PE2109/I: Halt any further pump storage hydro schemes on Scottish lochs holding wild Atlantic salmon

Cabinet Secretary for Climate Action and Energy written submission, 7 October 2025

Thank you for your letter of 15 September 2025 in connection to the above petition. I understand the Citizen Participation and Public Petitions Committee considered this topic at its meeting on 10 September 2025.

The Committee have requested more information on how the cumulative impact of pumped storage hydro is monitored and assessed, and what consideration has been given to the potential impact of low water levels, caused by PSH usage, on local businesses, including concerns of the impact on business local to Loch Ness and the Caledonian Canal.

<u>Cumulative Impact and Electricity Act consents</u>

All pumped storage hydro (PSH) applications submitted to the Scottish Government under section 36 of the Electricity Act 1989 ("the Act") are assessed in accordance with the Act and other legislative requirements, including the Electricity Works (Environmental Impact Assessment) (Scotland) Regulations 2017 ("the EIA Regulations"). As established through these frameworks, each application is assessed on its own merits and the environmental impact assessment for each proposal considers the cumulative impacts which would occur. In exercising their statutory functions under the Act, Scottish Ministers are required to avoid, as far as is possible, causing injury to fisheries or to the stock of fish in any waters.

The environmental effects of the proposed developments on the water levels in Loch Ness are covered by EIA Reports for the respective applications for consent under the Act and are a matter to be considered by Scottish Ministers through the environmental impact assessment process for the live applications. Furthermore, consideration will be given, when determining applications for consent, to the net economic impact of each proposed PSH development when considering to what extent that development is supported by NPF4.

In accordance with section 36 (5A) of the Act, before granting section 36 consent for a generating station in respect of which a controlled activity, within the meaning of the Water Environment (Controlled Activities) (Scotland) Regulations 2011 (known as a CAR licence), will be carried on, Scotlish Ministers are required to:

- obtain advice from the Scottish Environment Protection Agency ("SEPA") on matters relating to the protection of the water environment; and
- have regard to the purposes of Part 1 of the Water Environment and Water Services (Scotland) Act 2003.

Scottish Ministers consider SEPA's advice in respect of the cumulative impacts through the environmental impact process and they also review SEPA's advice on whether a CAR license is likely to be capable of being granted.

Scottish Ministers are not the sole authority on whether a PSH station can operate and transfer water between the proposed upper and lower reservoirs. Separately, pumped storage developers must apply to SEPA for a license under the Water Environment (Controlled Activities) (Scotland) Regulations 2011 and SEPA considers whether the impacts on the water environment are acceptable and whether a CAR license should be granted or refused.

Monitoring, mitigation and control measures may be included in the conditions attached to the granting of consent to an application if Scottish Ministers consider they are required – for example, when an EIA report has assessed the cumulative effects of PSH developments on fish populations and other uses of the water environment. Ultimately if a CAR licence sets different conditions relating to the protection of the water environment than those imposed on any section 36 consent or deemed planning permission, the conditions relating to protection of the water environment in the CAR licence granted by SEPA take precedence.

Water Permitting

As indicated above, all PSH schemes require to be authorised by SEPA under the Water Environment (Controlled Activities) (Scotland) Regulations which will become the Environmental Authorisations Scotland Regulations in November 2025 (all current applications will be determined under CAR). SEPA is required to assess the impact of these schemes on the water environment to ensure the impact is acceptable. It should be noted that this process is independent from the Electricity Act 1989.

The assessment of PSH is undertaken in the same manner as all applications using SEPA's expert knowledge, published regulatory methods and guidance. These take account of all aspects of the water environment and use standardised assessments to establish the impact a project will have on the water environment. Before granting an authorisation, SEPA take account of a scheme's likely adverse impacts on the water environment, including wild fish stocks, by assessing it against environmental standards to ensure the impact on the environment is acceptable, and any appropriate mitigation is put in place. This will include consideration of any other licenced activities. These standards are derived from the best available scientific data and are reviewed and updated, as necessary.

Large projects, such as PSH, will often have the potential to have a significant adverse impact on the water environment and in such cases SEPA is required to make a derogation assessment. This stage of the determination process is to establish if a project is of overall benefit to sustainable development by assessing the social, economic and environmental impacts, both positive and negative, to determine if there is net gain or impact. To issue a licence, SEPA will include appropriate mitigation based on a precautionary approach to ensure impacts on the environment, including Atlantic salmon, are minimised. Monitoring may also be required to assess the ongoing impacts.

SEPA expect developers to provide sufficient information on the environmental impact that their development may cause and, if not provided, they will either refuse the application for a CAR licence or pause determination until this detailed

information is provided. SEPA will then consider this information using the best available scientific advice to inform their determination. Where appropriate SEPA will consult externally with the public and other relevant stakeholders e.g. District Salmon Fishery Boards (DSFB's), NatureScot. Relevant, in scope, representations made during this process will also be considered to ensure they have taken all the available information into account.

Live Electricity Act applications

The matters the committee raises are linked to current live applications to the Scottish Government which fall within my ministerial portfolio for determination. One of these applications is at the stage where arrangements for a public inquiry are being made. It would not be appropriate for me to comment further on the assessment of cumulative impact or water levels for these specific applications other than to reassure the committee that the requirements of all regulations relevant to the applications placed on Scottish Ministers, including in relation to fisheries, cumulative impacts and the water environment, will be followed.

I hope this information has been helpful in addressing the Committee's concerns.

GILLIAN MARTIN