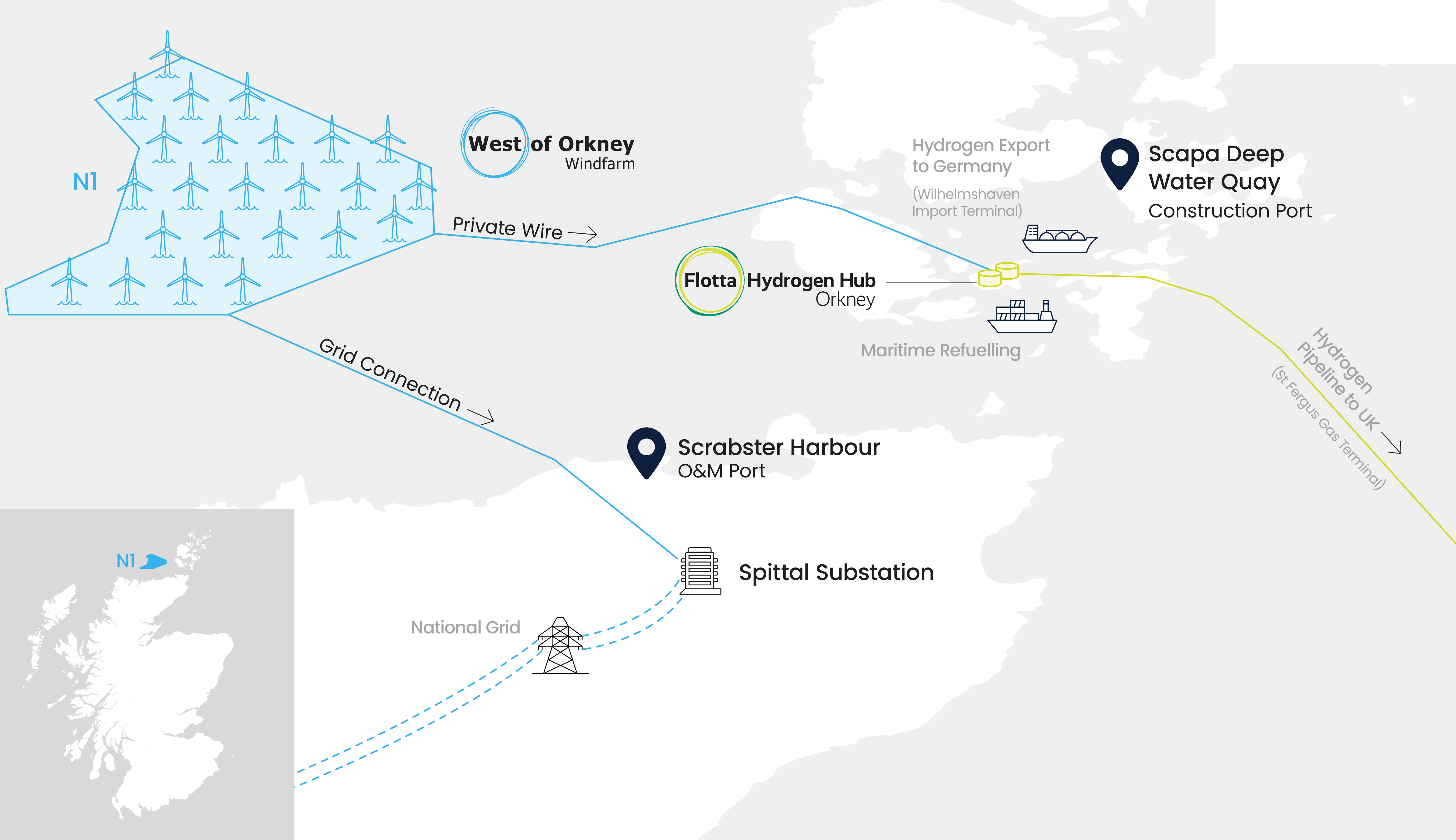


# N1 SCDS Outlook

Working with the supply chain  
in Orkney, Scotland & beyond







# The West of Orkney Windfarm will be developed around 30 km off Orkney, with an expected capacity of 2,000 MW

Scheduled to generate its first electricity in 2029, the project will be capable of powering the equivalent of more than two million homes. We are working in an exclusive partnership with Repsol Sinopec Resources and Uniper to provide power to the Flotta Hydrogen Hub from 2030, and these combined developments will deliver high value green employment for decades to come.



# A consortium with deep Scottish roots, a commitment to delivery and a clear vision for the West of Orkney Windfarm

The project is being developed by Macquarie's Edinburgh-based Green Investment Group, multinational energy firm TotalEnergies, and Scottish offshore wind developer RIDG. Together the partners bring a unique combination of financial, technical and project development capabilities.





