

SHE TRANSMISSION ENVIRONMENT STAKEHOLDER WORKSHOP

MARCH 2019

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INTRODUCTION

On 5 March 2019, SHE Transmission hosted a stakeholder workshop aimed at gathering feedback from stakeholders to inform its RIIO-ET2 strategy on environmental policy. The discussions focused on four key areas of SHE Transmission's environmental policy: biodiversity; forestry and woodland; oil management and noise; and landscape and visual amenity. An overview of SHE Transmission's sustainability strategy was also presented for wider context.

The workshop took place at the Holiday Inn in Perth. Following an introduction to SHE Transmission's approach to environmental policy and its sustainability plan, there were five presentations given by SHE Transmission representatives, each followed by a round table discussion.

SHE Transmission instructed EQ Communications, a specialist stakeholder engagement consultancy, to independently facilitate the workshops and take notes of the comments made by stakeholders.

Every effort has been made to faithfully record the feedback given. In order to encourage candour and open debate, comments have not been ascribed to individuals.



EXECUTIVE SUMMARY

The workshop began with an introductory presentation by Richard Baldwin, Head of Environment at SHE Transmission, who outlined the company's approach to developing sustainability and environmental policies.

SUSTAINABILITY STRATEGY AND CLIMATE CHANGE

The first feedback session started with a presentation by Garry Macdonald, Senior Business Analyst – Sustainability at SHE Transmission. The key points raised by stakeholders were as follows:

- Stakeholders agreed that SHE Transmission should focus on sourcing resources locally as part of its sustainability plan. As well as benefitting the Scottish economy, this would feed into another area of SHE Transmission's sustainability plan: 'growing careers'.
- 'Optimising resources' was viewed as another key area by stakeholders, who urged SHE Transmission to take a proactive, innovative approach to future-proofing the network, especially given developments in renewable technology.
- It was suggested that SHE Transmission should engage with local authorities to ensure a coordinated, community-centred approach to connections and network upgrades.

BIODIVERSITY

The next session featured a presentation from Francis Williams, Environmental Project Manager, which was followed by another discussion session. The key points raised by stakeholders were as follows:

- There was general consensus that a more strategic approach to biodiversity was needed. Several stakeholders were of the view that SHE Transmission should not limit itself to project-specific outcomes and adopt a more global approach. For example, SHE Transmission was urged to look at net gain as an overall target rather than a project-specific one.
- It was clear that the main challenges in this area were perceived to be measuring biodiversity, developing shared definitions, and monitoring and enforcing the company's performance.

- Stakeholders suggested that SHE Transmission should work with partners such as cultural heritage stakeholders and environmental organisations to monitor biodiversity, as well as seeking their input on planned biodiversity measures.
- On the topic of natural capital, there was consensus that incorporating biodiversity into natural capital calculations was still early in development and that no global methodology has been adopted. For this reason, it would be difficult to set specific targets at this stage. However, there was a view that SHE Transmission should stay actively engaged in this and look to explore opportunities and incorporate appropriate methodologies when these become available.

LANDSCAPE AND VISUAL AMENITY

Richard Baldwin presented on SHE Transmission's current and future position on landscape and visual amenity. The key points raised by stakeholders during the discussion were as follows:

- There was consensus that the scope of the current VISTA policy should be broadened
 to SHE Transmission's wider network, with stakeholders suggesting that the company
 could turn its attention to local and regional designations, historic monuments, wider
 sensitive areas without designations, and towns where overhead lines can be
 particularly intrusive.
- SHE Transmission should use technology and innovation to bring down maintenance and future-proofing costs. This could be as simple as moving a bench in the countryside so that it offers an uninterrupted view.
- There was widespread agreement that prior to the assessment process, SHE Transmission should educate the general public about all aspects of undergrounding cables, since people are generally unaware of negative implications such as cost or the comparatively low flexibility when it comes to upgrading the cable in future. It was suggested that SHE Transmission should partner with cultural heritage organisations as part of this process.
- All stakeholders were impressed with the 3D modelling tool, with widespread agreement that the tool would be most effective at the early stages of the consultation process, and would provide real benefit. However, several concerns were raised, including: the potential to exclude groups from decision-making; transparency about the technology's role in the decision-making process; and the need for consistent

standards and methodologies. This would need to be considered as part of a wider rollout.

