

Annex A

An exception under regulation 10(4)(e) of the EIRs (internal communications) applies to some of the information requested. This exception covers internal communications between officials and is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, I have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. I have found that, on balance, the public interest lies in favour of upholding the exception. I recognise that there is a public interest in disclosing information as part of open, transparent and accountable government. However, there is a greater public interest in allowing Ministers and officials a private space within which to communicate with each other. This private space is essential so that Scottish Government policy can be discussed based on fully informed advice and evidence.

An exception under regulation 11(2) of the EIRs (personal information) applies to some of the information requested because it is personal data of a third party (in this case, names of Scottish Government officials and other individuals) and disclosing it would contravene the data protection principles in Article 5(1) of the General Data Protection Regulation and in section 34(1) of the Data Protection Act 2018. This exception is not subject to the 'public interest test', so we are not required to consider if the public interest in disclosing the information outweighs the public interest in applying the exception.

Annex B

Briefing for First Minister meeting with SSE CEO on 5 August 2024

BRIEFING FOR THE FIRST MINISTER

Meeting with Alistair Phillips-Davies, SSE PLC

Key message	It is my priority that Scotland's planning and consenting systems are enablers of economic growth and the transition to a net zero energy system, and a range of important actions are already underway to ensure the necessary resourcing, and expedited decision making.
What	Meeting to discuss points about the planning and consenting system in Scotland, raised in a letter to you dated 10 July 2024.
Why	SSE PLC are one of Scotland's largest companies and an important investor in our economy. Through carefully separated businesses, SSE Transmission and SSE Distribution, they own around half of the electricity transmission and distribution network infrastructure in Scotland. They also operate SSE Renewables and SSE Thermal, electricity generation businesses which invest in onshore and offshore technologies.
Who	Alistair Phillips-Davies, Chief Executive of SSE PLC.
Where	First Minister's Office, St Andrews House, Edinburgh
When	13.30 – 14.15
Likely themes	<ul style="list-style-type: none">• Resourcing of Energy Consents and the Scottish planning system in general.• The need to streamline existing application processes for transmission network development, and to ensure that a package of strategic environmental compensation measures for offshore wind is urgently agreed.• National Planning Framework 4.
Media	N/A
Supporting official	Kersti Berge - Director – Energy and Climate Change [REDACTED: SECTION 11] – Head of Energy Consents Unit Ragne Low – Offshore Wind Directorate
Briefing Contents	Annex A – Summary and agenda Annex B – Biography Annex C - Top lines Annex D - Letter from Alistair Phillips-Davies Annex E - List of active SSE applications held by SG

ANNEX A – SUMMARY AND AGENDA

Summary

Mr Phillips-Davies has written to you following a speech made by the Chancellor of the Exchequer on 8 July 2024. In the speech, the Chancellor set out that the UK Government will make sure energy projects are prioritised in the planning system and consult on including onshore wind power developments in the Nationally Significant Infrastructure Projects (NSIP) planning regime. She also set out plans to develop an additional pipeline of new planners to better resource the system in England.

Mr Phillips-Davies' letter sets out that in this context Scotland must remain competitive and continue to lead in attracting low carbon investment. The letter makes a range of recommendations to this end, which are addressed in detail below.

Officials recommended that you accept this meeting as it is an opportunity to set out the actions that we are already taking to address many of the recommendations in the letter, and deliver a strong, positive message on our plans. We are aligned on many of the issues SSE have raised.

Agenda

1. Existing workstreams
2. Resourcing of Energy consents and planning authorities
3. Process improvement for section 37 applications
4. Strategic environmental compensation for offshore wind
5. National Planning Framework 4

Sensitivities

SSE has a number of live applications with the Scottish Government. It is very important that the meeting does not stray into discussion of live cases in cognisance of the Ministerial Code. Section 8 of the code states that Ministers should take particular care to avoid conflicts of interest when dealing with planning matters including energy consents. For FM awareness, a list of these live applications and current progress is at Annex E.

[REDACTED: SECTION 10(4)(e)]

[REDACTED: SECTION 10(4)(e)]

ANNEX B – BIOGRAPHY

Alistair Phillips-Davies Biography



Alistair Phillips-Davies serves as Chief Executive Officer, of SSE, which he joined in 1997 and through a variety of senior roles possesses extensive knowledge of each business area.

Prior to joining the Board in 2002 as Energy Supply Director, Alistair was Director of Corporate Finance and Business Development. In 2010, he became Generation and Supply Director, before becoming Deputy Chief Executive in 2012, then Chief Executive in 2013.

Prior to joining SSE, he worked for HSBC and National Westminster Bank in corporate finance and business development roles in London and New York.

He is a Fellow of the Energy Institute and holds a broad knowledge of markets across Europe as a former Vice President of Eurelectric. He is also a member of Scottish Energy Advisory Board.

ANNEX C – TOP LINES

We are taking action on a number of fronts to address the need to resource Scotland’s planning and consenting systems and ensure that all possible action is taken to expedite decision making and ensure Scotland is competitive.

- Work is advanced in significantly increasing the resource capacity of the Energy Consents Unit.
- We are committed to the aims and actions set out in the Onshore Wind Sector Deal and the Transmission Networks short life working group, and good progress has been made on taking these actions forward, working closely with industry and key stakeholders.
- Discussions are continuing with the UK Government on regulatory changes with a commitment to increase engagement and the pace of action following the change of government.
- Improving resourcing, to ensure planning better serves Scotland’s communities and enables the transition to net zero, is a key priority.
- Our recent consultation “Investing in Planning – A consultation on resourcing Scotland’s Planning system” which ran from February to May set out a range of proposals to support improvement in the delivery of planning services, including smarter ways of working, getting more people to consider a career in planning and alternative approaches to financing.
- We have carried out an analysis of the responses and we will shortly publish the responses, a summary of those responses, and outline our next steps.

