# ONSHORE WIND POLICY STATEMENT





# 1. INTRODUCTION - THE CASE FOR ONSHORE WIND

We are publishing this draft statement, alongside the draft Energy Strategy. Onshore wind development is essential to Scotland's transformation to a fully decarbonised energy system by 2050 and brings opportunities which underpin our vision to grow a low carbon economy and build a fairer society.

This statement reaffirms the Scottish Government's existing onshore wind policy set out in previous publications and seeks views on a number of issues related to supporting the sector. It includes separate sections on key priority areas:

- Route to market
- Repowering
- Developing a Strategic Approach to New Development
- Barriers to deployment
- Protection for residents and the environment
- · Community benefits
- Shared ownership

Our current policy is to support deployment of onshore wind, whilst protecting the environment (landscape and visual, ecological and other environmental impacts); protecting residential amenity; and maximising local benefits, including through promoting shared ownership and community benefits.

#### **Economic Benefits of Onshore wind in Scotland**

The Office of National Statistics (ONS) figures on the low carbon and renewable energy economy in the UK for 2014<sup>1</sup> show that:

- for onshore wind, Scotland has 46% of all UK employment and 57% of all UK turnover; and
- onshore wind activity (direct and indirect) accounted for £3.2 billion in turnover, 30% of total Scottish low carbon and renewable turnover.
   Onshore wind also accounted for 14% of total low carbon and renewable employment in Scotland.

Although electricity generation energy policy is largely reserved to the UK Government, the Scottish Government wishes to make full use of its devolved powers to promote investment in appropriately sited onshore wind.

A number of recent changes at both a UK and Scottish level have highlighted the need to reassess the role of onshore wind to ensure it continues to deliver maximum value for Scotland in terms of economic, social and environmental benefits.

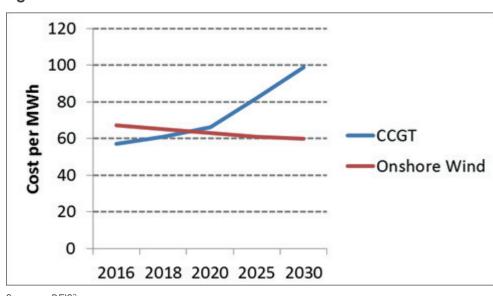
The Scottish Government will continue to support further development of onshore wind in order to achieve the targets set by the Climate Change (Scotland) Act at the lowest cost. Onshore wind offers low carbon renewable electricity at scale and sustains growth and employment in the Scottish supply chain.

<sup>1 &</sup>lt;a href="https://www.ons.gov.uk/">https://www.ons.gov.uk/</a>

#### Levelised costs of onshore wind

- Onshore wind levelised costs (that is, the net present value of the unit-cost of electricity over the lifetime of a generating asset) are projected to fall to £63 per megawatt hour, below the cost of a CCGT gas station in 2020, with gas becoming increasingly expensive in comparison to onshore wind out to 2030 (set out in the chart below).
- Onshore wind is also estimated to be more cost effective than new nuclear generation out to 2030.

Fig 1.



Source: BEIS<sup>2</sup>

The strategic importance of onshore wind to our decarbonisation ambitions has been reinforced in the analysis undertaken for the draft Climate Change Plan<sup>3</sup>. The installed capacity of Scottish onshore wind in 2016 was 5.5 GW; overall renewables electricity capacity of between 11 and 17 GW is now modelled in the Climate Change Plan to help to meet our wider decarbonisation target in 2032.

<sup>2</sup> https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/566718/Arup\_Renewable\_ Generation\_Cost\_Report.pdf

<sup>3</sup> http://www.gov.scot/isbn/9781786527431

## 2. ROUTE TO MARKET

Onshore wind has a mature sector and is now the lowest cost renewable electricity technology at scale, but new projects now face a highly uncertain route to market. With the right regulatory framework, new onshore wind projects can be economically viable without subsidy. In the draft Energy Strategy, which accompanies this document, the Scottish Government sets a challenge to industry to develop in Scotland the UK's first commercial wind farm without subsidy.

Securing a route to market for onshore wind of all scales is a priority of the Scottish Government; we want to ensure that Scotland continues to offer the right conditions for efficient, well-sited onshore wind developments. In the accompanying draft Energy Strategy, the Scottish Government calls on the UK Government to provide greater long-term certainty over regulated renewable support mechanisms – and for greater clarity on the future of the Levy Control Framework, under which the costs of renewables support is currently managed.

#### **Economic benefits**

The economic benefits to Scotland from onshore wind are considerable. There is potential for further growth both directly through increased deployment, manufacturing and indirectly in supply chain activities, including consultancy and ongoing maintenance contracts.

We are pleased to see more developers commit to using Scottish manufactured towers and are keen to explore other opportunities for Scottish manufacturing particularly around remanufactured turbines.

Economic benefits at a local level through community payments and community and locally, owned energy, including shared ownership of commercial schemes, are increasing and play a valuable role in the long-term sustainability of many remote rural areas.

#### Large-scale wind

Following the decisions by the UK Government to close the Renewables Obligation early and to focus future Contracts for Difference (CfD) on "less established" technologies (a definition which excludes onshore wind), the industry continues to face a period of uncertainty.

The Scottish Government backs industry's call to the UK Government to provide a viable route to market for cost-competitive onshore wind. The CfD mechanism, for example, makes use of an auction and already provides a price-discovery mechanism to lower costs, and a price stabilisation mechanism to reduce the cost of capital for new investment.

The Scottish Government will engage fully with the development of the UK Government's new Industrial Strategy, but urges that it should include firm commitments to support new onshore wind, to allow the technology to reach price parity with other forms of generation.

Scotland has a significant pipeline of consented projects awaiting construction with significant sunk costs (Fig 2). The Scottish Government would like to see these projects developed at the earliest opportunity and at the lowest cost to the consumer. Without some method of stabilising prices developers may not be able to plan and build a viable project.

Capacity (MW)

3,254

2,321

1,961

Application submitted

Awaiting Construction

Under Construction

0 1,000 2,000 3,000 4,000 5,000 6,000 7,000 8,000

Fig 2: Onshore wind planning pipeline in Scotland

Source: BEIS Renewable energy planning database<sup>4</sup>

#### **Small-scale wind**

Small-scale wind has benefited from the Feed-in Tariff (FITs) which was introduced by the UK Government in April 2010. However reduced FITs and deployment caps, the most recent introduced following the FITs Review in 2015, have curtailed development.

The impact of this decision can be demonstrated in projects supported by the Scottish Government's Community and Renewable Energy Scheme (CARES), where 25 community wind project proposals are now at a standstill, without a clear route to market, and facing an uncertain future.

These projects which could see substantial community social and economic benefits arise have been developed in good faith. The very nature of community energy projects means they are led by local volunteers and therefore take a longer time to develop than commercial schemes. This has resulted in community energy projects being disproportionally impacted by the recent FITs changes which were precipitate and potentially damaging to their prospect.

#### Island wind

Wind projects on Scotland's remote islands would capture some of Scotland's best wind resource. These projects can generate high efficiency low carbon electricity and deliver significant local economic benefit to some of the most economically fragile areas in Scotland.

Island wind projects are defined by a series of unique characteristics that set them apart from onshore projects on the mainland – something that was highlighted in the UK Government's 2013 consultation and which remains valid today. They have significantly higher load factors than average GB mainland projects – on average 27-57% higher – and are cost competitive when compared with offshore wind and several other forms of low carbon generation.