OIL MANAGEMENT AND NOISE

Richard Baldwin presented on SHE Transmission's approach to oil management and noise, with stakeholders discussing each topic in a separate round table discussion. The key points raised in the discussion are shown below.

- Stakeholders agreed that SHE Transmission should prioritise dealing with legacy substations, citing safety and environmental concerns.
- SHE Transmission should work with SEPA in this area and engage with environmental protection agencies to organise and perform environmental checks.
- There was consensus that noise from sites had the potential to cause problems for locals. Stakeholders agreed that SHE Transmission should take a long-term approach and plan ahead to mitigate noise when working on new hub sites.

FORESTRY AND WOODLAND

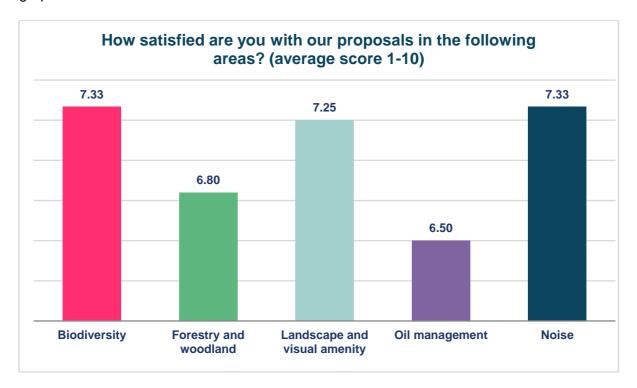
Richard Baldwin presented on SHE Transmission's current position on forestry and woodland and the company's plans for the future. The key points raised in the discussion are shown below.

- Although most stakeholders agreed that SHE Transmission should work on the basis
 of biodiversity value and adopt a flexible approach, one stakeholder felt strongly that
 SHE Transmission should focus on compensatory planting for all woodland types (i.e.
 including commercial plantation).
- Stakeholders expressed some concern over compensating for commercial forestry, given that landowners are effectively being paid twice and the cost is ultimately borne by the energy consumer.
- SHE Transmission should collaborate with other organisations such as the Forestry Commission, developers, other infrastructure providers, and private forest management company owners.

VOTING

At the end of the workshop, stakeholders were asked to rate on a scale of 1 to 10 how satisfied they were with SHE Transmission's proposals in five of the areas above. The scale runs from

1 (extremely unsatisfied) to 10 (extremely satisfied). The results have been summarised in the graph below.



The results show that, while stakeholders were generally satisfied with SHE Transmission's proposals in all five areas, 'oil management' is the area that ranked lowest in terms of satisfaction among stakeholders implying it is the area that they feel requires most work. 'Biodiversity' and 'noise' ranked the highest in terms of stakeholder satisfaction, each scoring an average of 7.33, closely followed by the area of 'landscape and visual amenity', with a score of 7.25.

ATTENDEES

A total of seven stakeholders attended the workshop, representing five organisations. The organisations represented on the day are shown below:

The Scottish Environment Protection Historic Environment Scotland

Agency (SEPA) Scottish Government
Scottish Natural Heritage Forestry Commission

WORKSHOP ONE: SUSTAINABILITY STRATEGY AND CLIMATE CHANGE

SUMMARY

The first feedback session started with a presentation by Garry Macdonald, Senior Business Analyst – Sustainability at SHE Transmission, who outlined the different aspects of the company's sustainability plan, which affects a range of areas from 'optimising resources' to 'growing careers.' After this presentation, stakeholders were asked to give their feedback on the areas of sustainability that are most important to them.

Stakeholders agreed that sustainability should play a key role in SHE Transmission's approach, with several stakeholders expressing an interest in responding to the consultation. They were keen to learn about the context of the consultation and how it fits in with other documents that are currently being consulted on.

