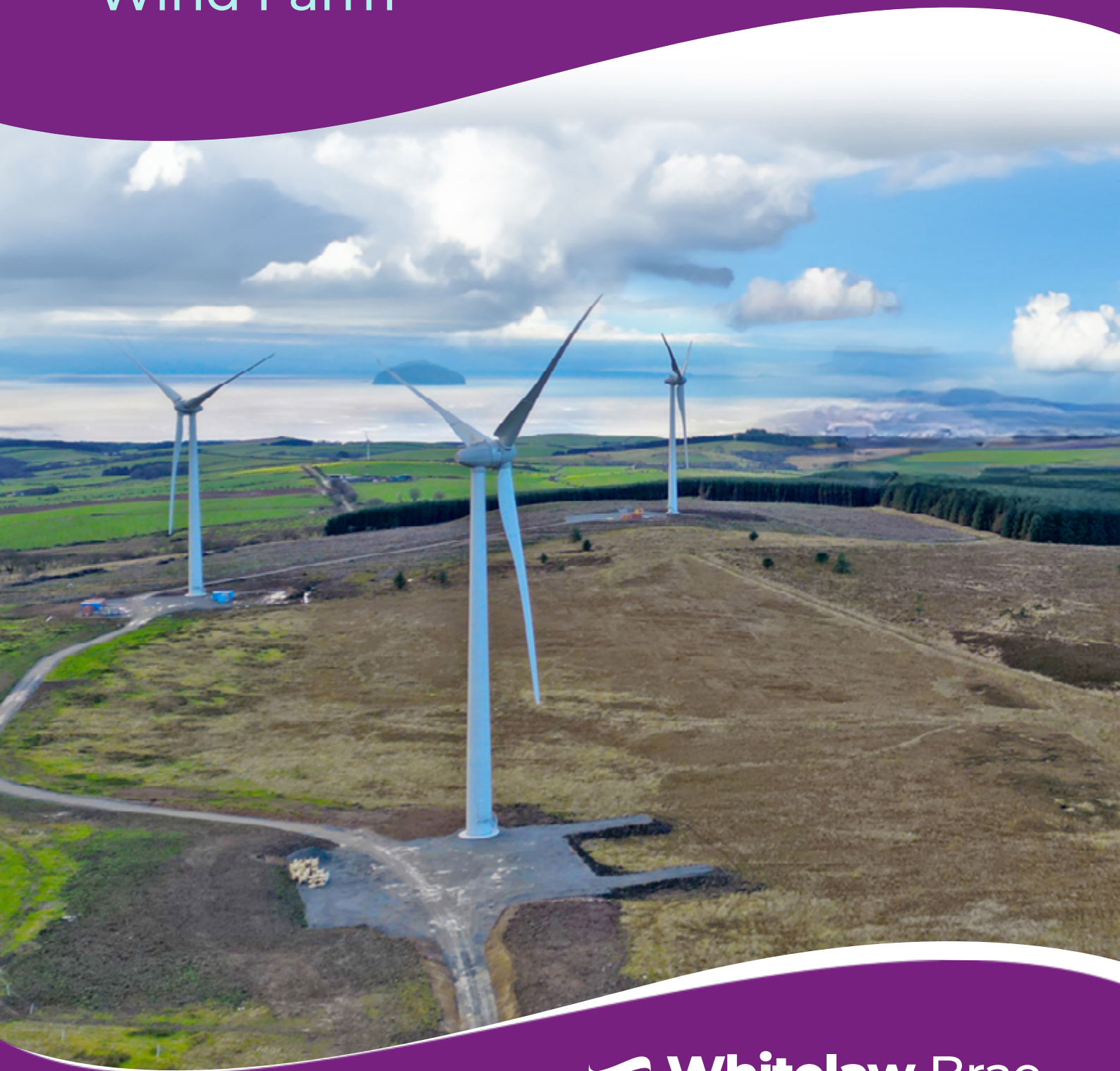


# Cooperative Share Offer

for Whitelaw Brae  
Wind Farm



# 01. Overview



## Whitelaw Brae - a wind farm owned by you

The smart way to save the planet. Own part of a new wind farm and gain access to your own source of clean, low cost, green electricity.

This share offer enables you to own part of Whitelaw Brae Wind Farm, by buying shares in Ripple Coop 4 Limited, which has secured the right to buy it. Once Whitelaw Brae is built and operational, you will get your share of the green electricity it generates supplied to you via the grid. You, alongside thousands of other co-op members, will own the wind farm. This means your electricity supplier can buy your share of the electricity at cost, instead of having to buy electricity at a usually much higher market price. As a result you get a saving on your bill for every unit of electricity your share of the wind farm generates over its 30 year lifetime.

It's a really simple way to reduce your climate impact, as well as lower and stabilise your electricity bills for the long term.

This share offer sets out all the information you need about Whitelaw Brae, the potential benefits of ownership, as well as some of the key risks you need to be aware of. If you have any questions please contact Ripple's member services team via email at [support@rippleenergy.com](mailto:support@rippleenergy.com) or by using the chat function on the Ripple website [www.rippleenergy.com](http://www.rippleenergy.com).

### Why do this?

- ▶ Contribute to real climate benefits.
- ▶ Reduce your carbon footprint by around 1,400kgCO<sub>2</sub>/year.
- ▶ Save around £180 a year on your electricity bill.
- ▶ Positive environmental and climate contributions are usually the main reason.

### How it works

- ▶ You buy shares in the cooperative society (the "cooperative" or the "coop") that will own part of the Whitelaw Brae Wind Farm ("Whitelaw Brae" or "the wind farm") Ripple have helped the cooperative secure permission to purchase the development rights of the wind farm.

- ▶ Once the share raise is completed, construction of the wind farm can begin. This is expected to be in the second half of 2024.
- ▶ The wind farm is expected to start generating electricity in the winter of 2026/2027. You will not see bill savings until then. It is expected to generate power for 30 years.
- ▶ Your electricity supplier will buy your share of the electricity the wind farm generates and supply it to your home or business premises, via the grid.
- ▶ Savings will be applied to your bill equal to the wholesale value of the power generated minus the operating cost of the wind farm, for your share of the generated power. The saving is applied to your electricity bill automatically every month.
- ▶ Whether you live in a flat or house, rent or own, you can now own your own source of clean, green electricity.

(The cover image is of Kirk Hill Wind Farm, not Whitelaw Brae)

## How's this different to green tariffs?

- ▶ Ripple is not a green tariff. It's genuine ownership of a new wind farm.
- ▶ You still get certified green power just like a green tariff, but the power is from your own wind farm, so you get savings on your electricity bill too.
- ▶ Unlike with most green tariffs, being part of the cooperative means you're directly enabling a new wind farm to be built and contributing to the amount of green power that can be generated in the UK.
- ▶ If you are on a green tariff and the price of the electricity goes up, so do your bills.
- ▶ As a Ripple member, if the price of electricity goes up, your savings are likely to go up too, helping to stabilise your bills.
- ▶ Ripple is not a supplier, so you can switch between suppliers trading with the wind farm.

## How do I get savings?

- ▶ Your electricity needs to come from a supplier that is partnered with the wind farm by the time it starts to generate.
- ▶ Your supplier buys the electricity your share of the wind farm generates.
- ▶ It pays the wind farm its low and stable operating cost instead of the (higher) wholesale market price; the rest of the wholesale value is paid to you as a saving on your bill. **The electricity from your wind farm isn't free.** You still need to pay for the operating cost for the power generated as well as the grid costs, taxes and levies and supply costs for the electricity you consume.

## How much does it cost?

- ▶ For a typical home the cost is around £2,000 (paid on application) - that buys enough of the wind farm to generate 100% of their electricity needs for 30 years.
- ▶ This is a single, one-off payment to buy your share of the wind farm, or you can choose to spread the payment over 12 monthly instalments.
- ▶ You don't need to meet 100% of your electricity

needs from the wind farm, the minimum ownership is just £25. The maximum you can purchase is the equivalent of 120% of your electricity needs.

## What are the benefits of joining Ripple?

- ▶ **POSITIVE CONTRIBUTION:** As a member of the Whitelaw Brae co-op you will be directly enabling a new wind farm to be built. This will reduce your CO<sub>2</sub> footprint for its 30-year lifetime. The more of the wind farm you own, the more green electricity you generate and the more CO<sub>2</sub> you save.
- ▶ **LOWER, STABLE BILLS:** Ownership helps reduce and stabilise your electricity bills for the long term. Your bill savings are dependent upon the wholesale electricity price and the amount of electricity generated by the wind farm. The higher the wholesale market price for electricity, the greater your savings and the shorter the payback period. The lower the price, the lower your savings and the longer the payback period.
- ▶ **RETURNS:** We estimate the effective rate of return to be 6.3% over the 30-year operational life of the wind farm. The actual financial return will depend on electricity prices, but the key thing to note is that your bills will be stabilised as the savings help offset energy price volatility reflected in your bills. Further details on how we calculate this are at Section 11.
- ▶ **FUTURE BENEFIT:** If bank finance is used for the project, once it is paid off your savings would go up.
- ▶ **DOMESTIC AND BUSINESS OPPORTUNITIES:** Businesses can get involved, alongside residential cooperative members. See Appendix 5 for details.

## Other things to know

- ▶ This Section 1 is just a summary – please read the whole of this offer document for full information and sources for the information provided.
- ▶ Ripple works with multiple energy suppliers and most of their tariffs, giving you real choice. Our intended supplier partners for Whitelaw Brae are Your Co-op Energy (powered by Octopus Energy), EON Next, British Gas, Ecotricity, EDF and Unify Energy. If you are already supplied by Sainsbury's Energy, Octopus Energy or London Power, or have recently been migrated to Octopus from Shell Energy or Bulb, you will be able to stay on your existing tariffs and have your savings applied to your bill.

- ▶ You will be able to switch to smart, time-of-use tariffs as well as our partners' standard tariffs, if you choose.
- ▶ It is the intention that businesses that are members of the coop will be able to be supplied by E.ON Next (up to 100MWh annual consumption), Ecotricity, EDF, British Gas or Unify Energy.
- ▶ To get savings applied to your bill you need to be supplied by one of our partner suppliers, but you don't need to switch immediately. You can delay switching until mid-2026, just before the wind farm is expected to start generating electricity.
- ▶ All savings generated by your share of the wind farm will be applied to your bill, even if the generation is more than your consumption, for example, during the summer months.
- ▶ The wind farm will be owned, or part-owned, by a cooperative which is in turn owned by its members. That means you!
- ▶ Ripple Energy will provide management services to the cooperative to ensure it and the wind farm is run efficiently. Ripple does not own the wind farm.
- ▶ This share offer is only open to consumers in England, Wales and Scotland. Consumers in Northern Ireland are not able to benefit.
- ▶ Your shares in the cooperative are 'withdrawable' after two years from the start of generation, but not transferable. This means you cannot sell your shares directly to someone else, but the cooperative can buy them back from you, according to a policy set by the cooperative board. However, if you die your shares can be transferred to a beneficiary.