<sup>4</sup> https://www.gov.uk/government/publications/renewable-energy-planning-database-monthly-extract

However, like offshore wind, the remote and often challenging environment in which the projects would operate create technical barriers that result in significant and, indeed, occasionally prohibitive costs that are most acute on the Western and Northern Isles:

- as the islands are not connected to the mainland high-voltage transmission system, the cost of connecting the most remote projects are substantially higher than for onshore wind. Individual grid connections for the Western Isles and Shetland could cost between £600-£700 million and entail associated securities and liabilities; and
- island projects would face the highest network charges in GB on account of their remote location. Wind farms on the Western Isles and Shetland could face transmission charges of £114-134/kilowatt/year compared to £18 for the nearest area in mainland Scotland, where charges are already comparatively high, and indeed in contrast to net subsidy for sites close to London where wind resources and speeds are far less attractive.

Island wind represents an exciting opportunity for sustainable economic development that would provide tangible benefits for the communities on the islands. The current pipeline of large island wind projects on the Western Isles and Shetland have pioneering shared ownership arrangements that would allow for significant revenue to flow directly to the communities.

# Economic benefits of onshore wind in Scotland Shetland

The 400 MW Viking Wind Farm project in Shetland is jointly owned by the Shetland Charitable Trust and SSE plc. The community share represents 200 MW, making it by far the largest community-owned energy project in the UK.

#### **Western Isles**

EDF Energy, together with AMEC Foster Wheeler is developing two wind farm projects on Lewis of 180 MW and 162 MW. The Stornoway Wind Farm and the Muaitheabhal wind farm on the Eishken Estate towards the south of the island. Both Wind Farms include the offer of large community ownership stakes and community benefits. They would also bring additional benefits through employment and local procurement. There is also an option offered to Comhairle nan Eilean Siar to take a stake in the Muaitheabhal project, which is a similar opportunity to the 20% offered to the Stornoway Trust on the Stornoway Wind Farm.

The case for treating the most remote island wind as a separate technology and providing support to address the identified barriers to deployment has been developed in conjunction with the UK Government over a number of years. Uncertainty remains as to whether the UK Government will enable the projects to compete in the current Contract for Difference support mechanism.

The Scottish Government is of the firm view that the unique characteristics of island wind, specifically the technical challenges and variation in costs and revenues, sets the technology apart from onshore mainland wind. We remain committed to realising the potential of the island projects and capturing the wider renewable resource potential of all of Scotland's islands. We continue to press UK Ministers to recognise the strong case for a distinct approach to support for island wind projects.

#### Areas of new Scottish Government support

#### 1) Considering the efficiency of new wind farms in the consenting procedure

The Scottish Government is supportive of the need to design new wind farms, including repowered sites, to maximise efficiency and return and hence to increase viability. Improved efficiency benefits the consumer and provides a better basis on which to base a sustainable future for the industry. Efficiency is achieved through well-sited wind developments, harnessing energy where there is good wind resource – and using the latest technologies, including larger turbines where these are appropriate

To that end, this document **calls for evidence** on the appropriate approach to the inclusion of wind farm efficiency as a material consideration in the Section 36 consents guidance. (Scottish Ministers consider applications for generating stations in excess of 50 MW, under section 36 of the Electricity Act 1989.) In so doing, Scottish Ministers might expect developers in the future to explain how the design of a development balances environmental impacts against the contribution to the energy targets laid out in the Scottish Energy Strategy.

Approaches could include, for example, a threshold for wind efficiency for new developments, the use of best practice guidelines, or approaches which vary according to the size of the development.

Any new approach would not imply a presumption of approval of applications including larger turbines. All applications will continue to be assessed on their own merit, with contribution to energy targets balanced against environmental impacts and site specific circumstances.

If progressed, the Scottish Government will establish a working group to consider how to design fairly and implement in line with planning and consent policy and avoid any unintended consequences.

#### 2) Facilitating cost reductions

The onshore wind sector has enjoyed valuable revenue support for some time. This has helped to establish a market and bring costs down, but a further reduction in costs is now a precondition of continued growth in the pipeline of development. The Scottish Government welcomes the work that is already taking place across the whole supply chain to reduce costs. The Everoze Report commissioned by Scottish Renewables entitled 'Onshore Wind In Scotland: opportunities for reducing costs and enhancing value' concluded that:

'Costs can be reduced and investment encouraged significantly via a smarter planning system, a transformed grid and a revolution in revenue model.'

The Report highlights 10 interventions, clustered into three themes as follows:

- Smarter Planning including use of latest turbines; coherent consenting; and redevelopment;
- Transforming the Grid including reform of system charging, adopting smart connections, ICP or self-build connections, and lower cost of transmission assets; and
- Revenue Revolution including extending asset's life, new offtake arrangements, and deployment of storage.

<sup>5</sup> https://www.scottishrenewables.com/publications/onshore-wind-scotland-opportunities-reducing-costs/

The Report contains a number of specific requests of the Scottish Government. They highlight a desire for planning guidance around accommodating larger turbines and increased tip heights with a view to unlocking cost reduction potential. Other planning asks include a call for consistency of approach across planning authorities and for consenting authorities to develop guidance on extending/amending consent on existing sites.

National Planning Framework (NPF) 3 is clear that planning must facilitate the transition to a low carbon economy. Our spatial strategy facilitates the development of generation technologies that will help to reduce greenhouse gas emissions from the energy sector. Scottish Planning Policy (SPP) states that the planning system should support transformational change to a low carbon economy by supporting the target of delivering the equivalent of 100% of electricity demand from renewable sources by 2020.

It is Scottish Ministers' expectation that planning authorities' spatial frameworks should set out in their development plans those areas that are likely to be most appropriate for onshore wind farms. The spatial framework is complemented by a more detailed and exacting development management process where the individual merits of a proposal will be carefully considered against the full range of environmental, community and cumulative impacts.

Following the publication in May 2016 of the Independent Panel Report into the Scottish planning system, we published 'Places, people and planning – a consultation on the future of the Scottish planning system' on 10 January 2017. The consultation proposes 20 improvements to the planning system, covering four key themes: making plans for the future; people make the system work; building more homes and delivering infrastructure; and stronger leadership and smarter resourcing. At the conclusion of this consultation, we will bring forward proposed changes to the planning system, including a Planning Bill. This will be supported by an updated planning policy in due course.

The aim of planning reform is to:

- provide stronger and simpler plans that are respected and understood by communities and trusted by investors;
- time-consuming and complex planning processes that do not add value should be removed;
- co-ordinate and priorities infrastructure planning and delivery;
- actively facilitate development where it is needed;
- work with those who want to invest in Scotland and move their projects forward;
   and
- uphold the public interest.

The timing of the updated planning policy should not be seen as a barrier to the aspirations of transitioning to a low carbon economy and adapting to technological change.

#### 3) Encouraging innovation

As we transition to a market where technologies compete on cost, the onshore wind sector must innovate with new technologies, new models of deployment and finance.

A number of demonstrator sites are already in development in Scotland, for example battery storage and the use of other technologies in conjunction with wind.

**Heat Smart Orkney:** Received £1.2 million from the CARES Local Energy Challenge Fund to use energy from a curtailed turbine to provide heat for local residents who are fuel poor.

Innovation also extends to new market opportunities and how finance is secured for projects. For example the sector is looking at the use of longer-term corporate Power Purchase Agreements (PPAs) to secure investor confidence. Scottish Renewables has established a short-term working group to consider the options around corporate PPAs and we look forward to the findings in due course.

