

James Norman
Ofgem
South Colonnade
Canary Wharf
London

31 May 2019

Dear James

Shetland transmission project: Consultation on Final Needs Case and Delivery Model

Scottish Renewables is the voice of Scotland's renewable energy industry, working to grow the sector and sustain its position at the forefront of the global clean energy transition. We represent around 260 organisations across the full range of renewable energy technologies in Scotland and around the world, ranging from energy suppliers, operators and manufacturers to small developers, installers and community groups, as well as companies throughout the supply chain.

The Shetland Islands are home to some of Europe's greatest wind resources, both on and offshore. However, renewables development on the islands has been limited by the lack of a connection to the GB grid which would allow the export of surplus generation.

Scottish Renewables therefore welcomes Ofgem's decision to approve the construction of a 600MW transmission link between mainland Scotland and Shetland. A number of our members have been developing onshore wind projects in Shetland, and a large volume of projects have received planning consent, and plan to bid in the UK Government's forthcoming Contracts for Difference (CfD) auction. Timely progression of a connection to the islands would enable this new renewable generation to connect to the GB grid and help meet the UK and Scottish Government's energy and climate change ambitions. The projects would also bring significant local economic benefits to a region that has seen comparatively little renewable energy development to date¹.

Scottish Renewables agrees that CBA processes by Ofgem and SHE-T have been sufficiently robust in determining the 600MW cable to be the preferred option, taking into account conditionality set by SHE-T and the known project pipeline.

¹ Baringa: [Economic Opportunities of Renewable Energy for Scottish Island Communities](#)

In anticipation of upcoming delivery windows for Allocation Round 3 of the Contracts for Difference scheme, it is vital that this connection progresses in a timely manner to enable the progression of Remote Island Wind projects coming forward under that mechanism.

We are aware of some concerns that a 600MW link will not provide sufficient headroom for projects on Shetland. We are however aware of a number of possible mechanisms to alleviate this potential issue, including the deployment of Queue Management methodologies, to enable generation to come forward. We would encourage Ofgem and SHE-T to work together with developers on Shetland to progress these areas too.

Delivering island reinforcements which enable renewable energy developments to come forward on Scotland's islands are critical to meeting our decarbonisation ambitions, and we welcome Ofgem's assessment that this connection is both required and viable.

We would be happy to discuss our views further.

Your sincerely,

A handwritten signature in black ink, appearing to read 'Hannah Smith', written in a cursive style.

Hannah Smith
Senior Policy Manager