



PROGRAMME UPDATE

June 2023

Ongoing Projects / Work:

Affordable Electricity Strategic Outline Case

- Options are being considered for how to achieve more affordable electricity for Shetlanders, including political, regulatory and technical opportunities.

Arctic Connections Fund

- The Council was successful in an application involving University of Strathclyde and Energi I Nord to host a common challenges and opportunities seminar around the net zero transition between Shetland and Northern Norway. This will be held in fourth quarter of 2023.

Car Club Project

- The project team developed a car club specification summary which was issued to Crown Commercial Services suppliers with an invitation to demonstrate their respective service offerings on site in Shetland. The demonstrations which included a presentation and physical operational overview of the modified keyless vehicles were then scored by the project team to help pick the preferred supplier. [Enterprise Car Club](#) were chosen and we are working with them currently to help inform a business case proposal to be presented to Corporate Management Team in the near future. Authorisation will be sought to go ahead and procure the desired car club services and investigate further potential efficiencies, savings and how this trial can ultimately help towards strategic goals relating to transport and climate change.

Carbon Literacy Training

- Continued delivery of training to Council staff, including providing the training to Elected Members.

Electric Vehicle Infrastructure Expansion Strategy

- Work has been ongoing on the Electric Vehicle Infrastructure Expansion Strategy for public charge points.
- Urban Foresight completed the initial review and evaluation framework for potential future expansion of the public charging network. This is the first part of the strategy development.
- Collaboration agreement has been entered into with [HITRANS](#) which includes other rural and island Local Authorities. Further strategy development ongoing with delivery expected in this financial year.

Energy Efficiency Grants

- The administration of the Area-Based Scheme is ongoing. The Warmer Homes contract has been awarded again to [Warmworks](#) (please see Upcoming Projects/Work section).

Hydrogen Innovation Scheme

- [EnQuest](#) and [Nova Innovation](#) have been successful in receiving funding for separate projects looking at hydrogen production in Shetland, with the Council involved in both projects.

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Ongoing Projects / Work (continued):

Liquid Organic Hydrogen Carrier (LOHC) Study

- Phase 2 is underway, led by [ERM](#), involving a feasibility study to trial the transport of LOHC from Sullom Voe Terminal (SVT) to Rotterdam.

Local Heating & Energy Efficiency Strategy (LHEES)

- LHEES will set out the long-term plan for decarbonising heat in buildings and improving their energy efficiency across an entire local authority area.
- A collaboration agreement through [HubNorth](#) involving other rural and island Local Authorities is in place. Through this agreement [Changeworks](#) has been appointed to assist in developing the LHEES and this work was recently started.
- Targets are for LHEES (and implementation plan) to be in place by the end of March 2023.

Marine Workgroup

- Bi-monthly engagements with local marine companies and organisations that have relevant projects to help transition Shetland's marine sector.

Net Zero Technology Transition Programme Energy Hubs and Hydrogen Backbone

- Scottish Government and industry sponsored study led by [Net Zero Technology Centre](#), with Phase 1 nearing completion. Phase 2 is just beginning which involves looking at potential pilot projects.

ORION Clean Energy Project

- A strategic framework connecting organisations with a common ambition: to transform the Shetland region into a centre for secure and affordable clean energy.

Port of Sullom Voe (PoSV) Decarbonisation

- Work is underway to determine how to transition the PoSV, including the servicing vessels and transforming the jetties to support clean fuel export and CO₂ import.

Shetland Climate Change Strategy

- Content currently under development by the Shetland Partnership Climate Change Steering Group.

Shetland Clean Energy Project

- One component of the [Islands Centre for Net Zero](#) (ICNZ), collaboration amongst Orkney, Shetland, and the Western Isles, with a local supply and demand focus to build a hydrogen economy on Shetland.

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Ongoing Projects / Work (continued):

Shetland Community Climate Action Network (Shetland CCAN)

- Working in partnership with SIC community planning, Voluntary Action Shetland and Highlands and Islands Enterprise to establish Shetland CCAN. Workshops have determined community groups would like a method of regular, informal communication between groups, with a communal repository for sharing information and a set of forum meetings.
- Facebook has been identified as the preferred platform for community group communication. We are currently preparing the Business Justification case for establishing the platform. Shetland CCAN is now meeting regularly.

Shetland Energy Development Principles

- The Council has approved these principles which are intended to help protect and promote our community interests; and help achieve "[Just Transition](#)" and "Levelling Up" from the very significant energy developments.
- Stakeholder engagement and research into Environmental Protection, identifying local data and capabilities. Continued work on developing the Environmental Protection section on the principles.

Shetland Energy Skills Transition Group

- Ambition to ensure that skills issues across Shetland, from education to industry are well understood, and an effective and timely response is developed to ensure a skilled workforce and appropriate training provision is in place to address challenges and capitalise on opportunities that will arise as the Shetland Islands progresses its energy transition ambitions.

Shetland Energy Strategy

- Exploring where the energy landscape in Shetland is now and where we ideally would like to be over the coming decades to identify possible pathways and opportunities for the energy transition.

Shetland Peatland Partnership Strategy

- Content developed and contributed to the Shetland Peatland Partnership Strategy and Action Plan

SIC Climate Change Strategy

- A number of workshops were held with relevant Council Service Areas across the sections of Leadership and Governance, Alignment, Empowerment, Money, Communications, Energy, Transport, Buildings, Resource Use, Business and Industry and Nature Based Solutions. Strategic Objectives and SMART Actions, with allocated responsibility and timeline, were agreed. An Elected Members Seminar was held on the agreed draft strategy and action plan. Strategic Environmental Assessment and Consultation will take place over the Summer, with the strategy and action plan to be presented to Council by the end of the year.

