BLACK & VEATCH

BLACK & VEATCH:
Powering Scotland's Energy Transition

Welcome from our Managing Director, Rafael E Frias III

Dear First Minister,

Black & Veatch welcomes you to our EMEA HQ and thanks you for taking the time to discuss the opportunities and challenges facing the Scottish energy sector with our colleagues and clients.

Scotland stands on the cusp of a profound transformation, made possible by the Scottish Government's embrace of renewable energy and its recognition of the possibilities of the energy transition. Black & Veatch looks forward to working with the Scottish Government as it works to achieve its net zero by 2045 target.

Our policy recommendations presented to you today are based on the insights and experiences of our engineers and project managers, to help Scotland achieve its decarbonisation goals and create an energy system that is resilient and serves the people of Scotland.

We have worked on complex, challenging energy projects in every part of the world for over a century, across power generation, storage, grid and water infrastructure.

While there are ways in which Scotland is unique, we are strong believers in the lessons to be drawn from our experience around the world and we look forward to continuing to engage with your Government to assist in driving an energy transition that works for Scotland's people and businesses.

Continued success,

Rafael E. Frias III







Black & Veatch's energy policy recommendations for the Scottish Government

Black & Veatch in Scotland: quick facts

Since the 1960s, we have proudly served Scotland with our engineering expertise. Our European headquarters and our Grid Centre of Excellence is based in in Glasgow and we currently employ over 50 engineers and project managers in Scotland, supported by a global network of 9,000 skilled engineers working on renewable energy projects across Scotland, the UK and the broader EMEA region. Our professionals in Scotland and around the world are employee owners of our business. Employee ownership enables us to share the value of our engineering expertise with the people who create it. This supports a more inclusive economy while encouraging long-term investment in jobs, skills and communities, as the Scottish Government has advocated for.

We are ambitious about Scotland's capacity to further its status as a global hub for energy innovation. In the coming years, our plan is to double the size of our workforce in EMEA, led out of our Glasgow headquarters. As we expand our presence in Scotland, we are hiring increasing numbers of graduate engineers and we're dedicated to being a key member of the Glasgow community by raising money for Scottish charities and partnering with local universities.

We have a long track record of delivering major energy and utility infrastructure projects across EMEA. What differentiates us is deep engineering expertise, a world class safety culture and the ability to bring global capability to local infrastructure challenges. We have skilled engineers and project managers out on site today, building the energy infrastructure needed to power the economy and enhance Scotland's energy security.



Policy Recommendations

We believe these pragmatic and evidenced based policy recommendations will power the energy transition and support the Scottish Government's decarbonisation goals.

1. Follow through on planning reform to make the new regime work for Scotland

The policy basis of Scotland's planning system has undergone rapid, dramatic change in recent years. The focus must now turn to implementation and designing guidance which enables Scottish projects to be built at lower cost, on faster timescales and with more predictability.

Black & Veatch recommends:

- We encourage the Scottish Government to outline the timeline for introducing outstanding **secondary legislation** and guidance connected to the Planning and Infrastructure Act reforms, providing clarity to industry stakeholders and Scotland's communities regarding the development of critical energy infrastructure.
- Your government's commitment to a new **Compulsory Purchase Act** for Scotland is welcome and we believe the legislation should be introduced without delay. Temporary-possession and access rights for private developers (with clear and appropriate safeguards) should form part of the legislative work.
- Detail on how pre-application engagement, a formal acceptance stage and new consultation arrangements will work for individual projects would be welcomed by industry.
- We encourage the Scottish Government to set out a way forward on Electricity Act **thresholds** for onshore applications, following the publication of consultation responses in October 2026.



2. Encourage the role of BESS as critically-enabling infrastructure

The rapid deployment of Battery Energy Storage System (BESS) capacity across Scotland is a critical strand of the energy transition. As renewable penetration increases and the GB grid remains heavily constrained (often to the detriment of renewables in Scotland), BESS systems are crucial to absorbing excess capacity, balancing the grid and supporting energy security ambitions.

Black & Veatch recommends:

- Provide a carve-out for BESS projects in the context of changing Electricity Act consenting thresholds. There is a strong case for BESS projects of any MW scale to remain in the **local consenting** system. While every project is unique, BESS projects have a relatively low degree of novelty and are typically of a scale where the local planning system enables quick, robust decisions with community buy-in. We believe that local authorities and communities are the key to building energy infrastructure that works for Scotland.
- Publish the previously-signalled **Call for Evidence** on BESS and set out a timetable for the subsequent BESS policy statement.
- Commit to the **community benefit fund level** of £150/MW for BESS projects which was proposed for the updated Good Practice Principles, recognising the complexity of BESS revenue models and the need for flexibility in the sector.
- Ensure a timely, proportionate update review to assess how the March 2026 **planning guidance** for BESS projects is working in practice.



3. Secure the benefits of Scotland's renewable energy surplus

Scotland's surplus of renewable energy and the current inability of the constrained GB grid to transport it south, has become a fixture of energy debates. Having done the hard work of deploying zero-carbon generation, Scotland has the chance to secure further economic benefits through attraction of high-value, energy-intensive industries. We view BESS projects as critical to utilising surplus generation and believe our BESS proposals can attract new industry to Scotland, to harness the significant power produced here.

We believe there is a role for conventional power generation in the energy transition – most significantly including transition fuels such as gas – which can enable your decarbonisation and affordability goals.

Black & Veatch recommends:

- Publish the strategic approach on **responsible data-centre development** as outlined in your Programme for Government before the end of 2026.
- Signal your Government's approach to **intervention** in individual data-centre applications between now and the publication of the approach.
- Capture the potential of Scotland's 5GW **green hydrogen** target through publication of a Scottish roadmap for how hydrogen will be produced, stored and transported to meet the 2030 ambition. We also welcome the Scottish Government's recognition that existing infrastructure can be utilised to make Scotland a powerhouse in the Sustainable Aviation Fuel space and we encourage it to continue working with industry to make this a reality.
- Highlight Scotland's suitability as an **investment location** for energy-intensive industrial development, growing demand for renewable electricity and maximising the use of Scotland's energy resources.

We look forward to our continued engagement with your government as we work together to build a sustainable energy future for Scotland.

