

Craig Watch Wind Farm

Socio-economic Benefits and Community Wealth Building

November 2024

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1 Introduction

1.1 Introduction

- 1.1.1 Statkraft is a leading company in hydropower internationally and Europe's largest generator of renewable energy. Statkraft is a global company in energy market operations and has approximately 7,000 employees in over 20 countries. Statkraft produces hydropower, wind power, solar power and supplies district heating, generating 61.9 TWh of renewable power in 2023.
- 1.1.2 Statkraft UK Limited (hereafter referred to as 'Statkraft') is at the heart of the UK's energy transition. Since 2006, Statkraft has gone from strength to strength in the UK, building experience across wind, solar, hydro, storage, grid stability, EV charging, green hydrogen and a thriving markets business. Statkraft has invested over £1.4 billion into the UK's renewable energy infrastructure and facilitated over 4.5GW of new-build renewable energy generation through Power Purchase Agreements (PPA). Statkraft develops, constructs, owns and operates renewable facilities across the UK and employs over 500 people across Scotland, England and Wales.
- 1.1.3 In 2023 both the National Planning Framework 4 (NPF4) (Scottish Government 2023a) and Onshore Wind Sector Deal (OSWD) (Scottish Government 2023b) were published, both documents aiming to address climate change by promoting renewable energy while maximising the socio-economic benefits both locally and nationally.
- 1.1.4 These reports detail how Statkraft and Craig Watch Wind Farm (hereafter referred to as 'the Proposed Development'), which will be delivered by Craig Watch Wind Farm Limited (a wholly owned subsidiary of Statkraft), will support and contribute to the socio-economic commitments of NPF4 and the OSWD.

1.2 NPF4

- 1.2.1 The NPF4 (Scottish Government, 2023a) aims to provide a consistent framework for decision-making by delivering centralised development management policies. It outlines a long-term spatial strategy for Scotland to 2045 based on six spatial principals that are intended to influence all plans and decisions.
- 1.2.2 The principles are stated as playing a key role in delivering the United Nation's Sustainable Development Goals and the Scottish Government's National Performance Framework¹.
- 1.2.3 The Spatial Strategy under NPF4 is aimed at supporting the delivery of:
 - 'Sustainable Places': "where we reduce emissions, restore and better connect biodiversity";
 - ' 'Liveable Places': "where we can all live better, healthier lives"; and
 - 'Productive Places': "where we have a greener, fairer and more inclusive wellbeing economy".
- 1.2.4 The National Spatial Strategy in relation to 'sustainable places' is to make a net zero future, where emissions are reduced to combat the impacts of climate change, whilst protecting and restoring our environment. The Strategy encourages the development and expansion of renewable energy generation.
- 1.2.5 NPF4 addresses national planning policy by topic with reference to above three themes formulated with the aim of delivering sustainable, liveable and productive places. Of particular relevance to Statkraft is Policy 11: Energy. This policy prioritises the expansion of renewable, low carbon and zero emission technologies. A key component of Policy 11 is section c), which is the requirement to maximise socio-economic benefits rather than just take them into account. These socio-economic benefits include employment opportunities, as well as the growth of associated business and supply chain opportunities. The Proposed Development's socio-economic contribution also supports the Scottish Government's approach to Community Wealth Building, as set out at Policy 25 and is detailed in Chapter 6 of this document.
- 1.2.6 A full assessment of how the Proposed Development responds to the planning policies of NPF4 is provided in the Craig Watch Wind Farm Supplementary Planning and Energy Policy Statement which should be read in conjunction with this report.

1.3 Onshore Wind Sector Deal

1.3.1 In September 2023 the Scottish Government and the onshore wind industry signed the OWSD (Scottish Government 2023b). Statkraft was a key member of the working group, taking a leading role in the shaping of the OWSD. Statkraft fully supports the commitments of the OWSD to deliver 20 GW

¹ The Scottish Government National Performance Framework sets out 'National Outcomes' and measures progress against a range of economic, social and environmental 'National Indicators'.



of onshore wind by 2030 whilst maximising the socio-economic benefits to Scotland, and currently sits on several Working Groups across the industry to deliver on the commitments of the OWSD.

