

PE1537/A

Minister for Business, Energy and Tourism

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**The Scottish
Government**
Riaghaltas na h-Alba

John Pentland MSP
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T3.40
The Scottish Parliament
Edinburgh
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LEGACY 2014
XX COMMONWEALTH GAMES
SCOTLAND

15 January 2015

Dear John,

CONSIDERATION OF PETITION PE01537

Thank you for your letter of 10 December 2014 concerning Petition PE01537 lodged by the Coastal Regeneration Alliance.

Calling on the Scottish Parliament to urge the Scottish Government to abandon the proposals for the development of an Energy Park at Cockenzie, and ensure that any future proposals are subject to full public consultation and do not extend beyond the existing footprint of the former power station.

I welcome the opportunity to contribute to the Committee's deliberation of this petition.

The Committee has specifically asked the Scottish Government:

- Scottish Government's overall view of the petition and the discussions that took place during the Public Petition Committee meeting on 9 December?
- To provide an explanation on how the proposed energy hub came to be included in NPF3
- What consultation was there that led to it being included; and
- Were local communities' views taken into account?

I enclose a comprehensive response to the points raised including a background note which sets out the position of the Scottish Government.

I am aware that you have also sought responses from Scottish Enterprise, Scottish Power and East Lothian Council.

I would like to clarify Cockenzie was highlighted as both a national development and potential energy hub in the NPF3 Main Issues Report and was not a late addition as suggested in the Committee's discussion. I would also like to underline that NPF3 does not prescribe the type of scale of development that should take place at Cockenzie, but recommends co-ordinated action and supports investment in this location in general terms.

As a result there is flexibility and scope for further community engagement in the planning process, including in the East Lothian Local Development Plan which is currently open (closes 8 February) for consultation, and in the detail of any specific project proposals as they emerge.

Yours Sincerely

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Background

The National Renewables Infrastructure Plan (N-RIP) was announced in 2010. The plan aims to assist the development of a globally competitive off-shore renewables industry in Scotland. The development has been successful in setting out a clear spatial strategy for the prioritisation of investment in the onshore requirements of the offshore wind sector at 11 priority locations. Supported by strong market interest, and given relative proximity to the majority of offshore wind projects, the Forth/Tay cluster of sites have become the main focus and priority for attention and proposed investment. Although not originally captured in the N-RIP due to its use as a power station, Cockenzie is located in the Forth/Tay cluster and potential could be redeveloped to support the European Offshore Wind market.

Cockenzie Power Station operated by Scottish Power ceased energy generation on 15 March 2013. Scottish Power has a Section 36 consent (granted October 2011) to replace the plant with a Combined Cycle Gas Turbine power station. Natural gas is a much more efficient fuel than coal and will more than halve carbon and nitrogen dioxide emissions compared to the existing power station.

Scottish Enterprise has been working closely with the current landowner Scottish Power. Scottish Power has indicated it would be open to offers for disposal. Therefore in 2013 Scottish Enterprise approached Scottish Power with a view to securing ownership of the site. In doing so it has been working with Repsol which requires part of the site for the purposes of an onshore convertor station for the proposed Inchcape Offshore Wind Farm. As yet no agreement has been reached between Scottish Enterprise and Scottish Power with regard to the acquisition of the site.

While specific details have yet to be outlined for the proposed Energy Park at Cockenzie, Scottish Enterprise have started an Environmental Impact Assessment and Historic Scotland (along with other agencies such as Scottish Natural Heritage and the Scottish Environment Protection Agency) are actively engaged in that process. Historic Scotland responded to an Environmental Impact Assessment (EIA) scoping consultation last year, and in doing so highlighted that impacts upon the battlefield site at Prestonpans should be carefully considered.

Historic Scotland will continue to engage with Scottish Enterprise, their consultants and the planning authority as the scheme progresses to advise on how the key landscape characteristics and special qualities of this battlefield can be taken account of through the planning process. Historic Scotland will be a statutory consultee for the planning application and will be invited to express a view when it is formally submitted.

The case for public investment in the site is dependent on acquisition and consents being granted and thereafter subject to a Full Business Case being approved by the Scottish Enterprise Board. Approval of the Full Business Case will be dependent upon firm market interest for the site emerging

Planning & Consenting Issues

A number of community consultation events have been held in East Lothian in recent weeks. An Environmental Scoping Report was submitted to Transport Scotland by Scottish Enterprise in May 2014 as part of the screening request in respect of an application for a Harbour Empowerment Order to establish a new port as part of an energy hub proposal for

the site. The screening/scoping response was issued on 25 November and indicated that an Environmental Statement would be required and provided advice on the scope of that statement. The response was a joint one covering the requirements of the Harbours Act, Marine Licencing and Planning Authority for the proposal.