National Planning Framework 4 (NPF4) is making sure that decision-making enables the sustainable growth of the renewable energy sector while continuing to protect our most valued natural assets and cultural heritage.

- ‘Strategic Renewable Electricity Generation and Transmission Infrastructure’ is identified as a significant development of national importance in NPF4 (National Development 3).

- We are clear that NPF4 must be read and applied as a whole. Conflicts between policies can be expected – indeed that is normal. There remains a need to weigh up all relevant policies and factors in applying planning judgement.
- [REDACTED: SECTION 10(4)(e)]

Below are key messages on the points raised on each matter in the letter from Mr Phillips Davies.

Existing workstreams

Streamlining Offshore wind consenting

[REDACTED: SECTION 10(4)(e)]

Onshore Wind Sector Deal

[REDACTED: SECTION 10(4)(e)]

Transmission Networks Short Life Working Group

The Transmission Network Short Life Working Group (SLWG) has replicated the collegiate, partnership approach of the Onshore Wind Sector Deal. The group comprises ECU and industry and meets regularly to progress actions agreed by the group in its 2023 report.

[REDACTED: SECTION 10(4)(e)]

[REDACTED: SECTION 10(4)(e)]

The group meets regularly, and it has since expanded its membership to include a representative from Heads of Planning Scotland (HoPS) and other SG officials from Onshore Electricity policy, Planning Appeals and the Planning, Architecture and Regeneration Division.

Resourcing of Energy Consents and Planning Authorities

Corporate approval was provided earlier this summer to significantly increase the size of the Energy Consents Unit (ECU).. This reflects the priority of this government to properly resource infrastructure planning.

Work has been overseen by the Permanent Secretary and progressed at pace to deliver this resource as quickly as possible. The external recruitment campaign referred to in the Chief Executive's letter closed on 29 July with a high number of applications received.

In addition to the external recruitment campaign, a number of individuals have been moved into the Energy Consents Unit from elsewhere in the Scottish Government, including a new strategic and operational lead for ECU, and a lead for training, learning and development.

With support from industry secondments, ECU officials are refining determination frameworks for ECU which will provide consistency and certainty across the work of the Unit.

Resourcing of Planning Authorities

Local Authorities are best placed to make decisions about how to utilise the financial resources available to them.

The Scottish Government has made available record funding of over £14 billion to local councils in 2024-25 – a real-terms increase of 2.5% compared with the previous year. This follows on from the 3% real terms increase provided to Local Government in 2023-24.

While the resourcing of local authority planning services is ultimately a matter for authorities, the Scottish Government has already significantly reformed Scotland's planning system, substantially increasing planning fees two years ago, and recently consulted on further changes to both increase the financial resources available to authorities and to make the planning system more efficient.

We are now focused on ensuring planning authorities have the capacity and skills to improve consistency and increase confidence and certainty in the planning process

Centralised resource of planners

Our recent consultation "Investing in Planning – A consultation on resourcing Scotland's Planning system which ran from February to May set out a range of proposals which have the potential to increase the capacity within the planning system, such as:

increasing planning fees annually to take account of inflation;

introducing fees for appealing planning decisions; and

expanding the range of additional services which authorities can charge for.

However, the consultation acknowledged that money was not the sole solution and set out a range of actions which could improve the planning process, through the use of standard templates for Section 75 Planning Obligations and conditions and the potential of introducing a Planning Hub which could allow authorities to access the skills, knowledge, expertise or additional capacity which they require.

Recruitment of planners

The 'Investing in Planning Consultation' proposed a series of practical options to support improvement in the delivery of planning services, including the potential to get more people to consider planning as a career. We will announce the way ahead for our Investing in Planning proposals soon.

To strengthen the future pipeline of planners the Scottish Government, through the Planning, Architecture and Regeneration Division (PARD), is supporting 10 post graduate students, through grant funding (£50,000), to study at Scottish planning schools this year. This bursary offer will be enhanced by helping to link students with internships and industry placements. The results of 'take up' will be known after 8 August.

PARD intends to run some recruitment days to help capture new potential planners from a range of different backgrounds.

Dundee University: The University of Dundee (UoD) is, currently, the only Planning School that offers an Under Graduate (UG) planning qualification accredited by the Royal Town Planning Institute (RTPI). The University, however, has recently gained approval to offer a new UG 'routeway' into the planning profession. This has been created to help attract, more, students into the profession as it includes a significant 'practical element' that allows for work experience whilst studying. This course will be available from September 2025.

Other Universities: To encourage more students to study planning, the University of the Highland and Islands (UHI) is in the process of setting up a new UG Planning Programme. Academics have been engaging with stakeholders and are in discussion with the RTPI, about their Accreditation requirements. It is expected that the UHI's first intake will be in January 2025.

Process Improvement for section 37 applications (grid)

An application under Section 37 of the Electricity Act 1989 requires to be made to the Scottish Ministers for consent to install transmission level overhead lines in Scotland. The Electricity Act is reserved.

Planning and consenting are essential enablers for this economic growth and for tackling the climate emergency, and we need to accelerate the processing of consent applications as an urgent priority.

We were happy to see issues related to Scottish Consenting highlighted within the UK's Electricity Networks Commissioner's key recommendations in 2023 and many of these reflected the insights captured from the work of the Transmission Networks Short Life Working Group which both ECU and SSEN were involved in.

