30 April 2020

Dear Sir/Madam,

National Planning Framework 4 call for views: Carbon Capture Usage and Storage (CCUS)

I'm writing on behalf of SSE Thermal, a member of the North East CCUS Alliance (NECCUS), to share support for the Scottish Government's proposed National Development for a CCUS network.

SSE Thermal is part of the FTSE-listed SSE plc, one of the UK's broadest-based energy companies. Over the last 20 years, SSE has invested over £20bn to deliver industry-leading offshore wind, onshore wind, gas generation, energy-from-waste, biomass, energy networks and gas storage projects, including millions to develop CCS. SSE Thermal operates six of the most flexible and efficient power stations in the UK and Ireland, jointly operates two of the most efficient energy-from-waste plants with Wheelabrator Technologies, and holds around 40% of the UK's conventional gas storage capacity.

We welcome the opportunity to contribute to the development of an updated National Planning Framework (NPF), particularly in light of the enhanced decarbonisation ambition put in place by the Scottish Government. We believe that an energy system based on renewables and supported by progressively lower carbon gas generation will deliver cost effective and timely emissions reductions, as well as providing industrial benefits for both Scotland and UK plc and supporting the transition to net zero emissions. Energy intensive industries and thermal power generation will need access to the same decarbonisation technologies, meaning investment in shared infrastructure could help reduce the overall cost. Such infrastructure will help protect Scotland's key industries and make them fit for operation in a net zero world. As highlighted by the Committee on Climate Change, CCUS is a "a necessity, not an option" for achieving net zero.

We're committed to decarbonising our future gas generation; we're considering both CCUS and hydrogen options to keep this flexible generation on the system, while reducing its carbon footprint. The right policy and regulatory signals are required to stimulate investment in the sector, alongside consideration of appropriate timescales for delivery.

SSE Thermal owns and operates Peterhead CCGT; one of the remaining large-scale synchronous power plant in Scotland. Peterhead, in its current form, has provided reliable and flexible generation alongside valuable system services since it was repowered in 2000 and is equipped to do so into the 2030s. However, Peterhead power station is well placed to facilitate decarbonised generation, given its proximity to St. Fergus and the resultant links with the Grangemouth industrial cluster. We have twice before tried to progress such projects at Peterhead Power Station, at a time when the need for decarbonisation was less pressing. Options for CCUS or hydrogen generation at the site will again be considered for the future of the site.

We note the inclusion of a CCS network and thermal generation, including Peterhead power station, in NPF3 alongside updated Scottish Government proposals for NPF4, shared with us by NECCUS. We support the updated proposals which provide optionality for decarbonising the energy system through CCUS and hydrogen infrastructure. In addition, construction of new thermal generation power stations within the proposed CCUS network, where that development includes carbon capture plant, should

maintain its National Development status. This should be extended to thermal generation power stations which include hydrogen firing technology. Such developments will be crucial to maintaining a secure energy system in a net zero Scotland, so it is important that the planning system continues to provide a supportive landscape for key energy infrastructure projects. Inclusion within NPF4 will support future decision making for the site, with consideration of such options likely to begin while NPF4 is in place.

I would be happy to discuss any points raised here in further detail.

Yours sincerely,

Helen Sanders

Head of policy and stakeholder engagement, SSE Thermal