



scottishrenewables[®]

MONTHLY BRIEFING

FEBRUARY 2019

Dear Member,

Last month we changed how we interact with you by introducing member Forums: a joined-up system of email alerts and calls for input, alongside regular meetings where you can influence and receive updates on our work.

The new system reflects your priorities: keeping informed, being at the heart of your industry - and saving time.

Remember you can [change your Forum preferences](#) at any time on our website and, of course, get in touch with any questions.

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GENERAL



Scottish Government Budget Stage 1

The Scottish Government's Budget has passed through Stage 1 of its Parliamentary path. The Budget was able to pass after the SNP came to a compromise with the Scottish Green Party.

Read [Scottish Renewables' main asks for the Budget](#) on our website and contact [Peter Speirs](#) with any questions.



Media Reaction: WWF Scotland net-zero report

A [WWF Scotland report](#) shows Scotland has "multiple options to confidently end its climate emissions by 2045".

[Responding](#), Fabrice Leveque, Senior Policy Manager at Scottish Renewables, said: "WWF Scotland is right to say we are 'laden with natural advantages' for achieving net-zero carbon emissions.

"Setting a new target would affirm Scotland's place at the forefront of climate change action and send a strong signal to business that we need to cut emissions more quickly and deeply than ever before across Scotland's energy system."

Just Transition

The Scottish Government has announced the membership of its Just Transition Commission, which will advise on government policy in response to the transition from a high to a low carbon economy.

The Commission brings together campaigners, academics, trade unions and industry, including SSE's Rachel McEwan, and will be chaired by Professor Jim Skea.

Scottish Renewables has engaged with this process from its earliest stages and will continue to

ECONOMICS & MARKETS



Consultation: Smart Export Guarantee

BEIS has [published a consultation](#) on its plans to introduce a 'Smart Export Guarantee' (SEG). The consultation sets out that Government intends to ensure small-scale generators are compensated by the market for the value of their exported electricity.

The SEG is proposed as a mandatory supplier-led route to market where large suppliers would be legally obliged to provide small electricity generators with an export tariff.

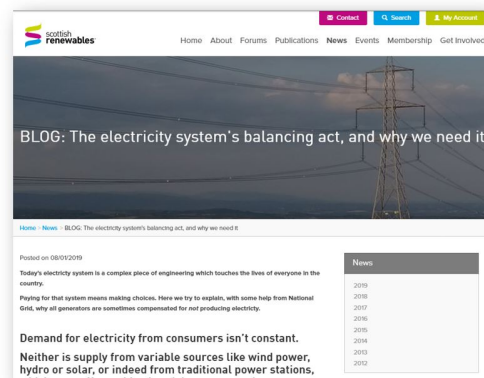
We are considering the viability of the proposed model and the impacts across the wider sector. The consultation closes on March 5. Please contact [Hannah Smith](#) with any comments.

Blog: constraint payments

Media attention on the issue of constraint payments made to onshore wind farms has increased in recent months.

SR is working to access new data, but members can now direct interested stakeholders, including media, to [this blog](#), which explains the rationale behind the payments.

Contact [Nick Sharpe](#) with any questions.



CfD assessment: EMR 5-year review

Scottish Renewables attended a BEIS workshop considering the CfD as part of the five-year review of electricity market reform.

We gave our broad support for the CfD mechanism's aims, citing the success of offshore. We noted, however, that the absence of Pot 1 auctions continue to restrict the build-out of our lowest-cost new generation and that while innovative technologies can participate in the CfD framework, the mechanism in its current form does not provide a viable route to market for early-stage generators.



PLANNING & CONSENTS

Meeting with Scottish Government's Assistant Chief Planner

SR recently met with the Assistant Chief Planner at Scottish Government to discuss the latest updates on the Planning (Scotland) Bill, its process and our priorities for the upcoming review (and combining) of the National Planning Framework (NPF4) and Scottish Planning Policy (SPP).

We also talked through our regulatory asks on district heat networks, repowering for onshore wind farms and wider renewables planning issues.

Contact [Fabrice Leveque](#) for details.