SHE Transmission's approach to sustainability in transmission is broken down into six key areas. Although the discussion was wide-ranging and touched upon all of these categories, the discussion kept returning to three areas in particular: 'growing careers', 'supporting thriving communities', and 'optimising resources.'

A number of stakeholders commented that sourcing resources locally was a key issue from a sustainability perspective and raised concerns about how SHE Transmission defines 'local content' when working with subcontractors who may be based in Scotland but subcontract work elsewhere. It was generally agreed that this is an emerging area that affects the industry as a whole, and SHE Transmission was urged to explore this issue further.

In terms of 'optimising resources', several stakeholders were interested in SHE Transmission's approach to future-proofing the network. Although it was acknowledged that SHE Transmission should balance spending with flexibility, several stakeholders were keen to see SHE Transmission take a proactive and innovative approach to building future capacity on the network, especially in light of the rise in renewables and developments in technology.

The thread of communities also ran through the discussion. Stakeholders highlighted the benefits of using local supply chains, which was seen as a specific issue for Scotland. One stakeholder underlined the importance of partnering with local authorities in areas such as connections, which would enable a more coordinated approach and ensure that communities are involved.

1. Is there anything we should bear in mind as we develop our sustainability plan?

- "There are a couple of documents up for consultation at the moment. Where do they fit into this?"
- "About local content, specifically for Scotland, when someone subcontracts, what do
 you class that as? How do you figure out where the supply chain actually is?"
- "One of the things you were talking about was that your grid network lasts 40–50 years.
 How does that factor in with the renewable energy network that we have now, which looks very different to what we had before? How do you foresee that playing out in the future?"
- "On wind farms, you'll look at bigger turbines and generation over time, which will require bigger connections, so do you build in a buffer for future-proofing?"
- "One of the main problems we get from connectors is grid connection."
- "We're hoping to run a project looking at repowering, taking a group of local authorities to work out how we can take repowering forward in a more coordinated way. That might include connections. With schemes coming to the end of their lifetime, there will probably be shorter and shorter lifetimes with improvements in technology."
- "It's trying to look ahead and decide what the future looks like if the intention isn't to go back to one big generator – are you better keeping it where it is? How does that impact on the grid? There's the impact on communities too."
- "There's an opportunity to think about the future network as assets come up for upgrading."

WORKSHOP TWO: BIODIVERSITY

SUMMARY

This session featured a presentation from Francis Williams, Environmental Project Manager, which was followed by another discussion session. The presentation outlined SHE Transmission's current biodiversity commitments and set out the option of going beyond biodiversity reporting and towards the idea of 'natural capital', which is a way of viewing the environment from an economic perspective.

There was general agreement that biodiversity net gain targets are a positive step for SHE Transmission's sustainability strategy, with stakeholders keen to stress that a more strategic approach to Scotland's biodiversity is needed. However, one stakeholder stressed that biodiversity gain is only one aspect of a project and reminded SHE Transmission that it should not lose sight of the bigger picture, pointing out that sometimes other benefits such as landscape or visual impact are seen as more important than biodiversity. The area of developing natural capital was seen as a growing area of interest to policy makers, with stakeholders encouraging SHE Transmission to play a part in developing strategies as it affects their business.

Several stakeholders were interested in the idea of making the targets for no net loss and net gain an overall target, rather than being linked to specific projects. This was because they believed that delivering biodiversity off-site could bring more benefits than focusing exclusively on on-site biodiversity.

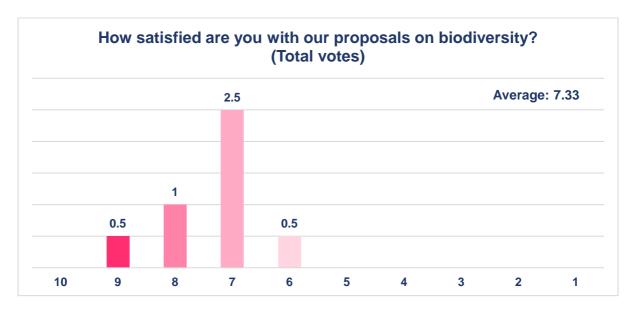
Although stakeholders were generally positive about the concepts of biodiversity net gain and natural capital, there was consensus that enforcement and performance measurements would present challenges. There was strong agreement that net gain requires a clear shared definition, allowing developers to understand the concept and therefore provide an accurate measurement of biodiversity. While some were of the opinion that monitoring and enforcement should fall to SHE Transmission, others pointed out that, depending on the site, other players such as councils and wildlife charities could play a role here.

