

The **co-operative** bank
good with money

Case study: Element Wind Limited

“ The support and advice I received from the bank’s Renewable Energy and Asset Finance Team has been invaluable to the success of my wind project. Unlike most other lenders they understand the structure of renewable energy projects and bring enthusiasm and a willingness to really go the extra mile to ensure the successful financing of a project. Their financing of the wind turbine on my site has been greatly appreciated and I would recommend them most highly as financiers within the renewable energy sector. ”

Charlie Robb,
Electrical Engineer,
Element Engineering UK Ltd.

Customer: Element Wind Limited

Project: Wind turbine

The UK has the best wind resources in Europe and The Co-operative Bank is helping a windswept corner to capitalise on its prime location and create renewable energy.

Exposed to the full force of gusts coming from the North Atlantic Ocean, the Western Isles in Scotland are ideally positioned to fully exploit the potential of wind-based renewable energy technologies. Thanks to significant funding from The Co-operative Bank's Renewable Energy and Asset Finance Team, the islands now boast a wind turbine that is capable of generating enough power to provide electricity to 550 households every year.

The project is the latest of many to be inspired by the 'Western Isles Energy Innovation Zone', an initiative launched in 2001 to promote the islands as a test bed for renewable and energy-saving technologies. Indeed, it has proven to be the first of a number of projects for The Co-operative Bank in the Western Isles. The wind turbine is located at Liniolate on Benbecula, a sparsely populated, remote island in the Outer Hebrides. Positioned overlooking the sea, the machine is powered by consistently strong winds that blow across Northern Ireland and Scotland.

The cost of the scheme was £1.064 million which included the purchase, delivery and installation of the turbine, its connection to the National Grid, and the construction of associated infrastructure. The Co-operative Bank provided £0.984 million and the remaining funds came from the project's developer, Charlie Robb of Element Wind Limited. Charlie, the founder and Director of his own renewable energy engineering services company, is also a qualified electrical engineer with a wealth of experience in the wind turbine industry spanning 14 years.

Blown away by speed and expertise

With a completion date set, Charlie contacted the bank in October 2007 to request finance and the facility was sanctioned one month later by the bank's Credit Department. The bank worked again with the German turbine manufacturer, ENERCON, who supplied and delivered an E-48 900kW wind turbine in October 2008, which has been operational since November 2008. This new model replaced a much smaller 60kW turbine Charlie had operated there, which he sold – supporting the bank's stance on recycling.

The sale of electricity is via a Power Purchase Agreement with Scottish and Southern Energy. Some of the power is sold back to The Co-operative Group, to the Co-operative Store on Benbecula. This will result in a major carbon reduction over the turbine's expected 25-year life cycle. Plus, the project is

already generating considerably more revenue than was originally forecast. James Sutcliffe, Business Development Manager in the Renewable Energy and Asset Finance Team, is responsible for the wind energy sector and led the deal. He says: "This project demonstrates the diversity of wind projects out there. The bank has financed community-owned wind farms, enabled farmers to erect turbines on their own land and now we've helped Charlie fund a single turbine on a remote island. It's hugely rewarding to see these projects come to life. Plus, it's great that a proportion of the green energy will be used by the local Co-operative Store."



The Element turbine at Liniolate on the island of Benbecula, in the Outer Hebrides.

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