# It's your green power Own it

## 02. Important Notice

**This offer document has been prepared by Ripple Coop 4 Ltd and its Directors, who are responsible for its contents. This offer document has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 (FSMA). It is exempt from the financial promotion restriction (in Section 21 of FSMA) on the grounds that withdrawable, non-transferable shares in a cooperative society are not a controlled investment for the purposes of FSMA. It is exempt from the requirement to be issued as a prospectus (under Section 85 of FSMA) on the grounds that non-transferable securities are outside the scope of Section 85.**

Ripple Coop 4 Ltd is not regulated by the Financial Conduct Authority and prospective investors will not have the benefit of the Financial Services Compensation Scheme and other protections afforded by FSMA or any of its rules and regulations.

No advice on investments is given in this offer document. All prospective investors should consult their own professional advisers as appropriate as to the legal, tax, financial or other matters relevant to the suitability of a purchase of shares.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of such jurisdictions.

You should not apply for the purchase of shares except on the basis of information set out in (a) this offer document and (b) all information provided on the offer at [www.rippleenergy.com](http://www.rippleenergy.com), including the Customer Agreement. **Before applying you are advised to read the whole of this offer document, including the Risk Factors set out Section 12 and the information provided on the offer at [www.rippleenergy.com](http://www.rippleenergy.com), including the Customer Agreement.**

Applicants should understand that any share purchase they make is an acknowledgement of their support for the development of renewable energy and accordingly, the purchase of shares in Ripple Coop 4 should be primarily regarded as an investment for social and environmental purposes rather than one which will produce a significant financial return.

Applicants should note that Ripple intends to launch further renewable energy cooperative share offers and later offers may be more suited to you. As a result, you may wish to consider meeting your electricity needs from multiple coops.

Technical and other words and phrases used in this offer document with a particular meaning are defined and explained in the Glossary and Key Facts in [Appendix 1](#).

General information sourced from third parties in this offer document has been accurately reproduced as far as the Directors are aware and are able to ascertain from information published by that third party. No facts have been omitted which would render any such reproduced information inaccurate or misleading.

**For general queries about this offer document, please contact**  
[support@rippleenergy.com](mailto:support@rippleenergy.com).

# How Ripple works



## 01. You buy your share

We secure a consented renewable energy generation project. You buy as much of the project as you need to cover your power requirements. You can pay all at once or in instalments.

## 02. We build your wind farm

Ripple manages your build and all the contractual interfaces during construction and operation on your behalf. We keep you fully informed throughout the process.



## 03. It generates your electricity

Once your project is live and connected to the grid, the electricity generated is sold to Ripple's network of supply partners.

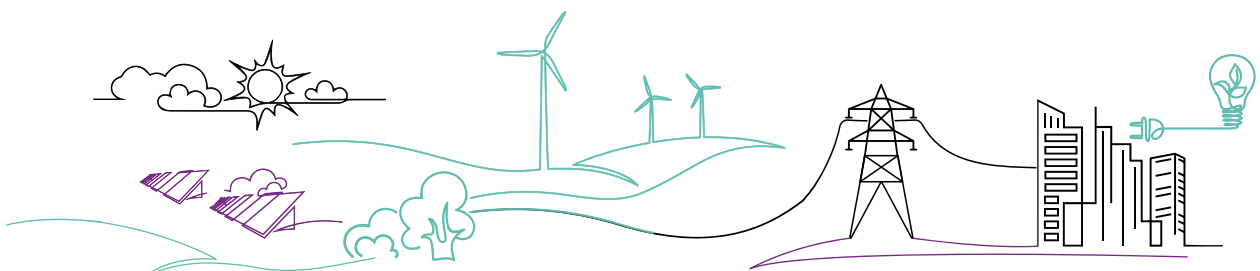
## 04. You get the power + savings

Savings from your wind farm are applied to your electricity bill each month for the wind farm's 30 year lifetime



## 05. Monitor your generation

The generation and savings performance from your share is updated hourly straight to your own personalised dashboard.



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## 04. Offer Summary

### The Coop

It's the coop's mission to enable people to own shares in a renewable energy project that can reduce both their carbon footprints and electricity bills.

Each member contributes their share of the cost of securing and building the wind farm. Once operational, Whitelaw Brae will then sell its power to electricity suppliers at its low and stable operating cost. This is significantly lower than the price at which your supplier would ordinarily buy electricity in the market for. They pass that saving on to you, a member of the coop that owns the wind farm, according to how much you own.

The coop members will have one vote each and a board will be elected by the members.

**By buying shares you will become a member and shareholder of the coop. The coop will own shares in the wind farm company ("SPV") which is the vehicle that directly owns the equipment and assets required to generate the wind power.**

### The Offer

This document contains an invitation to purchase withdrawable, non-transferable share capital of the coop. We are seeking to raise up to £56m by 30 May 2024 to purchase the development rights and then build a 60.2MW wind farm. It is likely to generate enough electricity starting from the winter of 2026/2027 to meet the annual needs of around 54,000 households. It is the intention that co-investors will invest alongside the coop but the coop is likely to be the majority shareholder.

By owning shares in the coop, members will receive savings on their electricity bills from Ripple's supply partners.<sup>1</sup>

A typical household using 2,700kWh each year would need to buy around £1,915 of coop shares for their share of the wind farm to generate as much electricity as they use. This is projected to deliver savings of approximately £150 in the first full year of generation (2027), and an average of £180 in savings per annum over the wind farm's life.<sup>2</sup> It is projected that the payback period (the time it takes for your savings to equal or exceed the cost of your purchase) will be around 17 years (part of which is the construction period). Inflation of 2% has been applied to the projected wholesale energy value and operating costs used in the financial modelling.

Please note that any savings will be highly dependent on the wholesale price of electricity and the wind farm's energy production. The latter will depend on the weather, see Section 12 on Risk Factors.

We expect around 50% of the project to be funded by coop members and co-investors. The other 50% will be funded using bank finance or an investment fund. The repayments and interest would be paid using revenue from the sale of the electricity generated by the proportion of the project funded by the finance arrangement. See Section 9 for more details.

**IMPORTANT: If we are unable to raise enough capital to proceed with constructing the wind farm we will return all funds including arrangement fees to applicants.**

<sup>1</sup> See Section 5 "How it Works" for further explanation.

<sup>2</sup> Based on blended UK Government Electricity Price Scenarios to reflect market expectations, see footnote 7 and Section 11 for how the savings are calculated.



## Indicative Project Programme<sup>3</sup>



<sup>3</sup> This programme is indicative and subject to change.



## Overview of the Financial Model<sup>4</sup>

The financial information provided is based on independent expert advice and the proposition for individual members is expected to be as described here

| System   |              |
|--|--------------|
| Capacity <sup>5</sup>  | 60.2MW       |
| Energy Yield <sup>6</sup>  | 145,700MWh   |
| Total Purchase and Construction Cost                                 | £97,000,000  |
| Ripple Total Arrangement Fee (8% +VAT max)                           | £9,312,000   |
| Total Cost (incl. Ripple fee)  | £106,312,000 |
| Bank Finance / Fund Contribution                                     | £50,000,000  |
| Total Raise Target   | £56,312,000  |
| Carbon Savings   |              |
| CO2 kg/MWh <sup>7</sup>  | 532          |
| Annual Tonnes of CO2 Saved   | 77,512       |
| Total Tonnes of CO2 Saved (30 yrs)                                   | 2,325,372    |
| Annual CO2 Saving of Member with Share Based on 2,700kWh Demand (kg) | 1,436        |

<sup>4</sup> See Key Facts and Glossary for an explanation of some of the terms used.

<sup>5</sup> The export grid capacity of the wind farm will be 57MW, this has been factored into the energy yield assessment.

<sup>6</sup> This is based on 60.2MW and takes into account potential grid constraints.

<sup>7</sup> 532kgCO<sub>2</sub>/MWh is the carbon intensity of fossil fuelled electricity generation in the UK, see [UK Gov 2022 Greenhouse Gas Emissions](#). This factor is used as renewable generation displaces fossil fuelled generation.



## Operating Finances

|  |           |
|--|-----------|
| Average Wholesale Electricity Value <sup>8</sup> | 11.4p/kWh |
| Wind Farm Average Operating Cost                 | 4.6p/kWh  |
| Estimated Average Savings Rate                   | 6.8p/kWh  |

## Member's Projected Savings

Example assuming ownership of 2,700kWh

|  |          |
|--|----------|
| Annual generation                                    | 2,700kWh |
| Savings rate   | 6.8p/kWh |
| Annual electricity bill saving (2,700kWh x 6.8p/kWh) | £183     |

**Note:** Power price projections used here were published in late 2023. For information about power price volatility, please read Section 12 on Risk Factors.

We expect around half of the project to be funded either through bank finance or by an investment fund. If bank finance is secured, it is anticipated that it would be repaid after about 20 years. For the remaining period of the project life, members will receive the value of the power that was previously being used to repay the bank finance, helping to offset the other, non-power, costs included in members' bills.

If an investment fund co-invests there may be an opportunity for the funding to be forgiven after 10 years if the project meets certain Sustainable Development Goals (SDGs). In that case the proportion of revenue that would otherwise be allocated to the repayment of the loan would instead be used for fuel poverty actions.

It is important to note that, notwithstanding the detail presented here, the financial returns are uncertain. The key to the Ripple model is that the savings from your wind farm's generated power will help stabilise your electricity bills, as the variable value of the power will help offset the volatility of energy prices reflected in your bills.

You are advised to read the Important Notice at Section 2.

The initial offer period is for 6 weeks. At the discretion of the Board, the offer may be extended.

Any complaints about this offer or about the shares should be sent to the Chairman of Ripple Coop 4 Ltd, c/o Ripple Energy, 2 Beresford Terrace, Ayr, KA7 2EG.

<sup>8</sup> The average value presented here includes REGO value and supplier pass-through rate and are inflated at a rate of 2%. For the years 2026-2027, a wholesale electricity price of £75/MWh is assumed, to reflect market expectations. From then until 2040 the wholesale electricity prices are the average of the High and Central figures in the [UK Gov Energy Price Projections, Annex M](#). For years beyond 2040 the price is assumed to be a continuation of the 2040 price. All the other figures in the table above flow from the carbon intensity and wholesale price assumptions.

## 05. How it Works

By buying shares in the coop, you are allocated your share of the power generated by the Whitelaw Brae Wind Farm, and hence the value of that power. The more shares you own, the more power is allocated to you and the more you can expect to save.

Many people will decide to buy the amount of shares that would mean their share of the power generated roughly equates to 100% of the electricity they use each year. However, you can own as little as £25 worth, or up to the amount that might be expected to generate the equivalent of 120% of your annual electricity consumption.

To receive savings due to you from your share of the wind farm's power, you will need to be supplied by one of Ripple's supply partners. At the time of the share offer launch, these suppliers are intended to be:

- ▶ **Your Co-op Energy, which is powered by Octopus Energy**
- ▶ **E.ON Next**
- ▶ **Ecotricity**
- ▶ **British Gas**
- ▶ **EDF**

In addition, anyone already supplied by Sainsbury's Energy, Octopus Energy or London Power will also be able to receive savings without switching supplier. Shell Energy and Bulb have recently been migrated to Octopus. Anyone previously supplied by them would not need to switch either.

Businesses are expected to have the options of Unify Energy, E.ON Next, British Gas, Ecotricity or EDF (please see Appendix 5).

Ripple may bring on additional suppliers during Whitelaw Brae's construction period, giving you even greater choice of suppliers.

