

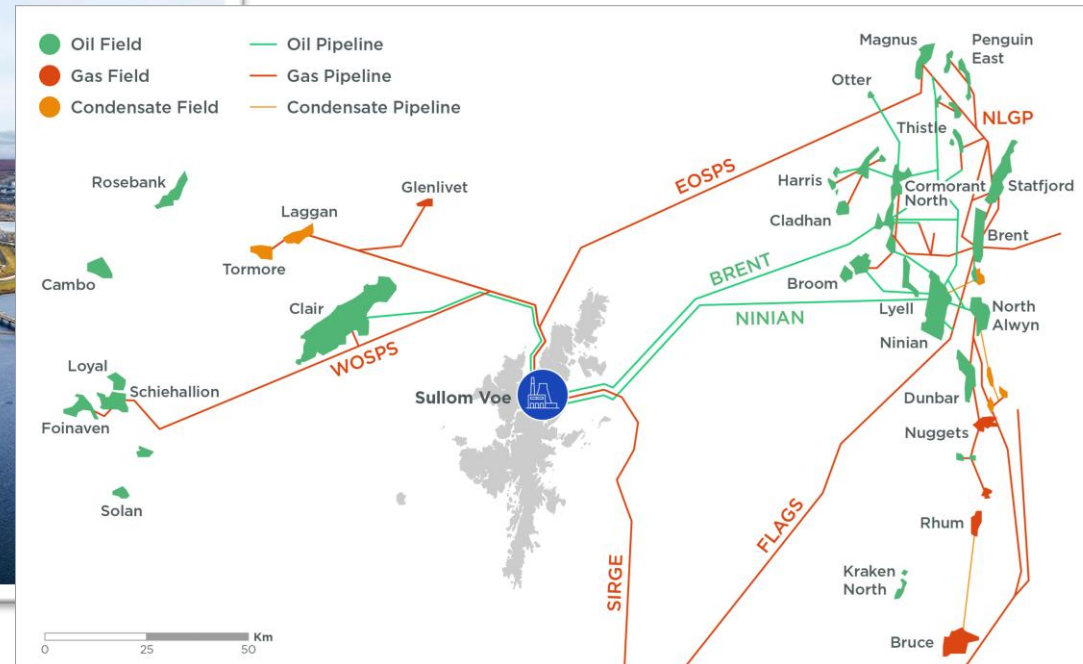
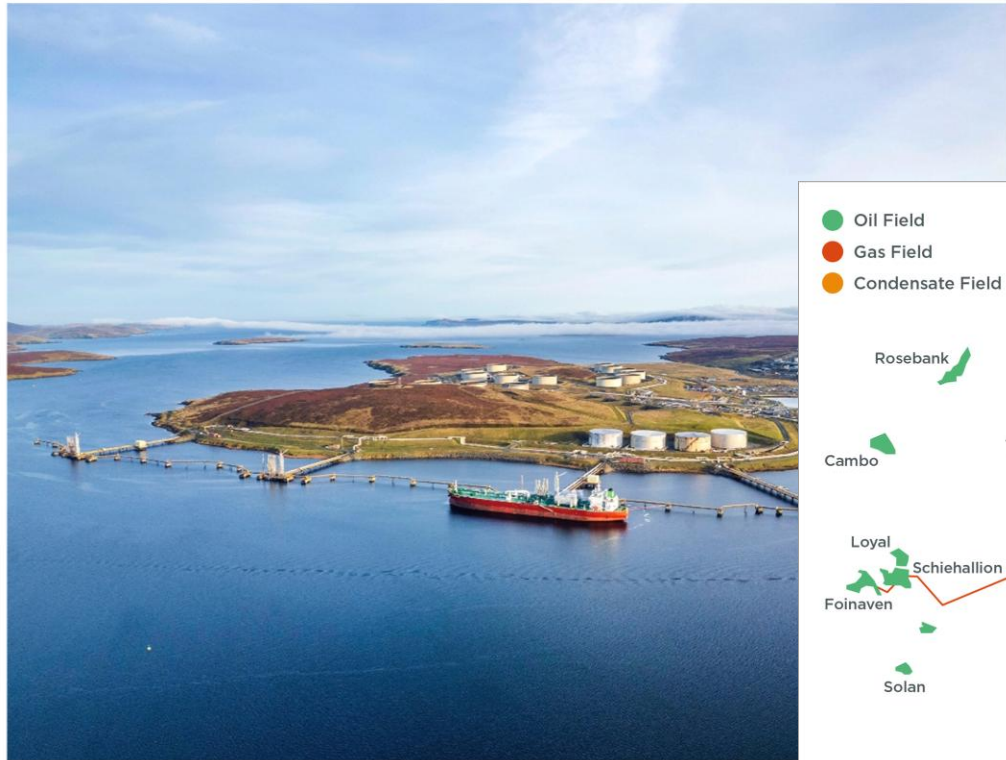