01 / 03

# Approach





**Our vision is to develop a world-leading offshore windfarm which will support deep decarbonisation across the Scottish economy, while maximising socio-economic benefits to the Scottish supply chain and communities in which we operate**



# Through our support schemes, totalling £105 million of investment, we will work with suppliers and across industry to develop the offshore wind supply chain locally in Caithness and Orkney, across Scotland, and the rest of the UK

Underpinning this work, and in support of the Offshore Wind Sector Deal, is our commitment to target 60% UK content, 40% in Scotland and 20% in the rest of the UK, measured over the life of the project in line with standard industry protocols.

Our approach is driven by our supply chain alignment model and a £55 million supply chain investment programme that will be delivered

through the first five years of the project's development, focussing on early supplier collaboration, local port investments, and local skills development. We will also commit early capital expenditure of up to £50 million before taking our final investment decision, to provide the security key suppliers need for ongoing growth in capacity and capability to meet our delivery schedule.





In operations, we will implement a community benefit programme which will commence at first generation and continue for thirty years of operation. The structure of this community benefit programme will be determined following a consultation with local communities within the first two years of the development and in accordance with Scottish Government good practice guidance.

We have been working to develop the project since 2016, giving the team a deep understanding of the key technical requirements, the specific opportunities and challenges for the UK supply chain. We have already appointed 90% of contractors for the development phase, with over two thirds awarded to experienced Scottish companies. Our personnel will be based largely in Edinburgh, Orkney and Aberdeen, where TotalEnergies will establish their UK Renewables Hub as part of their energy transition strategy.



02 / 03

# Supply Chain Alignment Model



# Our supply chain alignment model is backed by a sustained investment programme phased from 2022 site award





**ONE**

# Investment in Port & Harbour Infrastructure

We will maximise the use of local ports and harbour facilities and are working closely with Orkney Harbour Authority and Scrabster Harbour Trust to enable technical and commercial collaboration on the development of new facilities to support construction and operations. We will commit over £9 million within the first three years of project development to support local infrastructure at EMEC.

**TWO**

# Collaborative Supplier Design & Supply Studies

From site award we will fund UK supplier design and supply studies to allow suppliers to plan investment in additional capability and capacity, and to position themselves competitively against our procurement requirements. We will support smaller suppliers to engage and help improve their preparedness and integration into our supply chain.



02 ●







### THREE

## Exclusive EMEC Innovation & Demonstration Partnership

We are funding a bespoke programme with EMEC to support innovation and cost reduction including;

- Development of a floating wind demonstration site at EMEC
- A four-year research and innovation programme directly engaging EMEC with TotalEnergies Global R&D division
- A Hydrogen Enabling Programme – including a hydrogen demonstration production plant in Orkney.

These programmes will support the long-term sustainability of EMEC which plays a significant role in the Orkney economy.





**FOUR**

# Skills Development Programme

We will deliver a skills programme during the first five years of the project's development to support long term employment opportunities in the wind sector and to support our target of achieving a 50:50 gender balance across all operations from first generation. We have signed agreements with the University of Highlands & Islands and the Energy Skills Partnership to deliver a local multi-level programme focussed on STEM development, diverse workforce programme, and student sponsorship programme. As part of this programme we have already provided gap funding to ensure the UHI STEM programme can be sustained through the 2021 / 2022 academic year.

**FIVE**

# Supply chain & infrastructure investment fund

We have committed £33.5 million to fund co-investment with the supply chain to help deliver a step change in Scottish and UK supply chain preparedness. This fund will be allocated across key areas working closely with individual suppliers and available across all tiers of suppliers.