Officials have been engaged with UKG counterparts since the beginning of the year to discuss these technical issues and potential solutions and excellent progress had been made. Following the UK election, we are now aware that the new UK Government wishes to expedite these discussions with ECU officials.

Our government attaches the greatest importance to Scotland having a clear and credible consenting process in place and modernising the legislation which underpins this is essential and needs immediate action. We agree that work must continue to seek efficiencies where available, even in the absence of action at a reserved level on the relevant legislation.

The ambition of a 12 month timescale for the consenting of transmission infrastructure is very challenging and requires commitments from all stakeholders - in terms of how applicants, Energy Consents and Planning Reporters in the DPEA prepare and process such applications.

Work is advancing to understand the commitments that will be necessary from all stakeholders, including Transmission Operators, in order to facilitate such timescales. This includes an outline of the 52 weeks available, and where actions in the critical path must be undertaken.

We would like to thank SSEN for their continued engagement in the Short Life Working Group to progress this work and consider the detail behind the commitments.

Strategic environmental compensation for offshore wind

We are currently developing policy at pace to deliver strategic compensation.

Our approach is to ensure compensatory measures are flexible, transparent and enabling of strategic action so that securing measures is not a limiting factor to consenting offshore wind and we can protect and maximise the enhancement of our marine environment where it is needed most.

This flexibility will require legislation reform at a UK Government level, and we are engaging with other administrations.

[REDACTED: SECTION 10(4)(e)]

National Planning Framework 4

National Planning Framework 4 (NPF4), approved by the Scottish Parliament in 2023, is an important milestone for planning in Scotland. It sets out our strategy for working towards a net zero Scotland by 2045. It signals the key priorities for 'where' and 'what' development should take place at a national level and is combined with national planning policy on 'how' development planning should manage change.

NPF4 makes clear our support for all forms of renewable, low-carbon and zero emission technologies, including transmission and distribution infrastructure.

Potential impacts on communities, nature and cultural heritage, including the cumulative effects of developments, remain important considerations in the decision-making process. All applications are already, and will continue to be, subject to site-specific assessments.

It is still early days - the national policies have been bedding in over the last year, but our collective experience is growing and we are sharing and responding to issues where they arise. Planning officials are happy to engage with SSE on the matters they have raised.

'National Development' Status

‘Strategic Renewable Electricity Generation and Transmission Infrastructure’ is identified as a significant development of national importance in NPF4 (National Development 3). ‘National Development’ status establishes the need for such infrastructure and ensures that the principle of development does not need to be assessed again at the consenting stage.

Ancient Woodland

NPF4 policy 6 reflects the Scottish Government’s established policy on woodland removal – currently set out in Scottish Forestry’s Control of Woodland Removal Policy.

NPF4 aligns with, and is underpinned by, wider policies which already allow for new grid connections, or changes to existing infrastructure, with mitigation and enhancement where appropriate.

In Electricity Act applications, NPF4 is a key policy consideration. NPF4 should be read as a whole and the weight given to it, and the policies within the document, is a matter for the decision maker.

Guidance from Chief Planner

We are clear that NPF4 must be read and applied as a whole. Conflicts between policies can be expected – indeed that is normal. There remains a need to weigh up all relevant policies and factors in applying planning judgement.

The Chief Planner has provided advice on the application of NPF4 policies in letters dated February 2023, Autumn 2023 and June 2024. It has been made clear that conflicts between policies can be expected – indeed that is normal. Every proposed development is unique, in relation to the development itself and the particular aspects of the location. The weight that should be attached to individual policies needs to be applied and balanced in making those individual decisions.

ANNEX D – LETTER FROM ALISTAIR PHILLIPS-DAVIES

Rt Hon John Swinney MSP
First Minister of Scotland
The Scottish Government
St Andrew’s House
Regent’s Road
Edinburgh, EH1 3DG

SSE plc
Inveralmond House
200 Dunkeld Road
Perth
PH1 3AQ

10th July 2024

Dear John,

Implications for Scotland from Chancellor’s speech on planning and consenting in England and Wales

I am writing to you on the back of the various steps outlined by the UK Chancellor of the Exchequer earlier this week in relation to the planning and consenting system. These commitments signal an important shift in direction with regards to the strategic prioritisation of energy projects in England and Wales in support of economic growth and the transition to net zero. If delivered upon, proposals to urgently resource and speed up the planning system will act as a magnet for investment in such projects.

As one of the largest investors in low-carbon infrastructure across GB, we strongly welcome the specific commitments and detail outlined by the Chancellor. As the largest single private investor in Scotland, with plans to invest more than £20bn in Scotland alone over the decade, we also recognise that the announcements risk creating a competitive advantage for projects in England and Wales over their equivalents in Scotland which we are keen to work with you to avoid.

For many years, underpinned by strong political leadership against a backdrop of ambitious energy targets, the relative favourability of the planning and consenting system in Scotland has successfully helped attract inward investment in projects, offsetting the downside commercial impact of policy and regulatory challenges such as transmission charges¹. With the steps in England and Wales announced this week, it is now vital that Scotland takes proportionate action to ensure it remains competitive and can continue to lead the way in attracting low-carbon investment.

We know it is a priority of the Scottish Government to ensure that planning and consenting systems are an enabler of our shared goal to see Scotland flourish as a global leader in the renewable energy transition, with the economic opportunities this presents to the people and businesses of Scotland. To that end, we have outlined in the annex below a series of potential steps that could be implemented to ensure Scotland remains a world class destination for low-carbon investment. Many of our recommendations lie within the direct competencies of the Scottish Government, while others will require collaboration with the new UK Government.

