



drax

Boost your sustainability, with our  
Galloway Hydro Scheme guarantees

## Success through sustainability

There's growing evidence to suggest that operating ethically and responsibly, with environmental and sustainability issues at the core of your organisation, can make it more successful.

And purchasing renewable power guarantees with a direct link to the Glens of Galloway – as you can with Drax – addresses those issues.

Our Renewable Energy Guarantees of Origin (REGOs) relating to Galloway both demonstrate your environmental, social and governance (ESG) credentials and support your carbon reduction goals. These REGOs can even help you grow your business, since another advantage includes conditional participation in tenders (such as those within the public sector).



## What's driving the ESG agenda?

Research by Deloitte<sup>1</sup> in March 2021 shows that "28% of UK consumers have stopped buying certain products due to ethical or environmental concerns". In addition, "46% need clarity on sourcing of products". **Are your customers among these consumers?**

Harvard Business Review offers complementary evidence<sup>2</sup> from its interviews with global investment firms, including the world's three biggest asset management companies. Senior executives rated ESG concerns as "top of mind" and the Review's conclusion was clear. Organisations should "seize the opportunity to partner with investors willing to reward them for creating long-term value for society as a whole." **How close is your organisation to taking advantage?**

There's also a regulatory impetus around ESG, according to KPMG<sup>3</sup>. The company argues that, in addition to an existing mandatory requirement to report on greenhouse gas (GHG) emissions, organisations must now participate in Streamlined Energy and Carbon Reporting (SECR) too.

In addition, following the recent UN Climate Change Conference (COP26) in Glasgow, the UK Treasury is proposing a deadline for UK businesses. By 2023, organisations will need to have published plans on how they'll meet climate change targets<sup>4</sup>. **Are you on track to comply with ESG-related regulations?**

Finally, a report from McKinsey<sup>5</sup> on how sustainability can benefit the bottom line suggests that "leading companies pursue sustainability because it has a material financial impact." What's more, 44% of those interviewed for the report mentioned "business and growth opportunities as reasons to get started on sustainability." **Is your organisation already reaping the benefits of sustainability?**

Considering these questions, and finding the answers, can take you closer to achieving sustainability success. And a sensible first step is to choose a recognised supplier of renewable power – just like Drax.

### Notes

- <https://www2.deloitte.com/uk/en/pages/consumer-business/articles/sustainable-consumer.html>
- <https://hbr.org/2019/05/the-investor-revolution>
- <https://home.kpmg/uk/en/blogs/home/posts/2021/01/esg-reporting-are-you-ready-for-this-year-end.html>
- <https://www.bbc.co.uk/news/business-59136214>
- <https://www.mckinsey.com/~media/McKinsey/Business%20Functions/Sustainability/Our%20Insights/Profits%20with%20purpose/Profits%20with%20Purpose.ashx>



## Galloway generation

With an aggregate generation capacity of 109 MW, the Galloway hydro scheme comprises an impressive range of built features.

These include six power stations (Carsfad, Drumjohn, Earlstoun, Glenlee, Kendoon and Tongland) and eight dams (Carsfad, Clatteringshaws, Earlstoun, Ken and Deugh, Loch Doon and Muck, and Tongland). There's also a barrage gate at Glenlochar, four pumping stations, 16 kilometres of tunnels and pipelines, and 22 bridges.

The scheme generates power in response to electricity demand. The dams store the water in reservoirs and, when demand peaks (usually between 5pm and 7pm), the water's released and used to spin the turbines that generate the renewable electricity.

## Galloway in numbers

1	Barrage gate	22	Bridges
4	Pumping stations	109 MW	Aggregate capacity
6	Power stations	260 GWh	Volume of power
8	Dams	1,000 km <sup>2</sup>	Total catchment area
12	Turbines		

## Galloway – integral to survival

Set in a remote area of natural beauty in south west Scotland, and commissioned in 1935, the Galloway scheme was Great Britain's first large-scale hydro complex. It remains both an iconic part of the landscape – supporting local sustainability, green investment, jobs and education – and an acknowledged part of the region's future.

Drax works closely with landowners, local authorities and the Scottish Environment Protection Agency to help preserve the scheme's natural beauty. For example, we share weather forecasts and data relating to reservoir levels to help these stakeholders predict which areas might be affected by natural flooding. This can help with planning for adverse weather, which may lead to preventative measures such as road closures and village evacuations that minimise risks.

Drax takes a similar approach to protecting wildlife such as north Atlantic salmon and trout. These species migrate upstream from the ocean through Galloway's rivers using fish passes (also known as fish ladders) that don't exist naturally. The ladders allow the fish to bypass the scheme's dams and move more easily through the water system.



## Galloway CPPA – key benefits

When you get a Galloway CPPA, you're joining an exclusive group of Drax customers with a tangible link to this source of renewable power.

As one of this limited number, you get:

**Sought-after REGOs** – The hydro scheme is REGO-accredited and so receives renewable energy certificates for all its generation

**Positive ESG** – Galloway REGOs add to your ESG credentials and these may be crucial in allowing you to tender for business, including opportunities in the public sector.

**Competitive advantage** – These REGOs can help to promote your organisation's commitment to sustainability, to keep employees engaged, to attract new investment, and to address other stakeholders' sustainability concerns

**Drax-assisted marketing** – We can help you, and your Third Party Intermediary (TPI) if you have one, to promote your Galloway CPPA (see 'Promotional support from Drax').

## Your Galloway CPPA

This streamlined, Galloway-specific CPPA offers you REGOs at prices that reflect market rates and the flexibility of choosing from a range of contract lengths.

Since the scheme's volume is around 260GWh annually, we have 260,000 REGOs available on the market each year. Once that allocation is taken, no new customers will be able to join the 'Galloway club'.

However, it's worth asking about the status of the allocation when signing up to one of our usual fixed price contracts. Assuming there's availability, your Account Manager will confirm the REGO price as well as the total contract price, as per your normal quotation process. Unlike most CPPAs, there's no cost impact on your balancing fees if your consumption mirrors a typical shape.

Where appropriate, we'll allocate the Galloway REGOs to your electricity contract and your Account Manager will discuss all the promotional support we can offer. This can help you to support staff engagement with your sustainability drive, to attract customers, and to update shareholders and financiers.

To find out more and get bespoke prices, contact your Drax Account Manager or Business Development Manager.



## Promotional support from Drax



### Collateral

We'll create PDFs and brochures for you to use, with content proving the provenance and value of Galloway



### Social media

Our social experts will generate content for various platforms and for channels including your own, ours and your TPI's



### Case studies

Our Content team can author a case study that tells your story, for your use and ours



### Press releases

We're happy to write the announcement for your Galloway CPPA and to distribute it to agreed media contacts



### Web imagery

We'll share relevant photographs from our image library, which you (and your TPI) can use online



### Staff engagement

We'll help draft internal communications for your staff members that explain what Galloway is and how it helps the planet