Scottish Enterprise would be treated in the same way as any other applicant for these consents.

National Planning Framework 3

National Planning Framework 3 was published on 23 June 2014 and sets out a long term strategy for the spatial development of Scotland.

National development

National Planning Framework 3 safeguards Cockenzie as a site for future thermal generation whilst noting that there may be opportunities for renewable energy-related investment. It designates Cockenzie as part of national development 3 'Carbon Capture and Storage Network and Thermal Generation'. This is an update to a national development that was established in the second National Planning Framework (published in 2009). This designation supports the Scottish Government's Electricity Generation Policy Statement to achieve a minimum of 2.5 gigawatts of thermal generation progressively fitted with carbon capture and storage technology. In the long term we expect that a carbon capture and storage network may emerge around the Forth because of the clustering of industrial and energy generation activities as well as the potential to link into existing pipeline infrastructure. National development 4, 'High Voltage Energy Transmission Network' also supports onshore links to offshore renewable energy installations.

Area of co-ordinated action

National development status does not extend to include the proposals for the energy park that were discussed in the Committee. However, Cockenzie and the Forth Coast area extending to Torness is identified as an area of co-ordinated action and considered to be a potentially important energy hub within the strategy, helping to deliver a low carbon Scotland. As an area of co-ordinated action, an expectation of partnership working is placed on East Lothian Council, Scottish Enterprise and key agencies, to make best use of the land and infrastructure in the area and take forward a planned approach to development. If there is insufficient land available for competing proposals at Cockenzie, priority should be given to those proposals that make best use of the location's assets and bring greatest economic benefits. Beyond this, NPF3 does not prescribe the scale or nature of development that should take place at Cockenzie, nor does it imply that consent would automatically be granted.

As outlined in Annex A, extensive engagement was undertaken to inform the preparation of National Planning Framework 3 including directly notifying communities in the vicinity of proposed national developments at each key consultation stage.

National Planning Framework 3

An explanation of how the proposed energy hub came to be included in NPF3

Early Engagement

Our approach to the preparation of National Planning Framework 3 (NPF3) was informed at each stage by extensive stakeholder and community engagement. The engagement process for NPF3 was wide ranging and ran for the duration of the project, commencing in September 2012 prior to preparation of the Main Issues Report and concluding in extensive Parliamentary scrutiny of the Proposed Framework in March 2014. Full details of the approach to the engagement on NPF3 were set out in a final conformity statement that was laid in Parliament on 23 June 2014, alongside the finalised NPF3. This is available online at <http://www.scotland.gov.uk/Resource/0045/00453763.pdf>

Call for National Developments

At the outset of the process the Scottish Government issued a 'call for candidate national developments' to be included in NPF3, and subsequently published all of the proposals and our analysis of them, on the Scottish Government website to ensure full transparency. A thermal power plant and onshore connections for offshore renewables were proposed at this time by ScottishPower and Scottish Enterprise.

Main Issues Report

The Main Issues Report for NPF3 was published online in April 2013 for a 14 week period of public consultation. Early, informal engagement with stakeholders and the public was used to inform the content of the Main Issues Report. It identified the need to provide onshore infrastructure for offshore renewable energy development and proposed a national development encompassing this and stated our intention for the spatial strategic to focus connections on a number of key hubs, including Crockenzie. It also set out the importance of thermal generation with Carbon Capture and Storage and identified Crockenzie as a proposed national development for new non-nuclear baseload capacity at existing power stage sites. Views on these proposals were invited.

Strategic Environmental Assessment

A Strategic Environmental Assessment (SEA) was undertaken and a full Environmental Report was published alongside the Main Issues Report for consultation. This set out the environmental baseline, and significant effects anticipated from the proposed national developments, including thermal generation at Crockenzie. Following this, an update to the Environmental Report was published alongside the Proposed Framework in January 2014 which incorporated interim findings from the Habitats Regulations Appraisal. This provided further information on the national developments proposed in NPF3. Both documents were issued for consultation alongside the Framework and publicly advertised including in national newspapers.

Consultation Responses

In response to the Main Issues Report, **East Lothian Council** wrote to the Scottish Government, setting out key issues for the area. It set out support for continued national significance given to Crockenzie as a site for power generation and for the proposed national development encompassing the site's role as a renewables interconnector hub and for port related development. It stated: *"There is particular support for Crockenzie's recognition as a key hub for offshore renewable energy, including onshore electricity connections, substations and converter stations. In supporting this designation, the Council would also welcome and would wish to facilitate any further servicing or manufacturing activity related to the off-shore renewable industry that might be attracted to Crockenzie as a consequence of*

such national designation.” The advantages of the site for development was outlined in more detail in the response.