SR Onshore Wind: Planning Forum - 12 Feb, Glasgow

Join SR's next joint Onshore Wind and Planning & Consents Forum to hear about our recent work in this area.

Topics to be covered include: the Planning (Scotland) Bill, repowering guidance, s36 planning fees, landscape sensitivity studies and community benefit & shared ownership guidance.

The meeting will take place from 2-4pm on Tuesday February 12 at Burness Paul's offices at 120 Bothwell Street, Glasgow.

To attend please contact [Stephanie Conesa](#) (one person per organisation).

Consultation: Orkney Transmission Needs Case

[Ofgem is consulting](#) on the Final Needs Case and potential delivery models for the SSEN Orkney Transmission project.

Ofgem has put forward that 135MW of new generation is required before the project will be approved. This is in contrast to SSEN's Needs Case, which Scottish Renewables supported, proposing that [no more than 70MW of new generation would be required to justify investment](#).

We will be responding to the consultation which closes on February 8. Please contact [Joe Mitchell](#) with any comments.

Consultation: RIIO-2 sector specific methodology consultation

Ofgem is consulting on the methodology it will apply for setting the RIIO-2 price controls for the gas distribution and gas and electricity transmission networks and the electricity system operator.

We do not intend to respond to this consultation, however we would encourage you to do so individually or raise any particular concerns with [Joe Mitchell](#).

Response: grid charging

A series of proposed reforms across grid charging are big-ticket pieces of work for Scottish Renewables at the moment.

Central to these is the [Targeted Charging Review](#) which sets out a number of proposals which our analysis shows will be detrimental to the renewable energy sector. [We have developed a short briefing note outlining the charges, have an impact assessment on proposed embedded benefits reforms available for members](#), and have submitted a [formal consultation response to Ofgem](#).

Response: CMP288 and CMP289 - charging arrangements

Two CUSC Modification Proposals (CMPs) have been raised aiming to introduce explicit charging arrangements for customer delays and backfeeds. SR is not supportive of these proposals as, given existing licence conditions, we do not believe inefficient spent should be recovered through

[Our response can be found here.](#)

Response: Small Generator Discount

[SR responded to the Ofgem consultation on the Small Generator Discount.](#)

We are of the opinion Ofgem should reserve judgement on the future of the discount, as we are not able to fully determine whether the underlying market distortion will be removed within the extension timeframe.

Contact [Hannah Smith](#) to discuss.

Response: BEIS & Ofgem Smart Systems and Flexibility Plan progress update

BEIS and Ofgem have published a [progress update to their Smart Systems and Flexibility Plan](#). [Scottish Renewables has responded](#), recognising that government and industry have made considerable progress in delivering actions.

We are clear however, that work must continue at pace, particularly around flexibility and ancillary services markets, renewables in the BM and markets and accelerating decarbonisation of our heat and transport sectors.

National Grid opens up Distribution Balancing

National Grid ESO has launched a 'Distributed Resource' Desk to enable smaller generators, battery operators and DSR providers to provide network services. [Scottish Renewables welcomed the announcement](#) and its recognition of the value small-scale assets bring to our electricity system.

LOW-CARBON HEAT



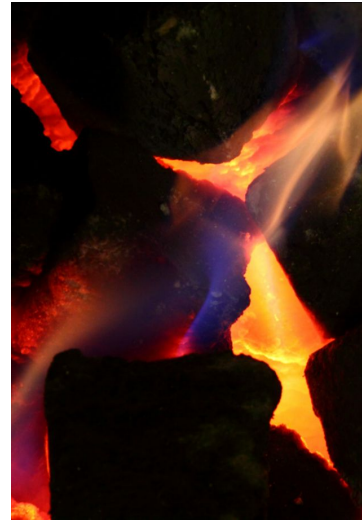
Last February the Scottish Government [consulted](#) for a second time on proposals to regulate district heat networks, setting out that key facilitatory measures such as regulations to oblige buildings to connect to heat networks (under some circumstances) and exclusive concessions in identified heat network 'zones' would be dropped.

Scottish Renewables has been working to encourage the Government to explore these proposals in more detail. To find out more, contact [Fabrice Leveque](#).