02 ●





03 / 03

# Commitments & Ambitions

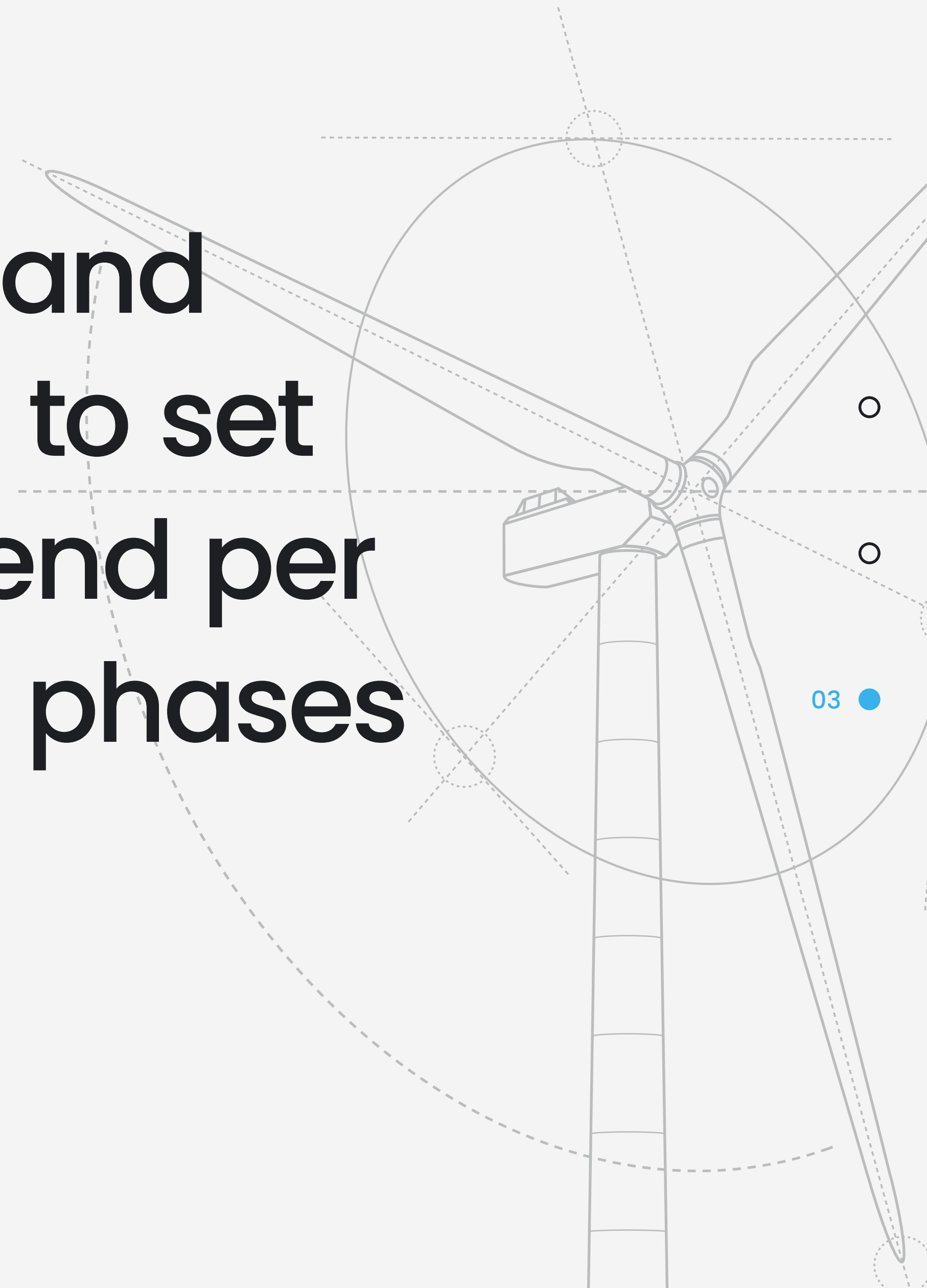
○

○

●



**The Crown Estate Scotland  
requires all developers to set  
out their estimated spend per  
geography at different phases  
of the project**





# Our Commitment tables reflects the minimum level of expenditure expected. The project will be delivered in three phases and the values for each phase are shown

Our higher Ambition figure reflects the potential for higher levels of supply within Scotland and the UK overall, including primary materials. All figures reflect our base case of a windfarm using fixed bottom structures, connected to the GB grid.

These numbers will be refined over time; however our clear intention is to use our supply chain alignment model to deliver expenditure as close to home as possible, working across industry and with governments at all stages.





N1 Phase 1

750 MW

	Commitments £ M					Ambitions £ M				
	Scotland	Rest of UK	Europe	Elsewhere	Total	Scotland	Rest of UK	Europe	Elsewhere	Total
Development	62	16	2	0	80	64	16	0	0	80
Manufacturing & Fabrication	139	194	274	427	1,034	199	368	261	206	1,034
Installation	75	37	168	0	280	78	45	157	0	280
Operations (first 6 years)	86	30	17	0	133	86	30	17	0	133

Commitments & Ambitions





# N1 Phase 2

## 500 MW

	Commitments £ M					Ambitions £ M				
	Scotland	Rest of UK	Europe	Elsewhere	Total	Scotland	Rest of UK	Europe	Elsewhere	Total
Development	31	8	1	0	40	32	8	0	0	40
Manufacturing & Fabrication	93	129	182	285	689	133	245	174	137	689
Installation	50	25	112	0	187	52	30	105	0	187
Operations (first 6 years)	59	20	12	0	91	59	20	12	0	91