Shetland's Transformed Energy Landscape

Joseph Najdich – Shetland Islands Council – Future Energy Project Manager

Joanne Jamieson – Shetland Islands Council – Senior Climate Change Officer

Shetland's Energy Activity



An active national energy hub for over five decades now establishing itself as a key transition hub

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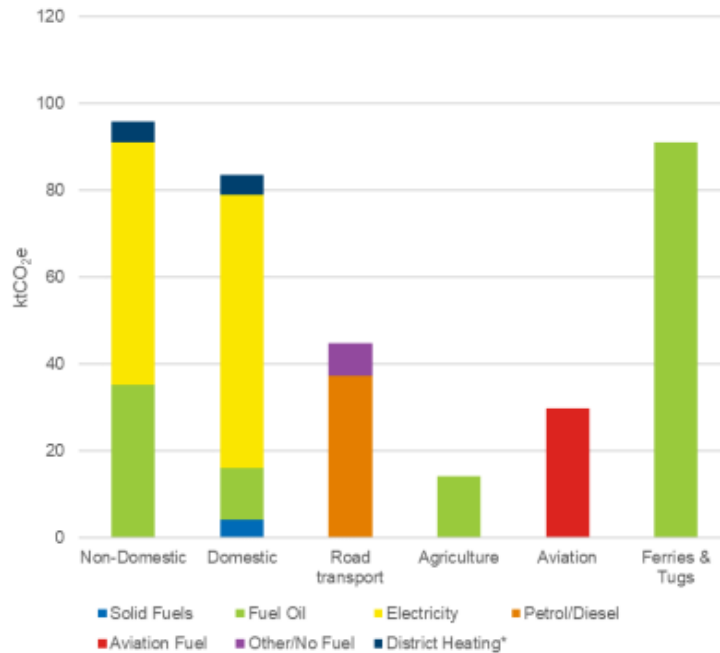
Economic Outlook



A diverse, island economy with a track record of supporting the energy sector

Local decarbonisation

Figure 3: GHG emissions associated with energy use – by sector



Percentage of homes with each primary fuel type comparison between Shetland and Scotland