When asked about developing this area further, stakeholders highlighted the importance of a national approach to evaluating biodiversity and the need to develop an accepted methodology. There was also consensus that collaboration was key to developing this area, with one stakeholder suggesting that SHE Transmission and partner organisations who perform site visits could use a shared checklist to monitor biodiversity on routine site visits. It was also agreed that SHE Transmission should seek input from cultural heritage stakeholders,

who would be able to advise the organisation on the unintended impact that biodiversity measures could have on historical monuments and sites.

VOTING RESULT

Stakeholders were asked to rate their satisfaction with SHE Transmission's proposals in the area of biodiversity from 1 (extremely unsatisfied) to 10 (extremely satisfied). The results are shown in the graph below.



1. Have we struck the right balance on biodiversity net gain targets?

- "Can the gain be delivered in a way that's not linked to specific projects?"
- "Some of the real benefits might be delivered off-site. Planting in a woodland might be more beneficial than planting an isolated area of trees."
- "The landscape and visual impacts might be the key issue. People may not want a biodiversity gain."
- "On paper, it sounds like a great idea, but my concerns would be how it's measured, how you bring it into decision-making, and how you secure it."
- "How often do you measure the biodiversity net gain? Related to that, before you get to your 2020 dates, as part of your site management, whether those are substations or transmission lines, when people go up to assess things, are they taking a checklist to check whether the deer fence is still up, is the path still there, etc.? This will allow you to make it more robust in your general plans before you move on."
- "How would you enforce it?"

- "Certain authorities would be quite hot on enforcement, but the responsibility does fall
 at your door and you would have to have some sort of enforcement plan. It will be
 different on each site. If it's in your planning application, the council could take
 enforcement action."
- "It's accurately evaluating what you've gained in the first case and what you've lost.

 The Defra model is easy to fiddle so that you can have a low number to start with."
- "However, it is better to start with something that is a consistent methodology than not do it."

2. What stage of maturity is 'environmental net gain' / 'natural capital' in relation to setting targets and measuring performance?

 "Putting it into practice is the difficult part. So that's something we can liaise over in terms of how we're progressing."

3. Do you think this is an area that we should consider developing further? If so, how?

- "Can you think ahead of the game, for example, by creating more woodland in advance of a project?"
- "We've been looking at establishing a shared checklist with other partner organisations. What potential is there to make that public/private, doing it together, so if we were going out to a hydro station, is it worth us taking a checklist?"
- "The ability to intervene if something goes wrong is also important. If the fence is down, that requires money and resource."
- "Is there any input from a cultural heritage perspective? Where we've seen it on wind farms, they've been identifying areas to achieve net gains that are heritage monuments, and we've had to intervene. We can see ways to make it work, and there won't be an issue, but it's easy to miss cultural heritage, so you need some kind of check in place. It's also things like drainage, which one party wanted to introduce to protect insects, but it would have an indirect effect on the archaeology, which they hadn't thought through."
- "That underlines the importance of a national approach. In almost anything where
 there's a measuring, assessing process, there will be different levels of ability and
 different consultants so there isn't consistency across the country. Even on air quality
 assessments, the variety of experience and how it is assessed in planning authorities

is huge. That can be confusing if there isn't an accepted methodology. If we're going to take biodiversity forward, it would be useful for organisations such as mine to know there is an understanding."

• "As an organisation, it's a priority to understand and input into this."