○

○

03 ●



N1 Phase 3

750 MW

	Commitments £ M					Ambitions £ M				
	Scotland	Rest of UK	Europe	Elsewhere	Total	Scotland	Rest of UK	Europe	Elsewhere	Total
Development	35	9	1	0	45	36	9	0	0	45
Manufacturing & Fabrication	139	194	274	427	1,034	199	368	261	206	1,034
Installation	75	37	168	0	280	78	45	157	0	280
Operations (first 6 years)	88	30	18	0	136	88	30	18	0	136

○

○

03●



# N1 All Phases

## 2000 MW

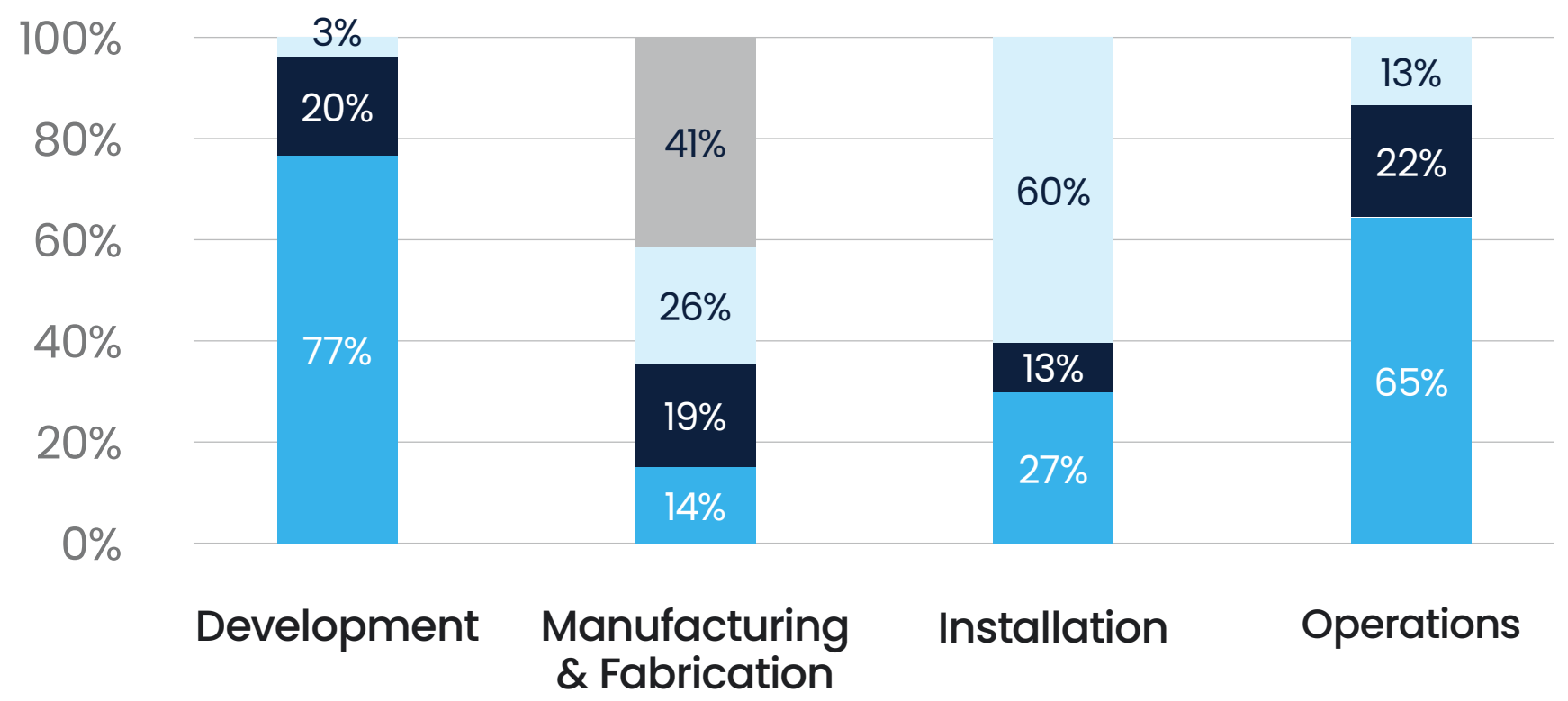
	Commitments £ M					Ambitions £ M				
	Scotland	Rest of UK	Europe	Elsewhere	Total	Scotland	Rest of UK	Europe	Elsewhere	Total
Development	128	33	4	0	165	132	33	0	0	165
Manufacturing & Fabrication	371	517	730	1,139	2,757	531	981	696	549	2,757
Installation	200	99	448	0	747	208	120	419	0	747
Operations (first 6 years)	233	80	47	0	360	233	80	47	0	360
TOTAL	932	729	1,229	1,139	4,029	1,104	1,214	1,162	549	4,029

The values in the above tables are equivalent to our Commitments and Ambitions of 60% and 70%.



# Commitments

60% UK content lifecycle



# Ambitions

70% UK content lifecycle

