

#### 12 May 2022



Acceleration key for grid and consenting Permitting and grid investment must be dramatically accelerated if the renewables sector is to have any chance of hitting its targets, ScottishPower chief executive Keith Anderson (*above*) told delegates. **p2** 



#### UK hydropower is fighting for breath The environment for investment in hydropower must be improved if the technology is to reach its full potential and contribute to the UK's 2050 climate goals, All-Energy delegates will hear on day two. **p3**

## THE INTERVIEW

Today, Deutsche Windtechnik UK managing director Jason Welch. **p4** 

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# **Live @ All-Energy 2022** Sturgeon broadside for network charges

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Scottish First Minister Nicola Sturgeon (*right*) branded the UK grid charging system "utterly absurd" and called on regulator Ofgem to overhaul the regime on day one of All-Energy 2022 in Glasgow.

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The so-called TNUoS set-up, which levies more charges the farther north a project is sited, is "a barrier to investment" that will penalise offshore wind projects and onshore wind in the north of Scotland, Sturgeon warned.

"We have a system of transmission charges that still reflects the age of coal," she told delegates. "They were intended to encourage coal and gas-fired power stations to be sited close to our big cities and industrial centres but that approach is simply no longer appropriate.

"Actually, worse than that, it's a barrier to investment in areas that have huge renewable resources but are far away from population centres."

Sturgeon said Ofgem's own analysis shows that by 2040 Scottish renewable energy producers will be the only generators anywhere in Britain left paying a wider transmission network charge. In all other regions, power



producers, including those using natural gas, will be receiving credits, she said.

"That makes no sense whatsoever and is simply unsustainable," the First Minister added. "It would be utterly absurd for transmission charges to encourage gas generation elsewhere in the UK to the detriment of renewable generation in Scotland."

Ofgem chief executive Jonathan Brearley was on hand to reply to the comments.

He said: "We are talking to the Scottish government and others about many issues across network charging and market arrangements, including looking at the transmission charging system.

"We understand the need for pace to get to net zero."

# Offshore players team up to foster Scottish supply chain

Photo: revews

Developers including Orsted, EDF and Vattenfall have signed the Scottish Offshore Wind Energy Council's Collaborative Framework Charter, agreeing to co-operate on building a pipeline of work for the local supply chain.

Some 24 companies, representing 25GW of ScotWind leaseholders, have inked the pledge, First Minister Nicola Sturgeon told delegates during her keynote speech. Also on the list are Northland Power, Ocean Winds, Corio, SSE, ScottishPower Renewables, Shell and TotalEnergies.

The developers will review coming Scottish offshore projects to identify how they can work with ports to share capacity and space and help underpin new investment.

Sturgeon said: "We also hope that developing the supply chain for offshore wind will benefit the onshore sector."

## THURSDAY'S HIGHLIGHTS

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#### A national endeavour

Speakers including Climate Change Committee chief executive Chris Stark and ScottishPower Renewables boss Lindsay McQuade give their take on how to expand renewables to deliver 2035 decarbonisation targets.

09:00-10:30, Lomond Auditorium

#### **Future proof**

Hear how to recruit new talent, upskill existing workers and train staff for the renewables revolution.

10:45-15:30, Future Talent Theatre

### Off-take hot takes

A panel of experts chaired by Statkraft's Duncan Dale discuss what successful corporate power purchase agreements look like, how to improve off-take contract pricing and how to bank the agreements. **11:00-12:30, Hall 1** 

Meet the developer

### Get in front of project developers to learn what their supply chain needs are and how you can become a supplier. Make sure to book here. **11:00-15:00, Power Club**

#### Batteries not included

Learn about the technologies that can support batteries in helping store renewable power. ILI Group chief executive Mark Wilson will outline his pumped storage hydro vision while various methods for storing hydrogen will also be discussed. **14:00-15:30. Forth** 



New green hydrogen plants could transform industry and transportation in the Highlands.

Find out more about the ScottishPower and Storegga partnership.



# Acceleration key for grid and consenting

Permitting and grid investment must be dramatically accelerated if the renewables sector is to have any chance of hitting its targets, All-Energy has heard.

ScottishPower chief executive Keith Anderson (pictured) told delegates a faster planning process and speeding up the flow of investments into the grid is urgently needed.