The Scottish Government is now exploring the scope for the Scottish Government to offer increased PPA provision under a 'sleeve arrangement' within the national collaborative contract (which allows public bodies to choose green electricity). The tender for a replacement of the current contract will start in late 2017.

The contract operates through a 'hedging' strategy and is managed on commercial terms. The hedging strategy is governed by a Risk Management Committee made up of representatives from across the Scottish public sector. This strategy has delivered tens of millions of pounds of savings to schools, hospitals and the wider public estate. The contract is not an alternative route to subsidy as it must comply with state aid and procurement rules.

Any PPA provider must win an open tender process (open to any bidder – the competition could not be restricted to any particular sector, such as community projects or even to Scottish-based generators). Any PPA offering must also fit in with the hedging strategy.

If the contract is expanded in this way, we would seek to ensure that community energy or small scale projects (not just onshore wind) are in a position to submit commercially viable bids to sleeve their energy through the main contractor (currently EDF Energy). This might require some aggregation of the proposition and we would want to offer support to help community and small-scale projects develop their tendering abilities. In this way, should the Risk Management Committee decide to pursue PPAs, community projects should be in a position to submit competitive bids.

#### Questions

- 2.1 What is your view on the appropriate approach for the inclusion of wind farm efficiency as a material consideration in the Section 36 consents guidance?
- 2.2 In this chapter, the Scottish Government has identified three areas of activity where it can offer support to a route to market for onshore wind do you agree with the issues identified?
- 2.3 How can the Scottish Government, with the powers available to it, further facilitate a route to market for onshore wind?

3. Repowering

## 3. REPOWERING

The Scottish Government does not view repowering as a new policy. Repowering can take several forms, but is simply an application for a new onshore wind development on a site where onshore wind represents the established land use or forms part of the planning history of the site.

Permutations in design have grown enormously in the past 20 years owing to changing the design of a project during the consent lifetime, or it may be that the developer wishes to have a new design at the end of the consent life. As repowering is often used as a 'catch-all' term for new proposals on established sites, it has come to include proposed development as diverse as blade extensions to existing turbines to complete site redesign. The established land use will be a material consideration in determination of any application for a repowering proposal. In each case, a new consent will need to be applied for, notwithstanding the steer now in Scottish Planning Policy<sup>6</sup> that areas identified for new proposals continue to be sited for use "in perpetuity".

New wind farms, including on repowered sites, need to continue to be sited and designed to ensure environmental impacts are minimised and to protect residential amenity.

This statement sets out the Scottish Government's clear support for the principle of repowering for its potential to make the best use of our land and energy resources and to deliver decarbonisation targets. Established sites will benefit from existing grid infrastructure and may provide an easier route to market for developers, and we recognise these commercial benefits. However, we are aware of calls from some developers that a repowering application should be treated differently from a new application. Some have called, for example, for streamlined planning and consenting processes. In turn this is causing concern in some quarters that impacts will not be given due weight in assessments or that affected communities may not have an opportunity to participate in the decision making process.

This draft onshore wind policy statement clarifies the Scottish Government's position that every repowering application should continue to be assessed on its own merits. Repowering can include a wide range of development proposals – and accordingly a range of potential environmental and other impacts which should be fully assessed, as with brand new developments.

#### Why repower?

The first tranche of 25-year planning permissions for onshore wind in Scotland are reaching expiry at a time of increasing pressure on land use, including cumulative pressures through onshore wind development. The potential to repower such sites represents an opportunity for Scotland to continue to work towards our renewable energy targets through maximising site and grid availability and enhancing cost competitiveness and thereby to maintain investment levels at a time of decreasing revenue support.

Repowering also offers an opportunity to pursue wider Scottish Government policy aims in the context of energy policy development. In particular, our aims to promote community and local energy through community stakes in commercial energy schemes could be incorporated into repowering policy as best practice. Additionally, the scope to encourage local content could be explored.

<sup>6</sup> http://www.gov.scot/Resource/0045/00453827.pdf (paragraph 170)

3. Repowering 10

#### Increasing efficiency and reducing costs

Changes in the market are driving developers to design repowered sites to maximise efficiencies and increase returns. This is likely to ensure that only those sites with high wind resource are repowered. In chapter two, we set out plans to explore a role in the section 36 consents guidance for the efficiency of wind farms (including for repowered sites) in order to ensure the development or continued use of the sites with the best energy resource.

#### Maximising value

We recognise that advances in technology offer an opportunity to maximise the efficiency (and value) of individual sites but there is also the scope to build on our distinct approach to energy policy and maximise value for Scotland in terms of economic, social and environmental benefits.

#### Wider economic and social benefits

Repowering offers an opportunity to further pursue additional Scottish Government policy aims – in particular shared ownership with communities and the encouragement of local involvement.

Our policies on shared ownership and community benefits were not in place when many of the early wind farms were consented.

Repowering offers an opportunity to promote these policy aims. Support is available through our Community and Renewable Energy Scheme (CARES) to help communities take advantage of offers from commercial developers, and the new CARES contract which will be in place from April 2017 places more focus on supporting developers to engage with communities to ensure that this does not impose undue costs or burdens on commercial schemes.

#### The role of Scottish Natural Heritage and new guidance

Scottish Natural Heritage (SNH) rightly has an interest in repowering as the body with responsibility for caring for the natural heritage, enabling people to enjoy it, helping people to understand and appreciate it, and supporting those who manage it.

Through its ambition that natural assets are managed in a way that generates wealth for all, SNH will support the implementation of the energy strategy, including this draft Onshore Wind Policy Statement. It has learned from previous practice in energy generation and transmission, and developing **guidance** on natural heritage issues to be considered for repowering applications. This will include advice on landscape and visual effects, visualisations, bird surveys and wider ecological assessments and will set out a proportionate approach to these.

SNH advice can support a plan-led approach to energy development and the consideration of individual proposals through its role as a statutory consultee on Environmental Impact Assessments. It provides this advice in the context of the ongoing Planning Review and the requirements of the Scottish Regulators' Strategic Code of Practice. This includes the aim of supporting sustainable economic growth. In the context of the repowering of onshore wind farms, SNH wants to work with the energy industry to identify solutions that reduce the costs and impacts, and thereby help maximise the potential of Scotland's natural environment.

3. Repowering

### Plan-led approach to repowering

A plan-led approach to repowering is discussed in the following section. It seeks views on scenarios to develop the next generation of wind power in Scotland in a more strategic way.

#### Questions

- 3.1 Do you agree with the Scottish Government's proposed approach to repowering?
- 3.2 Are there any further means by which repowering proposals might be facilitated?

# 4. DEVELOPING A STRATEGIC APPROACH TO NEW DEVELOPMENT

A strategic approach, based upon an analysis of both wind speeds and landscape capacity, may allow for a rationalisation of existing wind farm developments and/ or the identification of new sites where the greatest yield could be achieved within appropriate landscapes.

The following section refers to **section 36 determinations only** (Scottish Ministers consider applications for generating stations in excess of 50 MW, under section 36 of the Electricity Act 1989). The current arrangement for determining section 36 applications is to assess applications against the environmental baseline prevailing at the point of determination. Whilst we are always looking at ways we can improve this process, it is an established process and one that has developed over time and is respected by developers.

