

Accelerating towards **net-zero** by delivering **new, affordable low-carbon** electricity

EDF Renewables is one of the UK's leading renewable energy companies, specialising in wind power, solar and battery storage technology. We are making a substantial contribution to achieving Scotland's net zero ambitions, with almost 500 MW in operation over eight onshore wind farms and through the construction of the 450 MW Neart na Gaoithe offshore wind farm and the 30 MW West Benhar onshore wind farm in North Lanarkshire.

The coming Holyrood elections provide an opportunity to further embed the progress that has been made in developing our renewables industry, and to influence the wider financial and economic backdrop against which further steps can be taken. However, there are issues blocking the green recovery, and the next Parliament can help tackle them.

Scottish wind energy development

We are concerned about a potentially low success rate of Scottish onshore wind projects in next year's Contract for Difference (CfD) auction. It is generally understood that, due to the greatly reduced number of onshore wind planning permissions granted in England, there has been a boost to projects that have been taken forward in Scotland. However, there are a number of issues that must be tackled to ensure sector success in Scotland and which must be tackled by the next Scottish Parliament.

Parliament speaking with one voice to BEIS:

- **The size of the Contracts for Difference "Pot 1" for onshore wind and solar needs to be large enough to create a sustainable and steady flow of onshore development.**

The specific pot size is yet to be determined by the UK Government's BEIS Department - the next Scottish Parliament should aim to exert maximum pressure on BEIS to create a sustainably large pool - particularly as scale will assist in building positive Scottish benefit from the supply chain.

- **The strike price needs to be set at a level which ensures only viable projects succeed, while also ensuring the highest possible volume of these low cost projects is secured.**

While we believe that the auction could be very competitive throughout the Pot 1 pipeline of projects, it is important to ensure the outcome delivers best value for the customer. This can be arranged by setting the administered strike price at a level that is slightly below the CfD reference price.

- **A balanced mix of renewables is vital so that wind and solar both have a place.**

Onshore wind will be competing against solar head-to-head in the same Pot 1 in the CfD auction. There is a risk that one technology could take the majority of the auction capacity. Both technologies have an important role to play in the future low carbon energy mix, as their different outputs and services complement each other. A diverse energy mix is more secure and more resilient. It is also important that the outcome of the CfD auction provides a clear signal of continuing support to the UK supply chains for both technologies. For these reasons, the CfD auction design will need to ensure that a substantial capacity of both technologies can be successful, to secure the benefits of a diverse energy mix.

Parliament ensuring its planning processes are fit for purpose:

- **Planning processes must be accelerated and timescales predictable; preserving the competitiveness of the technology currently consented in Scottish projects.** Many currently consented projects will need to be re-consented with the latest technologies in order to take advantage of the next CfD auctions and indeed to be competitive. It is therefore vital that these projects are able to pass through the consenting process smoothly in order to be ready in time for the auction. Planning delays must be minimised to encourage investment.
- **There should be a planning presumption in favour of low carbon projects and planning departments need to be properly resourced.** Over the last five years, the average time to navigate planning processes to approval is 37 months. Slow decisions could directly affect projects qualifying for next year's CfD round, as well as resulting in developers incurring project costs while they await decisions. Planning application fees have increased, but we are yet to see all local and national organisations involved in the planning process to be fully resourced to address the volume of projects now being managed.

Investment barriers should remain a focus for the next Parliament:

- **The cost of radar mitigation** is a long term issue which is continuing to constrain development in key areas of Scotland. Solving the problem needs a more holistic approach, given that the cost of mitigation can be 5% of the levelized cost of energy (LCOE) and can make projects uncompetitive in auctions. Given that the systems required to support radar improvements are now well understood, we believe it is time for the control of radar systems to support onshore wind farms to be managed centrally. The onus for making the radar wind farm compliant should be on those managing the radar systems which could be supported by a reasonable contribution from industry rather than being wholly financed by it.
- **Delays to grid connections for new projects are a key concern for onshore wind developers.** Anticipatory investments in grid capacity would enable more rapid onshore expansion and there should be an onshore transmission review to deliver this.



Contact Us

EDF Renewables is delighted to provide information and support to policy teams in the run up to and beyond the Holyrood elections. Working together, we can overcome existing barriers and achieve Scotland's ambitious net-zero targets.

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