

Residual Renewable Energy Sites Offering – Hydro, Wind, Photovoltaic and Geothermal in Scotland

Background

1. Forestry Commission Scotland (FCS) is committed to helping reduce Scotland's carbon emissions and achieve the Scottish Government's renewable energy targets. The National Forest Estate (NFE) – land owned by the Scottish Ministers and managed by FCS – extends to 665,000 hectares and has the potential to make a significant contribution to Scotland's renewable energy targets through hydro, wind, solar photovoltaic (PV) and geothermal power generation.

2. There is a large amount of renewable energy development already in train on the NFE (wind and hydro), but FCS considers that there could be further potential, particularly at the smaller end of the development scale, and therefore have decided to consider arrangements for the development of renewable energy generation schemes on the remaining areas of the NFE.

3. In order to increase Scotland's portfolio of decentralised renewable energy generation, generate returns from the NFE and benefit local communities, FCS would like to see as much of this potential as feasibly possible taken forward to construction and operation through arrangements with third parties. To optimise power output and efficiency, FCS is prepared to consider neighbour applications and part-schemes where they are not confined wholly to the NFE.

The process

Initial Notification of interest

4. FCS is asking for an initial [Notification of Interest \(NoI\)](#) from: potential developers; neighbouring landowners; and / or community organisations wishing to be considered for developing renewable energy generation schemes on the NFE ("Interested Parties"). Responses are invited from Interested Parties wishing to assess and develop the potential in one or more locations on the NFE. Joint responses from community organisations and potential developers will be welcome.

5. Interested Parties are required to submit the NoI, which should include details of the organisation(s), the technology of interest and location of the site(s).

Completed NoIs must be submitted by 13.00hrs on 14th March 2014

6. The areas of the NFE available for noting interest are shown on the [Map Viewer](#). There are two different shapefiles on the website; one for hydro

and one for wind. Interested Parties wishing to take forward PV or geothermal may use either of these to select their area(s) of interest.

7. Areas of the NFE have been excluded where there are existing development arrangements in place. However, there may be other restrictions on a site, so FCS will carry out a further check, on each area of the NFE in respect of which a NoI is submitted, by **4th April 2014** and let the relevant Interested Parties know if the site can be investigated further. FCS does not give any warranty or undertaking (whether express or implied) that any of the areas of the NFE are suitable for development; determining whether this is the case will be the sole responsibility of the relevant Interested Party. In addition, FCS does not warrant or represent that it has the ability to grant any Interested Party any rights to develop any area of the NFE. This will be subject to further scrutiny at the point of entering into a site-specific Option.

Application Process

8. Once the initial NoI has been approved, an Application Form (AF) will be sent to Interested Parties whose NoI is successful. The AF will include, amongst other things, organisational and contact details, finance, indicative commercial terms, health & safety, insurance, terms & conditions, references and declarations.

This must be completed and returned by 2nd June 2014.

9. In addition to the Application Form, the FCS standard Option & Lease will be provided. These documents represent FCS' standard position in relation to development of renewable energy schemes on the NFE and are drafted on terms which are intended to minimise legal costs for Interested Parties. For that reason, any changes requested by an Interested Party to the FCS standard Option & Lease will require to be paid for by the relevant Interested Party. These payments will include recovery of the cost of FCS staff time and costs incurred by FCS in instructing advisers in preparing changes.

10. FCS encourages Interested Parties to consider how best to ensure that developments benefit local communities. A community benefit of £5,000¹/MW installed (MWi) per year is required for all schemes above 50kW installed capacity, as a pre-condition of participation in this opportunity. Approaches from community organisations will be considered under existing arrangements, which include the possibility of leasing suitable sites under the [National Forest Land Scheme](#). FCS encourages developers to offer community joint ventures.

Proposals list

11. Following the submission deadline, FCS will evaluate all NoIs submitted. Those which are acceptable will be checked to see if they are the sole interest in a site. If there is only one acceptable NoI submitted in

¹ Index-linked

relation to a site, work will begin on entering into site-specific Option and Lease documentation.

12. Where there are competing acceptable NoIs for the same site, one of which is a community group, the relevant Interested Parties will be put in touch with each other to see if they can reach agreement.

13. If there is competition between commercial developers, or if community groups do not wish to work with the competing Interested Party or Parties, a Scoring Matrix will be used to assess the applications and determine which one will be offered the site. The Scoring Matrix will be supplied along with the AF (see 8).

14. Interested Parties will be notified of the outcome by Friday 5th September 2014. Unsuccessful applicants will be provided with a summary in writing of reasons why their application was unsuccessful.

Agreement of Option & Draft Lease

15. Successful applicants will be able to convert the Standard Option & Lease into a site-specific Option & Draft Lease by agreement with FCS. All costs incurred by FCS will be paid by the relevant Interested Party (in addition to their own costs). Please note Community applications will be dealt with in a different way, as set out in 10. above

16. Once an Option is in place, the selected Interested Parties, ("Partners") will be permitted to carry out site investigations.

Detailed feasibility studies

17. Partners will undertake detailed feasibility studies. They will provide FCS with regular updates and allow access to all accumulating data and other information relating to the sites to FCS. It will be up to the Partners to undertake all assessment, evaluation and other investigations to satisfy themselves as to the viability of schemes for development. Likewise all costs and risk will remain with the Partners.

Securing planning permission

18. Partners will complete the stages required to obtain planning consent. These consents will be obtained within a period to be agreed (see para 9). All information and documentation relating to sites that do not proceed will pass to and become the property of FCS.

On achieving planning permission

19. Once a site has obtained planning permission, the Partner will be able to exercise their option to take the Lease in the form of the Draft Lease.

20. The construction period will be agreed between FCS and the relevant Partner(s) and, once successfully commissioned, the operation stage will run for the period agreed in the lease.

Overall indicative timescale and general procedures

21. The Residuals Offering will be launched on 14th January 2013. Interested Parties should complete the NoI form and return to FCS by email to <mailto:contactFoRe@forestry.gsi.gov.uk> by 13.00hrs on 14th March 2014.

22. FCS will notify the relevant Interested Parties of the further checks undertaken by FCS on sites by 4th April 2014. If there are no restrictions, Application Forms (AF) will be provided along with the relevant documentation (see 8 above) for the technology of interest.

23. Applicants should return the completed AF by 13.00hrs on 2nd June 2014.

24. Applications will be evaluated and a response provided by 5th September 2014.

25. Further information on community engagement and community empowerment is available at <http://www.scotland.gov.uk/Topics/Built-Environment/regeneration/engage/standards> and <http://www.scotland.gov.uk/Resource/Doc/264771/0079288.pdf>