WORKSHOP THREE: LANDSCAPE AND VISUAL AMENITY

SUMMARY

Richard Baldwin presented on SHE Transmission's current and future position on landscape and visual amenity, outlining the VISTA initiative, which aims to mitigate the impact of existing assets on the visual amenity of nationally designated landscapes, and comparing the benefits and drawbacks of underground and overhead lines. This was followed by a presentation from Andy Dennison of 3DW, a 3D graphics company that has worked with SHE Transmission to produce three-dimensional models. Andy demonstrated the 3D case study of Orkney, which had been used to demonstrate the visual impact of planned lines to locals and stakeholders during a public consultation.

There was consensus that SHE Transmission should broaden the scope of the current VISTA policy to extend beyond National Parks and National Scenic Areas to their wider network. Stakeholders suggested local and regional designations and historic monuments and towns as areas that SHE Transmission could turn its attention to as a next step for the next price control.

However, this shared stance came with a number of caveats, with stakeholders raising concerns related to undergrounding, including cost, access for maintenance, and environmental impacts such as digging up habitats. As part of any new proposals, these issues would need to be properly assessed. Technology and innovation were seen as key for bringing down costs in terms of maintenance and future-proofing. SHE Transmission gave the example of new designs for overhead lines and sensors for monitoring faults, and stakeholders pointed to smaller-scale, cost-saving solutions such as moving walking routes in scenic areas rather than the lines themselves.

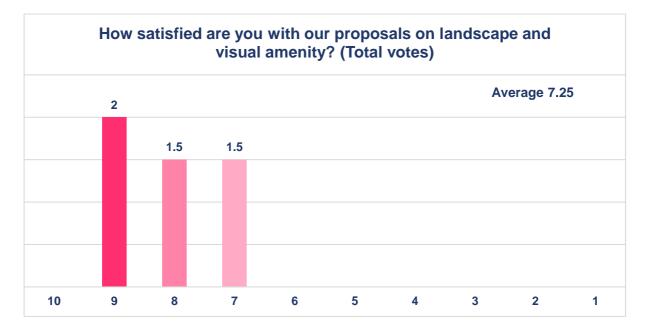
There was widespread agreement that SHE Transmission should educate the public before refining project opportunities for the additional scope areas, given the lack of understanding around the negative aspects of undergrounding. To this end, a number of stakeholders advised SHE Transmission to produce documentation that sets out the environmental implications of undergrounding in a clear and accessible way. Once again, stakeholders stressed that SHE Transmission should partner with expert parties, such as Historic Scotland, SEPA and Scottish Natural Heritage as part of this process.

The 3D modelling technology received widespread praise, with stakeholders recognising its value as a tool that should be used in the early stages of the consultation process. Stakeholders saw a range of benefits, such as involving local communities, creating a more transparent decision-making process, and maintaining the visual amenity of heritage sites.

Although all stakeholders were impressed by the 3D modelling, they also acknowledged that the technology had some limitations, expressing concern that it might exclude people from decision-making, given that it was only available to the relative few who attended consultation events. In light of this, there was some disagreement as to who the technology should be made available to. The general feeling was that a balance had to be struck between getting input from the people a project will affect the most and ensuring that the technology does not have a restricted reach. One stakeholder also stressed that SHE Transmission would need to be transparent about the technology's role in the decision-making process, with another identifying a need for consistent standards to be set for the use of 3D technology in consultations.

VOTING RESULT

Stakeholders were asked to rate their satisfaction with SHE Transmission's proposals in this area from 1 (extremely unsatisfied) to 10 (extremely satisfied). The results are shown in the graph below.



- 1. Following stakeholder feedback, should we widen the scope of the current VISTA policy to extend beyond National Parks and National Scenic Areas to our wider network, focussing on existing assets that have not been through modern consenting regimes (EIA)?
 - "I think there's an appetite for it to be widened. Some of the bigger lines attract a lot of representations from the public, especially congested areas. I wonder, why not? Apart from the drawbacks of cost and assessments of which areas should get undergrounding. I don't know how you manage it or divert the money, but there is an appetite for that.