SR figures on coal heating in Scottish Parliament Debate

Scottish Renewables' recent [media story](#) on the 14,000 Scottish households still using coal as their main heating source was picked up in a Scottish Parliament debate on the Carbon-Neutral Economy.

Angus Macdonald, MSP for Falkirk East, said "one box that has not been ticked and which is, I believe, a piece of low-hanging fruit that we have missed, is tackling the 14,000 Scottish homes that still use coal as their primary heat source". You can read the full debate [here](#).



ONSHORE RENEWABLES



Scottish Government Local Energy Systems Steering Group

The Scottish Government Energy Strategy committed government to producing a Local Energy Policy Statement, and Scottish Renewables has been invited to join an expert steering group to support this.

We have begun inputting to discussions on the content and ambition of the Statement, which will go out to consultation later this year.

Please contact [Hannah Smith](#) for further information.



Update on SNH draft guidance on Assessing the Impact of Repowered Windfarms on Nature

SNH has published the responses to its repowering guidance consultation and a brief analysis of these [on its website](#).

Following the consultation, and taking account of the responses received, SNH has changed its view on identifying the baseline for assessment.

In line with Scottish Renewables' [response](#), SNH now considers the EIA baseline to be the existing wind farm.

SNH is currently working through the implications of this revised position for the rest of its guidance and will publish a revised version in the coming months.

Consultation Response: Community Benefits and Shared Ownership good practice principles

SR has responded to a Scottish Government [consultation](#) on its Good Practice Principles for Community Benefits from Onshore and Offshore Renewable Energy Developments and Shared Ownership of Renewable Energy Developments.

You can access our responses on our website: [Shared Ownership](#); [Onshore Community Benefit](#); [Offshore Community Benefit](#).

Eskdalemuir Working Group

The Eskdalemuir Working Group met in January to discuss its final recommendations to the Ministry of Defence on the policy distinction between s36 proposals and Town & Country Planning Act proposals in relation to the allocation of “noise” budget.

SR Policy Manager Stephanie Conesa sits on this group. If you would like to discuss, please [get](#)

Report: Repowering onshore wind farms - foundation reuse

The University of Glasgow has published its research report on '[Repowering onshore wind farms: a technical and environmental exploration of foundation reuse](#)'.

The paper was led by a steering group made up of SNH, SEPA, Construction Scotland Innovation Centre, Scottish Enterprise, Zero Waste Scotland, SSE and Scottish Power.

Media Reaction: ONS job statistics

[A survey conducted by the Office for National Statistics](#) showed employment levels fell in low-carbon and renewable energy following cuts to UK Government support for the sector.

[Responding](#), Jenny Hogan, Deputy Chief Executive at Scottish Renewables, said: "Industry has repeatedly warned the UK Government that locking our cheapest forms of electricity generation – onshore wind and large-scale solar PV – out of the energy market would cost jobs."

OFFSHORE RENEWABLES



ScotWind leasing

Marine Scotland is continuing its work on the next Sectoral Marine Plan for offshore wind, which is now expected for consultation this summer (previously spring).

Crown Estate Scotland has updated its 'ScotWind' [leasing timetable](#), which is now expected to open in July 2019.

Scottish Renewables has been making the case to Marine Scotland and Scottish Government that, whilst we support the identification of deeper water sites for floating offshore wind, we remain concerned at the availability of shallow sites suitable for fixed bottom projects.

[This briefing](#), compiled with the help of our members, has been submitted to officials and

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SR presents at offshore anti-corrosion event

Last month SR's Deputy Chief Executive, Jenny Hogan, presented on the global opportunity of the offshore wind, wave and tidal sectors at an [event organised by the EU-funded DG MARE project, NeSSIE](#), which provided a platform to share corrosion challenges, opportunities and solution development for the North Sea basin.

[Find out more on the NeSSIE project page.](#)

Offshore wind podcast

In advance of our Offshore Wind Conference in late January, Scottish Renewables' Director of Communications sat down with Patricia Hawthorn of Shepherd+Wedderburn to discuss the future of the offshore wind industry in Scotland in a [podcast](#).

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