

PRESS RELEASE

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MAJOR INDEPENDENT STUDY SAYS SCOTLAND CAN BEAT 2020 RENEWABLES TARGETS

Scotland can hit its target of 50 per cent of electricity from renewable sources by 2020 and keep exporting electricity to England and Northern Ireland, according to the first major independent study of the Scottish Government's renewable energy targets.

This is likely to mean a 500 per cent increase in the numbers of wind farms, with Scotland needing around 450 MW of new wind power – more than twice the size of the country's biggest operational wind farm - every year until 2020.

But the report, published by the Scottish Council for Development and Industry (SCDI), also states that new nuclear power should be 'considered as a potential part of the longer term generation base in Scotland' due to questions about how we replace existing power plants with low carbon alternatives beyond 2020.

The other main findings of the report, produced by independent energy research consultancy Wood Mackenzie, are that:

- Onshore wind will provide more than 80 per cent of the increase in renewable electricity by 2020, with marine, biomass and hydro expanding at a tenth of the rate of new wind.
- Scotland needs £10bn of investment in new electricity generation between now and 2020.
- Demand for electricity will rise by 10 per cent in the same time frame - despite continued attempts to encourage greater energy efficiency.
- Scotland's electricity sector will produce a third less carbon dioxide.

Commenting on the report, Iain Duff, SCDI's Chief Economist, said:

"This study shows that Scotland can hit its ambitious targets to produce 50 per cent of electricity from renewable sources by 2020, but only if we see investment in new generation on an unprecedented scale in recent times.

"In order to deliver this we need a speedy consents process, with Scotland needing 450MW of new wind – more than twice the size of the country's biggest operational wind farm - every year, as well as speedy improvements to grid connections, such as the critical Beauty to Denny line.

"This will allow us to meet demand from Scottish consumers and business and maintain exports to the rest of the UK into the future.

"With £10bn of investment in new generation over the next twelve years, there is a real opportunity for Scotland to lead the global renewables industry. We now have to make sure that Scotland's businesses are ready to win a significant amount of the design, manufacture and construction renewable generation.

To do that we need to build a stronger Scottish supply chain to the renewable industry, and deliver the skills that the industry needs.”

However, the report still argues that new nuclear should be ‘considered as a potential part of the longer term generation base in Scotland’:

“With Torness and other power stations possibly being decommissioned after 2020, there are still questions about how we provide the baseload Scotland needs in the longer term. Carbon capture and clean coal may be available at that time, but we also believe that new nuclear should still be considered as an option to meet our longer term energy needs.”

Disappointingly, the report highlights increasing energy use despite attempts to drive down consumption, but does suggest a significant cut in CO2 emissions:

“Despite huge investment to encourage greater awareness of energy use and energy efficiency, the report suggests a disappointing ten per cent increase in the use of electricity over the next twelve years. We really need to re-think how we work with business and consumers to manage energy use.

“The projected £10bn invested in the industry over the next twelve years will cut CO2 emissions by 33 per cent, which brings home the scale of the challenge facing all developed nations as they look to tackle global warming.”

The report also looks at the potential contribution of carbon capture to Scottish electricity markets:

“The study shows that Carbon Capture, in combination with a less rapid expansion of renewables, could actually result in lower emissions and more economic benefit for a similar overall level of investment. We urge both the UK and Scottish Governments to carefully consider this finding and do everything that they can to support its development here in Scotland.

“With the booming global demand for sustainable energy, there is undoubtedly a huge commercial prize for the first commercial application of this technology,” concluded Iain Duff.

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To download the full report go to <http://www.scdi.org.uk/energy/>

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