We would also note that in her comments, the Chancellor made clear that the UK Government would look to make swift progress on projects already in the planning system. We believe that it is crucially important for the Scottish Government to show similar intent on projects in Scotland over the coming weeks and months.

We are grateful for our continued constructive engagement to date with you on this subject and would very much welcome the opportunity to meet to discuss the points outlined below in more detail.

Yours sincerely,

Alistair Phillips-Davies, Chief Executive, SSE plc

¹ Transmission Use of System (TNUoS) charges set by the GB electricity and gas regulator, Ofgem.

Annex

Accelerating planning and consenting to ignite Scotland's green economy

Planning and consenting remains a key risk to Scotland's green leadership ambitions and the delivery of a decarbonised electricity system across the country. At present, the planning system lacks the resource it needs to facilitate net zero. The process for project consenting also needs to be streamlined and, critically, resourced to reduce delays and de-risk investment in vital infrastructure. With an especially large volume of projects applications expected for submission to the Energy Consents Unit in the coming year, urgent action is required to ensure the consenting process does not in itself become a constraint on economic growth and the transition to net zero.

Having taken an early lead, we are now in a highly competitive global race for low-carbon investment. Supply chains will cluster around the projects and markets which offer the most certainty and that is why timely planning and consenting processes are crucial. By leveraging the powers at its disposal, Scottish Government has the opportunity to build and maintain a competitive advantage for projects on our shores. Making Scotland the fastest place in GB/Europe to develop sustainable low-carbon projects would lure investors to Scotland, bolster supply chains, create jobs and ignite growth in the economy.

1. Existing workstreams

Industry welcomed the ambition outlined in the Programme for Government 2023/24 to further streamline offshore wind consenting processes, ensuring the most efficient management of both pre-application and post-consent processes and shortening timeframes where possible. In addition, the agreement reached with industry in the Scottish Onshore Wind Sector Deal to work towards halving the average determination time for section 36 applications to 12 months where there is no public inquiry and two years with an inquiry, was a welcome step.

Such an approach must also be replicated across other technologies – in particular electricity networks. SSEN Transmission welcomed collaboration with the Scottish Government and Scottish Power Energy Networks as part of a Short Life Working Group to explore options for planning and consenting acceleration in relation to the grid. The Working Group's recommendations, accepted by the Energy Minister.

If delivered upon, these commitments would give a clear and welcome signal that Scotland is open to low-carbon investment. With regards to networks, the UK Government also has an important role, as legislation underpinning the existing regime for overhead lines, by way of the Electricity Act 1989, is reserved (see point 2a below).

2. Additional steps: Resourcing; and process streamlining

1. Resourcing

Achieving our ambitions will only be possible if our planning and consenting systems, and government agencies and directorates, are properly resourced to handle the scale and complexity of energy applications required to meet net zero.

3. Energy Consents Unit

The experience of industry over the past 12 months is that decision-making timescales for consents overseen by the ECU are growing. Projects are taking longer now than in previous years to receive determinations – with the volume of projects being submitted only likely to increase exponentially. We understand this is, in large part, linked to the availability of resource within the ECU itself.

Tackling current resourcing challenges (increasing staff numbers and widening expertise) will be the key action to improve certainty of timescales. We therefore **strongly welcome** steps taken this week to recruit new Case Officers, Senior Case Officers and Managers to the ECU.

ScotGov may also consider the introduction of specific retraining programmes for civil servants to move into the area as well as a focus on retention measures to ensure that existing expertise remains in the system.

Alongside this we believe it will be necessary to deliver specific reforms such as the modernisation of the current section 37 consenting process and for critical networks applications to be determined within 12 months. (more detail in section 2)

4. Local planning authorities

The challenge of resource is also felt acutely in our local authorities where Scottish Renewables research found that the number of planning department staff employed fell by 20% between 2011-2020, from 1,515 in 2011 to 1,216 in 2020. This is having a significant bearing on the level of service they are able to provide. The underlying issue appears to be a lack of finance to sustain staff numbers at a level which enables retention, positive well-being and ensures workloads are kept to a manageable level. The result is bottlenecks, which are only set to be further exacerbated by rapidly growing volumes of new applications, as well as repowering.

We had hoped the significant increase in planning fees which came into effect on 1st April 2022 would have provided planning authorities with the increased financial capability to sustain and increase planning staff levels. However, it is understood planning application fee income is not ringfenced at local government level and is therefore delivering no net benefit to the level of service – even though it was intended to be by the Scottish Government.

To address these challenges, the Scottish Government should:

- a) Deliver **ringfenced funding to all local authorities** to build additional capacity and capabilities for processing the growing volume of energy applications in the full spirit of the National Planning Framework 4.
- b) Specific consideration should be given to the creation of a **centralised floating resource of planners** with expertise in energy projects and specialist areas such as ornithology, marine biology and peatland, deployed to alleviate local bottlenecks.
- c) This should be complemented by an **urgent drive to train and recruit more planners** as well as encouraging cooperation between local authorities to share expertise and resource.
 - i. As of 2023, there is currently only one undergraduate RTPI accredited Town Planning degree taught in Scotland, which is at Dundee University. Government could work with Dundee in the short-term to expand the existing course offering to bring more planners through the pipeline.
 - ii. Government must also work with other HE/FE institutions to encourage the teaching of Planning and Environmental-related undergraduate degree courses to unlock a future pipeline of planners. It is understood that Heriot Watt University and Aberdeen University both previously delivered RTPI accredited courses.