We have an opportunity to decide how best to use our devolved powers, mainly through Scottish Ministers' role as a consenting authority for large-scale energy infrastructure projects, to create an approach to onshore wind that meets a range of policy objectives:

- climate change and renewable energy targets, including community and locally owned energy targets;
- shared ownership commitment:
- · jobs and skills retention; and
- energy security
- protection to residents and the environment

Any actions must be balanced with making Scotland attractive to investors. We want to remain open for business for onshore wind.

New applications, whether for new sites or repowered sites, must take into account the cumulative impact the proposal will have with already existing and consented wind farm developments. In some areas, the cumulative impact of wind farm developments mean that landscapes are unable to accommodate further developments without landscape and visual impacts becoming unacceptable. However, the physical siting of those existing wind farms does not always produce the maximum yield (or maximum contribution to Scotland's renewable energy targets) from the available wind resource in that area, whilst minimising impacts efficiently.

We acknowledge that all sections of society are impacted differently in any planning decision, therefore considering a strategic approach whereby any policy would have wider implications than one determination has been challenging.

Drawing on past experiences across the UK, such as 'TAN 8' in Wales we wish to present a number of options that we have considered some of which we wish to consult on. This follows informal discussion we had with a number of stakeholders during 2016.

The Scottish Government's Land Use Strategy includes Principles for Sustainable Land Use, which should inform land use choices across Scotland. It is useful to reflect on these principles in considering the various options presented The full Land Use Strategy can be found <a href="https://example.com/here">here</a>, with a summary of the key principles outlined below.

#### The principles are that:

- a) Opportunities for land use to deliver multiple benefits should be encouraged.
- b) Regulation should continue to protect essential public interests whilst placing as light a burden on businesses as is consistent with achieving its purpose. Incentives should be efficient and cost-effective.
- c) Where land is highly suitable for a primary use (for example food production, flood management, water catchment management and carbon storage) this value should be recognised in decision making.
- d) Land use decisions should be informed by an understanding of the functioning of the ecosystems which they affect in order to maintain the benefits of the ecosystem services which they provide.
- e) Landscape change should be managed positively and sympathetically, considering the implications of change at a scale appropriate to the landscape in question, given that all Scotland's landscapes are important to our sense of identity and to our individual and social wellbeing.
- f) Land use decisions should be informed by an understanding of the opportunities and threats brought about by the changing climate. Greenhouse gas emissions associated with land use should be reduced and land should continue to contribute to delivering climate change adaptation and mitigation objectives.
- g) Where land has ceased to fulfil a useful function because it is derelict or vacant, this represents a significant loss of economic potential and amenity for the community concerned. It should be a priority to examine options for restoring all such land to economically, socially or environmentally productive uses.
- h) Outdoor recreation opportunities and public access to land should be encouraged, along with the provision of accessible green space close to where people live, given their importance for health and wellbeing.
- i) People should have opportunities to contribute to debates and decisions about land use and management decisions which affect their lives and their future.
- j) Opportunities to broaden our understanding of the links between land use and daily living should be encouraged.

#### Options for developing a strategic approach

During 2016 the Scottish Government spoke with a large number of stakeholders on creating a strategic approach for onshore wind. There were strong views for and against a strategic approach.

Informed by these discussions, we have set out below options for our approach, with the intention of providing transparency on what has been considered so far:

- 1. National spatial approach
- 2. Regional targets
- 3. Locally co-ordinated approach.
- 4. Business as usual

We have ruled out the first two approaches for the following reasons:

#### Option 1. National Spatial approach

This would involve setting a large, national spatial plan for onshore wind, identifying those sites suitable for wind development taking into account wind speeds, environmental constraints and residential amenity.

This approach would be similar to a national version of the local development plans already produced by local authorities except it would also be mapped on suitability of the site to generate electricity, not just capacity to support the development. Areas of national strategic importance for development could be highlighted.

This might allow us to get the maximum capacity from our land whilst minimising cumulative impacts to selected areas.

#### Reasons for not pursuing

- Our assessment is that it would further complicate and duplicate established practice already set out in spatial frameworks.
- Further work would be required on economic impacts which may for example change land values for land.

#### Option 2. Regional targets

This would involve setting regional onshore wind targets for local authorities – either as generation targets or installed capacity. This would be similar in concept to the Welsh Technical Advice Note 8 (TAN 8) where regions were identified as Strategic Search Areas (SSA) each with a target and it would be for the local authority to undertake refining the detail of each SSA.

A regional target could provide local authorities with some clarity as to what is expected of them. Our renewable resources are perhaps not distributed evenly across the country so it stands to reason that different areas of Scotland will be likely to produce more renewable energy generation than others. We also explored the idea of a renewable installed capacity target rather than restricting it to onshore wind. Any such targets will also need to take into account the risks of cumulative impact and to reflect existing installed capacity.

#### Reasons for not pursuing

- Regional targets in practice might be viewed as caps.
- Regional targets could duplicate work already implemented by local authorities through the landscape capacity assessments in their local development plans.
- Some areas might consider they contribute more than others which is
  understandable but it is only to be expected due to resource availability. We
  need to ensure that onshore wind is developed at the lowest cost, but also
  taking into account cumulative impact and to prevent unacceptable impacts
  on residential amenity.

#### We are therefore seeking your views on options three and four only:

- 'locally co-ordinated approach' scenario; and
- retaining the current consenting process, 'business as usual'.

#### Option 3: Locally co-ordinated approach

This approach involves fostering more co-ordination by commercial developers.

With commercial interests to protect it is natural for developers to work isolated from their competitors, but there could be scope for the Scottish Government and local authorities to bring developers together to consider the best use of land and energy resources, to share costs where appropriate, and to make the most of infrastructure such as available grid connections.

By sharing assets between users, a coordinated approach has the potential to reduce the cost of delivering individual generation projects as well as providing wider system and policy benefits.

This is not the first time this approach has been considered. The 'Isles Project', a collaboration between governments in Scotland, Ireland and Northern Ireland recommended a similar approach for interconnected grid networks<sup>7</sup>.

Under this scenario, there might be an informal process at the pre-scoping stage of a consent, whereby developers identified as interested in adjacent or proximate sites within a region would be encouraged to work together to consider the 'best' (as in the most strategically efficient and cost-effective) use of land and energy networks. This approach would focus on gaining the highest capacity whilst minimising the cumulative impact on the environment and residents.

Our Land Use Strategy might be said to underpin such an approach in its emphasis on balancing competing interests; but the Land Use Strategy in fact goes further to encourage all land users to work together to ensure multiple benefits and therefore one industry should not work in isolation from other users. Hence a wider avenue for exploration might be to include other renewables and also heat networks in collective co-ordinated area development discussions. In principle, this might allow developers to take advantage of wider construction and infrastructure works and reduce costs.

Any implementation of this approach would also need to include consultation with host communities.

<sup>7</sup> http://www.islesproject.eu/

#### Option 4: Business as usual

We have an established system for consenting applications for new developments above 50 MW.

It remains an option to continue with the system as it stands. Scotland has been successful in our deployment of onshore wind generation and if our current system works best then we are happy to continue with it whilst being open to less ambitious suggestions on how to improve on it. We welcome views on maintaining the current approach.

#### Questions

- 4.1 Do you agree or disagree with the proposals to pursue option 3, a 'locally co-ordinated approach'? Please provide reasons to support your answer.
- 4.2 Do you agree or disagree with continuation of the Scottish Government's 'business as usual' approach (option 4)? Please provide reasons to support your answer.