You do not need to switch to one of our supply partners immediately. You simply need to switch before the wind farm starts to generate power, in the winter of 2026/27. Ripple will keep you updated on this and enable you to switch via your Ripple dashboard at the appropriate time.

Your supplier will purchase your share of the wind farm's output and supply it to your home via the grid. The electricity supplied to your home or premises will not be the exact same electricity generated by the wind farm. That is not physically possible. Your supplier buys your share of the metered electricity going into the grid and applies the value of that power as a saving on your bill. If your share of the electricity from the wind farm in any month is greater than what you use, the surplus is supplied to other households, but the savings are still applied to your bill. You don't lose any savings. You can still use electricity whenever you want. And if your account is in credit with your savings making up part of that credit then it is all payable to you in the event you leave your supplier.

### How to apply

The application process is online only and available at [www.RippleEnergy.com](http://www.RippleEnergy.com)

## The savings rate - including inflation

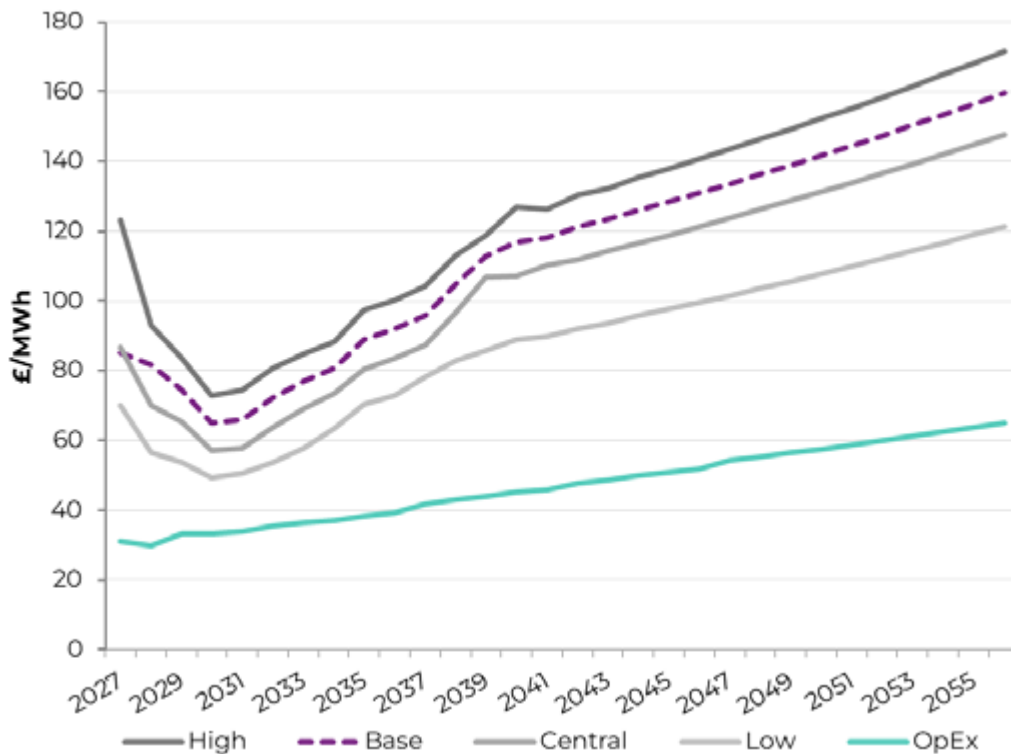
The difference between the wholesale value of the electricity generated (including green certificates and any grid or ancillary benefits) and the OpEx price paid to the wind farm to cover its operating costs is the savings rate.

The savings rate, multiplied by your share of the wind farm's generated power, is the saving applied to your bill each month.

Whilst we do not know what the electricity price will be in future, we present a base case that is the average of the UK Government's High and Central electricity price projections. This is considered to be a conservative view compared to commercial forecasts. For 2027 we have reduced the wholesale price assumption to £75 in line with current market expectations. The Government's energy price projections only go to 2040, so we have assumed the price to be flat in real terms thereafter. We assume a 2% inflation rate across all years, applied to both the electricity value and operating costs.

Your supplier buys your share of the electricity generated at the wind farm's low and stable operating cost. Over the wind farm's 30 year lifetime we estimate this to be an average of around 4.6p/kWh including inflation. That is lower than the forecast wholesale value of electricity which is projected to be an average of about 11.4p/kWh including inflation, over the life of the wind farm.

The base case suggests that the savings rate would be an average of about 6.8p/kWh generated, including inflation, over the 30-year life of the wind farm.



The wholesale value is typically agreed with our supply partners on an annual basis, but may be agreed more frequently if the Board considers that doing so may deliver greater benefit to members. This sets the saving rate per kWh for the agreed period. Agreeing the price on an annual basis strikes a balance between ensuring the price against which your savings are calculated generally tracks the wholesale price that is reflected in the cost of the electricity you use, and giving you and the wind farm a reasonably clear view on expected revenues for the year ahead.

This saving is how you benefit from your membership of the coop. For legal and tax reasons, part of your savings is classed as return of share capital, and part is trading benefit.



## The savings rate - excluding inflation

Over the 30 year life of the wind farm inflation is likely to have a considerable impact on prices. We assume inflation is 2% per year. If we exclude inflation and estimate prices and savings in real terms, the average wholesale value of the electricity is 7.8p/kWh, the average operating cost is 3.3p/kWh and the average saving rate is 4.6p/kWh (rounded).

## Return of share capital

It is the intention that 4% of the shares issued in this offer will be withdrawn automatically in each year of the wind farm's operation. This means that your share capital will be gradually repaid. This ensures the value of share capital broadly reflects the actual value of the wind farm (which gradually reduces over its lifetime). The value of the share withdrawals will form part of your savings, they are not additional to the savings and will not be taxable<sup>9</sup>. **The return of share capital does not reduce the proportion of the wind farm you own. You still own the same share of the wind farm and will be allocated the same proportion of electricity generated by it for its full operating life, even after all the share capital is repaid.**

## Trading benefit

The remainder of the savings will be treated as trading benefit. This will count towards your annual interest allowance. Most people in the UK do not reach their annual interest allowance and so would not have to pay any tax on their savings from the project. If you do, interest income above your annual allowance is taxable<sup>9</sup>.

In the event the savings in any year are less than the value of the equivalent of 4% of the share capital, a larger proportion of shares will be withdrawn in following years (if the savings are sufficient) so that the 4% per annum cumulative position is achieved on an average basis. You will only see one single figure as your saving on your bill, but you can view the split of savings between return of share capital and trading benefit on your customer dashboard on Ripple's website for use in your annual tax statement if necessary.

## Ripple's Role

Ripple is the coop's managing agent. It will manage the facilitation of share purchasing, construction and operation of the wind farm on behalf of the coop and its members. It does not undertake the construction or operations and maintenance itself but manages experienced and trusted contractors to do so. It is not liable for costs or savings and does not provide any guarantee over the cost or level of savings over the project's lifetime.

Ripple will also manage the platform that will show you how much of the wind farm you own, what savings you have received and what's happening at the site and with the coop. Additionally, it will provide member support services and be on hand to answer any questions members have.

Ripple's customer care team is available to support members and answer any questions you have during your membership.

<sup>9</sup> see also Appendix 3 - Information on Tax

## What does Ripple charge?

Ripple's fees are low and transparent. We charge 5.5% plus VAT on the share purchases that are paid in one go. For share purchases that are paid in instalments, we charge 8.0% plus VAT.

Of the approximate £1,915 cost for a typical household to buy enough of Whitelaw Brae to meet their electricity needs, approximately £119 is Ripple's arrangement fee. This enables Ripple to recoup its costs in carrying out in-house due diligence, launching and advertising the project share offer and managing the coop and project through the construction phase.

Once the wind farm is operational Ripple charges the SPV a management fee of £3/MWh or 0.3p/kWh, index-linked, or 2% of revenue if greater. This is roughly £9 per member per year. Over the entire wind farm's output this is roughly £440,000 per year (excluding inflation). The management fee covers the maintenance of Ripple's platform, including the members dashboard, the cost of administering the system and getting the savings applied to your bills, as well as member support services and AGM and coop administration. It is paid by the coop directly from the energy generated by the wind farm and forms part of the operating cost; you do not need to pay this separately.

## How much to own and how much do I pay?

You may decide how many shares you choose to buy according to how much electricity you use each year, and how much of it you want to be supplied by your wind farm.

The generating capacity of the wind farm is measured in watts. The Whitelaw Brae Wind Farm capacity is expected to be 60.2MW or 60,200,000 watts. The upfront cost, including the purchase and installation of the wind turbines, substation equipment, purchase of the consented project from the developer, repayment of transaction costs is a total of £97,000,000. This means the total cost per watt for a coop member would be around £1.61, and with the Ripple arrangement fee that becomes £1.72p per watt, or £1.76p per watt for those that pay over 12 months.

As part of the sign-up process, Ripple's website calculator tool may help you determine your ownership requirement based on the energy yield estimates for the wind farm and your anticipated electricity use. It is estimated that the wind farm will generate about 145,700,000kWh per annum.

### **A worked example – if you want to purchase enough shares to cover your projected consumption.**

The 60.2MW Whitelaw Brae Wind Farm is projected to generate 145,700,000 kWh per year.

If your electricity consumption is 2,700kWh per year you would need to own 1,116 watts of the wind farm for your share to generate about 2,700kWh. That's approximately 0.0019% of the project.

Paying in a single instalment, each watt costs £1.72 (rounded) so buying 1,116 watts would cost £1,915.

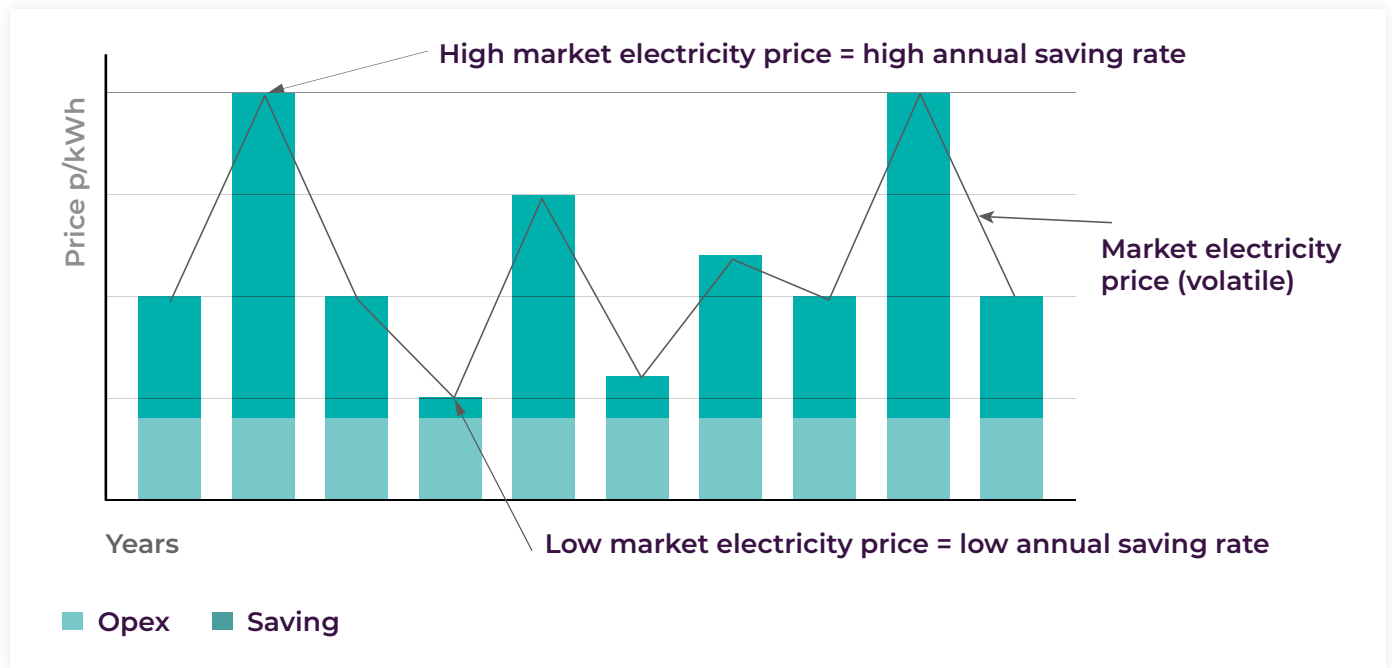
Ripple's arrangement fee is included in these calculations. The total cost increases to £1,969 if you pay over 12 months.

