



NEWS RELEASE

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RENEWABLES, AN OPPORTUNITY WASTED ASK SCF

A question of insurmountable hurdles was left as a conclusion to a seminar on small-scale renewable energy production held by the SCF on Saturday in Balmacara.

Donnie MacDonald, SCF director and spokesman on renewables said "there is a lot of enthusiasm for the opportunities this can have for rural communities and small enterprises. However, the opportunities are being thwarted by it being very difficult for individuals to raise the capital to invest in power generation equipment. The SRDP is so difficult to get into it was universally advised to steer clear of it, banks don't seem to be willing to lend on anything below 500kw and grants or interest-free loans available from the likes of the Energy Trust exclude the participant from then getting the Feed In Tariff – the source of income necessary to make the venture pay. So whilst it sounds a great way for small enterprises such as crofts to benefit from their natural resources in reality they are effectively excluded unless they happen to have a large amount of their own capital to invest."

Renewable energy is being promoted by the UK Government and incentivised by a fixed payment for every kilowatt-hour produced by a renewable source, called the Feed In Tariff.

Mr MacDonald added "it can still be a good opportunity for community schemes but they must take charge and not be pushed around by large energy developers who want the natural resource but pay the community peanuts. Communities can do it themselves and keep the profit themselves."

END

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Notes to editors

- Pictures can be found at: <http://www.crofting.org>