## 5. BARRIERS TO DEPLOYMENT

#### **Electricity networks**

The deployment of additional onshore wind will require accompanying investment in the transmission and distribution networks. Network capacity will need to keep pace with the building of generation to allow new projects to connect in a timely and cost-effective manner and export power to where it is needed.

The application of smart technologies has the potential to allow network assets to be used more effectively and connect new generation while avoiding costly grid reinforcements. Scotland's networks have been at the forefront of innovation in the application of Active Network Management which has improved access to the distribution network and facilitated generation around network constraints. The Scottish Government supports the progression of pilot schemes into 'business as usual' operations by the network companies. We will consider the ways in which the Scottish Government can support this process.

Alongside sufficient network capacity, stability and clarity in the GB transmission and distribution networks charging arrangements is vital. This would enable developers to forecast network costs with a greater degree of certainty. The Scottish Government notes that both Ofgem and National Grid as System Operator have announced comprehensive reviews of current charging methodologies. The Scottish Government will work closely with the determining bodies to ensure that the impacts of proposed changes on the Scottish energy system are well represented within future reviews and taken account of in decision-making.

#### Civil aviation radar

Wind developments can impact significantly on civil air traffic control primary radar systems because they appear as clutter on radar displays, potentially obscuring aircraft flying above them from view. This is a common factor in creating delay and cost to wind power developments.

New technologies have emerged with the potential to mitigate the impacts of wind development on civil aviation radar. In particular, testing of new radar technologies at Glasgow, Edinburgh and Prestwick airports, offers the potential for barriers to wind farm development due to impacts on airport operations to be significantly eased in future.

There are numerous mitigations schemes in place which use one or more radars as 'in-fills' to mitigate impacts on another radar. However, the Scottish Government recognises that the context has now changed radically. The need to reduce the financial burden of mitigating impacts on radar has become paramount.

The Scottish Government confirms a renewed commitment to working with airports, radar operators and the wind industry in order to drive a more strategic approach to mitigating impacts of wind development on civil aviation radar. This should include establishing the potential that exists for the data from new wind farm tolerant radars to be used in a strategic way which maximises the potential for mitigation across the central belt, and the approaches which reduce the costs to developers of accessing data from 'in-fill' radar provided for the purposes of mitigation.

#### Military aviation radar

Wind developments can also impact significantly on military radar systems and the operations of the RAF. This is a common factor in creating delay and cost to wind developments of all scales above micro wind.

For air defence radar, various developments have benefited from existing mitigation solutions, and these may be applicable to new developments. However, the cost of securing an assessment of mitigation potential from the radar operator is prohibitive for small developments, particularly now subsidies have been removed or greatly reduced. The Scottish Government will continue to work with the radar operators and the MoD to find ways of facilitating affordable solutions to impacts on air defence radar.

With regards to military air traffic control (ATC) radar, there is the potential for 'infill' solutions to provide mitigation, and there are various new technologies on the horizon which have the potential to mitigate impacts at ATC radar installations.

However, the high cost of mitigating impacts of wind development on military air traffic control radar threatens to make proposed developments uneconomic. The MoD's approach to financial risk means developers may be required to provide unworkable levels of financial security which, for many developments will be untenable.

The Scottish Government will continue to work with the MoD and developers to support a more proportionate and affordable approach to mitigating impacts on military air traffic control radar.

#### **Eskdalemuir**

This policy statement makes it clear that the Scottish Government would like to see the most efficient use of Scotland's wind energy generating potential. Eskdalemuir is an area where it is proposed it would be beneficial in practice to use a strategic initiative to maximise the generating output of an area.

#### The Eskdalemuir 'noise budget'

The UK is bound by the Comprehensive Nuclear-Test-Ban Treaty not to compromise the detection capabilities of the Eskdalemuir Seismology Array (EKA). Departmental responsibility for the operation, maintenance and safeguarding of the EKA rests with the Ministry of Defence (MoD).

The statutory framework and MoD's approach to the safeguarding of the EKA from the impact of wind turbines was originally established on the basis of the recommendations of the Report prepared by Keele University in 2005 (the '2005 Styles et al Report'). A limit on the cumulative impact of the seismic ground vibration produced by wind farm developments within a 50km zone centred on the EKA was set. This threshold has come to be referred to as the 'noise budget'. Additionally, within the 50 km zone, again centred on the array, an exclusion or non-development zone of 10 km was necessary.

Some time ago, the specified threshold of background seismic ground vibration from wind development was reached based on the model developed in 2005, and the MoD began objecting to further wind development. This meant that the issue became a significant barrier to the deployment of wind energy in this large area ground the EKA.

#### Reconvened Eskdalemuir Working Group (EWG)

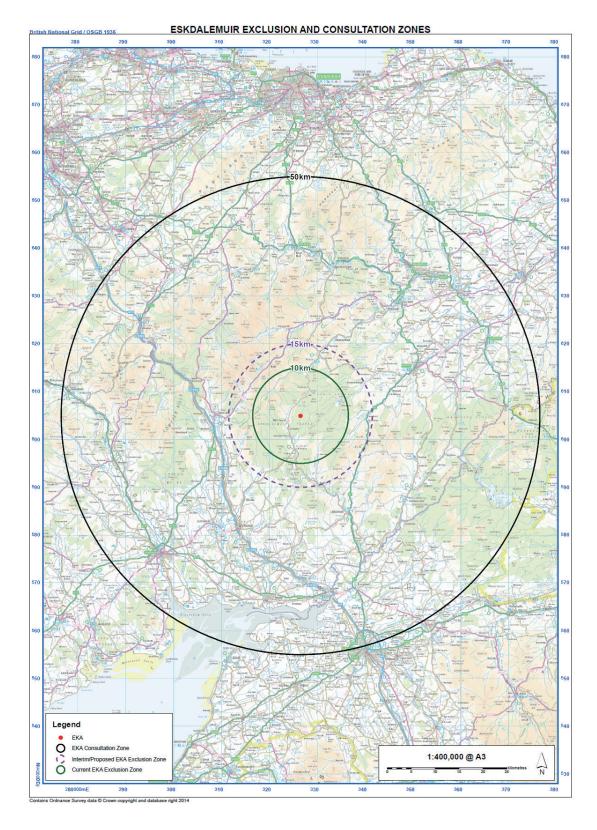
In 2012, the EWG was reconvened by the Scottish Government, and a new physics-based methodology for calculating seismic ground vibration from wind development was developed. A report: 'Seismic vibration produced by wind turbines in the Eskdalemuir region. Release 2.0 of Substantial Research Project.' commissioned by the EWG was published in 2014. The report confirmed that there was in fact considerable headroom in the noise budget which would allow for further wind farm development without breaching the seismic ground vibration threshold. This has been successful in facilitating further development within the 50 km zone.

However, the research also demonstrated that the impact of seismic vibration from wind turbines on the EKA decreases rapidly with distance from the Array and that the installation of wind turbines in close proximity to the EKA would rapidly exhaust any available headroom in the noise budget. The EWG therefore concluded that it would be advisable to extend the current 10 km exclusion zone, where wind development is not permitted, outward to 15 km.

#### **Policy consideration**

Having accepted the report's findings, the EWG concluded that an extension of the non-development area around the Array represented an appropriate 'light touch' intervention that would encourage a more efficient and effective distribution of the noise budget headroom across the development zone. A 15 km radius would ensure that sufficient budget headroom would be available to bring forward the maximum level of deployment. See the map below.

