

SCOTLAND'S FIRST MINISTER PLUGS THE RENEWABLE GAP

1 September 2008

Scotland's First Minister Alex Salmond today visited Scottish and Southern Energy's (SSE's) new £150 million hydro electric scheme at Glendoe, to mark the impounding or 'plugging' of the dam. The 100MW project is Scotland's first conventional large scale hydro electric power station for 50 years.

The First Minister pressed the button which closed the gate to plug the dam. This will allow water to build up and create the reservoir necessary to power the hydro electric scheme in the future.

First Minister Alex Salmond said:

"Scottish and Southern Energy's Glendoe scheme is the first large-scale hydro electric station to be built in Scotland for 50 years. This is one of the projects which will ensure that Scotland's long tradition of generating hydro power continues for many years to come.

"I am delighted to be involved in marking this major milestone in this ambitious project, which will utilise Scotland's natural resources for the creation of clean renewable energy.

"The Scottish Government has set an ambitious target to generate 50 per cent of our electricity demand from renewable sources by 2020 and for Scotland to

become the green energy capital of Europe. For us to achieve this we must capitalise on our rich wind, wave and water resources.

“Renewable energy is at the heart of this Government's vision of increasing sustainable economic growth and developments such as Glendoe are a positive step in our journey towards this goal.”

The new power station will be able to generate enough green electricity to power over six million low energy lightbulbs, when it is operating at full output. The ‘plugging of the dam’ marks a major milestone in the construction of the scheme and follows the tunnel breakthrough announced in 2008. The project is on schedule and is expected to be supplying electricity into the grid in early 2009.

Chief Executive of SSE, Ian Marchant said: “SSE is already the UK’s leading generator of renewable energy and plans to invest a further £3bn in renewable projects over the next five years. Much of this investment will be in Scotland, demonstrating that Scotland is at the leading edge of renewable development in the UK. SSE’s commitment to renewable energy is not just about tackling climate change, it is about delivering security of energy supply in the UK and supporting sustainable economic growth.”

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Notes to Editors: For more information on Scottish and Southern Energy plc log on to www.scottish-southern.co.uk

For specific updates on the project log on to www.glendoe.co.uk

- SSE is the leading generator of renewable energy in the UK and the second largest energy company in the UK.
- SSE is involved in the generation, transmission, distribution and supply of electricity; energy trading; the development of major renewable energy projects; the storage, distribution and supply of gas; electrical and utility contracting; and telecoms.
- SSE supplies more than 8.8 million customers through its retail brands: Southern Electric, SWALEC, Scottish Hydro Electric and Atlantic. It transmits and distributes electricity to over 3.6 million customers in central southern England and the north of Scotland.

- SSE is the UK's largest non-nuclear electricity generator with over 10,500 megawatts of capacity from the most diverse portfolio of power stations. It is also the leading generator of electricity from renewable resources. Through Airtricity, its renewable development division, it is involved in the development of new renewable energy projects covering wind, wave, tide, and hydro electricity.
- SSE's other businesses include: Southern Electric Contracting - the UK's largest mechanical and electrical contracting business; National Connections - building and operating private electricity, water and gas networks throughout the UK; Telecoms - operating a 7,500km national telecoms network for commercial and public sector customers; Energy Services - providing a wide range of micro-generation and energy-related services; Gas Storage - operating the UK's largest onshore gas storage facility; and Retail - supplying electrical and gas domestic appliances online.
- SSE owns 50% of Scotia Gas Networks, the company that owns Scotland Gas Networks and Southern Gas Networks distributing gas to over 5.6 million customers.
- The new hydro electric scheme is at Glendoe in the western end of the Monadhliath mountains, to the east of Fort Augustus in Inverness-shire. With an installed capacity of around 100MW Glendoe will be Scotland's second largest conventional hydro electric station and the first large scale station to be built since 1957, when the Errochty station in Perthshire was opened. Scottish Ministers gave their consent in July 2005 for the development of the scheme under Section 36 of the Electricity Act 1989.
- The power station will produce around 180 million units of green electricity in a year of average rainfall and will be very flexible and able to meet major fluctuations in demand for power. When synchronised, it will be able to start generating electricity at full capacity in 30 seconds.
- The scheme involves collecting water from around 75 square kilometres – either directly or via 8km of under ground tunnels – in a new reservoir over 600 metres above Loch Ness. The drop from the reservoir to the turbine at the side of the loch – the 'head' – is, at over 600 metres, the biggest of any hydro station in the UK.
- The new reservoir is situated at the head of Glen Tarff and will be impounded by a dam approximately 1km long, making it the longest dam in SSE's portfolio. The dam has been shaped to suit the topography and geology of the area and will be 35m at its highest point.
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