More broadly, a joint statement by the Scottish Government and COSLA emphasising the economic importance and priority of decisions for low-carbon energy infrastructure would be welcome.

5. Role of Industry

Recognising the challenging financial outlook facing government, we are keen, with our partners in industry, to support the Scottish Government and regional decision makers in finding both short and long-term solutions to ease the burden on planning teams from a cost, well-being, and skills perspective. This could include solutions such as a training levy on applications which could be supported by the industry if there was confidence that it would lead to growth in resource.

Collaboration and partnership with business and skills organisations, across all relevant industries, will also be important to identify skills gaps and encourage more young people to enter careers in planning as a critical component of our national mission to establish Scotland as a world leader in low-carbon energy.

2. Process streamlining

- a) **Section 37 reform (reserved):** Action at a UK level is required to modernise the automatic Public Inquiry trigger within the UK Electricity

Act 1989 on key Scottish networks projects – which risks delaying them for years. This would not preclude PLIs where appropriate but mirror the more proportionate approach taken in England and Wales. This step was one the UK's Electricity Networks Commissioner's key recommendations in his 2023 report on accelerating electricity transmission infrastructure.

b) 12-month statutory timescale for critical Transmission

infrastructure: in the absence of action at a reserved level on the S37 process, in the short term we would welcome the Scottish Government setting an agreed statutory timescale of 12 months for the consenting of transmission infrastructure, whether a Public Local Inquiry (PLI) is triggered or not. [REDACTED: SECTION 10(4)(e)]

This would be consistent with reform to the Nationally Significant Infrastructure Planning regime in England and Wales, where the UK Government is setting a 12-month timeline for consent decisions made by the Secretary of State.

[REDACTED: SECTION 10(4)(e)]

c) Strategic environmental compensation for offshore wind:

Overcoming the environmental barriers to consenting will also be key to accelerating deployment of offshore wind. In particular, it is important that a package of strategic environmental compensation measures to mitigate the impact of offshore wind is urgently agreed and implemented.

[REDACTED: SECTION 10(4)(e)]

d) NPF4 - Ancient woodland: The current wording of NPF4 (Policy 6) will prevent any development going ahead that results in the loss of – or adverse impact on – ancient woodland, even where mitigations exist. Due to the linear nature of transmission projects it is not always possible to avoid every parcel of ancient woodland while fully adhering to other, often competing, statutory protections. This wording could inadvertently lead to significant delays to critical networks projects.

e) NPF4 Interpretation: In addition, we would welcome further guidance from the chief planner on how NPF4 policies should be interpreted for transmission infrastructure to provide clarity on policy intentions and consistency in decision making, reducing PLI risks, at a local authority level as we await a mechanism for amendments to be consulted upon and implemented by the Scottish Government. We'd also welcome this guidance aligning with the UK Government's recently updated National Policy Statement (NPS) for Electricity Networks Infrastructure (EN-5)¹ as transmission infrastructure is classed as nationally strategic infrastructure for the UK as a whole.

Principal SSEN live applications

Energy Consents Unit

Networks

Skye reinforcement project – Highland Council – Consultation complete, Habitat Regulations derogation tests currently being considered by ECU.

Coire Glas Grid Connection – Highland council – SSEN considering re-routing options to overcome stakeholder objections and Additional Information is expected which SSEN says has been delayed.

Creag Dhubh to Dalmally connection project – Argyle and Bute council – Public Inquiry Report received, determination submission drafted, will be sent to Ministers imminently

Creag Dhubh to Inveraray overhead line – Argyle and Bute council – Determination has been drafted and is awaiting Team Leader review.

Dunoon to Loch Long - Argyle and Bute council – Determination is currently being drafted, one issue outstanding with Loch Lomond and Trossachs National Park regarding biodiversity condition

Bhlaraidh wind farm grid connection - Highland Council – At determination stage, conditions shared with App and Planning Authority. Outstanding land right issues.

Elchies wind farm grid connection – Moray council - Necessary wayleaves are currently with the DPEA.

Inveraray to Taynuilt – Argyle and Bute council – Determination submission drafted, with Team Leader for review.

Lairg 2 wind farm connection – Highland council – At determination stage. Wayleaves not yet agreed, expected land agreements in August.

Generation – SSE Thermal

Peterhead CCGT Power station – Aberdeenshire council. Consultation complete and drafting of recommendation at an advanced stage.

Offshore

Berwick Bank Wind Farm

Document 2: Note of meeting between the First Minister and Chief Executive of SSE held on 5 August 2024

Minute of meeting between First Minister and Chief Executive SSE PLC 5th Aug 2024, 13.30 – St Andrews House, Edinburgh

In attendance:

John Swinney MSP, First Minister

Colin McAllister, Special Advisor

Alistair Phillips-Davies, Chief Executive SSE PLC

Martin Pibworth, Chief Commercial Officer SSE PLC

Niall Murphy, Head of Public Affairs, SSE PLC
Kersti Berge, Director, Energy and Climate Change
Ragne Low, Deputy Director, Offshore Wind Directorate
[REDACTED: SECTION 11], Energy Consents Unit