- 1.3.2 The OWSD aims to both achieve the Scottish Government's targets of 20 GW of onshore wind by 2030, but also foster collaboration between the Scottish Government, the wind industry and local communities to encourage and nurture sustainable growth and economic prosperity.
- 1.3.3 The OWSD has three specific aims for the wind industry:
 - supply chain, skills and circular economy;
 - community; and
 - land use and environment.
- 1.3.4 There are also planning, regulatory and legislative aims for the Scottish Government.

Supply Chain, Skills and Circular Economy

- 1.3.5 The OWSD aims to "support the enhancement of the current skills and training provision by further and higher education and other training providers to focus on delivering the needs of the wind industry and to position Scotland as a world leader in material circularity". This objective seeks to both increase the available level of skilled and experienced staff within the industry, local and national government, agencies and regulators to deliver the 20 GW of onshore wind target, while supporting the Government's broader objectives of increasing diversification within the workplace.
- 1.3.6 In particular, the onshore wind industry will:
 - commit to an appropriate level of apprenticeships, training opportunties and skilled jobs across the sector and supporting industries;
 - publish data on the percentage of local content in the supply chain and the operation and maintence arrangements of onshore wind projects at the point of commissioning;
 - establish a collaborative approach to promoting supply chain opportunities;
 - identify and pursue geographic operation and maintenance capacity and seek collaborative coinvestment in operation and maintenance facilities and logistics infrastructure to deliver local impact;
 - collaborate with the Coalition for Wind Industry Circularity (CWIC) to facilitate publishing its full programme of commitments; and
 - deliver one specialist blade treatment facility within Scotland.

Community

- 1.3.7 The Community aims of the OWSD intend to continue and enhance the industries 'good neighbour' approach through all stages of the project life-cycle offering impactful community benefit and practical routes to shared ownership. The onshore wind industry will therefore:
 - engage with the local community at the earliest opportunity to agree a community package that will
 meet or exceed the the principles set out in the Scottish Government Good Practice Principles for
 Community Benefit (2019a) and the Good Practice Principles for Shared Ownership from Onshore
 Renewable Energy Developments (2019b);
 - aim to provide an in-principal community benefit agreement prior to the Financial Investment Decision (FID) and will ensure that community benefit agreements become binding once FID is achieved;
 - ensure that if projects are sold or transferred the obligation to maintain and continue the community benefit fund is a condition of the sale or transfer;
 - seek opportunities to provide support and funding that enables more ambitious projects that make a long-term strategic impact in supporting a just transition to net zero to be delivered if aligned with community priorities;
 - look for opportunities where the industry can take a collaborative approach to co-ordinating community benefit funds between projects and local communities where there are common or overlapping areas of benefit; and
 - identify and engage with the key stakeholder organisations during the pre-planning application
 phase of projects to highlight community shared ownership opportunities and provide community
 bodies with sufficient time to investigate these opportunities.



Land Use and Environment

- 1.3.8 The OWSD recognises the twin threats of the global climate and the biodiversity crises. It is clear that, in line with NPF4, new onshore wind projects must enhance biodiversity and optimise land use and environmental benefits. It identifies that a balance must be struck between maximising the need for increased capacity of onshore wind and the impacts these developments may have on land use and the environment.
- 1.3.9 Therefore, the onshore wind industries agree to:
 - adopt the Scottish Government's national approach to measuring and evidencing biodiversity enhancement once this is in place and provide monitoring data to a central repository²;
 - provide monitoring information on peatland management and restoration to a central repository so that this can be tracked over time;
 - establish a working group to explore and learn lessons from the Hagshaw Energy Cluster³ approach to biodiversity enhancement; and
 - provide information on wind farm site boundaries, infrastructure and habitat management plans to a central data repository.

2 Statkraft Employment

2.1 Statkraft Employees

- 2.1.1 Across the United Kingdom Statkraft has over 500 employees, which include 42 employees based in Scotland. These employees range from those at the start of their careers to those with over 30-years' experience in renewable energy development. These direct employees in turn support indirect employees. An indirect employee is employment which supplies services purchased (or otherwise) by the direct employees (e.g. doctors, teachers, cleaners, shop assistants, etc).
- 2.1.2 While Statkraft's Scotland office is in Glasgow, employees live and work across Scotland, from Edinburgh to the Shetland Islands, and therefore the direct and indirect employment benefits are spread across Scotland.
- 2.1.3 Statkraft has been accredited as a Great Place to Work in 2023 and 2024, and a Great Place to Work for Women in both 2023 and 2024.
- 2.1.4 Statkraft aims to always prioritise a healthy and sustainable work environment. The Glasgow office was recognised as the 2024 category winner in The British Council for Offices (BCO) Regional Awards for Scotland.