The Scottish Government is minded to accept the EWG's recommendation to increase the non-development zone from 10 Km to 15 Km. We consider that this is a sensible way forward given the Report's findings and should provide fair access to the budget to maximise development across the wider consultation zone.



#### **Questions**

- 5.1 Do you agree with the Scottish Government proposal to facilitate a strategic approach to the access to, and the cost of using, data from civil aviation radar to mitigate impacts of wind development on civil aviation operations?
- 5.2 Do you agree with the Scottish Government proposal that the exclusion zone round the Eskdalemuir array should be set at 15 km?

# 6. PROTECTION FOR RESIDENTS AND THE ENVIRONMENT

Increasing the installed capacity of onshore wind in Scotland is an important goal, but the Scotlish Government does not support development at any cost. Proposed developments are subject to strict planning laws. In our efforts to support onshore wind in Scotland we have taken action to protect both residents and the environment.

Our policy seeks to strike a careful balance between utilising Scotland's significant renewable energy resources whilst protecting our finest scenic landscapes, natural heritage and protecting residential amenity.

Our approach includes Scottish Planning Policy which makes clear that wind farms are not appropriate in National Parks or National Scenic Areas, which cover a fifth of Scotland. It also strengthens protection for wild land areas outwith National Parks and National Scenic Areas which cover a further tenth of the country. Scottish Natural Heritage (SNH) has been working on guidance to give clarity to the assessment of wild land areas, and this is due to be published shortly. All applications are subject to scrutiny by statutory consultees such as SNH, SEPA, Historic Environment Scotland and the relevant local authority.

To ensure wind farm developments continue to be sited appropriately we have commissioned a number of studies as follows:

#### Residential amenity

#### Wind farm impacts study

A two-year study published by ClimateXChange (CXC) on 1 July 2015 was commissioned by the Scottish Government to look at whether the visual, shadow flicker and noise impacts predicted by wind farm developers in documentation submitted with their planning applications and as assessed by competent authorities, are consistent with the impacts actually experienced once the wind farm is operational. Ten case studies were selected to include a spread of wind farm sizes, wind turbine heights, environmental assessment processes, landscape character, wind farm age, geographical location across Scotland, and consents processes, as well as on the basis of having known complaints about visual, shadow flicker or noise impacts. The sites selected represented 4% of the total number of installed onshore wind energy developments in Scotland in 2013.

The research used two sources of information:

- how local residents experience and react to visual, shadow flicker and noise impacts; and
- how the predicted impacts at the planning stage compare with the impacts when the wind farm is operating, as assessed by professional consultants.

The aim of the study was to inform future decisions on changes to Scottish Government online planning guidelines and good practice on managing the impacts of wind farms on local residents.

The study was governed by a Project Steering Group (PSG) with representatives from various local and national interest groups representing both those living near wind farms and wind farm developers and operators, including Scotland Against Spin and Scottish Renewables, and representatives from local and national government planning interests. This PSG was put in place to ensure a balanced approach throughout the research and analysis.

We are pleased that the report found that the majority of assessments presented at planning stage, for the 10 case study wind farms identified, mainly followed extant guidelines. However, there were some inconsistencies with what was predicted and what was found post construction and consequently the report contained 16 recommendations in relation to visual, shadow flicker and noise impacts. In some instances planning guidance has been updated and best practice has been implemented since the case study wind farms have been planned and constructed, with this work already in place we expect some of these inconsistencies to have been minimised.

Some of the key recommendations include further research. Since the publication of the study we have commissioned further work to understand more about the light and shadow effects on residents within 2km of wind turbine developments. We expect this study to conclude in March 2017 and we hope the results of this study will allow planners to form better assessments of shadow flicker and other light effects. We have also commissioned a scoping study to explore the evidence for a need to review the way that councils in Scotland are assessing the noise impacts of onshore wind.

A recommendation also included assessing modulated noise. In October this year the Department of Business, Energy and Innovation (BEIS) published the review they commissioned from Parson Brinkerhoff on the evidence on the response to amplitude modulation from wind turbines. This review made a recommendation for planning authorities in the English system. The Scottish Government is currently reviewing this recommendation in the context of the Scottish planning system. The study can be found <a href="https://example.com/here/beauth-study-new-modulation-new-

An update on how this report has been followed up will be published later in 2017.

#### House prices study

The issue of the potential impact of wind farm developments on house prices had been raised in relation to wind farm developments across Scotland. The Scottish Government asked CXC to manage a research project analysing any potential impact, the study builds on methodology from previous research in England (Gibbons 2014), and the CXC study, which concluded in October 2016 can be found here.

The project set out to test whether there is a significant difference in the average house price growth of properties in close proximity to a wind farm compared with properties that are not near a wind farm. The analysis takes into account the dates when individual turbines become operational, taking into account the before and after effects of wind turbine construction.

The study found that there are no consistent negative effects on house prices and in some instances the price effect was positive. This differs from the results of the study in England where negative results were found. Our study has built on Gibbons' methods, but we believe the methods used in our study greatly increased the resolution and precision of the data in a number of ways. These improvements are listed below:

- 1. Whilst the study replicates Gibbons' approach using average house price per postcode and postcode-centre for housing location, CXC also repeat the analysis using individual property prices based on full address locations.
- 2. The CXC study uses a dataset of wind turbines that includes their exact location and tip height, rather than the centre-point of wind farms. Relying on

the centre-point of wind farms might be particularly problematic in a Scottish context where some wind farms are very spread out. When turbines are dispersed in this way, it is possible for a house to be a very long way from the centre of the wind farm, but very close to a peripheral turbine.

- 3. The CXC landscape analysis uses five-metre grid squares (versus 200-metre in Gibbons). Combined with the exact property locations and turbine locations, this gives much more accurate lines of sight.
- Taking advantage of this higher resolution, CXC have also added building height data (where available) to test whether buildings may block a property's view.

In our 'Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments' we committed to considering whether using community benefit funds to provide compensation to residents might be recommended as good practice in some instances. This study was designed to provide evidence to inform this consideration when the Good Practice Principles are revised.

#### **Environment**

#### **Peatland Policy Statement**

The Policy Statement provides a common basis from which the Scottish Government and its agencies act in developing and implementing policies in relation to peatland and energy.

It articulates a coherent, shared policy on peatland and energy. It brings together ambitions in relation to land use and energy and supports delivery of multiple benefits from our peatland. It provides a common platform for the Scottish Government, the Scottish Environment Protection Agency, Scottish Natural Heritage and the Forestry Commission Scotland. The link to the document is here.

This draft statement was published for informal consultation in June 2016 and we are now including it within the onshore wind policy statement for formal comment. We appreciate all the comments we have had so far, which on the whole have agreed with the principles behind the document.

#### Carbon calculator

The 'carbon calculator' is the Scottish Government's tool provided to support the process of determining wind farm developments in Scotland. The purpose of the tool is to assess, in a comprehensive and consistent way, the carbon impact of wind farm developments. This is done by comparing the carbon costs of wind farm developments with the carbon savings attributable to the wind farm. The tool and supporting guidance material remain the property of the Scottish Government.

Originally published with the research report – Research report (Nayak et al., 2008; Nayak et al., 2010 and Smith et al., 2011) in 2008, the calculator has been refined on the basis of feedback and further research to be an even more effective tool. Version 2 of the calculator launched in June 2011. The calculator was subsequently revised to include multiple regions for forestry and construction. The last version of the Excel spreadsheet tool was 2.9.0.

#### The updated carbon calculator

The updated carbon calculator tool launched in June 2016, is now online and can be accessed here.

