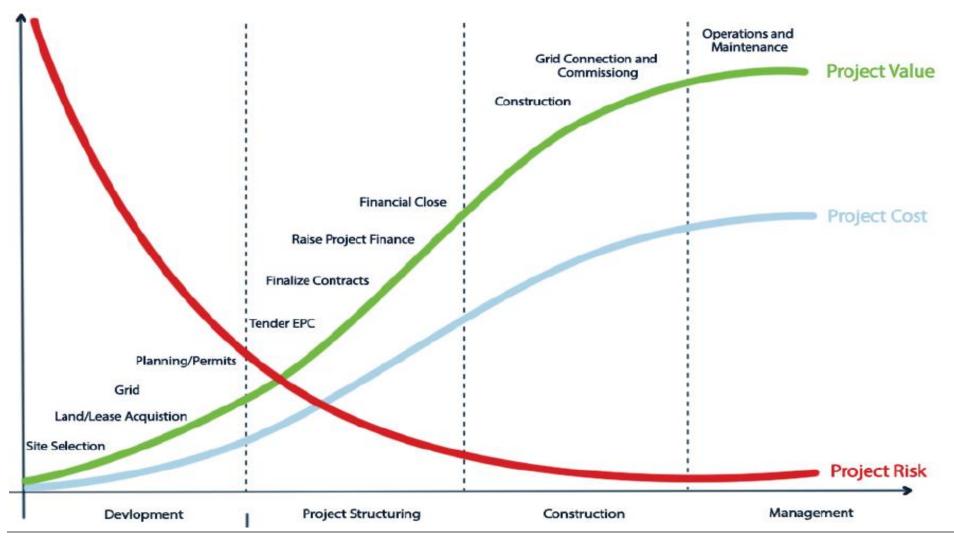
ASC is working with many UK Councils, having reviewed a number of project structures which work for Municipal Wind Energy projects:

- Full Ownership
- Part Ownership
- Joint Ventures
- Land Royalties

Project structures are flexible and the Council has greater options once planning consent is secured.

## **Investment Risk Profile**







Development Phase (Pre-planning) External finance is extremely difficult to raise for projects which have not secured planning consent, do not have grid connection offers accepted and/or detailed wind measurement statistics.

Post planning Consent External finance is available for large-scale projects and a portfolio of medium scale projects.



Senior Debt

Available for 60% to 80% of the total project cost, subject to conditions.

Typical interest rate is 6.25% to 6.75%

Mezzanine Debt

Second charge debt, available up to 100% of total capital cost.

Typical rates between 12% and 15%, debenture style loan.

Blended cost of Capital Typical total cost of 9.5%

## **Financial Benefit**







# "four 2.5 MW turbines will create the equivalent of a 3.5% council tax cut each year for 25 years"

Cllr Colin Lambert (LGC Article Published Oct 2013)

Each medium scale turbine will deliver £320k of new cash to Rochdale annually



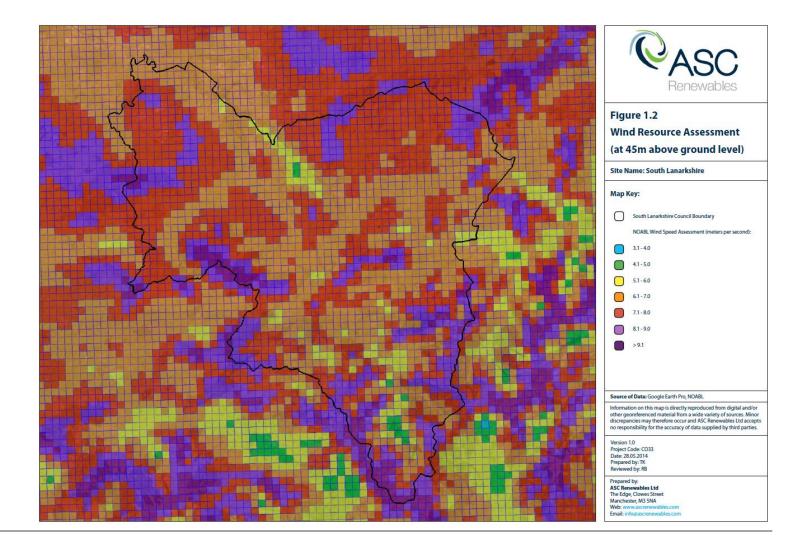
Three stage feasibility process to efficiently review an entire Borough. A cost effective way to identify suitable locations:

- Stage 1 Initial Screening to exclude unsuitable locations (Wind speed, proximity to houses, key designations)
- Stage 2 Desktop Technical Assessment In-depth review of remaining locations
- Stage 3 On-Site Technical Evaluation identifies proposed turbine locations, grid connection options, access



## **Stage 1 Assessment**

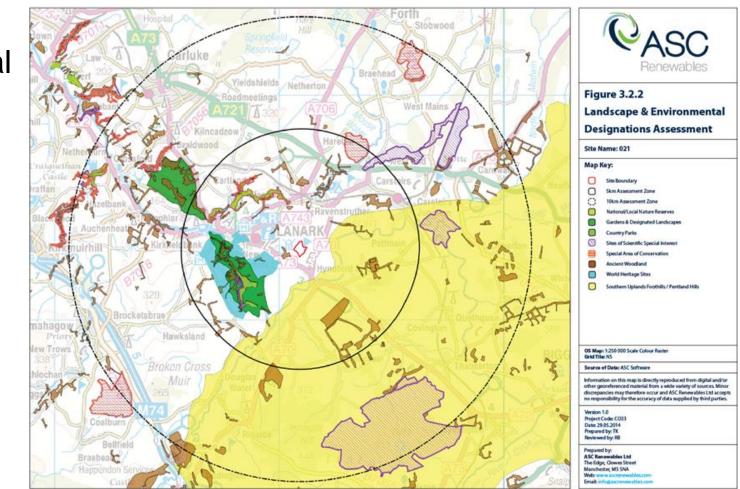
Wind Resource



## **Stage 1 Assessment**



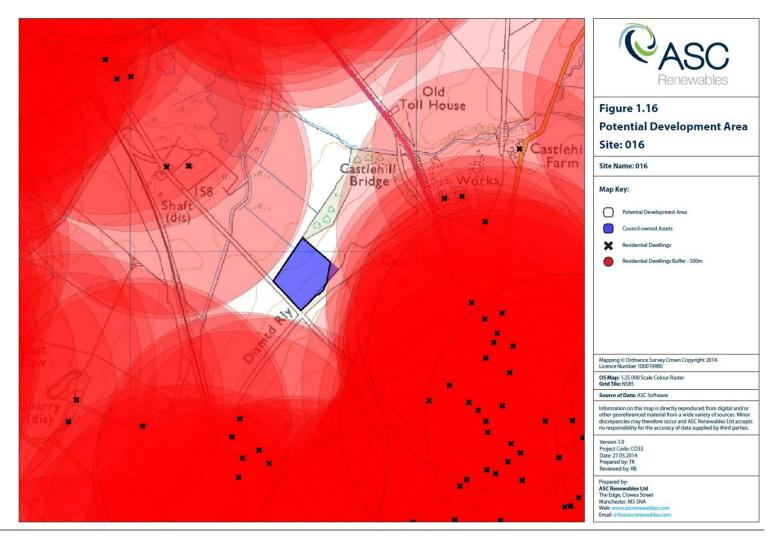
Key Environmental And Landscape Designations



## **Stage 1 Assessment**



Proximity of Residential Dwellings



## Stage 2 Review

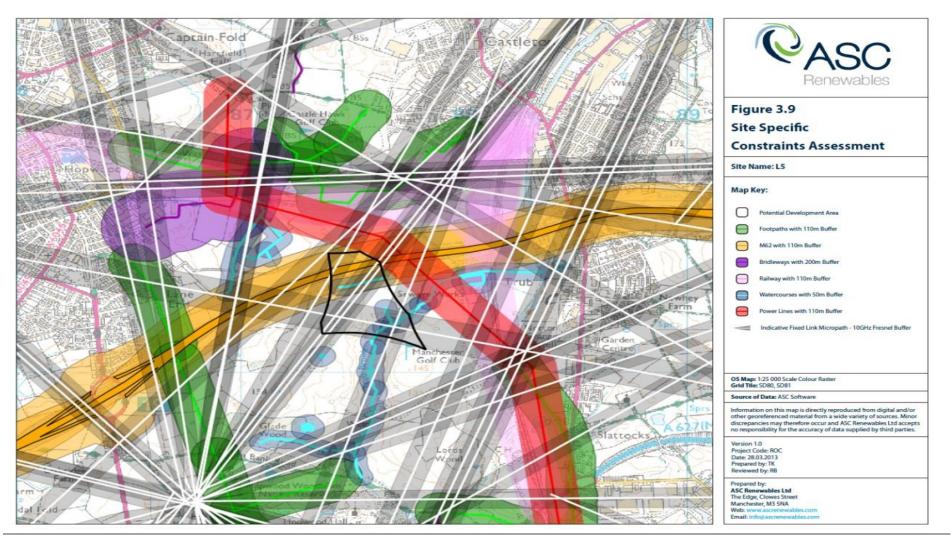


- Proximity of Roads;
- PRoW, Bridle paths;
- Waterbodies;
- Topography;
- Civil Aviation Interests;
- Military Aviation Interests;

- Seismic Monitoring Stations;
- AONB, SPA, SAC, RAMSAR;
- National Parks, NNR, SSSI's;
- World Heritage Sites (WHS);
- Registered Parks & Gardens;
- SAM's and Listed Buildings.

