

# Delivering a sustainable Scottish energy industry

Manifesto for the Scottish Parliamentary  
Elections 2021



# Foreword

**2021 is an essential year for Scotland and the Scottish energy industry. Scotland's target to become net zero by 2045 is firmly in the spotlight as Glasgow hosts COP26. At the same time, as we recover from COVID-19, Scotland has the opportunity to build its future economic recovery around the low-carbon energy transition, building on its already global reputation as one of the best places in the world to invest in renewable technology.**

The next Scottish Government will be the one that has to set out the early years of delivery for meeting net zero by 2045 – taking effective action. Greater investment in low-carbon energy generation can be facilitated by creating an efficient and effective planning system, that supports renewable generation. At the same time they're going to need to crack one of the biggest challenges to meeting net zero; how to decarbonise heat. Scotland is already on a path towards net zero and the hope is the next government will continue the good work on energy efficiency, and the development of heat networks. At the same time the next Scottish Government must also commit to supporting and keeping the GB wide energy market, which keeps bills down for customers, and supports a wider approach to tackling climate change across the UK.

The energy sector is at the very centre of Scotland's sustainable future. It will drive its economic growth, work across sectors to protect and improve the environment, and continue to provide an essential service to customers.

The next Scottish Government will have to work to coordinate across its policy portfolio to ensure every action it implements supports the net zero target of 2045. One such early policy they could adopt would be to support a Net Zero Test for every new government policy. It would be great step in the right direction if all manifestos supported that aim.

The Scottish energy sector looks forward to working with the next Scottish Government in supporting the transition towards a net zero Scotland, which puts sustainability at the centre of its priorities, and works to coordinate its activities across industry and governments.

**Emma Pinchbeck**

**Chief Executive, Energy UK**

# Customers



**If Scotland is to meet its target of becoming net zero by 2045, Scottish society and consumers will play one of the biggest roles in achieving this ambitious target. That is why the way in which the next Scottish Government engages with them is so important.**

**Without support, information, and education of customers; plans, and policies will not achieve their desired outcome. Pivotal to this will be the need to support the most vulnerable customers across Scotland.**

## Principles

- Continuation of the GB wide energy market.
- Ensure the role of the customer is a central theme in government policy towards meeting net zero.
- Support for customers including those in, or at risk of, fuel poverty.

## Policies

- Commit to the continuation of the GB wide energy retail market, ensuring efficiencies and lower costs for Scottish customers.
- Support for the next iteration of GB wide fuel poverty programmes, including ECO and WHD, which deliver millions of pounds of support to Scottish households.
- Continue to support the Energy Efficient Scotland programme, ensuring that its 2040 vision is achieved.
- Ensure the successful transition of energy customer advice service for Scottish customers from Citizens Advice Scotland to Advice Direct Scotland, in partnership with CitA Scotland, the UK Government and industry.
- Develop a COP26 legacy for the future delivery of net zero ambitions, building on the recently published 'Net Zero Nation: Draft Public Engagement Strategy for Climate Change'. Deliver the Heat Networks Bill to deliver a framework for those customers as heat decarbonisation continues.



# Improving the environment



**Improving Scotland's environment by tackling and reducing the impact of climate change is one of the key pillars to a sustainable Scottish energy sector as is the need for urgency in undertaking these steps.**

**The next Scottish Government should look to put in place policies that will ensure businesses, local authorities, and communities can support and play their part in achieving this.**

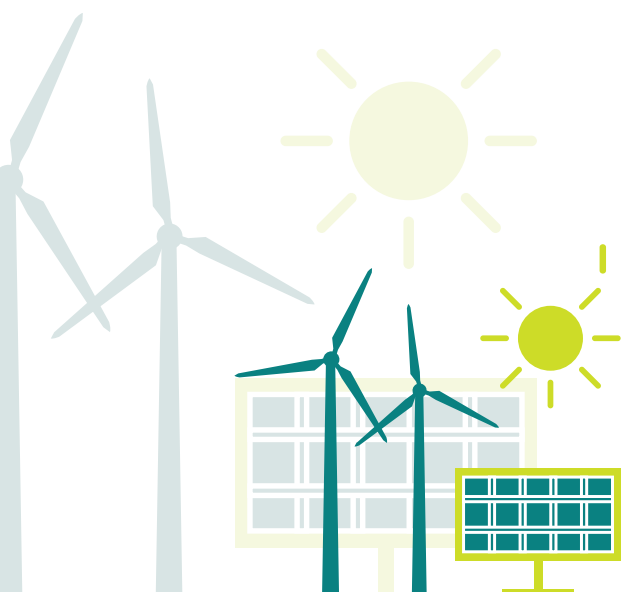
## Principles

- Tackle the Climate Change emergency.
- Create greater cooperation between sectors to achieve positive environmental outcomes.
- Develop a planning framework that supports growth in low-carbon and renewable technologies.

## Policies

### Planning

- Make the climate emergency a material consideration in planning decisions before the final NPF4 in 2022.
- Introduce an immediate presumption in favour of repowering and life extension (using larger and more efficient turbines) of existing onshore windfarms.
- Support proposals for long-term use of windfarm sites, as well as the co-location of compatible technologies, such as storage and solar or hydro and solar.
- Review energy consenting processes to improve determination timescales for electricity generation projects and to ensure adequate resourcing of statutory bodies to facilitate reaching Net Zero by 2045.