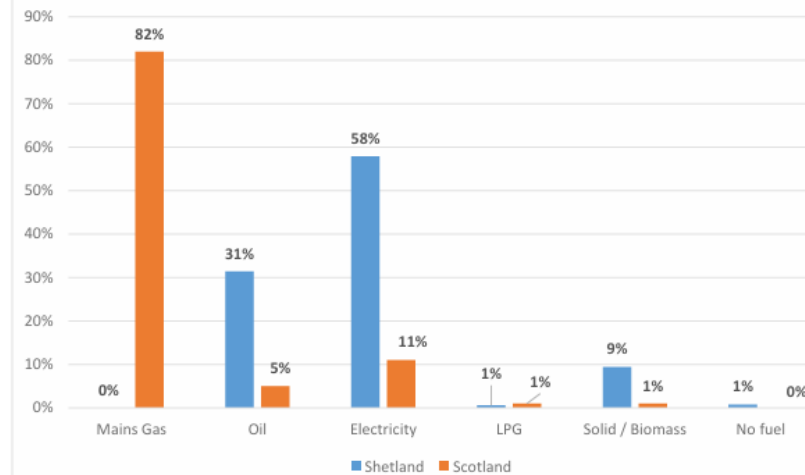
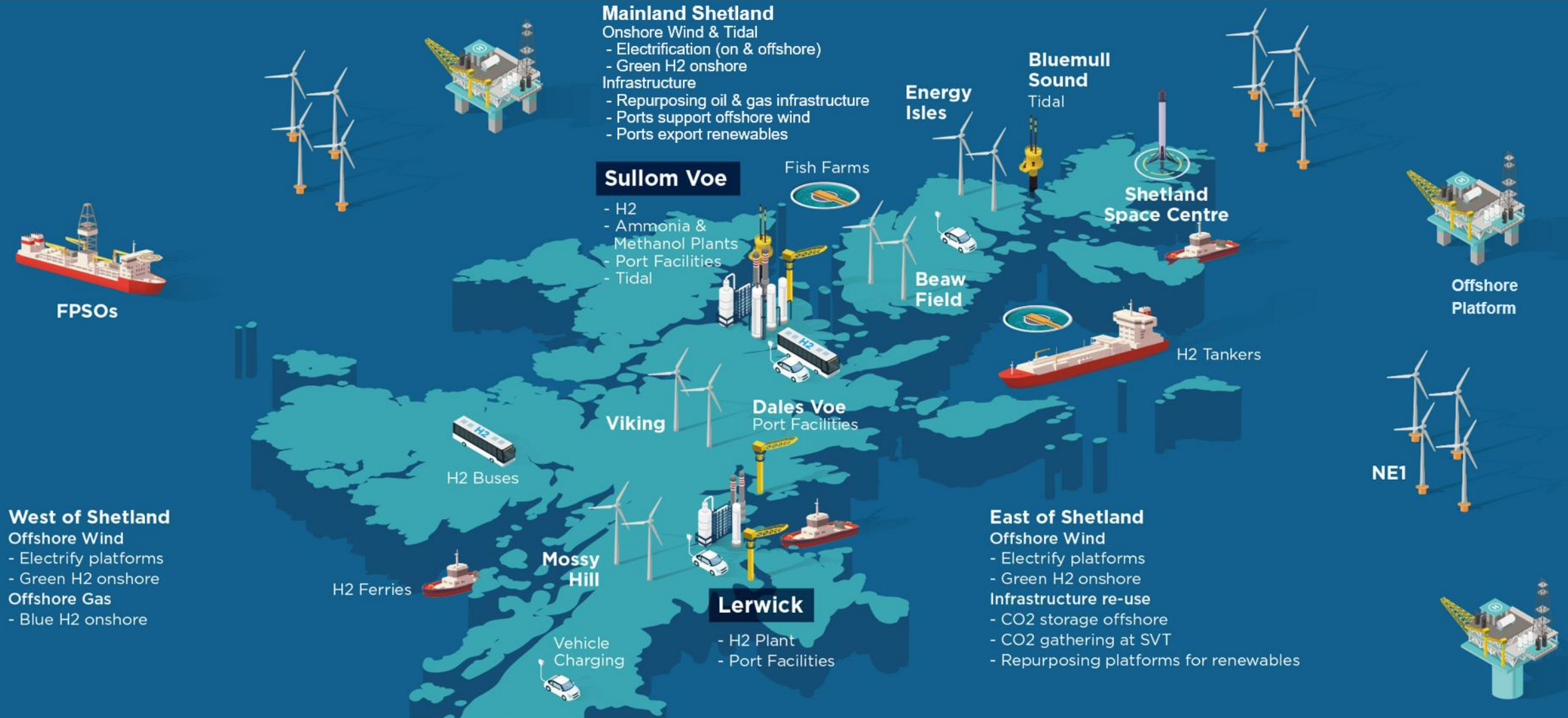


Figure 7: Percentage of homes with each primary fuel type, comparison between Shetland and Scotland