If you only wanted to meet 50% of your electricity needs from the wind farm, you would need half, the equivalent of 558 watts, which would cost you £958 if paying in a single instalment.

## Your electricity bill as a co-op member

Your bill savings are the annual savings rate multiplied by your share of the wind farm's generated power. It is passed on to your bill according to how much electricity your share of the wind farm generates each month.

Your regular bill will be based on the retail market price for electricity according to the tariff you are on, like any other customer. Ripple calculates the amount of saving due to you each month and ensures it is credited to your bill. You will be able to see the saving in your Ripple customer dashboard as well. The following diagram illustrates how it works.



Note that the savings on your bills are completely independent of your electricity demand. Whatever savings are due to you from your share of the wind farm's power will be applied to your electricity bill, regardless of whether you use lots of electricity in a month or none. It is also independent of the specific tariff you are on with your supplier.

If the savings on your bill at any one time exceed the total cost of your bill your supplier may hold the excess savings as credit on your account (as with any other credit amount you may accrue with your supplier). Savings could vary slightly between suppliers due to their differing views of future wholesale values and the prices offered for the wind farm's power. Ripple will periodically inform members about the different supplier options available to them and the relative savings rates available with those suppliers.

If you are on a green tariff then the REGO certificates associated with your generated power will correlate with the green power you consume. If you are not on a green tariff then the REGOs for your generated power may be used for someone else's green power, although you would still get all the savings due to you. All Co-op Energy tariffs are green by default. All E.ON Next's fixed tariffs are also green. Tariffs for other suppliers will be clarified in due course.

## How to apply

To apply for shares in the co-op follow the steps on Ripple's website [www.rippleenergy.com](http://www.rippleenergy.com). There you can use the calculator to get an idea of how many shares you would need to own to meet your electricity needs. When stating your consumption estimates you should use those indicated on your bills rather than the generic examples provided on the Ripple website.





## Share Offer Timetable

The offer will be open for 6 weeks, or until all the shares are sold, or when the total financial target is otherwise met, whichever is the sooner. If the shares are not all sold at the end of the 6 weeks, the Board may decide, at its discretion, to extend the offer period.

When you join the co-op you will be provided with your customer agreement completed with your details. If the share offer is successful and enough capital is raised, you will be notified, and the coop will use the capital to purchase the project and progress to construction. If the share raise is unsuccessful (even with the contributions from any co-investors as described in Section 9) and the coop cannot proceed to construction then all funds will be returned to the members and they will be deemed to have withdrawn their shares and cease to be members of the coop. In that instance Ripple would seek to launch an alternative share offer as soon as possible.

## Q&A

Ripple's [FAQ webpage](#) has further information about the model and the wind farm.

## 06. About Ripple

### Ripple's mission

Ripple's mission is to make green energy ownership affordable and accessible for everyone. It wants to help people take genuine, tangible action to create a clean energy future. Directly enabling a wind farm to be built, one that will generate green, zero carbon power for 30 years, has a big, positive, and long-term effect on climate change.

Ripple's pilot project, the Graig Fatha wind turbine in south Wales, demonstrated Ripple's innovative ownership model. It has generated over 13GWh to date, saving nearly 7,000 tonnes of CO2. Kirk Hill in Ayrshire demonstrated the scale and wide appeal of the model, and the Derril Water Solar Park coop share raise of £20m set a new British record. Whitelaw Brae Wind Farm is a further evolution of Ripple's model as it makes clean energy ownership accessible to a wider range of consumers than ever before due to Whitelaw Brae's scale.

### The background to Ripple

Ripple was founded by Sarah Merrick in 2017. After working in the renewable energy sector since 2000 she wanted to give people the opportunity to own their own source of large scale, low-cost renewable power. Wind and solar had become the UK's cheapest sources of power. Large corporations had been able to own their own source of low-cost renewable energy for a number of years and Sarah wanted households to have the same opportunities.

Ripple has grown from three people in 2019 to 32 people in 2024. Ripple is a privately-owned, for-profit company. It has raised £6.4m of investment to enable it to develop its platform and expand. Most of Ripple's investment has come from crowdfunding via the Seedrs platform with nearly 5,000 individual investors participating.

### Achievements and Recognition

- ▶ **Ripple won Startup of the Year 2021 in the Wind Investment Awards and won the Technology & Business Innovation Award at the Net Zero Energy Transition Awards in 2023.**
- ▶ **The Kirk Hill coop won the Judges' Award at the Scottish Green Energy Awards in 2023.**
- ▶ **The Graig Fatha coop won Inspiring Coop of the Year at the Co-operatives UK awards 2021.**
- ▶ **Graig Fatha has also been featured as a case study in the Welsh Government Energy Service's [Annual Report](#).**

## UK Green Business Awards 2023



## 07. The wind farm

Whitelaw Brae Wind Farm will be located approximately 15km north of Moffatt in the Scottish Borders. It will comprise 14 x V117 wind turbines, each rated 4.3MW and up to 133.5m tall. The wind farm was developed by BayWa r.e. and consented in 2017. Since then BayWa r.e. have been working on optimising the site, its grid connection and undertaking detailed design. Some early enabling work has already been completed on site. A new site entrance has been built to provide improved access from the A701.

Property rights, grid connection offer, planning consent and other key documents required to build and operate the project have been reviewed by lawyers and technical advisors on behalf of the coop.

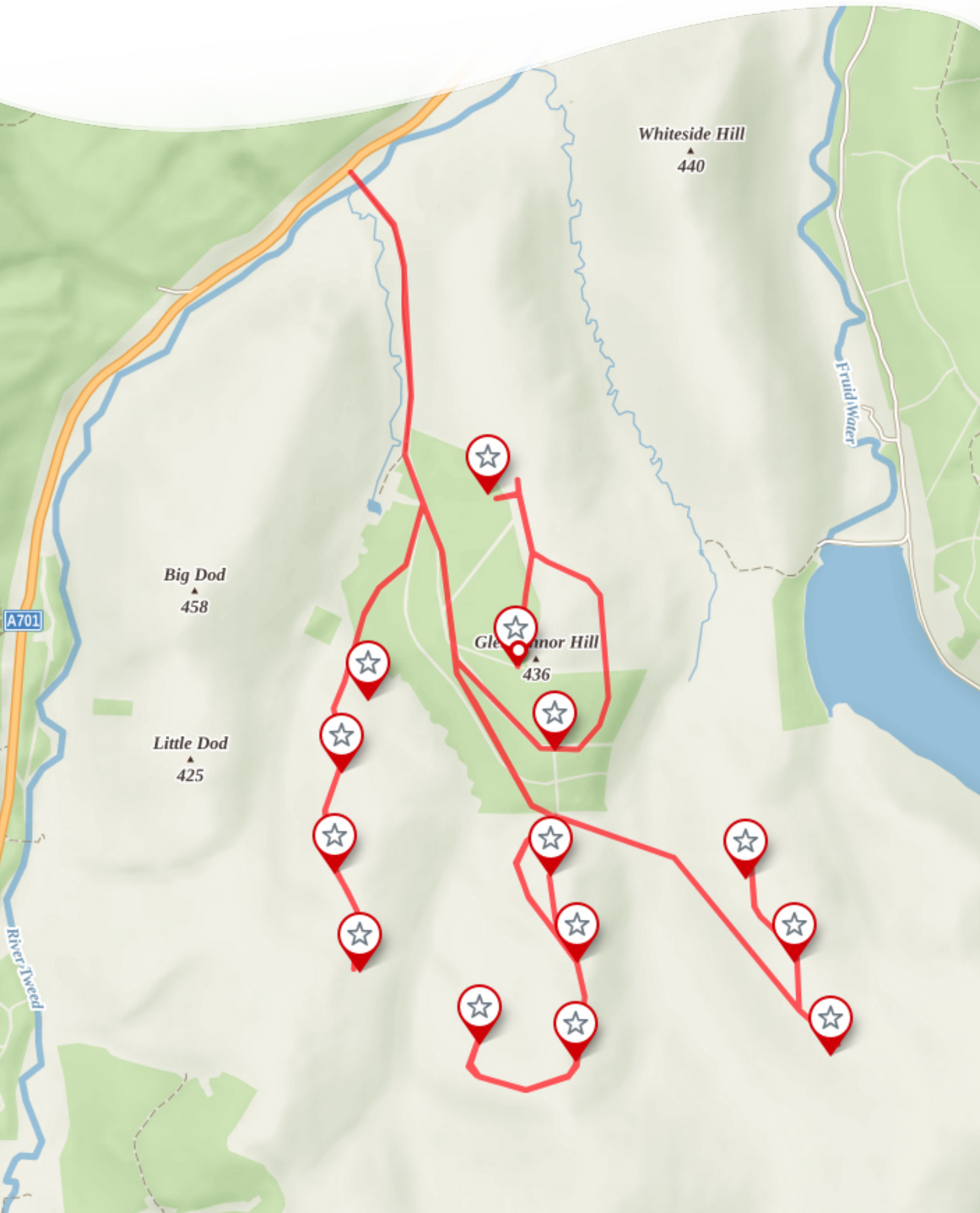


### About BayWa r.e.

BayWa r.e. have delivered 144 wind projects worldwide, installing approximately 2.5GW of wind energy. They have a breadth of experience constructing wind farms on behalf of companies buying BayWa r.e. projects and recently did so on the 42MW Dalqhandy project which was sold to Greencoat.

BayWa r.e. will provide construction management services on Whitelaw Brae, ensuring continuity for the existing stakeholders and enabling the co-op to benefit from their in-depth knowledge of the project.