Apprenticeships

- 2.1.5 Statkraft has initiated an apprenticeship programme aimed at nurturing future electricians. This initiative is in collaboration with Llanelli College and is advertised on our website.
- 2.1.6 The program offers a structured pathway for apprentices to become electricians with two distinct tracks: a 5-year course leading to a Higher National Development or a 3-year course leading to a Higher National Certificate. Apprentices progress through these stages based on performance assessments, ensuring that only those who meet our standards advance to the next level. There are currently two apprentices who commenced their training in 2023, and two additional apprentices are planned to enrol in 2025.

Internships

- 2.1.7 Statkraft strongly believes in supporting the next generation to have experience and knowledge of the renewable energy industry. Statkraft's paid internship programme has been running since 2022 and has so far seen 18 interns join the business in a variety of different areas from development, to communications support, to grid contracts, and to Geographical Information System (GIS) analytics.
- 2.1.8 The internships have provided invaluable experience, providing graduates with responsibilities, visibility and influence on the Statkraft projects. Many of the interns are now full-time employees of Statkraft, with others working elsewhere in the industry.

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² Excluding data which can not legally be made generally available.

³ Seven operational wind farms and a further four consented wind farms in South Lanarkshire and East Ayrshire.

Living Wage

- 2.1.9 Statkraft has been recognised as an accredited 'Living Wage Employer'. The Real Living Wage is a voluntary UK wage rate set by the Living Wage Foundation and it is calculated by taking account of the real cost of living which meets everyday needs.
- 2.1.10 This recognition underscores our commitment to ensuring that all our employees receive fair compensation that meets the cost of living. Statkraft believes that investing in our people is crucial and we are dedicated to fostering a supportive and equitable workplace for all.
- 2.1.11 Statkraft has implemented a contractual requirement that 100% of contractors' personnel on-site will be paid the living wage, this includes all contracted services in offices, on construction sites or any other outsourced activities.

2.2 Statkraft's contractors

Local Suppliers

- 2.2.1 Statkraft is eager to build and develop a local supply chain for our projects. From the outset Statkraft builds, advertises and maintains a Local Supply Chain Register which aims to identify all potential suppliers who can support each project through development, construction, operation and decommissioning. The Register covers both on-site services such as power, engineering, site maintenance and fencing, and off-site services such as accommodation, catering and car hire. The Register is available to the Project/Asset Manager through each stage of the project and is also provided to the Principal Contractor during construction.
- 2.2.2 The Local Supply Chain Register is advertised at all community events which Statkraft hosts, and suppliers can access the Register through Statkraft's website. In addition, Statkraft also organises and attends events for networking and engagement between local suppliers and Statkraft. These events aim to establish long-term partnerships with local suppliers, providing information and support to suppliers, and identifying services in the local area.
- 2.2.3 Digital advertising tools are central to the success of the Register, which include Google and social media ads targeting specific services and geographical areas.
- 2.2.4 Using Loch na Cathrach as an example, Statkraft has actively sought out local suppliers through invitational events for the project. Statkraft will work with the lead contractors to ensure that as many opportunities as possible are made available to local businesses.
- 2.2.5 As a Developer we are committed to adhering to the OWSD commitment to publish the percentage of local content in the supply chain and the operation and maintenance arrangements of onshore wind projects at the point of commissioning.
- 2.2.6 Data was collected during the construction of our most recent wind farms in Dumfries & Galloway. On the 43MW Windy Rig and 37.8MW Twentyshilling Hill projects, it was estimated that spend with Scottish companies during Windy Rig (completed January 2022) and Twentyshilling Hill (completed April 2022) was £9 million and £10 million respectively.