SIC Reduction in Grass Cutting Proposal

- Works begun on a proposal to review grass cutting and propose options to reduce cost and carbon emissions whilst increasing biodiversity.

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Upcoming Projects / Work:

Aligning Island Hydrogen

- Planned workshop to align the industrial hydrogen projects for Orkney, Shetland, and Western Isles to create a Pan-Island vision for the region.

Area Based Schemes (ABS) Options for Change

- As noted below the ABS Options for Change report was presented to Committee and we are now looking at moving forward with preferred option with an initial timescale of delivery being the start of the 2024/25 grant programme.

Domestic Energy Assessments

- The Warmer Homes contract will start in October 2023. It is likely that the Council's in-house Assessors will again be involved in delivering Domestic Energy Assessments as part of the grant process.

Electric Vehicle Charge Points

- Switched on Fleets accrued grant funding. Two charge points to be installed at Gremista Depot. Potential further grant funding.

Energising Shetland

- Contributing to and aligning a political campaign called 'Energising Shetland' to convey the role energy plays in the cost of living crisis for Shetland.

Floating Offshore Wind 2023

- Coordinating and participating in a Shetland – Islands of Opportunity approach to the Floating Offshore Wind 2023 conference alongside local supply chain, ports & harbours, and offshore wind developers.

Shetland Energy Strategy Consultation

- Workshops and consultation process for the Shetland Energy Strategy to create fully understand and agree across stakeholders the actions needed for Shetland's energy future.

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Completed Projects, Results & Findings:

ABS Options for Change

- Review completed by Changeworks into current delivery of the ABS with an options appraisal presented of alternative options.
- It outlined the specific challenges that Shetland Islands Council face in the delivery of ABS, and highlighted where these challenges are similar to those experienced by other island and rural local authorities in Scotland. This was presented to Council Committee.

Completed Consultation Responses from the Future Energy Team

- Hydrogen Allocation Round 2 Market Engagement, as part of the Net Zero Hydrogen Fund process
- Community Benefits Consultation – Transmission Infrastructure
- UK Low Carbon Hydrogen Certification Scheme
- Scottish Energy Strategy Consultation
- Contract for Difference for Private Network Generators
- H2 Transport and Storage Infrastructure
- Review of Electricity Market Arrangements (REMA) work

Energy Efficiency Works

- Public and fleet charge point installs
- Independent Living Centre district heating connection
- Charging tariff was introduced for the beginning of the 2023/24 financial year and the impact of this on utilisation of charge points will be reviewed going forward and will feed into the above work on public charging infrastructure expansion

Offshore Power Study

- University of Strathclyde are concluding Phase 2 of the study, investigating the electrification of offshore assets

Shetland Rural Energy Hub – Feasibility Study

- We successfully leveraged in funding from Innovate UK to undertake a feasibility study into Rural Energy and Transport Hubs across Shetland. Steps included gathering and mapping existing local data, undertaking a literature review and identifying gaps and further studies required, community engagement, propose locations for hubs, propose long list of options of what to include in hubs, create short list of options for what to include in hubs.
- We have identified Brae Community Hall and surrounding area as a potential site for a pilot energy and transport hub. This will form the basis of our application for Phase 2 funding, to begin implementation.

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Key Engagements:

All-Energy Conference and Exhibition

- For this year's All-Energy Conference and Exhibition, a number of Shetland-based organisations (led by the Future Energy Team) pulled together to create the Shetland – Islands of Opportunity approach. The intent of the approach was to showcase Shetland's existing and future capabilities and capacities to take forward large clean energy projects in line with Net Zero targets as well as its role in Europe's (especially the UK's) transition with Oil and Gas. The target audience was the energy industry.

Engagement with Energy Stakeholders

- The Future Energy team continually engages with a range of energy stakeholders (regulators, generators, distributors, supply chain and users) in Shetland and nationally. This includes:
 - EnQuest, who have announced ambitious transition plans at SVT, and
 - Statkraft, who have been announced as preferred developers to lease Scatsta.
 - Offshore wind developers for the NE1 ScotWind site to the East of Shetland, including several visits they have now made to Shetland.

Nordic Energy Research Network

- We supported the Scottish Government to hold the first Scottish Nordic Energy Research Network event in Shetland, on May 16 and 17 2023. The event purpose of the event is to encourage debate and knowledge exchange between Scottish and Nordic experts on the challenges and ambitions that our countries and regions share in harnessing the low carbon energy potential of islands. It will also seek to create opportunities for longer-term cooperation, with a view to accelerating decarbonisation and raising awareness of islands' role as hubs of innovation.
- This included a visit from Cabinet Secretary Mairi Gougeon.

Shetland Climate Change Festival 2023

- Held on June 9 and 10 at the Clickimin Bowls Hall. Over 35 exhibitors participated, with a wide range of organisations, companies and Council teams connecting with the public, including renewable energy companies, local food producers and industry leads, conservation organisations, and local community groups. A closed schools session was held on Friday morning, including workshops. The event opened to the public from Friday afternoon, with a range of workshops and a kidzone with creative and STEM activities running throughout.

SIC Climate Change Forum

- Sessions held to raise awareness on climate change communications, circular economy and food.

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