# Approximate turbine locations

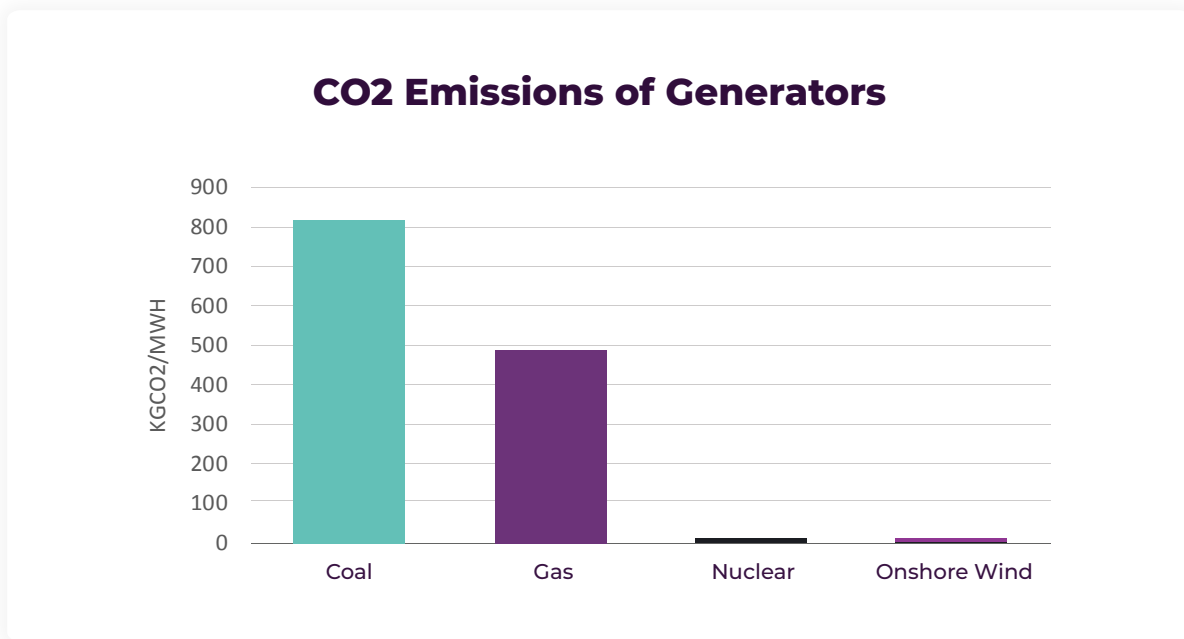




## About the turbines

The turbine supply and operations contracts are with Vestas, one of the world's leading wind turbine manufacturers.

The turbines at Whitelaw Brae will have extremely low lifecycle CO2 emissions. Across their sourcing, manufacturing, transportation, construction and decommissioning, the turbines are estimated to be responsible for just 4gCO<sub>2</sub><sup>10</sup> per kWh of electricity generated. This is low compared to other wind turbines and extremely low when compared to gas and coal generation.



It is estimated that the turbines will take about 8 months to generate as much energy as will be used in their full life cycle, including manufacturing and the decommissioning process.

On average by weight, 85% of Vestas turbines can be recycled or reused. Until recently recycling of wind turbine blades was a challenge. Vestas has, however, developed a technology which enables blades to be recycled. It dissolves the epoxy resin into its constituent materials. It can then be reused and made into new turbine blades. We therefore expect that at the end of their operational lifetime, the blades will be recycled, along with the vast majority of the rest of the turbines.

<sup>10</sup> Life Cycle Assessment. [Vestas.com](https://www.vestas.com)

## Battery Energy Storage System

At Whitelaw Brae the planning permission has made provision for a battery energy storage system. The battery will be included in BayWa r.e.'s construction management package and will be operated to augment the revenues of the coop.

## Boosting Biodiversity

A number of measures will be taken to ensure Whitelaw Brae enhances biodiversity in the local area. These include cutting the grass around the nearby water bodies to provide nesting habitats for wader birds such as lapwing, curlews and ringed plovers. In addition wader 'scrapes' will be created, which will encourage insects, an important food source for the wader birds and their chicks. A nest box for barn owls will also be installed.

Where forestry is felled, it will be replaced on lower slopes with new native broadleaf varieties of trees. Felling is already well under way. The felled forestry is monoculture spruce, which has a relatively low biodiversity value. The compensatory planting will provide much greater biodiversity benefits.

## Construction and Operation of the Project

A contract for the civil and electrical works will be entered into in the summer of 2024 and the tendering process is already underway. The construction programme accommodates the grid connection programme to enable energisation in the winter of 2026/27.

The turbines will be operated by Vestas and an asset manager will be appointed to provide 24/7 control room services that are required for the grid regulations and to monitor the wind farm.

Ripple will manage all the contractual relationships the coop has on its behalf, throughout the wind farm's life, under the terms of the management agreement between Ripple and the coop. Construction and operation contracts for the project will be shared with the coop directors but not with members owing to the confidentiality provisions contained in those contracts.

Members' electricity supply will be the responsibility of their chosen supplier.

At the end of the wind farm's operational life (expected to be 30 years), the coop directors will, alongside the coop members and any co-investors, decide what to do with the wind farm assets. It is possible that the wind farm will be decommissioned, following which any residual value will be distributed to the coop and any co-investors in the SPV according to ownership in the SPV. At that point it would be up to the coop to decide what to do with any proceeds. The coop's Rules specify that, on the winding up of the coop, any residual value should not be distributed to the members but should be transferred to some other common ownership co-operative whose purpose is aligned with the coop's.



# 08. The Cooperative Society

## Why a cooperative society?

Cooperatives enable people to do together what they can't do alone. That approach matches Ripple's mission perfectly, so a cooperative ownership structure is the logical choice for Whitelaw Brae.

Energy is all about scale. There are huge economies of scale, with large assets being able to produce electricity at a much lower unit cost than small scale ones. A cooperative enables you to share the cost of creating a renewable energy asset with others, giving you access to collective economies of scale. This enables coop members to collectively access green electricity much more cheaply than they could alone.

## Eligibility

To be eligible for shares in the society, the member must be a named electricity bill payer in Great Britain. Some of our supply partners cannot accept customers who are on pre-payment meters at this time. Note that only one person per address can become a member of the society. Businesses are also eligible to join. General information about Ripple Coop 4 is in Appendix 2.

## Voting rights

Every member of the coop gets one vote in all votes, regardless of how many shares they own. This gives everyone a genuine say in all important decisions regarding the wind farm.

## Elections

There will be an election for the Board at the coop's first AGM. The founding Board members (the Directors of the coop listed in this document) will offer to resign and a new Board will be elected. A majority of the Board positions are reserved for election by the members from within the membership, alongside up to two directors appointed by Ripple and up to a further two directors "co-opted" to the Board on the basis of specific skills required by the Board.

## Use of proceeds

The share capital will be used to fund the wind farm company (the Special Purpose Vehicle or "SPV") by way of shares and loans and thereby (alongside any co-investors and bank or fund finance) fund the wind farm's construction. Any remaining funds shall form operating contingency.

## Withdrawing shares

All shares offered as part of this share offer (defined as "A Shares" in the Rules) are withdrawable, at the discretion of the Board. Any member withdrawing their shares may be prevented from joining future Ripple managed projects.

A percentage of each member's shares will be withdrawn each year automatically, as part of savings on members' electricity bills. The Board expects to repay 4% of share capital each year in this way. Regardless of shares being withdrawn, members will still own the same proportion of the wind farm and receive savings due to them based on the watts they own throughout the life of the wind farm.

Should you wish to withdraw all your shares, because you no longer wish to be part of the coop, you need to contact Ripple giving at least 30 days' notice. Ripple will maintain a waiting list of members wishing to increase their share ownership. If the waiting list for shares is greater than the number you wish to withdraw, you will be able to withdraw your shares. The corresponding number of new shares will then be issued to those members wishing to increase their ownership.

If the waiting list for shares is lower than the number you wish to withdraw, you may not be able to withdraw your shares at that time. The Board will consider whether any additional sum required to repay your residual share value can be safely and fairly met from the coop's reserves. If they cannot, the residual value of your shares will be calculated at that time and will be paid to you when the Board considers it is able to do so.

Payment for withdrawn shares will be calculated by reference to their residual value. The value life of the wind farm is five years less than the expected 30 year operating life. Each year of operation the Board expects to repay 4% of share capital to each shareholder. If that repayment is achieved the co-op will withdraw 4% of the shares (but you still own the same number of watts and hence will still be due the same proportion of the wind farm's generated power).

As an example, if you wish to withdraw your shares after 5 years of operation, 20% of your share capital should have been repaid by that point as part of the savings on your bills and so 20% of your shares will have been withdrawn by the coop. The residual value would therefore be 80% of your initial share capital, meaning you would be eligible to receive 80% of your original share purchase if you choose to withdraw your remaining shares.

The Ripple arrangement fee is not repayable in the event of share withdrawal.

**No shares may be withdrawn before 24 months of the wind farm's operating life** (start is expected to be the winter of 2026/2027), except for those automatically withdrawn as part of savings on members' electricity bills.

It is not possible to request a partial withdrawal of shares.

All withdrawal requests are subject to a withdrawal fee of £50.

## Shares are non-transferable

Shares in the coop are non-transferable, except upon death. You are not able to directly sell or otherwise transfer your shares to someone else, even someone you live with. If there are multiple people in a household, please consider who would be the most appropriate person to become the member of the coop for the long term. If you wish to withdraw your shares, an equal number of new shares issued by the coop will be made available to people on the waiting list.

## Shares are portable if you move home

If you move home then you can keep your shares, provided you remain supplied by one of Ripple's supply partners buying power from the wind farm and you continue to live in Great Britain. Your savings will simply be applied to your electricity bill in your new home.

## What if you die?

Shares can be transferred to someone else if you die whilst a member of the coop. This is the only situation in which they are transferable. Using the Ripple dashboard you can assign up to four people to inherit your shares upon your death. Your shares will then transfer to that person/s, should they wish to accept them, after your passing. Please keep the contact details for the named contacts up to date on your customer dashboard and make them aware of your wishes and reflect your shares in your will. Shares in unlisted entities such as coops benefit from business relief on inheritance tax (correct as at share offer launch)<sup>11</sup>. This means your beneficiaries are unlikely to pay inheritance tax on coop shares you pass to them in the event of your death.

## Level of involvement

The coop is a democratic society, run for its members, by its members. Its values are set out in Appendix 4. We encourage you to be as involved as you want to be and we will make it as easy as possible for you to participate. For example, all member meetings, including the Annual General Meeting will be held virtually. You will be able to join via the internet or by phone. This means everyone can take part, regardless of where in the country they live. It will also avoid the cost and emissions of people having to travel to meetings. Voting will also be carried out online.

If you don't wish to participate there is no requirement to do so.

## Co-op Rules

The co-op Rules can be accessed [here](#). These rules set out how the society will conduct itself, and include the details of member meetings, director elections, and other formal matters.

<sup>11</sup> <https://www.uk.coop/resources/community-shares-handbook/8-tax-treatment/86-inheritance-tax-cs>



## Customer Agreement

When joining you will be required to agree to the terms of the Customer Agreement. The Customer Agreement sets out in detail the terms of your ownership of shares in the society, the payments due to you and from you, and how Ripple will manage that relationship. You can review the Customer Agreement during the sign-up process on Ripple's website.

The Customer Agreement, along with the coop's Rules and this offer document, together constitute the terms and conditions of the offer.

