



# COMHAIRLE NAN EILEAN SIAR

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Dear Dr Rands

## **ISSUES FOR SCOTLAND'S ENERGY SUPPLY INQUIRY AND CALL FOR EVIDENCE BY THE ROYAL SOCIETY OF EDINBURGH**

The Comhairle welcomes The Royal Society of Edinburgh's independent Inquiry into issues for Scotland's energy supply for the period from the present day to 2050 and looks forward to presenting its views on the matter to the Inquiry in Stornoway.

The Western Isles plays host to a sizeable potential for wind and wave-based renewable energy technologies on both land and sea. The Comhairle in 2001 took the initiative to set out a vision of the Western Isles as an Energy Innovation Zone and is aiming at the realisation of an integrated investment strategy. This strategy has been developed closely with our Community Planning Partners and includes the establishment of Heb-Rep, the Hebrides Renewable Energy Partnership and the partnership framework Creating Communities of the Future, in which renewable energy is recognised as one of the key drivers. I attach a copy of 'Creating Communities of the Future' to this letter.

The Comhairle would therefore see the Western Isles as being in a position to make a significant contribution to the achievement of both the Scotland and UK energy targets. In turn, we would envisage there to be major opportunities for the economy of the Western Isles. Our immensely rich renewable energy resource is so far untapped. However, we believe it offers an environment ideal for energy research, innovation and production which will not only create employment and investment opportunities in the Western Isles, but which will also accelerate the process of devising viable technologies for generating, distributing, storing and using renewable energy.

One of the keys to achieving the potential of the renewable energy resources of the Western Isles is the need for an interconnector to transport energy generated in and around the Western Isles to other areas within the UK. The Comhairle welcomed the provision in the Energy Act 2004 for an adjustment mechanism for transmission charging. At the same time there needs to be an effective mechanism for the provision of an interconnector. Otherwise we could end up in the position where an

area with some of the best renewable resources in the world cannot exploit these resources for the benefit of all.

As you may be aware, the Comhairle recently considered applications by Lewis Wind Power under S36 and 37 of the Energy Act 1989, and by Beinn Mhor Power under S36 of the Electricity Act 1989. I enclose, for your information, a copy of policy considerations against which the Comhairle assessed these applications. I also enclose copies of the letters which have been sent to the Scottish Ministers setting out the reasons for the approval of the applications. These documents are also BLANK to the Inquiry and will serve as background to our evidence.

Turning to the consultation questions being put to stakeholders by The Royal Society, summary comments are given below and will be expanded on at the hearing in Stornoway.

*How should Scotland provide for its energy needs over the next 5, 15, 30, 45 years, in the context of the likely UK, European and global energy environment?*

- The Comhairle is of the view that so far as is practicable Scotland should provide for future energy needs from sustainable renewable resources.

*Should Scotland aim to be self-sufficient in energy in general, and in electricity in particular, despite trends towards interdependence within Europe?*

- Given the natural resources in and around Scotland, it is our view that not only should Scotland aim to be self-sufficient in energy in general, and electricity in particular, but should seek to exploit those natural resources in a sustainable way to export energy to the rest of the UK and beyond.

*What are the possible implications and consequences for Scotland, and the UK, of becoming increasingly reliant on imported oil and gas for their energy needs?*

- Reliance on imported oil and gas may have short term cost benefits. However, there are concerns over security of supply and susceptibility to future cost increases and supply difficulties. Again, reliance on imports would hinder investment in indigenous sustainable renewable energy which Scotland has in abundance.

### Energy Supply

*What is the feasibility, availability, reliability, sustainability, efficiency, capacity and risks of the different energy generation technologies?*

- In the context of the Western Isles wind generation technology and especially on-shore wind, it is relatively mature. Offshore wind is still at the development stage, whilst marine technologies are still in their infancy. There are clear

opportunities for Scotland to base industries around the exploitation of our indigenous resources, especially marine resources, both at home and abroad.

*What are the likely trends, and uncertainties, in the availability and cost of energy sources over the next 20/45 years?*

- It seems likely that the cost and demand for energy will increase over the foreseeable future. At a national level there will be a need over the next 20 years or so to replace current generation sources and distribution networks. There may be increasing uncertainties over the cost, availability and security of non-indigenous sources of energy, together with higher emphasis on pollution reduction.

*What are the economic issues of capital investment in the supply and distribution of energy that need to be considered?*

- The Comhairle would wish to see a continuation of a system whereby, in effect, government encourages the use of renewable sustainable energy via subsidised capital investment in both the supply and distribution of energy. At a local level this should allow the development of renewables in these areas which have the best resources, but which may be at some distance from centres of demand.

*What are the key issues surrounding the development of Scotland's bulk electricity transmission and local distribution systems?*

- The key issues surrounding the development of Scotland's bulk transmission and local distribution system are:
  - outmoded networks based on historic fossil fuel generation;
  - mechanism for capital investment;
  - imbalance between centres of supply and demand with respect to renewables;
  - environmental issues.

### Energy Demand

*What will the impact of energy availability and price be on the demand for energy by commerce and industry in Scotland?*

- Commerce and industry should be able to benefit from Scotland's potential for development of renewables. At the same time commerce and industry should be encouraged to locate in areas such as the Western Isles which have huge renewables potential.

*What are the likely trends in the domestic demand for energy for space heating and other purposes? What would need to be done to achieve major savings? What are the investment costs?*

- Domestic demand for energy for space heating is likely to continue to rise. This may be offset by greater investment in energy efficiency. There may be trends towards use of more renewable resources, away from fossil fuels, and more use of distinct heating schemes.

*What are the likely trends in the demand for energy for transportation in Scotland? What is the likely time-scale and scope for substituting other power sources for fossil fuels? What are the likely investment costs?*

- There is considerable expenditure on energy for transportation in an area such as the Western Isles. Fuel substitution is still at a development stage and needs substantial incentives in order to accelerate the process.

#### Environmental and Social Issues

*What are the environmental concerns that need to be taken into account, in terms of the impact on ecological and other natural resources, as well as waste management and impacts on the landscape?*

*Can the objectives of environment improvement and economic growth both be met without a major increase in energy costs? What steps should be taken to enable an informed debate on the issue?*

*What are the social values and consequences of energy generation and distribution on employment opportunities, health and energy affordability?*

- In its assessment of the major wind farm developments which the Comhairle has recently approved, as indicated earlier, the Comhairle took account of the environmental aspects of the proposals and concluded that “any significant adverse effects on the qualities for which the area has been designated (would be) clearly outweighed by social or economic benefits of national importance.” The Comhairle will be pleased to expand on these questions under “environmental and social issues”.

I trust that the above will be of assistance to The Royal Society and I look forward to meeting with you in Stornoway on 18/19 July to expand on the points made.

Yours sincerely

Derek McKim  
Head of External Strategy

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