# Improving the environment



## Policies (continued)

### Low-Carbon Technology

- Publish a forward plan on the sustainable deployment of Negative Emissions Technology (NETs), which includes support of Direct Air Capture (DAC) and Bioenergy with Carbon Capture and Storage (BECCS), in line with scientific evidence.
- Support the development of Carbon Capture, Usage and Storage projects as an opportunity to support the decarbonisation of gas.

### Decarbonising Transport

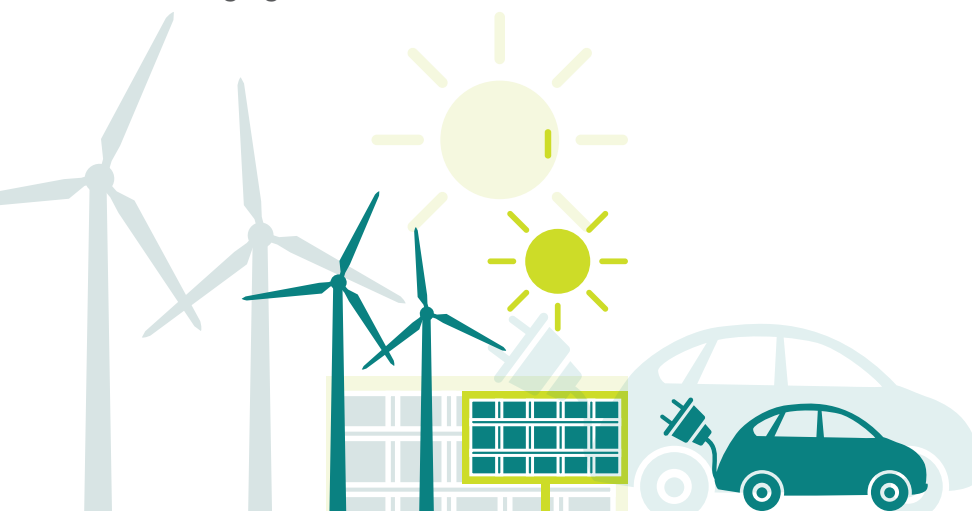
- Phase out the sale of new plug-in hybrid electric vehicles from 2030, along with petrol and diesels, to put Scotland at the forefront of the zero emission vehicle revolution and lead the UK.
- Support customers and society in the transition to low carbon transport by creating a standardised and interoperable charging network for electric vehicles.

### Decarbonising Heat

- Continue to develop Local Heat and Energy Efficiency Strategies, and lead the UK in developing frameworks for local area energy planning, incorporating transport and public engagement.
- Make faster progress on energy efficiency, helping to stimulate investment in heat pump technology (including ground source heat pumps with shared ground loops) and local initiatives.

### Supporting Innovation

- Promote a regulatory environment that supports continued investment and innovation for Scotland's existing renewable generation assets, including hydro schemes.



**The COVID-19 pandemic has changed the Scottish economy. In many ways it has sped up the low-carbon renewable energy transition of the future, and made it about today. This seismic shift has seen the value of traditional oil and gas assets and infrastructure fall. The focus for Scotland's future economic growth should be on the development of a low-carbon renewables sector, building on its already strong contribution, creating £13bn per year of benefit to the Scottish economy while supporting over-40,000 jobs.**

## Principles

- Continued support for growth in investment in the Scottish energy industry.
- Join up Scottish Government policy priorities to support net zero.
- Invest in a range of technologies that will deliver net zero and create jobs across Scotland.

## Policies

- Publish a bold Hydrogen Action Plan, demonstrating the important role that hydrogen can play in dealing with hard to decarbonise areas such as heavy transport and industry and kick start the industry and supply chain.
- Introduce sectorial targets to drive take-up of green hydrogen in those parts of the economy that are hard to decarbonise.
- Ensure Apprenticeship Levy flexibility to use levy funds for other skills programmes that lead to sustainable employment.
- Work with UK Government and industry to progress a route to market for further deployment of pumped storage hydro. Supporting projects such as the development of Cruachan 2, which would provide £500 million in investment and create 200-250 jobs during construction, supporting rural communities in Scotland.
- In line with recommendations from the Climate Change Committee, support Negative Emissions Technology (NETs) in meeting 2030 and 2045 emission targets. NETs will provide millions of pounds of investment and create jobs across the Scottish economy.



# Coordination



**Developing a sustainable energy industry will deliver co-benefits across Scotland. From cleaner air and reducing carbon, to supporting the most vulnerable households, creating jobs, and supporting economic growth. To realise these co-benefits, there needs to be a greater coordination of Scottish Government policies related to tackling climate change, supporting customers, and the energy sector.**

## Principles

- Government leadership.
- Cooperation and delivering in partnership with business.
- Co-ordination with UK, Welsh and Northern Irish governments.
- A clear monitoring framework.

## Policies

- Introduce a Cabinet Secretary with overall accountability for energy and net zero policy delivery in Scotland.
- Introduce a Net Zero Test across all new government policy to ensure it aligns with the ambition to be net zero by 2045.
- Work with the UK Government to provide greater clarity to Ofgem to ensure its decisions are contributing to meeting Scotland's net zero ambitions by 2045, either through a duty change, or through a strong Strategic Policy Statement.
- Commit to working more closely with other governments across the UK to support the development of low-carbon technologies and ensure economies of scale for developing industries, including new heat technologies.
- Require the relevant Scottish Parliament Committee to undertake regular checks on Scottish Government plans, against delivery – including on climate change, fuel poverty and energy efficiency.





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