"It's great to see Statkraft engaging with the local business community as the investment at Windy Rig continues. GTR are just one of many DG Chamber members that have played a part to make this project happen, we congratulate Statkraft for keeping as much work 'local' as possible."

Lee Medd, Member Services Manager, DG Chamber

2.2.7 There is a broader opportunity for Developers to work together to encourage efficient and effective use of resources within local areas. Where available, Statkraft will work with other industry partners to maximise opportunities for local suppliers to be involved in projects, developing skill sets and minimising adverse impacts to the communities.

Membership of Chambers of Commerce

2.2.8 Statkraft is a proud member of the local Chamber of Commerce where our projects are based. Through joining the Chamber of Commerce Statkraft can support local business initiatives and promote supply chain opportunities linked to our projects.

3 Statkraft's Education Partnerships and Skills

3.1.1 Statkraft has formed two higher education partnerships, to help promote skills development, education and research across Scotland. Other strategic partnerships include that with Highland Renewables, where the tourism and renewable industries work together to encourage sector collaboration.



University of Highlands and Islands

- 3.1.2 As part of its commitment to skills development, in 2023, Statkraft announced a partnership with the University of the Highlands and Islands (UHI) this includes:
 - a Science, Technology, Engineering and Mathematics (STEM) Scholarship Fund. This represents a minimum investment of £72,000 and involves two £3,000 scholarships annually for the duration of a student's programme at UHI. Once fully underway, it will mean a contribution of £18,000 per year, with six students at UHI receiving support from Statkraft at any one time. The first two students started receiving support in October 2023. In addition to financial support, the programme prioritises career and network development by hosting a visit to the Glasgow office and assigning recipients with a Statkraft employee as an ongoing contact in industry.
 - Commissioning a Skills Report for the consented Loch na Cathrach hydro project. The aim is to
 provide insight into the education and skills requirements for training up a local workforce and to
 stimulate an increase in local residents training in identified key areas of need.

University of Strathclyde

- 3.1.3 In 2023, Statkraft established a strategic partnership with the University of Strathclyde, aimed at developing future talent within Scotland's renewables sector. This collaboration seeks to encourage innovation and develop the skills necessary for Scotland to deliver on legislated net zero targets. There are four separate forms this collaboration will take:
 - The partnership supports the university's existing STAR Scholarship programme for students, offering annual scholarships to two undergraduate students for the duration of their studies. The programme provides students from backgrounds considered less likely to go to university, with £1,500 per annum to support their studies. Statkraft will extend invitations to the students to visit the Glasgow office to meet collegues and investigate renewables as an sector for future employment.
 - Statkraft supports the Young Strathclyder programme activites to widen access to higher education.
 - Statkraft maintains a discretionary fund for the support/sponsorship of student projects, academic conferences etc, based on agreed qualifying criteria.
 - Statkraft and the University of Strathclyde are exploring routes to wider collaboration including joint research projects.

Inspiring Futures

- 3.1.4 Statkraft regularly participate in events to inspire the future net zero workforce, two recent examples being:
 - in collaboration with the Education Development Trust with support from the Mayor of London and EU's European Social Fund, Statkraft hosted sixth form students for work experience opportunities. The students, aged between 16 and 18, received insights from across the development team and many other business areas, including HR, IT, Legal, Markets, Public Affairs and EV charging.
 - a STEM outreach event at Chelsea Football Club where students aged 11-13 came from various schools around West London to learn about careers in sustainability. There were a variety of representatives from Statkraft who ran the workshops and undertook a speed networking exercise. Statkraft delivered a clear message that the clean energy industry is a growing sector, encouraging them to pursue STEM subjects.

4 Statkraft's Community Wealth Building

4.1 Community Benefit Fund

- 4.1.1 One of the ways Statkraft demonstrates a commitment to being a good neighbour is to deliver a Community Benefit Fund equating to £5,000 per MW installed from wind farm projects. This matches the recommendation outlined in The Scottish Government Good Practice Principles for Community Benefit from Onshore Renewable Energy Developments (Scottish Government, 2019a).
- 4.1.2 Currently Statkraft's operational projects contribute over £500,000 per annum across the UK in funding to their respective hosting communities. It is estimated that Statkraft's consented projects will add a further £1.6m per annum to local communities following construction.
- 4.1.3 Statkraft maintains a flexible approach for the way community benefit funds are administered. This provides communities with some flexibility to set up and allocate funds to suit them. For

Statkraft's operational projects have delivered £3.5 million to local communities across Scotland.



example, the £130,000 per annum provided by Ballie Wind Farm distributes 80% to a Community Benefit Fund and 20% to the Caithness Business Fund. The Community Benefit Fund has so far supported a range of worthwhile initiatives such as educational school trips and sporting activities, while the Caithness Business Fund distributes grants to support small businesses based within the Caithness and North Sutherland area.

