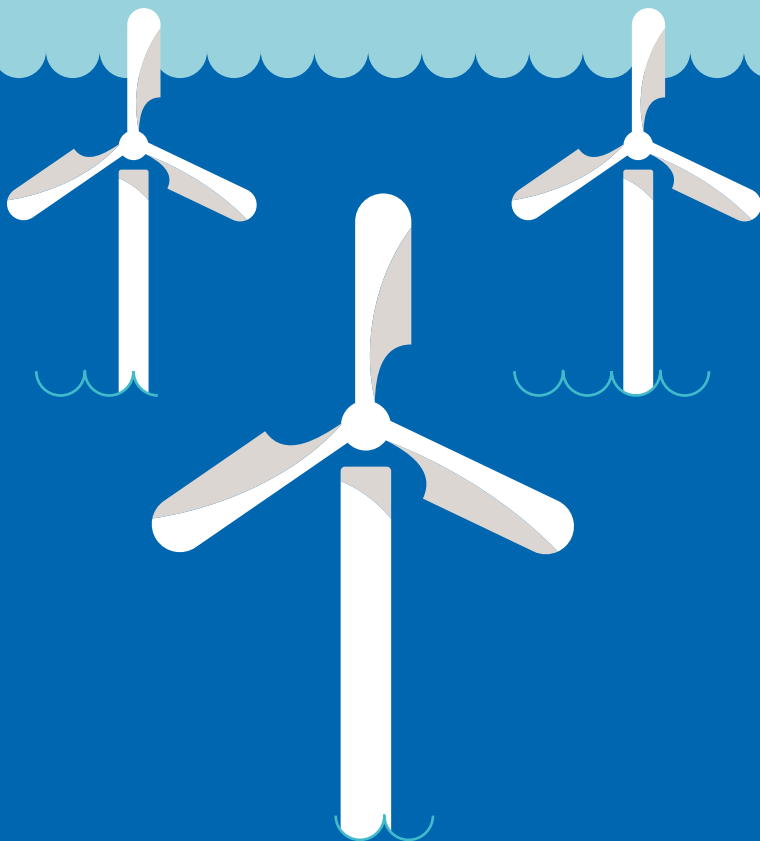




**Crown Estate  
Scotland**  
Oighreachd a' Chrùin Alba



# ScotWind Leasing

Seabed leasing for new offshore wind farms

Post-adoption Addendum Overview

## Overview

This document highlights some of the updates which have been made to ScotWind Leasing since it was launched in June 2020.

## Background

In June 2020 we launched ScotWind Leasing with the publication of a suite of documents detailing the arrangements for the first round of seabed leasing for commercial scale offshore wind farms in Scottish waters for a decade. At the time, we committed to publication of an update following the adoption of the Sectoral Marine Plan for Offshore Wind Energy (SMP). The Post-adoption Addendum, consisting of this introductory document and updated versions of the Offer Document, Guidance Notes and the online Application Form, finalises the arrangements for making applications to ScotWind Leasing. The Post-adoption Addendum is a consolidated version of all documents, providing a single and self-consistent suite of documents for applicants. This edition of the documentation:

- introduces to the launch documents our final decisions on the Supply Chain Development Statement arrangements, following our consideration of the feedback we received on our June 2020 Engagement Document;
- introduces the changes and refinements to the launch documents which we set out in the two volumes of clarifications that were issued in July and August 2020;
- gives further clarity on the process for evaluation and basis for scoring; and
- sets out the programme of milestones and activities for the next stages of ScotWind Leasing.

## Sectoral Marine Plan

Following a period of consultation and finalisation, Scottish Ministers approved and adopted the SMP in October 2020. Relevant components of ScotWind Documents have been updated to reflect all requirements of the SMP; in particular, the finalised Plan Option areas, and national and regional deployment limitations.

## Supply Chain Development Statement (SCDS)

In our Interim Update circulated to registered applicants via the leasing portal on 4 November 2020, we gave an update on the way we intended to develop the SCDS arrangements. This included information about the Initial SCDS (submitted with a ScotWind Leasing application) and the first SCDS update, our decision that the SCDS Commitments are to be expressed in terms of expenditure, and we introduced the SCDS Ambition table.

