ECONOMY, ENERGY AND FAIR WORK COMMITTEE

COVID-19 – impact on Scotland's businesses, workers and economy

SUBMISSION FROM innogy Renewables Scotland

innogy Renewables UK plans, builds and operates plants to generate power and extract energy from renewable sources. We have offices in Perth and Inverness and focus on onshore wind, offshore wind and hydro projects.

Innogy Renewables UK recognises this is a health emergency and is following Scottish Government advice in relation to Covid-19. The comments below are to provide a summary of some of the issues facing our sector and to provide input while recognising the important work of the Scottish Government, UK Government, officials, local authorities and communities facing this pandemic.

The comments below focus on the renewables sector.

- **The industry needs access to critical personnel and spares to remain safely operational.** Renewable Energy Operational and Construction sites, have infrastructure which require essential maintenance and key workers to attend site (e.g. fire safety systems). Critical workers for both generators and the supply chain should be exempt from any future additional restrictions (such a geographical zoning) when traveling to operational or construction sites.
- **The Scottish Government should consider a formal letter / statement defining energy as critical.** Innogy and others are having problems sourcing some construction and maintenance materials from tier 2 suppliers. Whilst several suppliers have simply closed, others are 'Only carrying out works for essential projects and would need an official letter before restarting supply'.
- **Renewable generation is not protected as Critical Infrastructure.** Although >30% of generation, non-licenced renewables are not currently included within the requested BEIS reporting of Critical Infrastructure. In the event of restrictions they need the same protection as Critical Infrastructure such as:
    - **In the event of restrictions at ports**, exemption for importing of key project components and consumables.
    - **In the event of shortages of fuel or other consumables** some level of prioritisation to operational and construction sites to meet safety standards and comply with legal requirements.
- **Priority testing for business-critical staff** who are having to self-isolate due to illness in the household. The sooner they are tested the quicker we can get them back to work and the longer we can keep going.
- **Access to testing facilities** in order to pre-screen personnel accessing specific critical facilities.
- **Some non-material flexibility on regulations** for instance training expiry and certification expiry.
- **Construction of renewable generation plant and infrastructure**. Guidance from both the Scottish and the UK Government needs to be consistent. Scotland needs these plants to be delivered on time to further preserve UK reserves of the consumables required by fuel plant. In addition, our sites in construction have in-

frastructure present which require essential maintenance to remain in working order and useable

Critical staff within our supply chain.

The industry needs access to critical personnel and spares within our supply chain to keep renewable generators operational. We do carry spares, but once utilised they need to be replaced to maintain our ability to swiftly repair issues. The qualified personnel with the relevant skills are critical to this process too.

Examples of critical workers in the supply chain:

- A number of wind farms within the innogy portfolio, both on and offshore, utilise the Original Equipment Manufacturers (OEMs) to carry out our maintenance and breakdown cover on our wind turbines and energy infrastructure. Some sites are solely reliant on the likes of Siemens, SGRE and MHIV. Without these key resources both reliability and availability will most certainly be impacted in a matter of weeks if not days.
- We also have contractors who undertake emergency breakdown cover for example EDES, they are high voltage engineering specialists who undertake emergency cable repairs, for example on our import cables from the wind farms to the National Grid.
- Our assets need to be compliant with various statutory inspections, these periodic inspections are carried out by a third party and without the relevant certification issued access to the asset will be restricted and could lead to increased downtime.

Renewable generation is not classified as critical infrastructure - Although >30% of generation, non-licenced renewables is not currently included within the requested BEIS reporting of Critical Infrastructure but more importantly presumably will not be protected if and when further restrictions are imposed. (**N.B. designation as CI would have site security implications, that it may be difficult to meet on a renewable site, so we are seeking protection rather than full designation)**

Albeit the thermal power stations have firm capacity, the margins within the UK can be improved by this simple action of classifying renewable infrastructure as critical. Albeit wind cannot produce power when no wind occurs, we operate 95% of the time and can help preserve UK reserves of the consumables required by fuel plant.

innogy's suggested position is that operational portfolios of ≥300MW should be treated as CNI. Some reasons for this would be:

- Workers can move between sites, providing cover for one another if some are sick/isolating. Components can also be shared across the portfolio.
- As a series of portfolios renewable generators represent up to 30% of generation when online (which is 95% of the time).
- Precedent in other countries. Eg, in Germany renewables is CNI if the portfolio size of the operator is 420MW+.

Construction of renewable generation plant and infrastructure should be classified as critical

Our sites in construction have infrastructure present which require essential maintenance to remain safe and in working order (e.g. fire systems).

One of our onshore wind farm construction sites in Scotland was closed on Tuesday 24th March 2020 following the latest Scottish Government advice. Can Scottish Government class these construction sites as critical at this time and provide guidance that allows construction to continue?

We're taking appropriate steps on construction sites to ensure compliance with PHE guidelines.

Providing a definitive statement defining energy as a critical sector - to advise the supply chain

Innogy and others are having problems sourcing some construction and maintenance materials from tier 2 suppliers. Whilst several suppliers have simply closed, others are 'Only carrying out works for essential projects and would need an official letter before restarting supply'. It would be helpful if Scottish Government could publish an official letter, statement on their website or similar that we can reference, which says definitively that 'the operation, maintenance and construction of energy infrastructure is an essential service that is fundamental to the country's ability to function. Therefore it is critical that key workers and the supply chain to this sector continue to operate during the Covid 19 pandemic'.

To date Scottish Government have issued some statements we can reference but the terminology requires further clarification.

- Scottish Government updated their guidance to the construction sector on 6th April, ceasing all non-essential works unless related to the Covid-19 response. Operational advice states that "The construction sector and its supply chain is considered a non-essential business sector, except where supporting an essential sector". This statement is causing some confusion as it doesn't clarify the interpretation of "essential".

Planning consents

We welcome the letter form the Heads of Planning Scotland clarifying the planning process through the Covid 19 shut down. We also welcome statement for Scottish Natural Heritage on surveys work,

Hydro Power and delays to FiT.

Many hydro schemes under construction in Scotland are at risk of serious financial problems from missing FiT deadlines due to the virus shutdown. Innogy has been working with the British Hydropower Association (BHA) to push BEIS for an extension to the FIT deadline for hydro schemes that are due to be commissioned between now and the FiT deadline in March 2021. A 12 month extension of the FIT deadline for these projects will provide a simple means of securing the future of these projects, 35 MW of additional green energy, £150M of investment, jobs and significant community benefit, particularly in rural areas. The cost of this has already been budgeted for as part of the FiT process, so this is at no additional cost to the tax payer.

We would ask the Scottish Government to support our request to the UK government for a FiT extension.