4.2 Community Ownership

- 4.2.1 Statkraft is committed to offering local communities the opportunity to invest in the wind farms it develops, should there be enough local interest.
- 4.2.2 We work with Local Energy Scotland to explore community ownership opportunities for our projects.
- 4.2.3 We offer and facilitate, when requested, meetings with Local Energy Scotland and local communities so they can learn and understand more about the opportunity for community ownership.

4.3 Business Rates

4.3.1 Through our market activities and renewable energy assets we create value for the UK. Statkraft pays tax according to where value is created, and these taxes are used by both central and local governments to pay for service used by the British public. The UK tax contribution made by Statkraft in the 2022 financial year was in excess of £9.5 million.

4.4 Improving Broadband Connectivity

- 4.4.1 In addition to the Community Benefit Funds outlined above, Statkraft looks to provide additional enhancement to community groups in the vicinity of its developments, seeking to provide tailored solutions to local socio-economic challenges. An example of this is the commitment to all communities where it develops wind farms to fund a broadband feasibility study.
- 4.4.2 Statkraft's Loch Liath Wind Farm, located west of the Great Glen, funded an independent consultancy specialising in connectivity and smart technology to evaluate the broadband connectivity options for nearby communities. This is provided to the Community Council and local groups to help them identify which improvements would best suit their area.

4.5 Supporting Local Shows

- 4.5.1 Statkraft supports a variety of local and national shows across Scotland and the UK. This support includes sponsorship, attendance and contributions towards prizes. In 2024 some of the events that Statkraft was delighted to support included:
 - The Inverary Highland Games;
 - The Halkirk Highland Games;
 - The Ford Village Gala Day;
 - The Douglas Gala;
 - The Scottish Game Fair;
 - The Royal Highland Show; and
 - The Borders Union Show.



5 Statkraft's Commitment to Environment

5.1 Ecology Team

5.1.1 Statkraft recognises that in addition to addressing the climate crisis, our projects can also tackle the biodiversity crisis. It is estimated that over 1 million species across the world are at threat of extinction, while in Scotland 11% of species are under threat of extinction and nearly half of all species have decreased in abundance (Scottish Government, 2023). Renewable energy projects can play an important, and vital, role in halting the decline of our biodiversity through careful and considered design, the implementation of appropriate mitigation and enhancement measures, and enabling the transition away from carbon fuels.



- 5.1.2 In recognition of the importance of this topic, Statkraft has a dedicated in-house ecology team who provide advice and guidance on all of our renewable energy projects to minimise the adverse effects of construction and operation, and maximise positive biodiversity opportunities. The team, with over 14 years' experience, and supported by a range of external experts, review the design of our projects, warning of potential impacts to protected fauna and flora, developing mitigation to remove and reduce impacts, and design and implement Nature Enhancement Management Plans (NEMP) to enhance the biodiversity at Statkraft's renewable energy projects.
- 5.1.3 Statkraft's ecology team collate ecological and peat data from our projects, in development, construction and operation, to learn, adapt and make continual improvements to our Nature Enhancement Management Plans. Statkraft will make the data on our management plans and the monitoring results of the implementation available to the Scottish Government's central repository once this is established and is working closely with the Working Group on this.
- 5.1.4 Statkraft acknowledges the importance of protecting and enhancing our ecology in order to halt the decline of our biodiversity, but the ability to do this is also determined by our capability to halt the effects of climate change. At Statkraft, we see both the climate and biodiversity crisis as issues that should not be addressed separately but addressed simultaneously. It is well-known that a healthy and functioning ecosystem has climate-benefiting properties and therefore we strive to deliver projects that have dual benefits. Having a dedicated ecology team ensures our projects can deliver clean, green, renewable energy whilst providing greater ecological value and benefits to the surrounding site.