Further responses were also supportive of recognising the potential of Cockenzie for development within NP3.

- The **Scottish National Party (SNP) Council Group on East Lothian Council** responded to the Main Issues Report and strongly supported inclusion as a national development in NPF3, encompassing the proposal for thermal generation but also extending this to its potential ‘as a key hub for offshore renewable energy, including onshore electricity connections, substations and converter stations; and as having potential for port-related development. The advantages of the site were also set out and the economic opportunities arising from development in this location were highlighted.
- **Scottish Enterprise** responded to the consultation on the Main Issues Report, setting out support for Cockenzie as a site for large-scale thermal generation.
- Having proposed it as a national development in response to the ‘call for national developments’ in September 2012, **ScottishPower** were supportive of Cockenzie being retained as a site for thermal generation in response to proposals in the Main Issues Report. It also stated that *“In relation to the Edinburgh city region, we welcome recognition of the role that Cockenzie could potentially play in facilitating development of an energy hub which might include a CCGT, offshore renewables manufacture, electricity grid infrastructure and the development of a marine terminal.”*

Taking into account views – preparation of the Proposed NPF3 and Parliamentary Scrutiny

All responses to the consultation were taken into account, summarised in the report setting out our analysis of the responses, and published on the Scottish Government website at each stage in the process. The report of analysis of responses, prepared by Craigforth consultants and published on 28 October 2013.

The Proposed NPF3 was laid in the Scottish Parliament on 14 January 2014. It retained Cockenzie as a national development for thermal generation as part of a carbon capture and storage network. It also supported onshore connections for offshore infrastructure, showing a connection to Cockenzie on the strategy map.

In addition to the two national developments, further consideration was given to consultation views that the site could support a wider range of renewable energy related activities. These views informed the approach taken in the Proposed NPF3 to designate five key coastal sites as ‘areas of co-ordinated action’ (shown as ‘energy hubs’ on the strategy map) where a positive, planned approach to providing low carbon infrastructure with masterplanning to deliver development in the coming years will be beneficial. It stated that *“We expect developers, East Lothian Council and the key agencies, including Scottish Enterprise, to work together to ensure that best use is made of the existing land and infrastructure in this area. Given the particular assets of Cockenzie, if there is insufficient land for competing proposals, we wish to see priority given to those which make best use of this location’s assets and which will bring the greatest economic benefits.”*

Cockenzie did not arise as a specific issue during Parliament’s 60 day period of scrutiny of NPF3. Written and aural evidence was taken by the Local Government and Regeneration Committee, Infrastructure and Capital Investment Committee, Economy, Energy and

Tourism Committee, and the Rural Affairs and Climate Change Committee. A full debate was held in the Chamber at the end of the 60 day period.

The finalised NPF3 therefore retained the references to Cockenzie as set out in the Proposed NPF3.

Engagement with communities

Throughout the development of National Planning Framework 3, the Scottish Government sought to engage proactively with those communities potentially affected by a proposed national development. This was undertaken primarily through local community councils, either directly or through the network of Community Council Liaison Officers. As required, this was set out in the Scottish Government's participation statement.

At each stage of the development of NPF3, Scottish Government officials made direct contact with the two relevant community councils either by mail or telephone.

30 April 2013	Telephone	publication of the Main Issues Report
8 May 2013	Mail	Information on the resource pack
14 January 2014	Mail	publication of Proposed NPF3
23 June 2014	Mail	publication of NPF3

Reference was made in the correspondence of Cockenzie being made a national development and inviting further contact with the Scottish Government.

Indirectly the Scottish Government contacted community councils via e-mail through the Community Council Liaison Officer Network on 26 October 2012, 30 April 2013, 22 May 2013, 11 July 2013, 29 October 2013, 14 January 2014 and 23 June 2014. These e-mails provided updated information at each stage of the development of NPF3 and invited the community councils to attend public events held in Edinburgh.

Resource packs, with key information about NPF3 and its preparation were sent to Community Council Liaison Officers and local authority planning departments for distribution to communities. The community councils in the vicinity of national developments also received this information directly.

We are not aware of the extent to which the community councils in the East Lothian area used this opportunity to engage in the process. Other communities, such as Grangemouth and communities in the vicinity of Cruachan, took up the offer of further information and discussion as a result of this direct contact and therefore benefited from bespoke, local consultation events.