### The key terms of the Customer Agreement include:

- ▶ how you become a member of the coop by applying to purchase shares through this offer, including the requirement to pay the cost of the shares and Ripple's arrangement fee, together expressed as the joining fee;
- ▶ how your savings are calculated, including via a withdrawal of your share capital;
- ▶ how you can apply for additional shares, also expressed in watts;
- ▶ in what circumstances and how the Board might ask (but not oblige) you to contribute more share capital to the coop;

- ▶ in what circumstances the agreement might be terminated and your membership of the coop ceases;
- ▶ the minimum term of the agreement; and
- ▶ the right for individual members to change their mind up to 14 days after joining.

## Ripple Management Agreement

### The key terms of the Management Agreement are:

- ▶ A description of the services provided by Ripple to the coop and the company owning the wind farm (the SPV), such as construction management, managing the operations of the wind farm, liaising with energy suppliers and communicating with members on behalf of the coop;
- ▶ A description of the fees paid for those services; and
- ▶ The circumstances under which the Board can terminate the agreement, including if Ripple breaches the terms of the agreement.

Applicants may contact the Board or Ripple if they would like any further information on the Management Agreement.



## 09. Potential co-investors and bank finance

Ripple's aim is to give consumers access to larger scale wind farms and solar parks, enabling consumers to benefit from the economies of scale such projects achieve. Enabling companies to invest in projects alongside Ripple managed cooperative societies can help gain access to those large-scale projects. This approach has been successfully used on the first two of Ripple's projects and may be applied at Whitelaw Brae.

The Whitelaw Brae Wind Farm assets (being construction contracts, property agreements, grid offer, physical assets, power purchase agreements with suppliers etc) will be held in a company known as a 'special purpose vehicle' (SPV). Together the coop and any co-investors will own 100% of the SPV as SPV shareholders. Each SPV shareholder will be allocated its share of the wind farm's power according to its proportionate contribution to the costs of the SPV. The coop is likely to be the majority shareholder of the SPV.

The co-investors for Whitelaw Brae have not been finalised yet, but if the coop board is of the view that a co-investor's involvement in the wind farm would materially change the proposition for coop members, then members will be notified and given the opportunity to withdraw their shares and receive their share capital and arrangement fee back.

The coop will enter into shareholders' agreements with co-investors to ensure risks and responsibilities will be apportioned according to each party's share of the SPV. The coop's interest in these agreements will benefit from an appropriately qualified commercial law firm's input.

The SPV shareholders' shares will rank equally with each other, and each shareholder will be required to contribute to the SPV their share of the capital at the same time and the same p/kWh generated from their share of the power, regardless of their trading arrangements.

Ripple will manage the SPV and the coop under the terms of the Management Agreement.

To complement the equity from the coop and co-investors, Ripple expects that around half the project will be funded either through a bank finance facility or an investment fund or a combination of the two.





## Bank finance

Ripple will secure a term sheet for any funding requirement following the completion of the share offer. This would typically be a term sheet from a bank. Electricity from the share of the project funded by bank finance would be sold at full price to repay the debt. It would be expected that the facility would be repaid over 15-20 years. Once the facility is repaid, the share of the generation that had been allocated for servicing the finance could instead be allocated to the coop. This would effectively increase each member's share of the generation. It would be expected to increase the level of bill savings as a result. **This additional saving has not been included in the lifetime saving estimates set out in this document.**

## Investment fund

Ripple is working with an investment fund that is focused on delivering Sustainable Development Goals (SDG's) and for which Whitelaw Brae and the Ripple model would be a very good fit. The proportion of power generated that equates to the proportion of the capex that the fund meets would be used for fuel poverty action. Conservative assumptions suggest that over 27,000 households could be helped out of fuel crisis<sup>12</sup> each year with this fund's input, that would increase substantially in the event the funding did not need to be repaid.

<sup>12</sup> On the basis of a £49 winter voucher provided via the Fuel Bank Foundation that Ripple has worked with at Graig Fatha.

## 10. The Team

### The Co-op Directors



#### **Rob Sauven (Chair)**

Rob has 35 years' experience in renewables with deep knowledge of the technology covering on and offshore wind, solar and grid scale batteries. Rob has held senior leadership roles at Vestas, GE and RES and now consults on M&A deals and advisory work in this space. His clients now include KKR, Blackrock, Triton and EQT as well as major consulting firms including McKinsey and Bain.



#### **Laura Thomas**

Laura brings experience from the political sector where she has been promoting the work of local actors across Europe to create synergies, develop multidisciplinary networks, and facilitate cross-sectorial learning. As a former teacher, she's also experienced in communicating complex issues in a simplified and easily understandable way. Her passion for the natural environment sees her focus on issues such as biodiversity and sustainable agriculture, and she is currently retrofitting a farmhouse in Ireland to improve its energy-efficiency.



#### **Ursula Stevenson**

Ursula has nearly 25 years' experience in environmental consultancy managing projects in energy, transport, coastal and marine works. As Director of her company, Tresor Consulting, she undertakes Environmental Impact Assessment (EIA) and environmental management for major infrastructure and construction projects. In addition, she sits on both the National Impact Assessment Steering Group and a Membership Assessment Group for the Institute of Environmental Management and Assessment (IEMA). In her spare time she is a Trustee for two local charities, Rame Conservation Trust and Cornwall Climate Care.

### **Declaration**

Ripple Coop 4 Ltd and its Directors are responsible for the information given in this offer document. Ripple Coop 4 Ltd and each of its Directors hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this offer document is to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its meaning.

# Ripple Directors



## Sarah Merrick

Is the CEO and Founder of Ripple. She drives the company forwards using her 23 years of experience in the renewable energy industry. Prior to setting up Ripple she worked as Head of Public Affairs at Vestas, alongside being Vice-Chair of RenewableUK, the UK trade body for the wind sector.

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## Will Dodd

Is the Chief Financial Officer for Ripple, ensuring the coop's finances are in good order and that statutory reporting is carried out properly. He has over 20 years experience in finance and risk having previously worked at Ernst & Young, Lloyds Banking Group and Societe Generale.

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## Miklos Parrag

Is the Chief Technology Officer of Ripple and is responsible for the design and management of the platform and its integration with electricity suppliers. Miklos has 30 years experience in technology, working for a range of startups and ecommerce websites.

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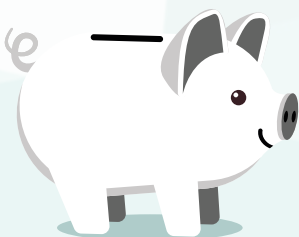
## Simon Peltenburg

Is Ripple's Chief Projects Officer and has been managing the coop's due diligence on Whitelaw Brae and will be responsible for its progress through construction and operation phases. Simon is a highly experienced wind farm developer, leading RES' project development in Scotland prior to joining Ripple.

**The Ripple Directors are supported by a dedicated team of 28, covering Project Management, Technology, Legal, Membership Services, Marketing and Finance.**

# 11. The Shares & Returns

| Issuer                                  |   | Ripple Coop 4 Ltd      |            |            |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|---|---|------------------------|------------|------------|--|-------|--|-----|-----|-----|---|------|-----|-----|-----|------------------|------------|------------|------------|---------|-----|-----|-----|-----|-----|-----|-----|--|--|------------------------|--|--|--|--|-----|-----|-----|---|------|----|----|----|------------------|-----------|-----------|-----------|---------|----|----|----|-----|----|----|----|
| <b>Target amount to be raised</b>       | £56,312,000 including arrangement fee   |                        |            |            |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
| <b>Status</b>                           | A Shares in the coop, which are withdrawable and non-transferable   |                        |            |            |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
| <b>Return on Investment</b>             | <p>The savings that members receive on their electricity bills will depend on the performance of the wind farm and the wholesale price of electricity. The table below illustrates the equivalent potential return (IRR%) over the wind farm's 30 year expected operational life for different energy yield scenarios (<b>P50, P75 and P90</b>). This and the other calculations assume 2% inflation and the shares are bought in a single instalment.</p> <table border="1"> <thead> <tr> <th colspan="2">IRR's</th> <th>P50</th> <th>P75</th> <th>P90</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Electricity Price Forecast<sup>9</sup></td> <td>High</td> <td>7.0</td> <td>7.0</td> <td>6.3</td> </tr> <tr> <td><b>Base Case</b></td> <td><b>6.3</b></td> <td><b>5.5</b></td> <td><b>4.9</b></td> </tr> <tr> <td>Central</td> <td>5.4</td> <td>4.7</td> <td>4.0</td> </tr> <tr> <td>Low</td> <td>3.2</td> <td>2.5</td> <td>1.8</td> </tr> </tbody> </table> <p>The following table shows the expected payback period - the year when your cumulative savings will be equivalent or greater than the cost of your shares in the coop - under different wholesale electricity price forecast and energy yield scenarios.</p> <table border="1"> <thead> <tr> <th colspan="2"></th> <th colspan="3">Payback Period (years)</th> </tr> <tr> <th colspan="2"></th> <th>P50</th> <th>P75</th> <th>P90</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Electricity Price Forecast<sup>9</sup></td> <td>High</td> <td>13</td> <td>14</td> <td>15</td> </tr> <tr> <td><b>Base Case</b></td> <td><b>15</b></td> <td><b>17</b></td> <td><b>18</b></td> </tr> <tr> <td>Central</td> <td>17</td> <td>18</td> <td>19</td> </tr> <tr> <td>Low</td> <td>21</td> <td>23</td> <td>25</td> </tr> </tbody> </table> |                        |            |            |  | IRR's |  | P50 | P75 | P90 | Electricity Price Forecast <sup>9</sup> | High | 7.0 | 7.0 | 6.3 | <b>Base Case</b> | <b>6.3</b> | <b>5.5</b> | <b>4.9</b> | Central | 5.4 | 4.7 | 4.0 | Low | 3.2 | 2.5 | 1.8 |  |  | Payback Period (years) |  |  |  |  | P50 | P75 | P90 | Electricity Price Forecast <sup>9</sup> | High | 13 | 14 | 15 | <b>Base Case</b> | <b>15</b> | <b>17</b> | <b>18</b> | Central | 17 | 18 | 19 | Low | 21 | 23 | 25 |
| IRR's                                   |   | P50                    | P75        | P90        |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
| Electricity Price Forecast <sup>9</sup> | High  | 7.0                    | 7.0        | 6.3        |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   | <b>Base Case</b>  | <b>6.3</b>             | <b>5.5</b> | <b>4.9</b> |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   | Central   | 5.4                    | 4.7        | 4.0        |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   | Low   | 3.2                    | 2.5        | 1.8        |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   |   | Payback Period (years) |            |            |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   |   | P50                    | P75        | P90        |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
| Electricity Price Forecast <sup>9</sup> | High  | 13                     | 14         | 15         |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   | <b>Base Case</b>  | <b>15</b>              | <b>17</b>  | <b>18</b>  |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   | Central   | 17                     | 18         | 19         |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |
|   | Low   | 21                     | 23         | 25         |  |       |  |     |     |     |   |      |     |     |     |                  |            |            |            |         |     |     |     |     |     |     |     |  |  |                        |  |  |  |  |     |     |     |   |      |    |    |    |                  |           |           |           |         |    |    |    |     |    |    |    |



## Issuer

Ripple Coop 4 Ltd

### Return on Investment

A typical home buying shares at a total cost of £1,915 on the basis that they want their share of the wind farm to generate about 2,700kWh per annum could receive the following average annual potential savings for the (30 year) life of the project:

|   |                  | Average Annual Savings (£) |            |            |
|---|------------------|----------------------------|------------|------------|
|   |                  | P50                        | P75        | P90        |
| Electricity Price Forecast <sup>9</sup> | High             | 210                        | 204        | 199        |
|   | <b>Base Case</b> | <b>183</b>                 | <b>178</b> | <b>172</b> |
|   | Central          | 160                        | 154        | 149        |
|   | Low              | 113                        | 108        | 102        |

Potential members can see indicative savings for different levels of ownership on [www.rippleenergy.com/](http://www.rippleenergy.com/). Savings are entirely proportional to scale of ownership.