5.2 Buglife

5.2.1 Buglife is a UK charity dedicated to the conservation, education and policy change to protect insects, bugs and invertebrates and enhance their populations across the UK. Invertebrates, making up seven of every ten species on the planet, are vital to human life from creating nutrient rich soli to providing essential pollination services. A UK Parliamentary Report published in March 2024 stated that the economic value of pollinator insects alone to the UK is around £500 million (House of Commons Committee, 2024).



- 5.2.2 However, insect decline, driven by habitat loss and fragmentation, climate change, alien species, light pollution, pesticides and other aspects of agricultural intensification. In April 2024 the results of the 2023 Bugs Matter Citizen Science Survey was published which shows that the abundance of flying insects sampled on vehicle number plates has fallen by 76% since 2004 in Scotland⁴.
- 5.2.3 Statkraft recognises the importance of insects and bugs to our ecosystems and is a corporate partner of Buglife to promote the recognition of the importance of invertebrates. From 2024 Statkraft aims to ensure that all NEMPs for all new projects will be reviewed, amended where appropriate, and approved by Buglife to ensure Statkraft maximises opportunities to provide bespoke habitat management measures that will increase invertebrate populations across our projects.
- 5.2.4 Buglife will support Statkraft in the implementation of our NEMPs as well as providing a focus on monitoring the effectiveness of the measures during operation.

If we and the rest of the back-boned animals were to disappear overnight, the rest of the world would get on pretty well. But if the invertebrates were to disappear, the world's ecosystems would collapse.' Sir David Attenborough

5.3 Bumblebee Conservation Trust

5.3.1 The Bumblebee Conservation Trust is a UK charity dedicated to the conservation of bumblebees across the UK. Bumblebees are key pollinators of a huge variety of flowers and crops and in the last 100 years bumblebee populations have crashed, with two species becoming extinct in the UK. This decline poses a serious threat to biodiversity and agricultural productivity, as bumblebees play a crucial role in pollination services that support food production and healthy ecosystems.



5.3.2 The Bumblebee Conservation Trust engages in a range of conservation activities aimed at reversing the decline of bumblebee populations. These efforts include habitat restoration projects that create and maintain wildflower-rich environments which are crucial for bumblebee survival. The Bumblebee

⁴ Bugs-Matter-Technical-Report-2023.pdf (buglife.org.uk)



Conservation Trust also runs public awareness campaigns to educate communities about the importance of bumblebees and how individuals can contribute to their conservation.

5.3.3 As a Business Member of the Bumblebee Conservation Trust, Statkraft supports these conservation activities. This partnership includes collaboration on habitat management practices at Statkraft's sites in the UK, ensuring that ground preparation techniques and plant species selection contribute positively to bumblebee conservation.

6 Craig Watch Wind Farm Limited

6.1.1 The following section outlines the socio-economic and community wealth building benefits from the construction, operation and decommissioning of the Proposed Development.

6.2 Economic Benefits

Gross Added Value During Construction

6.2.1 Gross Added Value (GVA) is the unit of value generated by any industry engaged in the production of goods and services. For the Proposed Development the net GVA is estimated to be £31.69 million which will be split between Aberdeenshire and Moray Council areas, within Scotland and within the UK.



Employment

- 6.2.2 Employment impacts during the construction and development phase are reported in job years, rather than full-time equivalents (FTEs) because the contracts would be short-term. Job years measures the number of years of full-time employment generated by a project. For example, an individual working on the Proposed Development for 18 months which is the proposed construction timetable would be reported as 1.5 job years. The construction of the Proposed Development would support approximately 269 job years 32 in Moray and Aberdeenshire, 102 in Scotland and 135 in the UK.
- 6.2.3 During operation, Statkraft anticipates that approximately three permanent locally-based jobs will be created to provide servicing, maintenance, repairs and other operational support over the 33 year operational lifespan of the Proposed Development. It is estimated, based on research from RenewableUK, that the operational and maintenance phase of the Proposed Development would support approximately 31 jobs (based on 0.43 jobs per MW).
- 6.2.4 There will also be indirect impacts generated throughout the operational phase. Indirect impacts arise from the placing of contracts with other business, both in the local area and elsewhere in the regional area (Scotland) supply services and materials to the Proposed Development during its operational phase.
- 6.2.5 In addition, local shops, cafes, filling stations, and hotels and other accommodation providers may experience an increase in business during the operational phase from visiting technicians needed for equipment maintenance and servicing.