- "You can make quite a significant difference by moving a bench, changing a walking route. So you could get quite a lot for your money in smaller areas like that."
- "The environmental issues are more prevalent where there's a protected area with special interests. In the wider countryside, the main factor is cost and access for maintenance. I was wondering whether there's work going on to bring down the costs or to make underground cables more accessible?"
- "It might be more difficult [to find other areas for undergrounding] beyond national parks and scenic areas, as they're very obvious."
- "There's local and regional designations, that would be an obvious next step."
- "Could you not link up with historic monuments in that area? They're important to people."
- "Historic gardens, as an obvious focus."

2. Is it right to follow a similar, stakeholder-led assessment process to T1 VISTA in order to refine project opportunities for the additional scope areas?

- "It's been a great success, I think."
- "It's about being more transparent and educating people; they might not understand the costs or environmental impact of undergrounding."
- "The development footprint is usually a bigger factor than what something looks like, but the landscape is the most contentious."
- "It's well stated what the benefits of undergrounding are, but it's not clear what the
 environmental disbenefits are. It's not understood, it's not clearly stated from an outfacing point of view to the public. I don't know if it's because people want clear views."
- One of the key things for me was the need to dig it all up if you need to upgrade. Given the huge changes for the grid that are coming up, to me, that's one of the arguments that would make me see the advantage of overhead lines. Is there any kind of innovation that would allow the cable to stay longer? The cost associated with laying cable and digging it up down the line is difficult and doesn't fit with the wider environmental objectives."

3. Do you feel this 3D technology will help inform stakeholders' input into our processes?

- "This looks like a fantastic tool."
- "It's good because people can see the view from their own homes."
- "It is good, but the down side is that it's not accessible to everyone. You get different types of 3D models, where do you draw the line in terms of what is a significant environmental impact? What about the view from one person's garden, for example? By way of comparison, for wind farms, the statutory consultees are looking at it from the view of a national park, but the wider public don't have access to that tool for decision-making. So how can we upload it, how can we make it accessible? Is there one standard, consistent approach to this type of technology, and where does that sit with the regulations?"
- "It is great."
- "It's not a big concern, but who has access and how does that influence decision making? Is it transparent?"

4. At what stages of our development process do you feel this could provide the most value?

- "I think it's useful for understanding where you've got to during the design process.
 You can see how you made decisions."
- "Sometimes you think it will be better if you move an overhead line slightly down or over, but it's worse from somewhere else. It's useful to see the whole picture before you get further down the line."
- "I can see the value of keeping it for the local consultations in the village hall rather than having it available on the internet. You're allowing the people who have to live there to make decisions as part of a consultation for their own area. If it's on the internet, some people who live in the cities or abroad have an interest in maintaining a status quo somewhere they go on their holidays but don't have to live."
- "We found it useful in the earlier optioneering stages of the Orkney project. There were a lot of heritage sites. It was useful to see exactly where towers would be likely to be placed to help decide which areas needed to be undergrounded. However, I wouldn't want to see it take the place of the photo montages and the stuff we use at the moment for a lot of reasons."

- "The cut-off point should be when you provide information for an environmental assessment."
- "I agree. The routing stage is critical; the further you get down the line, the less flexibility there is to change."
- "That's right, it's helpful at the design stage."

WORKSHOP FOUR: OIL MANAGEMENT AND NOISE

SUMMARY

Richard Baldwin presented on SHE Transmission's approach to oil management and noise, with stakeholders discussing each topic in a separate round table discussion. Firstly, Richard introduced SHE Transmission's current and future approach to oil management, outlining the properties of different kinds of oil and summarising previous stakeholder feedback. He then presented on the company's approach to noise, explaining how it has dealt with noise complaints in the past and outlining its approach to managing noise on new sites.