- Different to the average or typical Council area
- LHEES – Local Heat and Energy Efficiency Strategy
- Shetland Climate Change Strategy and Routemap
- Clean, secure, and affordable energy

Future Vision



To transform Shetland into a renewable energy hub

Completed Studies



babcockTM



Shetland
Islands
Council



University of
Strathclyde
Glasgow

UK Government &
industry sponsored
marine clean fuel study
Neptune Project

Phase 1 completed April
2022



Shetland
Islands
Council

Innovate UK funded **Brae
District Heating Scheme**
Feasibility Study and
Business Case

Completed in August
2025



Shetland & SIC **Net Zero
Roadmap**

Completed & Published
end June 2022



Net Zero
Technology
Centre

Scottish Government &
industry sponsored
Energy Hub and
Hydrogen Backbone
project

Complete Q1 2023



Shetland
Islands
Council

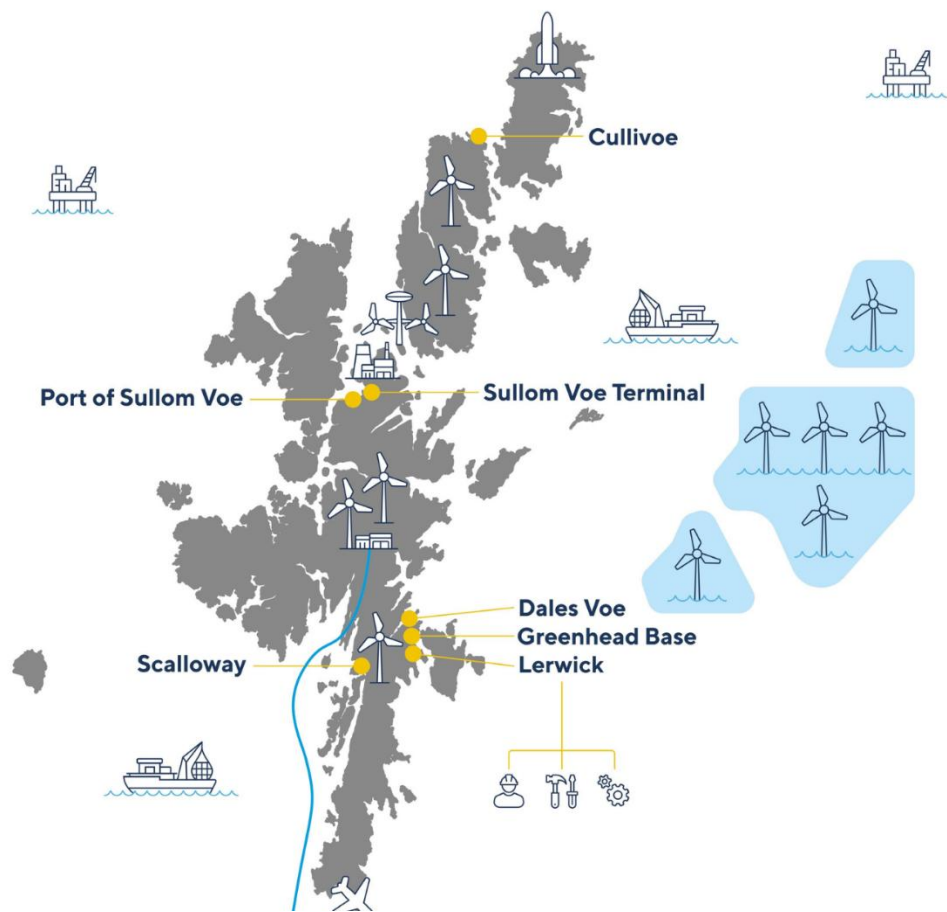


University of
Strathclyde
Glasgow

Ocean Refuel Project
Centre for Energy Policy

Ongoing

Renewable Energy Projects



Project	Stage	Size	Operational
Viking Energy Wind Farm	Constructed	443MW	2024
Shetland HVDC Link	Delivery	600MW	2024
Kergord Substation	Delivery	132kV	2024
Grid Supply Point (GSP)	Delivery	132/33kV	2026
Lerwick Battery Park	Pre-development	70MW	2026
Mossy Hill Wind Farm	Development	48MW	2027
Beaw Field Wind Farm	Development	72MW	2028
Energy Isles Wind Farm	Development	126MW	2028
NOVA Tidal Array	Development	15MW	tbc