## **Stage 2 Assessment**





## Stage 3 Analysis



- Residential Amenity
- Noise
- Shadow Flicker
- Infrastructure
- Hydrology
- Ground Conditions

- Recommended Site Design
- Landscape
- Environmental Assessment
- Archaeology
- Aviation Assessment
- Grid Connection Options
- Communication Infrastructure
  Transport & Site Access

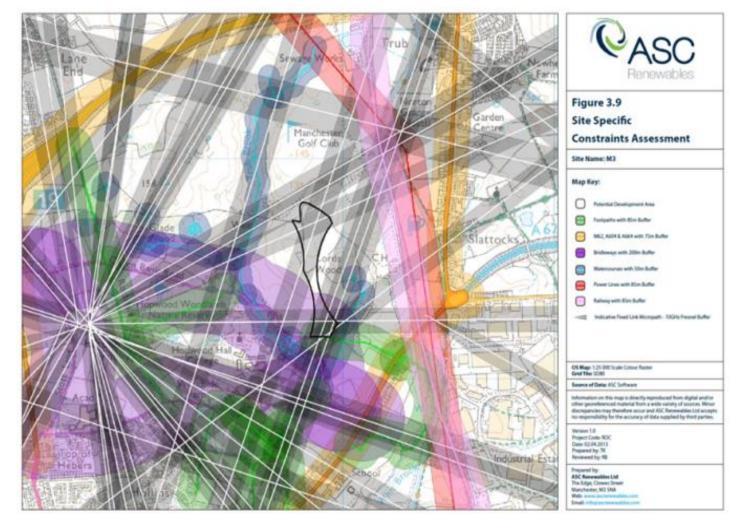


## **Rochdale Site Example**

20 Acre Site owned by Rochdale

Constraints restricting development

1 Acre suitable for development

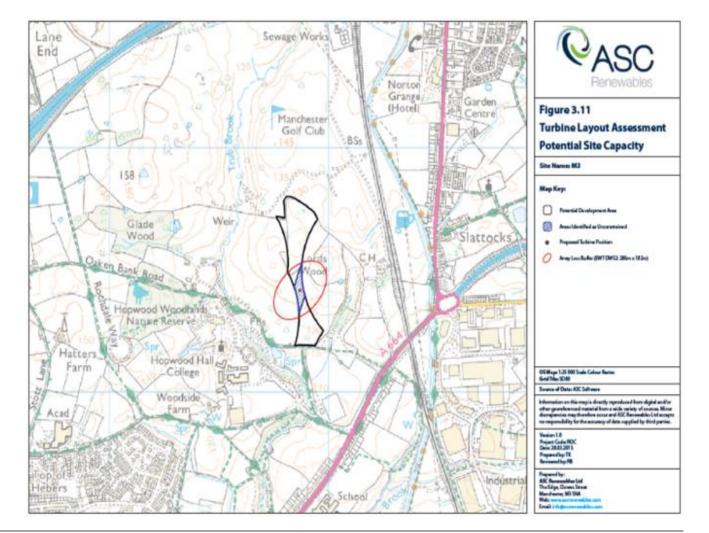




## **Rochdale Site Example**

1 Acre is suitable for developing a single, 500 kW wind turbine

This project has been approved and is currently being developed by Rochdale







"Rochdale has the ambition to become the greenest Borough in the Country" Cllr Colin Lambert

Since February 2013, Rochdale Council in partnership with ASC Renewables has:

- Undertaken a wind energy feasibility assessment
- Developed a municipal wind energy business case
- Secured Cabinet approval
- Commissioned a pilot wind energy project
- Appointed ASC following an OJEU tender to develop 8 small & 3 medium scale wind projects

## **Case Study – Rochdale Council**





# Case Study: anglianwater



March Sewage Works, Cambridgeshire: 2.3MW Wind Project

- Operational site with hosted wind energy generation
- The turbines deliver a 40% saving on the sites electricity costs



## **ASC Renewables' Partners**