## Tax treatment of your bill savings

From a tax perspective the trading benefit (but not the repayment of share capital) is treated as interest income. It will count towards your annual interest allowance, which means you may need to declare it as part of your tax return. Ripple will provide an annual breakdown of your savings on your customer dashboard indicating the level of trading benefit each year.

Prospective members might want to choose who in their household is in the best position to sign up to Ripple, in line with current tax responsibilities and thresholds.

## 12. Risk Factors

**All investment and commercial activities carry risk and investors should take appropriate advice and make their own risk assessment whilst bearing in mind the social and environmental objectives of this investment opportunity.**

**If you are in any doubt about the contents of this document or the action you should take, you are strongly recommended to consult a professional adviser authorised by the Financial Conduct Authority to advise on investment in unlisted debt, shares and other securities.**

The Directors believe the following risks to be the most significant for potential shareholders. However, the following risks do not necessarily comprise all those associated with an investment and are not intended to be presented in any assumed order or priority.

### General investment risks

**A. Capital Risk:** Investment in smaller, new and unquoted businesses is likely to involve a higher degree of risk than investment in larger, established companies and those traded on a stock exchange. Investing in shares is not the same as investing money in a bank account as your capital is at risk and you could lose up to, but no more than, your entire investment.

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**B. Savings:** A purchase of shares of this type is speculative and involves a degree of risk. The coop's ability to deliver savings to members is dependent on the success of its business model which is largely determined by how much electricity it generates and its wholesale value.

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**C. Unsecured:** The shares are an unsecured investment and in the event of the coop's insolvency will rank behind all other creditors. It is possible that the SPV will take on secured debt to support finance of the project. In the event of the SPV's financial failure, the secured lender would rank ahead of the coop regarding claims over the wind farm assets. In turn, in the event of the coop's financial failure, you may not be repaid in full, or at all, should the proceeds from a sale of the coop's share of the wind farm assets fail to cover its other liabilities.

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**D. Liquidity:** The shares are non-transferable and will not be traded on a recognised exchange. You should consider your ownership to be an illiquid asset.

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**E. Share withdrawal:** Shares can be withdrawn by members terminating their Customer Agreement by giving notice to Ripple or as otherwise described in the Customer Agreement and subject to the discretion of the directors of the coop. If no one wishes to buy a corresponding number of shares, or the coop lacks sufficient cash, the value of the shares you wish to withdraw may not be paid until such time as the Board decides it is reasonable to do so. No shares may be withdrawn before the two-year anniversary of the start of the wind farm's generation (expected to be from winter 2026/27), except for those automatically



withdrawn as part of savings on members' electricity bills. **This means around four years between the point of applying and being able to apply to withdraw shares.**

In the event of the coop's insolvency, members who have been repaid their share capital less than one year before its winding up begins may be required to contribute to repaying any liabilities which cannot be covered by the current members, in accordance with the statutory position under section 124 of the CCBSA 2014. Such contribution would not be greater than the value of the repaid share capital.

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**F. Long-term commitment:** Applicants should note that it may not be possible to recoup the value of shares and so should regard shares as a long-term commitment which may span the 30-year operational life of the wind farm.

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**G. The Shares are not covered by the Financial Services Compensation Scheme (FSCS)** – this means there is no right to compensation from FSCS.

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**H. Past performance is not necessarily a guide to future performance:** Events in the past, or experience derived from these, or indeed present facts, beliefs or circumstances from any of these, do not predetermine the future.

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**I. Financial and performance projections:** Hopes, aims, anticipations, targets, projections (including the financial projections in this offer), plans or intentions contained in this document are no more than that and should not be construed as forecasts.

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**J. Tax:** The trading benefit portion of savings on your electricity bills will be taxable should your interest income allowance for that tax year be exceeded. The cooperative society may inform HMRC of the total savings you have received in any one tax year.

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## Risks Associated with the Wind Farm

**K. Capital cost overrun:** The capital costs set out in this share offer document are estimates based on the best available knowledge as civil and electrical works contracts have not been entered into yet. Whilst contingency is factored into estimated costs and every care is taken to ensure capital budgets are adhered to, there is always a risk that unforeseen circumstances lead to costs being higher than anticipated. If capital costs are higher than anticipated then additional finance may be required or early year bill savings may need to be reduced to cover the unexpected costs.

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**L. Construction delay:** The timeline set out in this share offer document is an estimate. There is always a risk of delay to both construction of the turbines and the grid connection. Delays have the potential to increase costs, as well as delaying the point at which coop members begin to receive savings on their electricity bills.

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**M. Equipment failure:** The wind farm will be insured for damage, breakdown, and loss of income in line with standard industry practice. Breakdowns and parts failures will be covered by the equipment supplier's service agreement. However, there may be interruptions to the generation of electricity from the wind farm once built, caused by damage to or mechanical/electrical failure of equipment or other factors, which would affect the amount of savings due to members.

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**N. Wind farm performance:** The coop's assumptions around electricity generation levels each year are based on independent third-party assessments, carried out using data collected on site and long-term commercial meteorological data. They rely on calculations using methodologies commonly used by the industry for wind farms of this scale. However, long-term changes to or inherent variability in weather patterns and/or equipment under performance may result in lower levels of electricity generation and therefore savings.

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**O. Wind farm contracts:** BayWa r.e. will manage the construction of the project. Whilst cost and delay protection is typically sought in contracts for the turbine supply and civils works etc it is not always possible, or cost efficient, for all risks to be mitigated. As a result some contractual risks will remain.

The grid connection programme presented here is believed to be a reasonable estimate and reflects the grid connection offer from Scottish Power Transmission Limited.

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**P. Electricity prices:** The savings that may be achieved from ownership of the shared wind farm are highly dependent on future wholesale electricity prices. Higher wholesale electricity prices would tend to lead to a higher savings rate, lower wholesale electricity prices would tend to lead to a lower savings rate.

In the unlikely event the wholesale value of the power generated is less than the operating cost of the wind farm, then appropriate action will need to be taken by the Board. Such action may include seeking to reduce the operating costs or obtaining short term finance or seeking additional investment from the members in order to meet the necessary shortfall. Additional investment would not be mandatory, but those who do not participate may see an adjustment in the percentage of shares they own in the coop.



The Review of Electricity Market Arrangements (REMA) may lead to changes in the wholesale market framework which could impact the wholesale value of the generation from the wind farm. The outcome of REMA is not clear at this time, so the financial modelling presented here is on the current basis.

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**Q. Grid Charges:** There are a number of changes being proposed by grid operators and Ofgem (particularly via REMA) that may affect the revenue and operating costs of the wind farm. However, it is not known what those changes will be, nor the quantum, so the financial modelling presented here is on the current basis.

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**R. Grid Export:** The grid connection for the wind farm has a maximum export capacity of 57MW and the ability of the wind farm to export to the grid may be constrained at times when there is a high level of generation on the network or unplanned outages. An independent assessment of such curtailment and constraint has been used to inform the estimated yields described in this share offer.

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**S. Range of Suppliers:** It is anticipated that household members will be able to choose to be supplied either by Your Co-op Energy (powered by Octopus Energy), E.ON Next, British Gas, Ecotricity and EDF and get their savings applied to their bill. In addition, customers of other brands managed by Octopus Energy can become members and get their savings applied to their bill. Business members of the co-op will be able to be supplied by E.ON Next (SMEs only) and British Gas, Ecotricity, EDF and Unify Energy (all sizes). Additional supply partners may be brought on over time, but this cannot be guaranteed. It is possible that suppliers will terminate their partnerships with Ripple (or cease operating), in which case members would need to switch to a different partner supplier.

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**T. Co-investors:** Any co-investors owning shares in the SPV alongside the co-op may have differing views from the co-op on decisions affecting the wind farm and how finance is handled. The shareholders' agreement and power purchase agreements reduce the potential for such events to have a material bearing on the wind farm and savings to members of the co-op. The co-op directors will take appropriate legal advice on the terms of those agreements.

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**U. Ripple's Services:** in the event Ripple were to fail in its duties or cease operating then the coop board would need to find an alternative service provider to provide the management services, but the project would continue to operate. Members may not receive savings until such time as a replacement provider is in place.

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# 13. Appendix 1 - Key Facts & Glossary

**Applicant:** an applicant for shares.

**Application:** the application process for shares in the coop is online at [www.RippleEnergy.com](http://www.RippleEnergy.com).

**Arrangement fee:** 5.5% +VAT of the share capital purchased, when paid in one go. For a typical household owning enough of the wind farm to meet 100% of their electricity needs (2700kWh) this would be £119. For those purchases paid in instalments, the arrangement fee is 8% +VAT of the share capital purchased.

**Co-investors:** parties that invest alongside the coop in the SPV.

**Coop: Ripple Coop 4 Ltd** – a cooperative society registered with the Financial Conduct Authority (number 4999).

**Directors:** the directors of the Ripple Coop 4 Ltd cooperative society, collectively referred to as 'the Board'.

**Eligibility:** to be eligible for shares in the society, the member must be an electricity bill payer in Great Britain. Some suppliers cannot accept members who are on pre-payment meters at this time. Note that only one person per address can become a member of the coop. Businesses can also apply to be members of the coop.

**Interest/Trading benefit:** as the wind farm will be generating electricity for members' use via the grid, there won't be dividends paid on investment in the typical sense. Members will receive their share of the wind farm's generated value as savings on their electricity bills. Ripple will produce an annual statement for members to show the split between return of capital and trading benefit (considered as interest income for tax purposes.)

**kWh:** Kilowatt hour – a volume of power generated. 1kWh is 1/1000<sup>th</sup> of 1MWh.

**Management Fee:** 0.3p/kWh or 2% of revenue. This works out at around £9 per year for a typical

household owning enough of the wind farm to meet 100% of their electricity needs (2,700 kWh).

**Minimum purchase per applicant:** £25

**Maximum purchase per applicant:** the maximum number of shares is what would generate the equivalent to 120% of the member's annual electricity demand. This maximum applies in aggregate across all Ripple managed renewable energy projects. Members wishing to own shares than would be expected to generate more than 8,400kWh per year (equivalent to 120% of an electricity demand of 7,000 kWh), will be requested to provide evidence of consumption to Ripple in the form of an electricity bill or other agreed document. Members can invest a maximum of £100,000 in the coop.

**MW:** Megawatt, equalling 1 million watts of power.

**MWh:** Megawatt hour – a volume of energy generated. 1MWh would be generated in one hour by 1MW operating at full capacity.