Energy Security

6.2.6 The Proposed Development, if consented, would provide a valuable contribution to security of supply for the wider region, Scotland and for the wider Great Britain (GB) area. The Proposed Development would contribute to an adequate and dependable Scottish and GB generation mix, through enabling the generation of more low carbon power from indigenous and renewable resources and would enable the Proposed Development to make a significant contribution to Scottish and wider UK energy security and decarbonisation needs.

Local Suppliers

6.2.7 As per Section 2.2 of this report, Statkraft maintains a live Local Supply Chain Register for Craig Watch Wind Farm. This has been promoted at the Proposed Development's public exhibition events and the Register will be made available to the construction, operation and decommissioning managers as well as the construction Principal Contractor.

6.3 Community

Community Benefit Fund

6.3.1 Should the Proposed Development gain consent, a Community Benefit Fund would be made available to the community. This is offered on the basis of a payment per MW of installed capacity at the Scottish



Government recommended rate at the time of commissioning the Proposed Development. At present the recommended rate is £5,000 per MW (Scottish Government, 2019a) (index linked from the first payment) of installed electricity generating capacity. It is estimated that, depending on the type of investment selected, the community benefit fund alone would accrue benefits to local groups and organisations of approximately £11.88 million over the 33-year operational life of the Proposed Development.

Community Ownership

6.3.2 In line with the Onshore Wind Sector Deal Statkraft is willing to offer Shared Ownership for the Proposed Development, should there be sufficient interest from local groups or organisations. The Applicant would be willing to engage locally in order to bring this forward and Local Energy Scotland can provide independent advice and support to communities interested in the shared ownership opportunities.

6.4 Biodiversity

Habitat Management Plan

- 6.4.1 Statkraft is committed to implementing a Habitat Management Plan (HMP) as part of the Proposed Development to provide significant biodiversity net gain benefits to the site.
- 6.4.2 An Outline HMP is provided within the EIA Report (refer to EIA Report Technical Appendix 7.5 and SEI Technical Appendix 5.1) which identifies opportunities for restoration and enhancement of peat bog habitats which will enhance the biodiversity, flood storage and carbon sequestration/ storage of the site. Riparian planting is proposed within the Site, which would enhance habitat connectivity for otter and wildcat. Other measures to improve habitat diversity, such as leaving brash piles in places and scrub areas such as gorse, would also be of benefit to these (and other) species. Measures which help to connect the Site to wider habitats, such as Clashindarroch Forest, would provide benefits to wildcat at a landscape scale.
- 6.4.3 It also includes planting of tree and shrub species preferred by black grouse, including birch, willow Salix species, Scots pine *Pinus sylvestris*, rowan and juniper *Juniperus communis*. Such species would provide additional food sources for black grouse in the spring and winter, together with suitable cover from predation. An area of grassland/heathland will also be managed for foraging common gulls.
- 6.4.4 The five key aims of the OHMP are therefore:
 - enhancement of moorland habitats;
 - enhancement of fisheries habitats;
 - enhance of opportunities for black grouse;
 - enhancement of opportunities for common gull; and
 - enhancement of opportunites for wildcat and otter

7 Conclusions

- 7.1.1 Statkraft brings substantial socio-economic benefits to the local community, Aberdeenshire and Moray, and the wider UK through their renewable energy projects. The Proposed Development alone is expected to contribute an estimated £31.69 million in GVA, with direct and indirect job creation during both the construction and operational phases. The Proposed Development supports local economic growth through potential shared ownership opportunities.
- 7.1.2 The Proposed Development will enhance energy security by contributing to the UK's low-carbon power generation. The Habitat Management Plan and our partnerships with Buglife and The Bumblebee Conservation Trust highlights our strong commitment to the environment. Overall, the Proposed Development is set to provide lasting economic, social, and environmental value to the local community and beyond.

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