Shetland’s renewable output & infrastructure to significantly increase by 2030

Energy Transition Development Opportunities

EnQuest aims to deliver Scotland's largest Energy Hub at SVT

	Existing Brownfield Acreage	1,000-acre brownfield industrial COMAHs Site
	Existing Pipeline Infrastructure	Pipeline connections to offshore storage sites and Mainland UK
	Established Supply Chain and SVT Workforce	Shetland has five decades of Energy Industry experience
	Wind Resource	10GW+ onshore & offshore wind potential
	Regional CO ₂ and H ₂ Storage Potential	Multiple CO ₂ storage sites accessible from existing infrastructure
	Deepwater Jetties	24m deep jetties accepting VLCC size vessel
	Strategic Location	Strategically located to service UK and Europe



EnQuest shall repurpose Sullom Voe and establish business opportunities harnessing skills to sustain and create new jobs

4 deepwater jetties enable import of CO₂ and export of H₂ and derivatives at scale

Shetland's advantaged natural resources provides H₂ feedstock

Energy Development Principles



Environmental Protection	Local Supply Chain Integration
• Climate Change impact and mitigation • Impacts and protection of wildlife and bio-diversity on and around Shetland • Protection of the Shetland landscape and seascape and containment of impacts on them	• Local jobs • Contracts and opportunities for Shetland businesses • Commercial Infrastructure • Skills and Training for current, and new, islands residents
Sectoral Co-Existence	Benefits to the Shetland Community
• Competition for mutually important locations • Impacts on the sustainability of our key natural resources • Any other beneficial or detrimental interactions between sectors	• Fair Share of value from all developments, offshore and onshore • Financial Benefits to the community • Product Benefits; e.g. affordable energy for Shetland households • Public Goods Benefits



A Fair Share For Shetland

- Councillors have agreed a guaranteed minimum payment, per megawatt, per year, with a gross revenue share for future projects
- This is an increase from the industry standard of £5,000 per megawatt per year.

Sector	Onshore Wind	Floating Offshore wind	Hydrogen / PtX / CCS
Gross revenue share	5%	2.5%	
Guaranteed minimum payment	£7.3k/MW/year (2024 prices)	£5.0k/MW/year (2024 prices)	Agreed based on a minimum production threshold

Shetland Development Charter

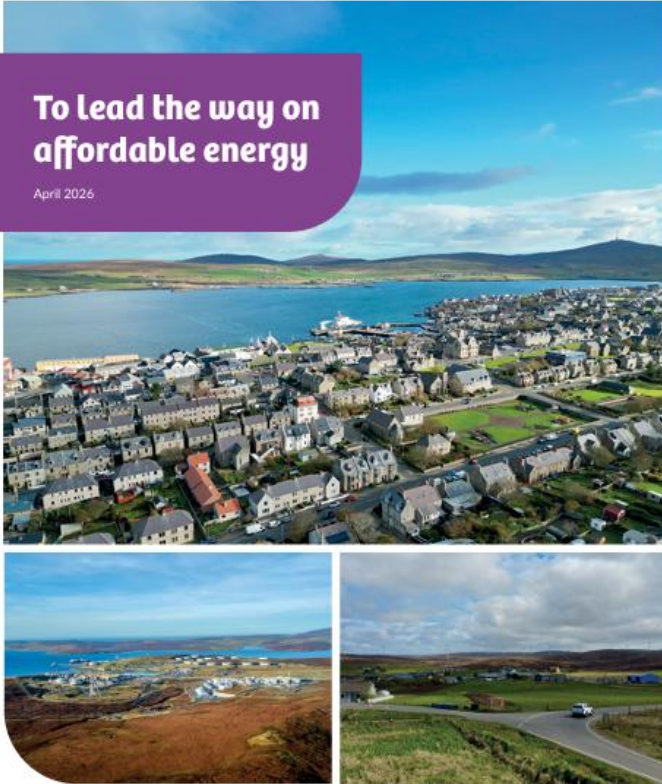
- **A Just Transition**
- **Ownership**
- **Environmental Protection**
- **Our Economy**
- **A Fair Share for Shetland**
- **Community Benefit**
- **Local Supply Chain Integration and Community Wealth Building**
- **Housing**
- **Fiscal and Regulatory Changes**