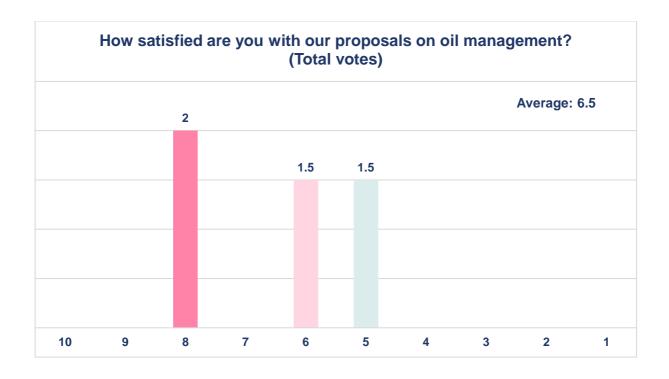
In general, stakeholders were keen to stress that they were not qualified to make an informed assessment on oil management. However, there was widespread agreement that it was important for SHE Transmission to deal with legacy substations as a priority, despite the costs involved. Stakeholders were primarily motivated by the safety and environmental benefits associated with this approach.

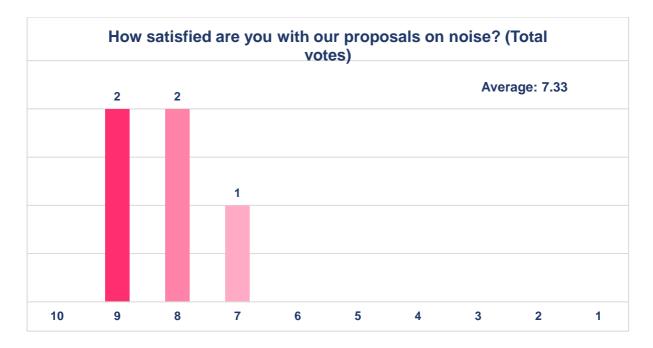
Once again, stakeholders urged SHE Transmission to coordinate their work with other organisations, in this case SEPA. One stakeholder pointed out that several environmental checks could be done over the course of one site visit to streamline the process and support the work of other organisations, such as environmental protection agencies.

All stakeholders agreed that noise could be an issue and it was therefore important for SHE Transmission to mitigate noise at its sites and adopt a long-term approach, particularly for the hub sites. One stakeholder had visited Beauly, a site where noise had been an issue, and raised the importance of building in space for future noise mitigation at sites.

VOTING RESULTS

Stakeholders were asked to rate their satisfaction with SHE Transmission's proposals in the areas of oil management and noise from 1 (extremely unsatisfied) to 10 (extremely satisfied). The results are shown in the graphs below.





- 1. Is there sufficient confidence in the environmental benefit of synthetic based fluid to justify the current future position or should it be considered an indirect environmental benefit driven by technical considerations?
 - "I'm not an expert, but I'm wondering if there was a spillage of switchgear oil, I
 understand the synthetic one would biodegrade quicker, but wouldn't the harm be the
 other ingredients in that contaminants that got into it over time?"
 - "There's someone at SEPA you could speak to."

- "When you go to assess your older sites for oil spills, etc., will that be a desk exercise and then people go out and build in other assessments, checking for things like planting and SF6 leakage how many site visits are needed?"
- "Legacy should be built into the first ones first, so the ones that you need to do riskbased work on, do those ones first. It's about safety, environment and cost savings."

2. Do you agree with our proposals for our hub substations? Particularly to focus on longer term opportunities for noise management/planning?

- "It's a big thing, noise."
- "Once you tune in, it's difficult to tune back out. When you're listening for it, you're
 actively listening for it rather than being a background noise."
- "I went up to Beauly after you had the noise issue, and you put up some boards to absorb the noise. One of the issues was the space for future mitigation, so I think building it in by design is the answer."

WORKSHOP FIVE: FORESTRY & WOODLAND

SUMMARY

Richard Baldwin presented on SHE Transmission's current position on forestry and woodland and the company's plans for the future. Stakeholders were asked whether they felt that the company could go further with its approach in this area.

All stakeholders were concerned about the loss of woodland, both from an economic perspective and in terms of biodiversity, the landscape, and the wider benefit to Scotland. In particular, there was widespread concern about the loss of ancient woodland, and stakeholders were interested in how this category fits in with the definition of native and non-native woodland.