This updated version of the carbon calculator is a web-based application and central database, where all the data entered in the carbon calculator will be stored in a structured manner. This web-based tool replaces all earlier versions of the Excel-based carbon calculator. This web-based version of the tool has been commissioned by Scottish Government, in response to feedback from stakeholders as a consequence of their experience of previous versions of the tool, under the guidance of a steering group with membership including Scottish Government, Scottish Environment Protection Agency, Scottish Natural Heritage and Forestry Research. Stakeholder engagement and feedback via workshops, in the final stages of the tool's development, has helped to further inform the final design. Any queries regarding its use and functionality should be directed in the first instance to Scottish Government Energy Consents Unit at Econsents.

The new tool incorporates high-level automated checking, detailed user guidance (within the tool), cells for identification of data sources and relevant data calculations and modifications required to the calculation method, at this time.

It is considered the improved ease of use of the tool will reduce the burden on developers as a consequence of the increased 'user-friendliness' and the more sophisticated entry checking and guidance. The expectation is that this will reduce the number of resubmissions. The improved quality of submissions will reduce the validation work required. It will allow developers to submit carbon assessments and conduct initial carbon assessment screening tests on their proposed developments online in a self-service manner. It will allow an aggregated picture to be made of assessments (initial applications and re-applications) across Scotland.

#### Deployment and protocols for use

All new applications to Scottish Government Energy Consents Unit should use the web-based tool or may be subject to rejection. All applications submitted and received using the carbon calculator may be subject to audit by the Scottish Environment Protection Agency. This is to ensure, as far as possible, that the carbon calculator continues to be used appropriately. If an audit highlights any issues, these will be raised with the applicant by SEPA such that they may be addressed.

The web-based version of the 'carbon calculator' provides significant enhancements over the previous Excel tool, including some automatic validation of data entry. However, an Excel-based tool is also being maintained for the purposes of development of new functionality, testing and trialling. This can be made available upon request. However, it must be recognised that this may not replicate exactly the functionality and results of the web-based tool and its use and any decisions based thereon will be at the users own discretion.

The existing technical guidance can be found <u>at this link</u>, and an update to this is scheduled for 2017.

#### Question

6.1 Do you have any comments regarding our Peatland Policy Statement and the functionality and the role of the carbon calculator?

7. Community Benefits 25

### 7. COMMUNITY BENEFITS

Scotland is leading the way in the approach taken to community benefits. This is demonstrated in our 'Good Practice Guidance on Community Benefits from Onshore Renewable Projects', published by the Scottish Government in 2014.

The guidance is a practical guide and seeks to bring transparency into the process. It includes information on:

- · basic principles of community benefits
- · community investment;
- other forms of community benefit;
- identification of the community;
- public consultation on community benefits schemes;
- supporting effective fund spend;
- fund administration and governance; and
- ongoing role of the developer.

The guidance has been well received by industry and other key stakeholders, and has been praised both nationally and internationally. Both the UK and Welsh Governments have adopted the approach, which has helped to transform practice across the UK.

As well as the guidance, our public register of community benefits which is available on the Local Energy Scotland website, allows developers and communities to provide details of their community benefit deals and how the funding is supporting a wide range of local community projects.

We are pleased that the vast majority of developers now complete the register as a matter of course and see the value in being open and transparent. It is a 'win-win' for all involved.

Community benefits remain a valuable source of income for those communities that are located near developments. As at December 2016 there were 159 registered schemes, showing over £10 million paid out to communities in the last 12 months.

Good practice guidance supports spend designed locally to meet local needs. Projects currently supported are diverse – from installing a new community hall to funding a community car club.

We recognise however that the uncertainty around finding a route to market, might make it tempting for developers to reduce their community benefits offer. We will continue to seek developments that continue to offer community benefits.

It might be that for schemes being developed in the future new community benefit packages will be required to reflect new business models. These might include new tariffs for energy consumers near local generation. We are open to working with developers as these new models emerge, but we do not consider that the solution is to cease community benefits outright.

The onshore wind industry has come a long way and has gained trust and credibility in seeking to work with communities in an open and transparent manner. In order to maintain public faith it is important that the transformation that has taken place is maintained and built on and that community benefits are seen as an integral part of new onshore wind schemes, but can adapt to change in circumstances.

7. Community Benefits 26

We are on the cusp of the next generation of onshore wind and there is an opportunity for Scotland to continue to show leadership in how we develop onshore wind:

- one that engages early with local communities;
- one that treats communities as a valuable partners; and
- one where communities can reap real benefits.

Repowering and shared ownership are examples of where new models might emerge and we are keen to hear your views on how Scotland can continue to lead the way in making community benefits an integral part of the next generation of onshore wind in Scotland.

The Good Practice Guidance will be revised following the publication of the final Scottish Energy Strategy to reflect the views expressed as part of the consultation.

**Carrick Futures** has been set up specifically to administer the funds from Scottish Power Renewables Mark Hill and Arecleoch wind farms, and has been running since 2011.

A decision to sit alongside the local economic development plan was made at an early stage, to reflect the aims and needs of the community, and this has been well received to date. Successful projects have included:

- · a community magazine;
- funding for Girvan Youth Trust's Music festival, organised by young people with young performers;
- playgroups in the area have been able to develop and expand;
- path maintenance;
- football equipment for clubs, including strips, equipment and training; and
- fishing clubs, and support with their Environmental Impact Assessment.

Girvan's Festival of Light and Lantern Parade celebrates different local themes each year and involves social workshop and school sessions, in lantern making, dance and musical theatre. It culminates in a light procession through Girvan followed by a fire and light display on Girvan Beach and then the annual fireworks extravaganza. Available as a free event to the whole community, the funding for this is provided by Carrick Futures and community benefit from another local wind farm. This encourages young people to get involved in arts and crafts, and brings the community together.

#### **Questions**

- 7.1 Are our Good Practice Principles for community benefits from onshore renewable energy developments doing what they set out to achieve?
- 7.2 Are packages of community benefits that were agreed in partnership with communities, being delivered in practice?

8. Shared Ownership 27

## 8. SHARED OWNERSHIP

The Scottish Government wants to see a significant increase in shared ownership of energy projects in Scotland, putting energy into the hands of local communities and, through this, ensuring all stakeholders stand to benefit from greater partnership working in bringing forward renewable energy projects.

**Shared ownership** – by this term, we mean is any structure which involves a community group as a meaningful *financial* partner in a renewable energy project.

#### **Rationale**

- Build relationships, creates greater positive public feeling and support for the project.
- Build community capacity and empower community members.
- Opportunity to strengthen relationships between developers and communities.
- Strengthen corporate social responsibility.
- Support Scotland's ambitious targets for community and locally owned renewable energy.

We have signalled our ambition with a commitment to ensure that by 2020, at least half of newly consented renewable energy projects will have an element of shared ownership.

In order to facilitate the take-up of shared ownership, the Scottish Government has taken the following actions.

- In 2015, the Scottish Government published 'Good practice Principles for Shared Ownership of Onshore Renewable Energy Developments'. This is an annex to our 'Good Practice Principles for Onshore Renewable Energy Developments'. This publication has been well received and adds to the suite of support available under CARES.
- Shared ownership has been identified by the Scottish Government as a key priority for the next CARES contract which covers the period April 2017 to March 2020, and new and enhanced support will be available as part of that new contract.
- In November 2015, the Chief Planner issued a <u>letter</u> to Heads of Planning Scotland which stated that the local economic benefits earned from Shared Ownership can be considered as a Material Consideration in the planning system.
- Non-domestic Rates for 2017/18 we will continue business rates relief for community schemes and those with an element of shared ownership, with a slight adjustment to criteria to ensure we capture pioneering schemes.