Choose Shetland

**To lead the way on
affordable energy**

April 2026



Aims:

The UK Government's March 2026 announcement of a new trial to reduce constraint payments - by making it more cost-effective to use surplus renewable power rather than switch turbines off - offers a significant opportunity.

There is no better place to demonstrate its potential than Shetland.

Distribution to date:

- Scottish Government
- UK Government
- GB Energy
- SSEN Transmission

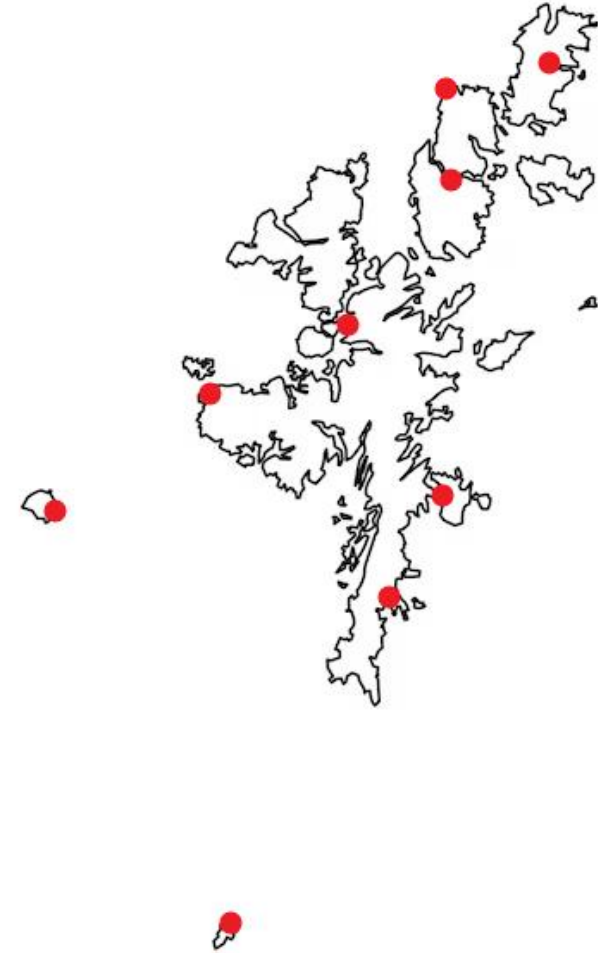
Sandwick

A Community Energy Project in Practice



Other Community Groups

- North Yell Development Council
- Bressay Community Development Company
- Northmavine Community Development Company
- Brae Rural Energy Hub
- Sandness Community Development Ltd
- Sandwick Social and Economic Development Company
- Scalloway Community Development Company
- And many others...



Community energy pre-feasibility scoping study

- Addressing cost of living crisis and the climate emergency ... and coastal erosion
- **Three recommendations**
 - Community energy worker
 - Thermal storage (1 – 2 MW), heat network, grid flexibility, curtailed energy
 - Community energy club, wind turbines (2 x 900 kW)



- Parts working in isolation (not ‘joined-up’)
 - Local authorities
 - 3rd sector
 - GB Energy
 - Scottish and UK Govt
 - NESO
 - transmission and distribution operators
 - funders
 - regulators
 - **and communities**
- Relying on Volunteer Effort
- A Just Transition requires both ‘Top-down’ and ‘Bottom-up’ interventions

Any Questions