In terms of how SHE Transmission could combat this loss, the majority of stakeholders were of the opinion that the company should adopt a flexible approach that is built around biodiversity value, taking specific habitats into account and assessing the biodiversity value of the woodland that is being replaced. Conversely, one stakeholder felt that SHE Transmission's strategy should be centred around the compensatory planting policy to avoid losing woodland and to help the Scottish government meet carbon targets.

Most stakeholders acknowledged that the network needs to be upgraded to allow for renewable energy, which would result in some tree felling. Stakeholders were keen to find out more about the process for compensating commercial forestry for this service. This proved to be a controversial approach, with stakeholders wondering whether landowners were effectively being paid twice. Stakeholders recommended that SHE Transmission take a joined-up approach by working with other organisations, including the Forestry Commission, developers, other infrastructure providers, and private forest management companies.

VOTING RESULT

Stakeholders were asked to rate their satisfaction with SHE Transmission's proposals for forestry and woodland from 1 (extremely unsatisfied) to 10 (extremely satisfied). The results are summarised in the graph below.



- 1. Do you feel we have struck the right balance, focusing on native/non-native woodland and its promotion on the basis of biodiversity value/benefit?
 - "It should be no loss of ancient woodland, because you can't replace it."
 - "It goes back to the methodology for assessment of what is the value in biodiversity –
 what has a higher and lower value?"
 - "Does the woodland policy take into account if you were going through low-quality forestry and you identified you could get a better biodiversity value by doing something different with the land, is there flexibility there?"
 - "With bog habitat, your net benefit might be getting rid of the forest. It's about deciding which is more valuable in terms of habitats."
 - "How do you tie it into the native woodland survey of Scotland data? The ancient woodland is a subset, so where does your suggested position sit in terms of loss of non-ancient woodland?"
 - "The older trees get, the better they get so presumably that's something you'd factor in? You can lose 50 years of trees overnight. Older trees deliver better biodiversity. You would lose everything that's developed in those last 50 years. Do you use the term 'semi-natural'? It's pretty common and well recognised."
 - "The ancient woodland inventory is a useful baseline."
 - "How does that tie in with Scottish Government woodland removal policy?"
 - "Compensatory planting is important. We lost 10,000 hectares of woodland because no one was paying close enough attention. That's a whole year of the Scottish

government's woodland creation targets, which are influenced by carbon. You're also losing carbon, which is a debit on the Scottish Government's climate account. Compensatory planting applies to everyone, and a cost comes back to the electricity bill payer. Strategically, it's a fundamental issue."

"It's a loss to Scotland plc, rather than the landowner. It's about loss of asset. You can
go to large parts of Scotland where non-native woodland is a significant part of the
landscape. There's carbon, biodiversity, landscape, all these aspects. Either in total or
in part, these things have value beyond their economic value."

2. Do you feel we should go further and consider wider initiatives in relation to commercial forestry operations?

- "Probably an outsider's perspective of where you're felling commercial areas is that you're double compensated for it. In terms of sitting under the environmental impact side, it becomes tricky to impose or enforce developers to buy land outside of the red line boundary and become essentially foresters. It has happened with wind farms because there was more money, with subsidies. The difficulty with the transmission owners is, where do you go to get that land?"
- "There are numerous companies. If you're building a new operational corridor, you're not forestry experts, but you can go to a company."
- "There's significant amounts of land out there and people willing to engage."
- "Presumably if you went through the wayleave process, you wouldn't have to pay as much? Although legal costs might be involved..."
- "You try and avoid or minimise woodland removal as much as you can and the public benefit"
- "Instead of lots of little patches of trees being planted by different companies, could all
 of the infrastructure players pool into a national Scottish woodland? How do you
 calculate how beneficial that would be?"

APPENDIX 1: VOTING EXERCISE

At the end of the workshop, stakeholders were asked to rate their satisfaction with SHE Transmission's proposals in five of the areas discussed over the course of the day by placing a sticker on the board. The scale ranged from 'extremely satisfied' to 'extremely unsatisfied'. All feedback was anonymous with a view to encouraging frank and honest feedback. The results of the voting exercise have been included in the relevant sections of this report. A copy of the board can be found below.