Discussion

1. First Minister clarified at the outset that there would be no discussion of any live Electricity Act applications.
2. Mr Phillips-Davies set out, in the context of recent UK Government announcements on energy and infrastructure planning, the need for Scotland to continue to be the leading place to develop renewable energy. He has been encouraged by the recent move to advertise a significant number of posts in the consents unit. FM underlined his commitment to an efficient energy infrastructure consenting process in Scotland and underlined that practical steps are being taken and that resourcing the system is his priority.
3. Mr Phillips-Davies highlighted the opportunity for the UK and Scottish Governments to have a renewed relationship based on shared priorities and FM signalled his intention to have a constructive relationship in that regard, pointing to a number of bilaterals that have taken place since the election. There are mutual benefits to working collaboratively to achieve climate targets and a shared determination to grow the economy.
4. [REDACTED: SECTION 10(4)(e)]
5. [REDACTED: SECTION 10(4)(e)]
6. FM pointed out that many policy decisions made at UK level were regardless of related development consents – for example the Scottish CCUS cluster. APD [REDACTED: SECTION 10(4)(e)]
7. APD then widened the discussion stating that the supply chain needs to see strong statements from Scottish Government on support for such development – the supply chain is deliverable but is not yet secured in Scotland and certain actions are needed to give supply chain businesses confidence to invest. For example, strong messages to the UK Government on the cap and floor mechanism which has been consulted on for pumped storage development. APD noted the ECU resourcing was a strong signal in itself. Certainty is what developers need.
8. FM stated he is keen to use all available forums and opportunities to advance such positive messaging. It is important that these opportunities also promote Scottish successes to date. Investors and supply chain need to head that Scotland has led on renewable energy, there are a huge number of Scottish success stories that we can be proud of, and Scotland will continue to lead the way. FM also indicated that he will speak up for Scotland if there is any action taken by the UK Government which disadvantages Scotland or which

presents other parts of the UK with a competitive advantage. Projects in Scotland need an equal footing, there must be a level playing field.

9. [REDACTED: SECTION 10(4)(e)]

10. [REDACTED: SECTION 10(4)(e)]

11. FM noted the positions put forward by SSE. Thanked them for a helpful meeting and closed.

[REDACTED: SECTION 11]
Energy Consents Unit

Document 3: Briefing for First Minister visit to re-open Tummel Bridge Power Station on 20 September 2024

What	SSE Renewables have invited you to attend, as guest of honour, the formal re-opening of Tummel Bridge hydro-electric power station following the successful installation and energisation of 2 hydro power turbines.
Where	Tummel Bridge Power Station Woodend Perth And Kinross PH16 5RP
When	Friday 20 September 2024 13:00-15:00
Key message(s)	This hydropower station will continue to play a vital role in the local community and wider UK energy system throughout the energy transition.
Who	You will meet representatives from SSE, Perth and Kinross Council, UK Parliament and other key stakeholders. See Annex C for full list of attendees.
Briefing contents	Annex A: Agenda Annex B: Briefing Annex C: Biographies of key attendees Annex D: Attendee list Annex E: FM letter to PM on Call for UK Government to support pumped hydro storage through a market mechanism
Media handling	[REDACTED: SECTION 11] and [REDACTED: SECTION 11] from SG Comms are attending to capture video footage and photos.

13:00	Martin Pibworth (Chief Commercial Officer, SSE) and Neil Lannen (Director of Hydro Asset Management, SSE Renewables) to welcome VIP stakeholders, John Swinney MSP, Dave Doogan MP and Hector MacAulay MBE.
13:10	If appropriate, a short meet and greet for John Swinney MSP with turbine naming competition winners [photo opportunity].
13:15	Guests move through to turbine hall.
13:20	Guests are split (colour coded on badges) into four groups led by Neil Lannen, [REDACTED: SECTION 11], [REDACTED: SECTION 11] and [REDACTED: SECTION 11], to tour the station.
13:55	Martin Pibworth speech on behalf of SSE.
14:00	Hector MacAulay MBE reflections on behalf of Balfour Beatty.
14:05	John Swinney MSP speech followed by the unveiling of the plaque [photo opportunity].
14:15	John Swinney MSP officially switches on the new turbines, accompanied by Martin Pibworth and Neil Lannen [photo opportunity].
14:20	All guests move to outbuilding for refreshments. Media interviews to take place at this point.
14:55	Short thanks from Martin to draw the event to a close.
15:00	Event ends.

ANNEX B

BRIEFING

Top lines

- Hydro power has the potential to play a significantly greater role in the energy transition – both at small-scale in co-operation with local communities, and at larger scale, providing flexibility services to the grid and helping to ensure a continued resilient and secure electricity supply.
- We continue to urge the UK government to provide an appropriate market mechanism for hydro power, to ensure its potential is fully realised.
- While additional deployment of renewables will play an important role in lessening dependence on fossil fuels for electricity generation, large-scale, long-duration energy storage, such as PHS, is also absolutely critical to achieving our collective goals. It can help to integrate and maximise our significant renewable electricity generating capacity, ensure security of supply and manage constraints across the grid.
- The Scottish Government's Community and Renewable Energy Scheme (CARES) supports local or community ownership of renewable energy generation, including hydropower.
- There is currently 1.67 GW of installed hydro power capacity operational in Scotland. This includes:
 - 740 MW of pumped storage hydro
 - 598 MW of conventional large scale hydro

- 333 MW of small scale hydro

Background on Tummel Bridge Power Station

- The Tummel Bridge Power Station has been in operation since 1933 and originally had a 34 MW capacity. Refurbishment works commenced in Spring 2022, involving the replacement of the hydro station's two turbines, increasing capacity to 40 MW. At full output there would be enough electricity to supply around 20,000 homes.
- The Tummel Bridge Power Station is critical to controlling the flow of water through 9 power stations in the valley. The valley includes 4 major dams, 10 lochs and reservoirs. The reservoirs can help to prevent flooding downstream in times of high rainfall or melting snow.
- The plant can respond to demand in a relatively quick time and helps to stabilise the grid.
- Hydropower developments in Scotland are regulated by the [Water Environment \(Controlled Activities\) \(Scotland\) Regulations 2011](#) more commonly known as CAR regulations. Fisheries, third parties, protected species and habitats are all fully assessed under that process. The Scottish Environmental Protection Agency (SEPA) control the rate at which water will be abstracted or discharged from the lochs and reservoirs to ensure that schemes are protecting the water environment and its users.