Although we hope to see the uptake of shared ownership across all our renewable technologies, onshore wind currently makes up the largest portion of community shared ownership.

8. Shared Ownership 28

The latest report by Energy Saving Trust entitled 'Community and locally owned renewable energy in Scotland at June 2016' shows that there were 40 projects with shared ownership. 28 of these 40 projects are operational and accounted for 43 MW of community and locally owned capacity between them. This is encouraging and shows that developers and communities do see the value in having a stake in a project. We want to build on this, with a view to making shared ownership the norm, not something that is seen as difficult or complicated. We want to work will all stakeholders to ensure that the support offered under CARES meets all your needs and would welcome views on this as part of the consultation.

Shared ownership will also be key in helping to meet our new targets of 1GW community and locally owned energy by 2020 and 2 GW by 2030. We expect onshore wind to continue to play a vital role in reaching our new targets.

**Stewart Energy** shared ownership project in South Lanarkshire. Jointly owned by local rural business Stewart Energy Ltd and Lesmahagow Development Trust (LDT). 3.9 MW project with **25% owned by local development trust** received funding from Renewable Energy Investment Fund. The LDT expected to receive an **annual six-figure income over the next 20 years** which will support a range of local projects

We recognise that some community groups may be more comfortable receiving traditional community benefit payments, however we do consider that the option of shared ownership should be offered to local communities as part of the early engagement process. The rationale for this is covered earlier on in this section.

As stated in our Good Practice Principles, not all developers, projects or communities are the same and as such the financial models for shared ownership may be just as diverse. The Scottish Government does not intend to prescribe any particular model, however we do encourage stakeholders to adopt the high level principles outlined in the document.

#### **Questions**

- 8.1 If you represent, or are a member of, a community, are you interested in shared ownership and what do you think are the barriers to achieving shared ownership under a renewable energy scheme?
- 8.2 What steps can the Scottish Government take to improve the prospect of further shared ownership development?

8. Summary of Questions 29

# 9. SUMMARY OF QUESTIONS

The Onshore Wind Policy Statement is an accompanying document to the consultation on the draft Scottish Energy Strategy. In order to recognise the importance of onshore wind to the Strategy the Statement reaffirms existing Scottish Government's onshore wind policy set out in previous publications and seeks views on a number of issues related to supporting the sector going forward.

Route	e to Market			
2.1	What is your view on the appropriate approach for the inclusion of wind farm efficiency as a material consideration in the Section 36 consents guidance?			
2.2	In this chapter, the Scottish Government has identified three areas of activity where it can offer support to a route to market for onshore wind – do you agree with the issues identified?			
2.3	How can the Scottish Government, with the powers available to it, further facilitate a route to market for onshore wind?			
Repo	owering			
3.1	Do you agree with the Scottish Government's proposed approach to repowering?			
3.2	Are there any further means by which repowering proposals might be facilitated?			
Developing a strategic approach to new development				
4.1	Do you agree or disagree with the proposals to pursue option 3, a 'locally co-ordinated approach'? Please provide reasons to support your answer.			
4.2	Do you agree or disagree with continuation of the Scottish Government's 'business as usual' approach (option 4)? Please provide reasons to support your answer.			
Barrie	ers to deployment			
5.1	Do you agree with the Scottish Government proposal to facilitate a strategic approach to the access to, and the cost of using, data from civil aviation radar to mitigate impacts of wind development on civil aviation operations?			
5.2	Do you agree with the Scottish Government proposal that the exclusion zone round the Eskdalemuir array should be set at 15 km?			
Prote	ction for residents and the environment.			
6.1	Do you have any comments regarding our Peatland Policy Statement and the functionality and role of the carbon calculator?			
Community benefits				
7.1	Are our Good Practice Principles for community benefits from onshore renewable energy developments doing what they set out to achieve?			
7.2	Are packages of community benefits that were agreed in partnership with communities, being delivered in practice?			
Shared ownership				
8.1	If you represent, or are a member of, a community, are you interested in shared ownership and what do you think are the barriers to achieving shared ownership under a renewable energy scheme?			
8.2	What steps can the Scottish Government take to improve the prospect of further shared ownership development?			

# RESPONDING TO THIS CONSULTATION

We are inviting responses to this consultation by 30 May 2017.

Please respond to this consultation using the Scottish Government's consultation platform, Citizen Space. You can view and respond to this consultation online at draft Onshore Wind Policy Statement consultation.

You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of 30 May 2017.

If you are unable to respond online, please complete the Respondent Information Form (see "Handling your Response" below) to:

Energystrategy@gov.scot with the subject heading 'Onshore Wind'.

It would be helpful to have your response by email or using the electronic response form. The electronic response form can be accessed at the following website address: <a href="https://consult.scotland.gov.uk">https://consult.scotland.gov.uk</a> You can also email your response to energystrategy@gov.scot with the subject heading 'Onshore Wind'.

#### Handling your response

If you respond using Citizen Space (<a href="http://consult.scotland.gov.uk">http://consult.scotland.gov.uk</a>), you will be directed to the Respondent Information Form. Please indicate how you wish your response to be handled and, in particular, whether you are happy for your response to be published.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

#### Next steps in the process

Where the respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at http://consult.scotland.gov.uk.

If you use Citizen Space to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered along with any other available evidence to us. Responses will be published where we have been given permission to do so.

#### Comments and complaints

If you have any comments about how this consultation exercise has been conducted please send them to: <a href="mailto:Energystrategy@gov.scot">Energystrategy@gov.scot</a> with the subject 'Onshore Wind'.

#### **Scottish Government consultation process**

Consultation is an essential part of the policy-making process, It gives us the opportunity to consider your opinion and expertise on a proposed area of work.

You can find all our consultations online: <a href="http://consult.scotland.gov.uk">http://consult.scotland.gov.uk</a>. Each consultation details the issues under consideration, as well as a way for you to give us your views, either online, by email or by post.

Consultations may involve seeking views in a number of different ways, such as public meetings, focus grouips, or other online methods such as Diaglogue (https://www.ideas.gov.scot).

Responses will be analysed and used as part of the decision-making process, along with a range of other available information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review;
- inform the development of a particular policy;
- help decisions to be made between alternative policy proposals; and
- be used to finalise legislation before it is implemented.

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

Respondent Information Form 32



### RESPONDENT INFORMATION FORM

Please Note this form must be completed and returned with your response.								
Are you responding as an individual or an organisation?								
☐ Individual								
☐ Organisation								
Full name or organisation's name								
Phone number								
i none number								
Address								
Postcode								
Email								
The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing			Information for organisations: The option 'Publish response only (without name)					
preference:		J	is available for individual respondents only If this option is selected, the organisation name will still					
☐ Publish re	Publish response with name		be published.  If you choose the option 'Do not publish response',					
☐ Publish re	esponse only (without n	name)	your organisation name may still be listed as having responded to the consultation in, for					
☐ Do not pu	ıblish response		example, the analysis report.					
We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?								
Yes								
□ No								



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This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at The Scottish Government St Andrew's House Edinburgh EH1 3DG

ISBN: 978-1-78652-746-2

Published by The Scottish Government, January 2017

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA PPDAS86696