"There's no shortage of investment or investors wanting to come and get involved in the future of decarbonisation, be it onshore wind, solar or offshore wind.

"The reality and the biggest challenge we all have is speed. How do we do this faster?" Anderson said.

"At ScottishPower the team can build a solar project in a couple of months, they can build an onshore wind farm in less than a year, they can



Photo: renews

build an offshore wind farm in less than two years. But still we're seeing cases where from the drawing board to output and operation it can take up to 10 years. We need to tackle that. We need to go faster, we need to do better."

He added: "That doesn't mean cutting corners or riding roughshod over proper consultation but we need to find ways of doing things concurrently not consecutively, of getting the right people in a room who have a shared ambition and a shared objective to find solutions not problems."

Scotland's First Minister Nicola Sturgeon, who was also speaking in Glasgow on day one, said her government would respond to the big responsibility for making the planning and consenting process "quick and efficient".

Anderson meanwhile said he wants a programme leader appointed to oversee ScotWind.

This would be "a person who is there and their sole objective in life is to deliver 25GW of offshore wind for this country", he added.

"It's that kind of focus that you need, and the concentration of effort and shared objective that we all need to make this a huge success," Anderson said.

## Vestas and Jones Bros to deliver 72MW Benbrack

Red Rock Power has selected Vestas and Jones Bros as key contractors for the 72MW Benbrack wind farm in Scotland.

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The SDIC Power-owned developer, which is exhibiting at All-Energy 2022, has shared a letter of exclusivity with the Danish manufacturer for 18 turbines at the site in Dumfries and Galloway.

The deal includes a longterm service and maintenance element. A model has yet to be disclosed.

A letter of exclusivity has also been shared with Jones

Bros, which will manage balance of plant and civil engineering works. On-site construction will begin in July.

Benbrack project director Jamie Grant, said: "This is a key milestone.

"Both Jones Bros and Vestas bring invaluable experience in delivering onshore wind projects and share our attitude towards safety and efficiency.

"We will work closely to further optimise and finalise the wind farm's design with a key aim of maximising energy generation."

## Digital insights for onshore wind

Employing digital solutions can help developers maximise their onshore wind assets, All-Energy 2022 will hear.

Black & Veatch's principal wind energy consultant Peter Clive is due to speak during the Onshore Wind: Digitalisation — The path from extractivism to interactivism session on day two at 14:00. He said ahead of the conference that 'digital twins' and other such solutions "give the best possible insights at the earliest opportunity so you can take actions when they count".

Clive said it is preferable to adopt "sophisticated evolution" methods via digital technology to discover issues before components fail rather than after.

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## Knowledge tells us it is well thought-out. We are responsible for maintenance throughout the entire life cycle.

The topic of maintenance of wind turbines has an extremely high significance for operators, plant managers and investors. The technical and economic goal is to have the best possible service concept at hand in order to manage costs efficiently in the long term.



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# UK hydropower is fighting for breath

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he environment for investment in hydropower must be improved if the technology is to reach its full potential and contribute to the UK's 2050 climate goals, according to the British Hydropower Association.

The situation, which is to come under the spotlight on day two of All-Energy 2022, is "nightmarish" for operators and shows "a complete lack of understanding of the sector" by the government and its



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editorial@renews.biz renews.biz Industry taking on government over 'exorbitant' water abstraction fees, rising business rates and policy vaccum, writes **Sian Crampsie** 

agencies, said the BHA's Simon Hamlyn. "There are still opportunities to develop new hydro but there is constant pressure on operators and their supply chains, and that means it is really challenging to develop new capacity."

In Scotland, some hydro operators are facing an increase in charges of up to 189% after the Scottish Environment Protection Agency revised the water abstraction fees that it first implemented in 2018.

Annual fees for some operators will fall but BHA and Alba Energy, the member organisation for small hydro operators north of the border, told reNEWS SEPA has failed to demonstrate the need for the charges, which are complex as well as "exorbitantly high", Hamlyn added. BHA and Alba plan to continue lobbying the agency to improve the transparency and affordability of the charges, they said.

In England, BHA has labelled a new charging scheme for water abstraction licences developed by the Environment Agency as the "final nail in the coffin for small hydro". Fees will rise from £1500 to £13,500 for proposed new schemes.