Background on hydropower

- Scotland has a proud history of hydro power and currently has 1.67 GW operational.
- Scotland's relationship with hydropower was forged over 100 years ago. And by the mid 1960's, hydro was essential in bringing power to the Highlands and Islands.
- As Scotland transitions to net zero, a growing and increasingly decarbonised electricity sector is critical to enabling other parts of our economy to decarbonise – notably transport, buildings and industry. In further decarbonising our electricity system, we also need to address the substantial challenges of maintaining security of supply and a resilient electricity system.
- The Hydro Electric Development (Scotland) Act 1943 nationalised the industry and supported the expansion of hydro-electric power across Scotland.
- There are three types of hydropower systems, run-of-river, storage and pumped storage.
 - Run-of-river provides continuous power by using flowing water from a river to spin a turbine. For example, the Tummel Bridge Hydro Power Station.
 - Conventional (storage) hydropower requires the use of a dam to store the water before it is released through a turbine. This process can provide continuous output or can be started and stopped quickly to provide flexibility. The typically large scale deployment of these schemes requires significant water reservoirs.
 - Pumped storage hydro (PSH) requires an upper and lower reservoir; when there is low demand, electricity can be used to pump water from the lower

to the upper reservoir. PSH has an important role to play in balancing power on the grid, as it can release stored water through a turbine to produce electricity when the demand is high and the system needs it most (e.g. when there is less wind energy available).

Long duration electricity storage (LDES)

- In further decarbonising our electricity system, we also need to address the substantial challenges of maintaining security of supply and a resilient electricity system.
- Large-scale, long-duration electricity storage (LDES), such as pumped hydrogen storage (PHS), can help to make the most efficient use of renewable generation and encourage increased flexibility across the whole system. An increasing reliance on weather-driven generation will also create greater seasonal volatility which will require storage to balance prolonged periods of excess or shortfall in energy output.
- LDES is required to maintain system stability, meet peak demand and manage locational congestion.
- The UK Government's British Energy Security Strategy contains an ambition to develop policy which will enable investment in LDES by 2024.
- The former First Minister, Humza Yousaf MSP, wrote to the former Prime Minister, Rishi Sunak MP, on 22 May 2023, urging the UK Government to put in place a suitable market support mechanism for large-scale, long-duration energy storage such as hydro. **(Copy of letter at Annex E)**
- In response, the former PM restated the UK Government's commitment to establish an appropriate policy framework to enable investment in LDES by 2024, and highlighted an upcoming consultation on possible policy approaches, later in 2023.

Development of a market support mechanism for LDES

- On 9 January 2024, the UK Government published a consultation on long duration electricity storage. Within this they recognised that a cap-and-floor market support mechanism may be suitable in principle to incentivise response to varying price signals and to provide flexibility when it is needed. The consultation closed on 5 March 2024 and responses are currently being analysed by UKG.
- Industry, including SSE Renewables, have also called for a cap-and-floor mechanism.
- A cap-and-floor mechanism sets maximum and minimum limits on the revenues (or margins) that a development can generate. If revenues fall below the 'floor' then they are topped up and revenues above the maximum level are recouped. As a result, a minimum level of revenue is safeguarded.
 - A UK Government cap-and-floor regime is currently in operation to support interconnectors and to date no 'top up' has been required.

- Although the cap-and-floor mechanism has been identified as a potentially effective approach, the UK Government have stated that further consultation with stakeholders is required.

BIOGRAPHY OF KEY ATTENDEES

Photo	Attendee	Biography
	Martin Pibworth	Chief Commercial Officer. He has been at SSE since 1998.
	Hector MacAulay MBE	Managing Director at Balfour Beatty (VIP stakeholder)
	Dave Doogan MP (SNP)	MP for Angus & Perthshire Glens (VIP stakeholder)
	Neil Lannen	Director of Hydro Asset Management, SSE Renewables

ATTENDEE LIST

Name	Organisation	Job Title
[REDACTED: SECTION 11]	SSE	Head of Heritage
[REDACTED: SECTION 11]	SSE	Heritage Development Officer
[REDACTED: SECTION 11]	SSE	Digital Communications Manager
[REDACTED: SECTION 11]	SSE	Group Head of Sustainability Reporting
[REDACTED: SECTION 11]	SSE	PDVC
[REDACTED: SECTION 11]	SSE Renewables	Stakeholder Engagement Manager
[REDACTED: SECTION 11]	SSE Renewables	Civil Engineer
Kate Wallace Lockhart	SSE Renewables	Head of Sustainability
[REDACTED: SECTION 11]	SSE Renewables	Head of Hydro Stakeholder Engagement
[REDACTED: SECTION 11]	SSE Renewables	Programmes M&E Delivery Manager
[REDACTED: SECTION 11]	SSE Renewables	Head of Engineering
[REDACTED: SECTION 11]	SSE Renewables	Hydro Programmes Manager - Development
[REDACTED: SECTION 11]	SSE Renewables	Field Operations Manager
[REDACTED: SECTION 11]	SSE Renewables	Head of Investment Management
[REDACTED: SECTION 11]	SSE Renewables	Head of Operations and Maintenance
[REDACTED: SECTION 11]	SSE Renewables	Renewables Mechanical Project Engineer
[REDACTED: SECTION 11]	SSE Renewables	Head of Hydro Programmes
Neil Lannen	SSE Renewables	Director of Hydro Asset Management
[REDACTED: SECTION 11]	SSE Renewables	Communications Manager
[REDACTED: SECTION 11]	SSE Renewables	Senior Comms manager
Robert Bryce	SSE Renewables	Director of Hydro
[REDACTED: SECTION 11]	SSE Renewables	Stakeholder Engagement Manager
[REDACTED: SECTION 11]	SSE Renewables	M&E Projects Lead Engineer and Tummel Replant Project Manager
[REDACTED: SECTION 11]	SSE Renewables	Area manager

