

Argyll and Bute Council: The Kintyre Peninsula – Renewable Energy Hub

Argyll and Bute has a huge renewable resource of hydro, wind, wave tidal and biomass. As a Council are working in partnership with the Scottish Government, Highlands and Islands, Scottish and Southern Energy, Crown Estate, key developers, manufacturers, businesses and the community to achieve the best outcomes for our communities and to realise the greatest level of sustainable economic development. Our vision is to see Argyll and Bute at the heart of renewable energy development in Scotland and to be recognised as a centre for excellence for Scotland. Renewable energy development can help to address some of the economic challenges facing some of our more remote and peripheral areas such as Kintyre.

Argyll and Bute and Kintyre Peninsula in Context

Situated in the west coast of Scotland, Argyll and Bute faces many challenges in relation to its geographical location and diversity. Our population of just over 91,000 accounts for fewer than 2% of the Scottish total and is spread over the second largest council area in Scotland.

The Kintyre peninsula is a remote and peripheral part of our mainland. Previously agriculture, crofting and fishing were the mainstay of the economy. Campbeltown, the main town, has a population of 6,800 and was once home to 120 whisky distilleries. However Campbeltown has more recently been defined as an area of employment deficit by Highlands and Islands Enterprise (HIE). Argyll and Bute Council and HIE, working in partnership, have developed the Kintyre Action Plan to help redress these problems and renewables is seen as a key driver.

Recent and Future Renewables in Argyll and Bute

Given the coastal location of Argyll and Bute, our area is well placed to take advantage of the growing opportunities within the evolving marine renewables field. In February 2009 the Crown Estate announced the awarding of Exclusivity Agreements to 10 offshore wind sites in Scottish territorial waters (Round 2), with the potential to generate 6GW of energy. Three of the larger sites identified are off the coast of Argyll and Bute including Argyll Array (off the island of Tiree) which is being developed by Scottish Power Renewables. The site covers 361km sq.km and could power between 300,000 and 1,000,000 households.

The potential economic impact of the development of these sites, in terms of construction, installation and ongoing maintenance will be significant and the Council (and its partners) is investing in Campbeltown to make sure that the area is seen as a "hub" for the renewables industries to invest to help develop and service the off shore marine sites identified both within Argyll and beyond such as Wigtown Bay and the Solway Firth.

Other locations within Argyll and Bute are also being investigated for wave and tidal power including the Scottish Power Renewables tidal project in the Sound of Islay. The project could involve the location of up to 10 x 1MW tidal devices. The aim for these to be installed by 2011.

Wind Turbine Construction-Machrihanish, Near Campbeltown

In recent times there has been renewables related manufacturing activity in the Kintyre area with the development of the Vestas wind turbine manufacturing facility at Machrihanish but the decision made by Vestas in August 2008 to close this facility with the expected loss of 97 jobs created a significant economic downturn for the area. As with all problems it is important to look for solutions and the potential opportunities they present, therefore, in light of the Vestas decision Scottish Development International, HIE, and Argyll and Bute Council all undertook to work in partnership to secure a potential buyer for the site. After negotiations, this was achieved on 1 April 2009 when Skykon (owned by EVO Energy) took over the site. The Skykon operations at the site will be known as Welcon Towers.

KEY CONTACTS

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The Welcon Towers Site

The Welcon Towers project at Machrihanish demonstrates the attractiveness of the Argyll and Bute area, and especially Kintyre to activity in the renewables sector.

The Welcon Towers project represents a £45 million + investment and will create or safeguard 300 jobs over 3 years (85 safeguarded and 215 created).

Future Expansion of Welcon Towers

The expansion and development plans at the Welcon Towers site involves immediate investment to the existing facility, to bring in new manufacturing techniques and equipment. The site will be expanded to nearly three times its current size, to include, new manufacturing, surface treatment and paint halls as well as upgrading the existing facility.

An energy campus including a research and development facility will also be created with the potential to generate a further 150 jobs as well as representing a significant draw to ancillary industries (related business and industries). It is also expected that the expansion and development plans at the site will generate in excess 500 temporary construction jobs. Staff training is currently underway to ensure that the local workforce can respond to the emerging opportunities being offered.

Realising Potential - Investment in Kintyre

In order to realise the full potential of the renewables sector in Kintyre, improvements to infrastructure will be needed. This will involve road improvements mainly related to road realignment to Kinloch Road allowing improved access to Campbeltown New Quay.

Improvements are also planned for Campbeltown New Quay (harbour area). These improvements which will be supported by £9 million worth of Argyll and Bute Council investment as part of the CHORD Programme. The CHORD Programme is a £30 million investment programme by the Council in five of its principal towns, including Campbeltown, in a range of identified physical projects to assist regeneration and economic development. It is also anticipated that £4 million of European Regional Development Funding (ERDF) will be allocated to assist with the infrastructure improvements.