In Wales, operators have called on the government to reinstate a rebate scheme that reimbursed business rates. The Hydropower Grant was introduced in 2018 following a 2017 revaluation that led to increases in business rates of up to 1000% for some sites. The grant was cancelled in early 2021 for non-community projects, however, leaving around 50 of Wales's 120 small hydro schemes in jeopardy.

Scotland's small-scale hydro sector is also continuing to fight rises in business rates.

The deteriorating environment follows the closure of the feed-in tariff scheme that supported construction of around 250MW in the UK. There are currently no plans to implement a new mechanism.

BHA is studying the potential for growth in the UK and the role that it can play in 2050 targets, and plans to publish the results later this year. It is also lobbying the government over support for large-scale pumped storage hydro schemes.

According to Richard Gow, senior government policy manager at Drax, pumped storage hydropower projects will help to reduce wind curtailment and boost system flexibility.

"Almost 40 years have

passed since the last pumped storage hydro plant was built in the UK because we haven't had the right policies to support the long-term nature of these developments," Gow said.

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The government held a call for evidence last year to hear the industry's views on de-risking investment in large-scale storage projects while the newly-created Long-Duration Electricity Storage Alliance recently met with Energy Minister Greg Hands to discuss how the department could unlock investment in new capacity.

The government aims to evaluate options and respond in the first half of this year, according to Drax.

"We are optimistic that the work we are doing will provide the evidence the government needs to see that there is a future for new hydropower," said Hamlyn.

Hamlyn and Gow are speaking during a hydropower session on day two of All-Energy at 11:15 in Alsh 2

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# THE INTERVIEW DEVISED FOR THE INTERVIEW

## **Q**You joined Deutsche Windtechnik as the company's UK managing director last year. What attracted you to the role?

A The culture and the people. Deutsche Windtechnik cares about its people and wants to create an environment where people can thrive. Our people are passionate about what they do. This shone through from my very first interactions with the company. Equally, I've always been passionate about service so the opportunity to run a service business within a market I know well, where the culture was aligned to my own values, the attraction was clear.

# **Q** How is the business adapting to growing demand from wind farm operators as their turbines mature?

A One of Deutsche Windtechnik's many strengths is our ability to adapt to constant change and market demands. Within the last 12 months we've opened a new, larger warehouse facility in Livingston to complement our local service centres around the UK. We continue to look for partners to help support the growing needs of our business and that of our customers. These vary from on-site cranes to supply chain specialist, parts refurbishment to local training solutions.



## Deutsche Windtechnik UK managing director Jason Welch (*left*) on how the wind farm service specialist is tackling today's opportunities and overcoming the many challenges

## **Q**What new challenges are arising from ageing onshore wind turbines in the UK and how can their lifespan be extended?

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A The challenges are no different within onshore wind as any other industry; it's mainly about supply of parts and the skilled manpower to complete the task. As an industry, I'd say one of the biggest issues we face right now would be a shortage of skilled labour. We have established our own training school in Germany to help bring new people into the industry but also ensure we don't lose the knowledge of the older turbine types. I would say the easiest and most efficient way of extending the lifespan of a turbine would be firstly through the prioritisation of good maintenance practices, then a good supply chain mix around purchase/refurbish of old/obsolete parts and finally maintaining the skills/knowledge of the turbines within your work force.

## Q How are supply chain bottlenecks and rising raw material prices affecting the company?

A Everyone of us is experiencing the effect of raw material cost increases. Deutsche Windtechnik is no different but we are investing time and money into continuing to develop our supply chain

capabilities through partnership and a focus on our refurbishing capabilities... mainly thanks to a team in Germany managing the situation very effectively along with our spares holding within the UK.

### Q The company was recently hit by cyberattacks, a growing threat to the safe monitoring of turbines. How is Deutsche Windtechnik combatting this problem?

A Yes, that is correct. This has given us fresh focus on the importance of our digital agenda, working with our IT partners we are developing better strategies, mainly around cloud-based systems to reduce risk from future attacks.

## Q Deutsche Windtechnik last year established a UK offshore division. What are the next steps for the business?

A Over the next few years we're expecting significant growth for this division, both within the UK and supporting our offshore businesses around the world. We have a country manager in place, Rosie Beevor, who will continue to develop the business. We've added an additional 30 offshore technicians to the team in the first quarter of the year with more required before the end of the year.

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