

REDUCING THE EFFECTS OF CLIMATE CHANGE

What is this exhibition about?

Forth Energy proposes to develop four Renewable Energy Plants at the ports of Leith, Dundee, Grangemouth and Rosyth. The projects represent a £1.7bn investment in renewable energy and would have a total energy capacity of up to 500MW. Subject to securing the relevant consents the construction of the plants could start in 2012.

Forth Energy proposes to submit applications for consent under the Electricity Act to the Scottish Government in late spring 2010.

The purpose of this exhibition is to:

- introduce the proposals at this early stage;
- listen to your ideas and identify any local areas of support or concern; and
- review and record feedback.

There will be further opportunities for comment nearer the time of application. In the meantime give us your thoughts and let us know if you want to find out more.

Forth Energy

Forth Energy is a company formed by two partners, UK energy company Scottish and Southern Energy and Forth Ports. Forth Energy's remit is to invest in the development of renewable energy projects.

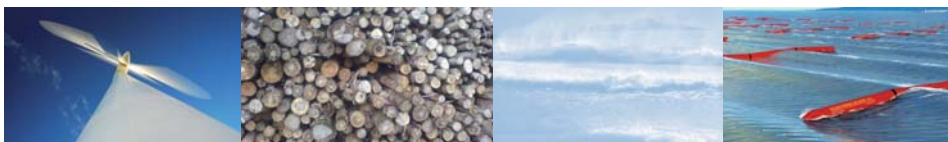


Renewable Energy in Scotland

The Scottish Government has set clear targets for renewable energy production by 2020. These include:

- 50% of Scotland's electricity to be supplied from renewable sources; and
- 11% of Scotland's heat to be met from renewable sources.

To meet these targets Scotland needs to encourage a mix of renewable energy technologies. This includes onshore and offshore wind, wave, tidal and solar power and a greater use of fuel from wood and other energy crops.

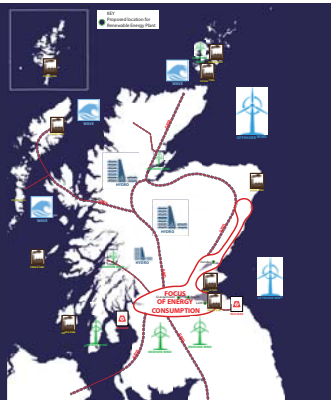


Meeting Scotland's Targets

Forth Energy is committed to bringing forward a supply of renewable energy in areas of high demand.

Our Renewable Energy Plants are proposed in key locations in the Central Belt. They will provide a source of renewable electricity and heat that can power business, industry and homes within the economic heartland of Scotland.

Each plant can produce the equivalent amount of electricity to that used in a large town or small city. These state of the art plants will also produce renewable heat that can be supplied to local businesses, industry and communities. These plants are a significant step in meeting Scotland's renewable energy targets.



Reducing Climate Change

These Renewable Energy Plants will burn biomass. Sustainably sourced biomass is a recognised source of renewable energy. Emissions of carbon dioxide (CO₂) during the combustion process are largely offset through the growth of the biomass fuel e.g. trees.

Burning biomass to create electricity also reduces the reliance on traditional fossil fuels such as gas and coal. Biomass electricity produces less than 90% of the CO₂ emissions than electricity produced from gas and coal.



WHAT IS BIOMASS?

A Natural Advantage

There are a number of natural commodities that make biomass fuel. While the majority of fuel is expected to be wood chip, 10-30% will be drawn from purpose grown energy crops, agricultural residues and recovered biomass material, such as paper and cardboard.

Biomass is safe and dependable. This creates a renewable energy supply that is as reliable as coal or gas but has a significantly lower environmental impact.

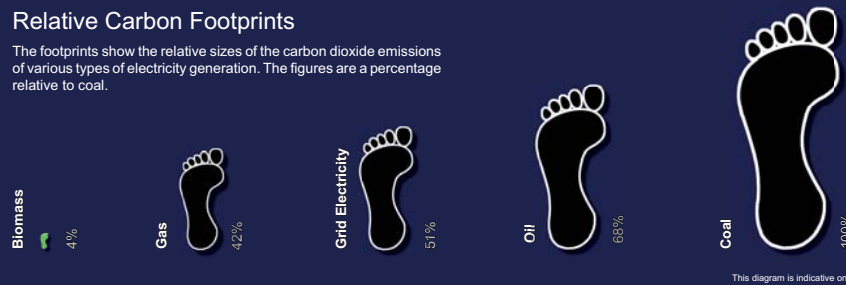


Where will we get the fuel from?

