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# **Securing the benefits of Scotland's next energy revolution - WWF Scotland consultation response**

## **February 2011**

### **Summary**

- **Regardless of how the responsibilities of the Crown Estate Commissioners, at a UK level, are distributed it is important that the Commissioners functions support the delivery of Scotland's low carbon economy of the future.**
- **Revenues from the Crown Estate in Scotland as a result of offshore renewable energy and future CCS projects in Scottish waters should be used explicitly for the purpose of supporting the transition to a low carbon future, delivering progress towards the UK and Scotland's Climate Change Act emission reduction targets. This revenue should be focused to support both marine renewables and energy efficiency.**
- **As part of a rapid transition away from oil and gas, revenues available in the short term from fossil fuels should be used solely to support a low carbon energy future through substantial investment in renewables and energy efficiency. These revenues should focus on supporting the immediate infrastructure investment needs in energy efficiency and renewables and help capitalise the Green Investment Bank at the level required.**
- **In the longer term a Future Generations Fund which can capture revenue streams from successful marine renewable energy generation and export could be an important way of supporting investment needed in other areas to deliver a low carbon future – both here and abroad including support for climate adaptation measures.**
- **WWF support the proposal to establish a statutory community benefit register and for this to include community benefits that are flowing from operational onshore wind-farms.**
- **Community benefit from terrestrial renewable energy developments should focus on supporting energy efficiency improvements in communities –for example the roll out of universal, area based home insulation schemes.**
- **We remain unclear how a marine community benefit system could operate given the difficulties of defining the relevant community.**



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## ***Reform of the administration of the Crown Estate in Scotland***

***1a: In what ways can the legal framework within which the Crown Estate Commissioners operate be reformed to ensure greater accountability for the management of the Crown Estate in Scotland to the people and government of Scotland?***

***1b: How could the administration of the Crown Estate in Scotland be made more accountable to Scotland's people, the Scottish Government and the Scottish Parliament?***

***1c: Should the revenue stream enjoyed by the Crown Estate Commissioners as a result of offshore renewable energy and future Carbon Capture and Storage projects in Scottish waters be retained within Scotland?***

***1d: Do you agree that the revenues from the Crown Estate in Scotland should be used to benefit Scotland at both a national and local level? How should the revenue be used to support local communities?***

Scotland's huge marine renewable energy resource has an important role to play in meeting UK and Scottish Government climate emission commitments. In Scotland marine energy will be central to securing the Government commitment to meet 80% of our electricity demand from renewables by 2020 and to decarbonise our energy supply by 2030.

Regardless of how the responsibilities of the Crown Estate Commissioners, at a UK level, are distributed it is important that the Commissioners functions and revenues support the delivery of Scotland's low carbon economy of the future and also efforts to secure Good Environmental Status for Scotland's marine environment. Revenues from the Crown Estate in Scotland as a result of offshore renewable energy and future CCS projects in Scottish waters should be used explicitly for the purpose of supporting the transition to a low carbon future (including marine research work to support appropriate marine renewables development) delivering progress towards the UK and Scotland's Climate Change Act emission reduction targets.

These revenues can provide a secure source of funding to support efforts at a national and local level. As a priority this revenue should be used to support action on improving energy conservation and efficiency efforts on the grounds that this is one of the greatest and most cost effective ways of securing substantial emissions reductions.

## ***Action 2: Creating a Future Generations Fund***

***2a: Do you believe that the time is now right to create a Future Generations Fund?***

***2b: On what basis could the Future Generations Fund best be established? - Should it be the case that a Future Generations Fund be established the fund should have an explicit purpose of supporting investment in sustainable solutions - whether at home here in Scotland or elsewhere.***

***2c: Should part of the revenues from the Crown Estate in Scotland be invested in the Future Generations Fund?***

WWF Scotland believes we need to rapidly wean ourselves off our oil and gas dependency, and this requires an explicit acceptance that future oil and gas development is not compatible with establishing a low carbon economy. The consultation refers to estimates by Oil and Gas UK that between 15 and 24 billion barrels of oil equivalent remain to be recovered. In addition the document suggests that 16 new fields in the North Sea will come on-stream in 2010 and 2011. WWF Scotland oppose new oil development on the grounds that it is entirely at odds with the global imperative to tackle climate change, and indeed Scotland's commitment to establish a low carbon economy. We are concerned that the potential income streams from oil and gas

(regardless of whether these are used to invest in sustainable solutions) are used as grounds to justify continued exploitation and exploration.

As part of a rapid transition away from oil and gas, revenues available in the short term should be used solely to support a low carbon energy future through substantial investment in renewables and energy efficiency. A recent report by the Policy Exchange suggests that the UK needs around £500bn<sup>1</sup> worth of infrastructure investment in the next ten years and the focus in the short term should therefore be to use the revenue streams available to support the necessary immediate investment.

Much of this investment will support longer term economic and social benefits for us all e.g. through cutting our energy bills and eradicating fuel poverty.

In the longer term a Future Generations Fund which can capture revenue streams from successful marine renewable energy generation and export could be an important way of supporting investment needed in other areas to deliver a low carbon future – both here and abroad including support for climate adaptation measures.

***Action 3: Creating a "register of community benefit"***

***3a: Should a community benefit register, covering all renewables technologies, be placed on a statutory footing?***

***3b: Which specific aspects of a development should it make reference to?***

***3c: Should information on existing community benefits flowing from operational onshore wind-farms be covered by these proposals for a register?***

WWF support the proposal to establish a statutory community benefit register. The register should cover community benefits that are flowing from operational onshore wind-farms.

***Action 4: Enhancing community benefit within the terrestrial and emerging marine planning systems***

***4a: Can the present arrangements within the planning system be developed to secure the benefits of Scotland's next energy revolution in a more creative way whilst maintaining the impartial and legal requirement for sound planning decision-making?***

We would support clear guidance and a transparent process on community benefit to help address issues associated with the level of appropriate community benefit and who in a community negotiates and manages the spend.

***4b: Is there merit in seeking to introduce a Statement of Community Benefit to accompany planning applications for wind-farm developments?***

***Action 5: Maximising community benefit opportunities from renewables projects on property owned by the public sector***

***5: How can the public estate better be exploited to ensure greater community benefit from renewables? How best can this process be taken forward?***

***6: What other options are there for securing community benefit from renewables and other low carbon energy developments? Where should the revenue generated be directed and how should it be used?***

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<sup>1</sup> Delivering a 21<sup>st</sup> Century Infrastructure for Britain. Dieter Helm, James Wardlaw & Ben Caldicott. Policy Exchange. June 2009

Community benefit from renewable energy developments should focus on supporting measures in communities which help reduce carbon emissions. As a priority investment should be directed to support energy efficiency improvements in communities –for example the roll out of universal, area based home insulation schemes.

In the marine environment it is very difficult to identify who an appropriate community is, and we are therefore unclear how a robust community benefit approach could be developed relating to the marine environment.

Additional mechanisms, for example the possibility that local authorities could receive the business rates income directly from a renewable scheme should also be explored.