Martin Pibworth	SSE plc	CCO
Dave Doogan	UK Parliament	MP for Angus & Perthshire Glens
Mike Williamson	Perth & Kinross Council	Bailie
John Duff	Perth and Kinross Council	Councillor
[REDACTED: SECTION 11]	Balfour Beatty	Business Director
Hector MacAulay	Balfour Beatty	Managing Director
Craig Scott	Stantec UK	Director - Hydropower and Dams
[REDACTED: SECTION 11]	Stantec	Principal Civil Engineer
David Macdonald	Global Infrastructure	Managing Director
Darren MacRae	Global Infrastructure	Construction Director
[REDACTED: SECTION 11]	Voith Hydro	Head of Field Services
Christian Bender	Voith Hydro	CFO Voith Hydro Europe
Anton Harris	Voith Hydro	Regional Market Director
[REDACTED: SECTION 11]	Voith Hydro	Sales & Project Representative United Kingdom
[REDACTED: SECTION 11]	Kinloch Rannoch Primary School	Parent
[REDACTED: SECTION 11]	Grandtully Primary School	Teacher
[REDACTED: SECTION 11]	Grandtully Primary School	P7 pupil
[REDACTED: SECTION 11]	Grandtully Primary School	P7 pupil
[REDACTED: SECTION 11]	Killiecrankie, Fincastle and Tummel Community Council	Vice Chair
[REDACTED: SECTION 11]	Killiecrankie, Fincastle and Tummel Community Council	Member
[REDACTED: SECTION 11]	The Scottish Parliament	Office of John Swinney MSP
John Swinney MSP	Scottish Government	MSP for Perthshire North and First Minister of Scotland

ANNEX E

FIRST MINISTER LETTER TO PRIME MINISTER 22 May 2023

Dear Rishi,

Call for UK Government to support pumped hydro storage through a market mechanism

To tackle the climate emergency, we need to rapidly and fully decarbonise our electricity system. We fully support the UK Government's ambition for decarbonised electricity by 2035. I am pleased that our governments are already working together to accelerate the net zero energy transition. But we know there is more to do.

As you know, Scotland is a global leader in the deployment of renewables, and as we expand deployment both onshore and offshore, Scotland's renewable resources will play an increasingly important role in the transition to a net zero GB electricity system.

While additional deployment of renewables will play an important role in lessening dependence on fossil fuels for electricity generation, large-scale, long-duration energy storage is also absolutely critical to achieving our collective goals. It can help to integrate and maximise our significant renewable electricity generating capacity, ensure security of supply and manage constraints across the grid.

With this in mind, I am calling on the UK Government to support the development of long duration energy storage (including pumped hydro storage) through an appropriate market support mechanism.

Industry representatives have been clear that in order for long duration energy storage solutions to progress they require a cap-and-floor mechanism that ensures a minimum level of revenue. With an appropriate market support mechanism, several pumped hydro storage projects across Scotland, that have already secured planning permission, could begin construction immediately. This would provide vital resilience and flexibility as thermal generation starts to retire.

Pumped hydro storage is currently the only major renewable electricity technology ineligible for UK Government support. UK Government inaction on this issue represents a significant obstacle to deployment, and risks failing to secure the economic benefits of pumped hydro storage projects.

A UK Government consultation in 2022 identified pumped hydro storage as the most well-established large-scale, long-duration electricity storage technology in the UK. It also committed to develop appropriate policy to support investment and ensure the deployment of sufficient large-scale, long-duration energy storage to balance the overall electricity system by 2024.

I am concerned that slow action in this area is dampening investor confidence and preventing projects that are essential to the joint goals of our governments from coming forward.

You will also be aware that planning and consenting timescales are raised by industry as barriers to rapid deployment. Work by the UK Networks Champion, Nick Winser, and others is already providing insight into how timescales can be accelerated. One key barrier is the Scottish Government's lack of devolved powers to reform the consenting regime in Scotland for grid projects and large scale electricity generation, the framework for which is set out in the UK Electricity Act – and which neither the

Scottish Parliament or Scottish Ministers can amend. As you know, the Act dates from 1989 and its provisions on these matters are sorely outdated. The Scottish Government has proposed solutions to the UK Government that would enable changes required, and we continue to call on the UK Government to urgently find a legislative solution to accelerate the consenting process.

Whilst we believe legislative change is essential, we are also doing everything in our power under the existing regime to accelerate consenting processes in Scotland. We are continuing to review the current framework, and are considering options and engaging with key stakeholders to streamline our processes and make efficiencies in existing consenting processes.

I would be grateful to hear from you on how the UK Government plans to accelerate progress on these important issues.

Humza Yousaf

First Minister of Scotland