The majority of the fuel will be sourced from sustainable sources overseas. The potential to source fuel from the UK is currently limited, however we continue to investigate potential suitable supplies.

Relative Carbon Footprints

The footprints show the relative sizes of the carbon dioxide emissions of various types of electricity generation. The figures are a percentage relative to coal.



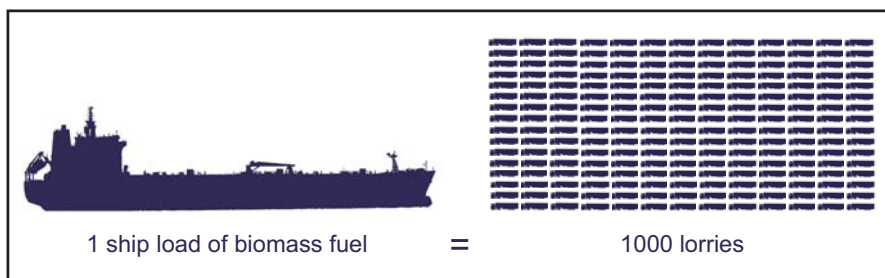
So why the Ports?

The choice to locate the Renewable Energy Plants at the four Ports offers an opportunity to deliver large amounts of biomass fuel by sea. One typical bulk ship is able to deliver up to 35,000 tonnes of fuel, the equivalent of 1000 lorry loads, allowing renewable energy to be generated whilst minimising the impact on the road network.

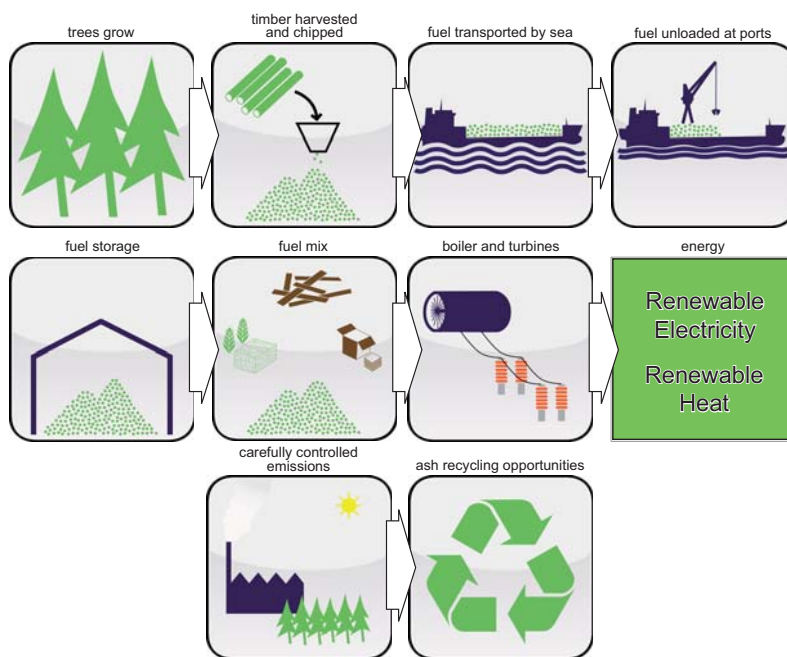
Other reasons for choosing the Ports

The Government's objectives for renewable energy production also aim to maximise the economic impact of investment. There are existing communities living around the ports that can benefit in a number of ways:

- additional investment from new businesses which can be located close to the energy plants;
- skills development; and
- locally generated renewable energy.



HOW DOES BIOMASS BECOME ENERGY?



Minimising Environmental Impact

Forth Energy proposes to develop modern and efficient Renewable Energy Plants that are:

- similar to long established plants across Europe and the UK;
- subject to the strict requirements of environmental studies;
- operated within regulations; and
- informed by a positive engagement process.