### Initial SCDS

The Guidance Notes now confirm that the Initial SCDS may be primarily informed by the applicant's own indication of the level of supply chain development which it is willing to commit to. However, we do not wish to discourage contact between applicants to ScotWind Leasing and supply chain companies but have taken this decision in light of responses to the June 2020 SCDS Engagement Document, particularly because we recognise that supply chain companies may not be in a position to provide detailed responses to enquiries from every potential applicant to ScotWind Leasing.

## Indicator to be used for the SCDS Commitments

The SCDS Engagement Document referred to FTE Jobs as an example of the indicator which could have been used for the SCDS, and a specific question was asked seeking views on this as a suitable indicator for supply chain impact. We have decided that the SCDS Commitments are to be expressed in terms of expenditure. We have taken this decision in light of the feedback we received: to align with the reporting approach of the CfD Supply Chain Plan and key indicators in the Offshore Wind Sector Deal; and to use a metric which supply chain contracts will naturally be denominated in (spend), rather than one which may be a less common intrinsic feature of such contracts (jobs).

Crown Estate Scotland will consider commissioning a study or studies to estimate the possible employment levels which might be indicated by the SCDS data. Any such analysis and interpretation would be undertaken as a stand-alone activity and would not be integrated into, or result in any modification to, the information requirements and definitions in the SCDS arrangements themselves.

## SCDS Ambition

The SCDS Commitments table will form the basis for assessment of whether contractual remedies will be applied. We note that the presence of contractual remedies may result in the proposal of more cautious SCDS Commitments which in turn might result in a significant under-representation of the potential supply chain impact of projects.

We have therefore decided to add to the SCDS a table termed the SCDS Ambition, to complement the SCDS Commitments table. The SCDS Ambition table will contain the same categories as the SCDS Commitments but the figures put forward in the SCDS Ambition table will not play any part in the assessment of contractual remedies and will not be incorporated into the Option Agreement. The purpose of the SCDS Ambition is to permit the presentation of a view of the level of a development's likely supply chain impact that is not constrained by the requirement that there should be a high degree of certainty that it will be achieved. We have included this element to enable a more balanced picture of the potential supply chain opportunity than could be discerned from the SCDS Commitments alone, and to better inform discussions to enable supply chain development.

## Document Updates to Reflect Clarifications and Further Refinement

### Incorporating Clarifications into Documents

Following the ScotWind Leasing launch in June 2020 and subsequent engagement event, Crown Estate Scotland received a significant volume of clarification questions from potential applicants seeking confirmation or explanation on the ScotWind process. Crown Estate Scotland issued two volumes of consolidated clarification responses which provided additional detail or refinement across all of the leasing documents. Where the clarification responses identified the requirement for amendments to the ScotWind Leasing documentation, they have now been included in the Post-adoption Addendum versions.

## Clarity on Guidance Notes and Scoring

The Guidance Notes set out the basis on which applications will be evaluated and scored.

The team undertaking the evaluation and scoring exercise will be provided with an internal evaluation guide in order to assist in assessing applications. The evaluation guide is non-prescriptive guidance for evaluators and does not contain sub-criteria which themselves determine the Band which will be awarded, as the reviewers take into account matters covered in an application and consider those in light of the guide. The evaluation guide does not establish a comparative standard and therefore is not part of the formal evaluation criteria. The published Guidance Notes set out the basis on which the Applications are assessed, whereas the evaluation guide is intended to enable a consistent approach to be taken in applying the evaluation and scoring that is set out in the Guidance Notes.

Since the published Guidance Notes set out the scoring basis, all applicants have access to the same information regarding how scoring will be done.

In order to ensure that applicants are aware of the broad type of answer that is likely to achieve a maximum score in any given area we have taken care to ensure that (i) the breadth of coverage that the internal scoring guidance encapsulates is consistent with the “Guidance” column of Sections 5 to 11 of the Guidance Notes and (ii) the depth of coverage that the internal scoring guidance encapsulates is consistent with the page limits set out in the Application Form.

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