**Offer:** the offer of A shares in Ripple Coop 4 Ltd contained in this offer document.

**Offer Period:** the period during which the offer will remain open (including any extension) as set out in the offer timetable on page.

**P50:** as the energy production of a wind farm is variable according to the weather, the energy yield estimate is given as a probability. P50 is the annual generation estimate for which there is a 50% probability that the wind farm will generate more electricity than the P50 estimate on average during its 30 year life. The P50 yield is estimated to be 145,700MWh.

**P75:** is as per the P50 but with a 75% probability that the wind farm will generate more electricity than the P75 estimate on average, and is therefore lower than the P50 estimate. The P75 yield is estimated to be 136,100MWh.



**P90:** is as per the P75 but with a 90% probability of being exceeded and is therefore lower than the P75 estimate. The P90 yield is estimated to be 127,400MWh.

**Payback Period:** means the period at the end of which the cumulative savings applied to your bills will be equivalent or greater than the cost of your shares in the co-op (including Ripple's arrangement fee).

**Projections:** the financial projections as set out in Section 11.

**REGO:** Renewable Energy Guarantee of Origin is a certificate that is allocated for every MWh of green electricity that is generated. Suppliers need to demonstrate they have sourced a REGO for every MWh of green electricity they have sold, and meet a minimum threshold of green energy in their fuel mix disclosure.

**Residual value of shares:** the amount you will be repaid when requesting to withdraw your shares. The residual value of members' shares when they withdraw will be less than what they paid, to account for the capital sums already repaid during their time as a shareholder, and the arrangement fee paid to Ripple.

**Savings rate:** the level of savings, expressed on a p/kWh basis, usually set on an annual basis. It is the difference between the wholesale value of the generation, minus the wind farm's operating cost.

**Shares:** the shares to be issued by the coop under this offer, defined as A Shares in the Rules.

**Share Value:** Nominal value of £0.01 per share

**SPV:** the special purpose vehicle that owns the assets of the wind farm and will be owned by the coop and, if necessary, co-investors. The SPV is Whitelaw Brae Windfarm Limited, registered company number SC456527.

**Target:** the target amount to be raised by the offer, being £56,312,000 including arrangement fees.

**Terms and Conditions:** The terms and conditions of the offer contained in and constituted by this offer document, the Customer Agreement and the coop's Rules

**Voting rights:** one vote per member, regardless of the number of shares they own.

**Whitelaw Brae Wind Farm:** is the proposed wind farm which shall be located about 3 km south of Tweedsmuir in the Scottish Borders.

**Withdrawable:** the term used to describe how shares are "withdrawn" by a member, as a means of getting back their share capital. Shares can be withdrawn by members no earlier than 24 months after the wind farm starts to operate, and all withdrawals are subject to the Board's discretion and the coop's Rules. Members who withdraw from a Ripple managed project may be prevented from joining future Ripple managed projects.

**Withdrawal fee:** a fee of £50 payable to Ripple upon the successful withdrawal of shares. The fee shall be deducted from the repayment of share capital to the member.

## How to apply

To apply for shares in the coop follow the steps on Ripple's website [www.rippleenergy.com](http://www.rippleenergy.com). On the site you can use the calculator to get an idea of how many shares you would need to own to meet your electricity needs. You should decide how many shares you want based on your actual electricity use (found on your electricity bills) rather than the calculator.

# 14. Appendix 2 - General Information on Ripple Coop 4 Ltd

## Structure

Ripple Coop 4 Ltd was formed and registered with the Financial Conduct Authority as a Cooperative Society (number 4999) on 8 December 2022 with registered office at c/o Ripple Energy Limited, 2 Beresford Terrace, Ayr, KA7 2EG.

A Cooperative Society is a legal form which conducts business for the benefit of its members. It has shares that can be purchased by the public, who by purchasing shares become members of the society.

Up to five Directors of the society are appointed by the members at the annual general meeting, subject to the Rules of the coop. A further two Directors can be co-opted by the Board and two can be nominated by Ripple. Administration and management of the coop is the responsibility of its Directors. Only Members have the right to vote at members' meetings.

## Management

The coop will have no employees and the business is not dependent on key individual employees. Day to day operations will be managed by Ripple Energy under the supervision of the Board. The Board bears ultimate responsibility to the Members for the management and administration of the coop, acting on reports and advice from Ripple Energy and from third-party contractors.

## Disclosure Statement

The Directors of the coop have not, for at least the past five years, received any convictions (for any fraudulent offence or otherwise), or been involved in any bankruptcies, receiverships, or liquidations, or received any public reprimand or sanction by a statutory or regulatory authority or designated professional body, or been disqualified from any function by any court.

## Conflicts of Interests Statement

None of the Directors are connected to employees or directors of Ripple Energy

The Directors are not aware of any other actual or potential conflicts of interest.

## Remuneration Statement

Each Director is entitled to be reimbursed up to £500 per annum (RPI linked) to cover reasonable expenses incurred in the service of acting as a Director.

The Directors are acting as Directors because they are committed to the success of the coop's business, its ability to directly benefit the surrounding community and to make a difference by their own actions to the environment.

Directors do not benefit from pension schemes or share option schemes and, except for the reimbursement of properly incurred expenses, there are no benefits for Directors.

Directors serve in accordance with the Rules of the coop. There are no service contracts for the Directors.

It is intended that some or all of the Directors will apply for shares.

## Major Shareholders

There are currently no major shareholders in the coop and in the context of a cooperative society such a concept is of limited significance. There is a principle of one vote per member whatever a member's holding. No individual, organisation or groups of individuals or organisations has control, given the one Member, one vote governing principle.



## 15. Appendix 3 - Information on Tax

Some of the savings realised by members may be subject to United Kingdom tax. **Applicants should consider obtaining professional tax advice if they are unsure of their position.**

The repayment of share capital (intended to be 4% per annum) will not be taxable.

We understand that the trading benefit element of savings, which is the part of savings not represented by the repayment of share capital, will be treated as interest income for tax purposes. UK taxpayers have an annual personal savings allowance which depends on which income tax band they fall into. For basic rate income taxpayers it is £1,000, for higher rate income tax payers it is £500, and for additional rate income tax payers it is £0. Any interest income, either from the wind farm or other unrelated sources, above an individual's personal savings allowance may be subject to tax.

It will be the individual responsibility of members to declare this income as interest on their tax returns if they are required to do so.

Ripple will provide members with tax statements setting out the amount received by members as share withdrawal value (non-taxable), and the remaining savings (potentially taxable trading benefit).





# 16. Appendix 4 - the Coop Values

The Whitelaw Brae coop follows the international coop values of self-help, self-responsibility, democracy, equality, equity and solidarity.

We want to create a positive group of people coming together to make something amazing happen. Members who are abusive or offensive, or otherwise act in a manner that is prejudicial to the coop and its values, may be expelled from the coop.

## The coop principles

The coop adheres to the cooperative principles of:

### 1. Voluntary and Open Membership

Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

### 2. Democratic Member Control

Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are also organised in a democratic manner.

### 3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their coop-

erative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

### 4. Autonomy and Independence

Cooperatives are autonomous organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

### 5. Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

### 6. Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

### 7. Concern for Community

Cooperatives work for the sustainable development of their communities through policies approved by their members.

# 17. Appendix 5 – for Businesses

The Whitelaw Brae Wind Farm share offer is open to businesses as well as households. It works in exactly the same way, except there are more options for how you get the electricity from your share of the wind farm.

Ripple has a dedicated team supporting our business customers providing support throughout your journey.

## Clear climate action

Part-owning a wind farm can be a great way for businesses to demonstrate their commitment to climate action. It is easy for customers to link wind farm ownership with climate commitment. Using our simple dashboard, you can quantify your impact on a daily, monthly, or annual basis and easily share with your stakeholders and customers.

## Flexibility

Like all coop members, businesses can spread ownership over a number of projects. You can build up your ownership over time to ensure you hit your emissions reduction commitments as part of your net zero journey.

## Business ownership within the coop

The business is the member of the coop, not an individual at the business. As a member of the coop the business gets a vote in all member votes and can participate in the AGM and all other member activities. Like a household, a business member of the coop can purchase shares in the wind farm up to the amount that would generate 120% of their annual electricity consumption (or £100,000, whichever is lower).

The one member, one vote principle applies regardless of the number of shares purchased.

## Getting your electricity from the share wind farm

As a business, you receive your share of the wind farm's generation like any other member of the coop and you also get the value of Renewable Energy Guarantees of Origin (REGOs) associated with your generation as well, just like any other member. Businesses can use their REGOs to support their Scope 2 emissions reporting.

## Options for businesses

As a business you can have the savings applied to your bills just like a household, or you can have the power generated by your share of the wind farm "sleeved" to you.

Sleeving matches the power that your share of the wind farm generates each month to the consumption of your business each month. You are charged based on the operating cost of the wind farm, plus a sleeving fee.

If you generate more than you consume, you get the full market price, less the OpEx, added to your account. If you generate less than you consume, you simply top up to your monthly consumption at a standard rate.

E.ON Next offer tariffs for small business customers (up to 100MWh annual consumption). British Gas, Ecotricity and EDF supply businesses of all sizes. Unify Energy is an existing supply partner and offers sleeved supply contracts for businesses of all sizes.

We expect to bring E.ON Next, EDF and British Gas into our pool of suppliers over the coming months. At the launch of this share offer, these are not Ripple supply partners.



## Wind savings applied to regular bills

The savings-based approach is one that works from the top down, in the same way that household members get their savings. You are on a regular business tariff with one of our supply partners, and savings from your wind farm are applied to your bill each month according to how much your share of the wind farm generates.

We estimate the average saving over the lifetime of Whitelaw Brae to be 6.8p/kWh generated. As explained earlier in this document, bill savings are dependent on the wholesale value of electricity. The saving is the difference between the wholesale value of the electricity and the wind farm's operating cost.

## Sleeving your generation back to your business consumption

Businesses can get their power 'sleeved' to them via Unify Energy, one of Ripple's supply partners.

Your electricity price under a sleeved agreement is more of a bottom-up approach, based on the wind farm's operating cost, rather than the top-down approach which offers your savings applied as a discount to your regular bill.

You enter a contract with Unify Energy for the entire generation from your share of the wind farm. For every kWh of generation from your share, you pay the wind farm's operating cost, a sleeving fee, plus 'non-commodity' costs which include grid charges, taxes and levies.

For every kWh used above your generation from the wind farm you would pay a regular tariff price. You are paid the full market price for any surplus generation over and above your consumption.

Sleeving fees are typically around 2-3p/kWh and non-commodity costs are typically 10-12p/kWh. The level of sleeving fee and non-commodity costs will vary according to the volume of power generated and how it matches up to your consumption. Larger volumes will tend to lead to lower sleeving fees. Better correlation between consumption and generation will tend to lead to lower non-commodity costs.

## With sleeving you have 3 elements to your bill:

- ▶ kWhs consumed from your wind farm (OpEx + sleeving + non-commodity)
- ▶ surplus consumption (full price)
- ▶ surplus generation (paid to you at full market price)

The benefit of a sleeved arrangement is transparency. You may also have greater confidence regarding your long-term electricity costs. Lower costs overall are possible, but we can't guarantee that.

**Please get in touch with [business@rippleenergy.com](mailto:business@rippleenergy.com) for more details.**



**OWN  
POWER  
SAVE**