Environmental Impact Assessment (EIA)

The process of EIA has begun and Forth Energy has consulted with the Scottish Government to agree the scope of the assessment, and identify all areas that require investigation. Forth Energy has a team of specialist advisors working on the EIA. The areas to be considered include:

- noise;
- transport, traffic and access;
- air quality and climate;
- ecology - fauna;
- ecology - flora;
- soil;
- water;
- socio-economics ;
- cultural heritage; and
- landscape and visual impact.

During the EIA process we are required to consult three key bodies:

- The Local Council
- Scottish Environmental Protection Agency
- Scottish Natural Heritage

In addition to these a wide range of interest groups are consulted to ensure local views are taken into account.

The purpose of the EIA process is to identify any significant impacts which the development could have on the environment and then propose mitigation measures to resolve these.



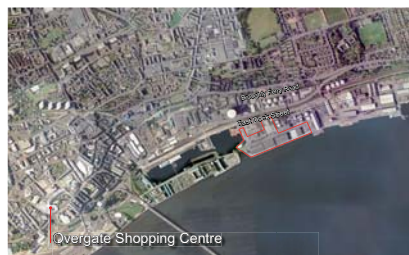
WHAT DOES THIS MEAN FOR DUNDEE?



A £360m Investment

Dundee has the potential to be a centre for renewable energy in the same way that Aberdeen is the focus for Scotland's oil industry. Here is why Forth Energy wants to invest locally:

- Dundee City Council and Scottish Enterprise are committed to local renewable energy generation;
- there is a large local market for the potential use of renewable heat;
- there are future opportunities for renewables manufacturing;
- universities with a track record in renewables research;
- access to a skilled workforce;
- existing facilities such as the deep water dock; and
- the potential to generate enough renewable energy to supply 160,000 homes.



Source: www.dundee waterfront.com - Dundee City Council

Contributing to Dundee Waterfront

The transformation of Dundee Waterfront continues with a number of key developments proposed over the next few years. The proposed Renewable Energy Plant could not only provide enough power to meet the energy needs of the City, it could also supply renewable heat to proposed new developments: civic; employment and residential.

Investment in Employment

The project is among the largest infrastructure developments planned in Scotland in the next ten years. The economic growth and skills and technology development allied to the plant will benefit your community. Opportunities include:

- approximately 150 construction jobs;
- 40 permanent operational jobs;
- contracting opportunities for local suppliers; and
- potential for education and training opportunities.



Employment opportunities

Further Renewable Energy Investment

Forth Energy is committed to bringing forward a range of renewable energy generation technologies. The proposals presented here for a biomass renewable energy plant are part of wider package of investment in renewable energy.

There will be further opportunity to review wind power proposals in the coming months.



DUNDEE RENEWABLE ENERGY PLANT

Location



Why King George V Dock?

The chosen location, King George V Dock, has a number of distinct advantages for unloading fuel:

- proximity to the deep water berth;
- the capacity to unload and store biomass quickly and safely;
- adjacent to established industrial uses;
- proximity to existing and potential customers of heat; and
- proximity to potential future customers for renewable heat and power at Dundee Waterfront.

What might it look like?



What might it look like?

Artist impression: view from Taybridge Roundabout



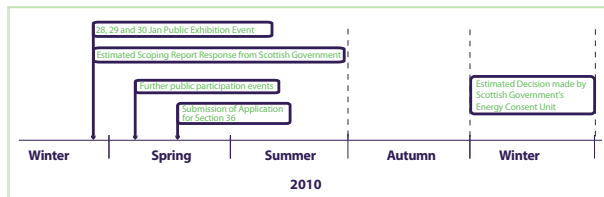
- Components of the renewable energy plant will include:
- boiler house(s)
 - chimney stack
 - steam turbine building
 - biomass storage facility
 - cooling infrastructure

Next Steps

This is the first opportunity you have had to see these proposals. It is an ambitious proposal and we value your comments.

There will be further opportunities for comment nearer the time of application. In the meantime give us your thoughts and let us know if you want to find out more.

Would you or people you know like to find out more? If so, please leave contact details with a member of our team. Alternatively feel free to contact us.



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