



SCOTLAND'S OFFSHORE WIND SECTOR

SUPPLY CHAIN IMPACT 2018-19

A SNAPSHOT



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IN RENEWABLE ENERGY, ON A GLOBAL SCALE, SCOTLAND'S OFFSHORE WIND SECTOR IS ONE OF THE MOST EXCITING PLACES TO BE.

Projects in Scottish waters are finally starting to build out, and with them comes economic impact which spreads far further than the ports and harbours along our east coast. The scale of offshore wind, and in particular the turbines, towers and blades which make up these gigantic machines, stand as a testament to the determination of the engineers, fabricators, planners, environmental consultants, lawyers and support staff who pull together to deliver multi-billion-pound projects in Scottish waters.

This document looks back at 2018/19 in Scotland's offshore wind sector, and at just some of the stories of businesses winning contracts, investing, creating jobs and driving prosperity in this most innovative of industries. From Orkney to Lanarkshire, along the coasts and inland too, the economic footprint of offshore wind is truly remarkable in its scale, depth and reach. The lessons we will learn from these offshore wind projects will help us understand how to build better productivity and drive innovation - critical elements of a strong Scottish economy. The jobs which are created are in many cases enduring, long-term roles which create stable employment and exportable skills which are already in demand internationally, as the rest of the world embarks on its own decarbonisation journey.

As new projects, particularly in the Firths of Forth and Tay, start to build out in coming months and years, the opportunity for supply chain companies like the ones featured in this document are gigantic. Scottish Renewables members are working hard to ensure Scottish businesses reap the rewards of the offshore wind revolution. Renewable energy is an exciting industry on any day of the week, and with offshore wind we have an opportunity to change gear, step up our efforts and once again turn that excitement into an economic reality.

Claire Mack
 Chief Executive
 Scottish Renewables

GLOBAL ENERGY GROUP

Global Energy Group is at the forefront of Scotland's offshore wind journey, and has invested £90 million in Scotland in the past eight years.

The Inverness-based firm has established itself as one of the major players in the renewable energy sector, recently securing a contract worth up to £12 million for work on an offshore wind farm.

The company's Port of Nigg site on the Cromarty Firth will serve as a staging port for 103 foundation jacket structures before they are transported out to the Moray East offshore wind farm.

Chairman Roy MacGregor believes the outlay will prove to be a wise investment in the near future, creating job opportunities and "bringing further economic benefit to the area".

He said: "With a busy schedule of planned wind farm developments in Scotland and the rest of the UK, Global feel that this will be money well spent.

"Global now has great experience in this work and this will further establish the Port of Nigg's position as an important staging port supporting the offshore wind industry."

The Nigg site is also the marshaling hub for the development of the Beatrice Offshore Windfarm, eight miles off the Caithness coastline, with Global Energy Group saying demand for quayside space is now outstripping availability.

The company is intending to spend another £15 to £20 million to expand quayside and yard space at its Nigg facility.

Rory Gunn, the company's Facilities Director, said: "We have continually listened to our clients' requirements and sought opportunities to expand and grow.

"The new east quay will allow us to offer more capacity for staging, foundations and wind turbines. The long-term, sustainable employment which is being created by offshore wind projects in Scotland has meant Global could invest with confidence at Nigg."

The 950MW Moray East wind farm is due to open in 2021.

"THE LONG-TERM, SUSTAINABLE EMPLOYMENT WHICH IS BEING CREATED BY OFFSHORE WIND PROJECTS IN SCOTLAND HAS MEANT GLOBAL COULD INVEST WITH CONFIDENCE AT NIGG."



PORT OF CROMARTY FIRTH

The Port of Cromarty Firth is investing £31 million in a massive quayside expansion plan spurred by the development of offshore wind farms along Scotland's east coast, creating 140 jobs across the Highlands and Islands.

The development follows hot on the heels a £10 million contract win from the Moray East offshore wind farm, with Cromarty Firth set to become the intermediate port for the 95-turbine development.

The firm will provide vital laydown and office space for the marshaling element of the project, including the assembly of the turbines, nacelles and towers.



FRASERBURGH HARBOUR

Fraserburgh Harbour will be at the heart of the Moray East offshore wind farm project after winning a lucrative contract to host the project's new maintenance centre.

A new two-storey facility will be built on the quayside as Fraserburgh becomes the principle port for a fleet of vessels, permanently located in the Moray Firth, which will undertake operations and maintenance work throughout the lifetime of the wind farm.

The deal will create dozens of jobs and also act as a base through which North East Scotland College will provide specialist training for working in the offshore wind sector.

The contract award triggered investment in a new berth, which is currently being constructed and is due for completion later in 2019.

That work is estimated to create 140 jobs across the Highlands and Islands and will add a further eleven acres of laydown area to the port's infrastructure.

Chief Executive Bob Buskie said:

"We're excited about the future of offshore renewables in the Cromarty Firth.

"Our location, experience and facilities make us ideally placed to support the industry as it continues to mature and we welcome more floating offshore wind farms, and the development of wave and tidal technologies too.

"Scotland is leading the world in offshore wind energy, thanks to a proactive stance from the Scottish Government, and people learning these skills now will have the opportunity to work around the world as other countries develop and install this technology."

The Port of Cromarty Firth has invested over £50 million in the past five years in new infrastructure to support the offshore energy industry.



Harbour management has struck a provisional agreement with Moray East developers for the land required for the quayside facilities.

The 20,000sq ft site will include a berthing facility for wind farm support vessels, a pontoon facility for cargo and crew transport, a storage area and staff car parking for up to 40 vehicles.

There will also be marine co-ordination centre, control room, workshop and offices.





LEASK MARINE

Leask Marine is at the cutting-edge of the offshore wind industry, and recently invested more than £1.5 million in new home-grown technology to push its footprint global.

Operating from Orkney, the offshore energy expert has embraced renewable energy and is involved in almost every major offshore wind project in Scotland and northern Europe.

In May the company, which has been operating since 1985, revealed it has invested up to £1.6 million in the research and design of a “world-first” deep-water drilling rig designed for the marine energy sector – and in particular the nascent floating offshore wind sector.

Leask, based in Kirkwall, has just finished work on the Beatrice Offshore Wind Farm in the Moray Firth.

It is also on the books of the Moray East and Inch Cape offshore wind farms in the North Sea – and that’s just at home in Scotland.

Across the UK Leask has contracts with Danish wind giant Ørsted’s southern North Sea Walney Extension, Burbo Bank, Borssele and Race Bank projects, as well as ScottishPower’s East Anglia ONE and THREE offshore wind farms.

Managing Director Douglas Leask insists the company is going to keep expanding in the offshore market with its innovations, and eventually go global.

Douglas – whose firm won the Outstanding Service Award at the Scottish Green Energy Awards in 2018 – said: “We try to be proactive and approach developers first and sell our experience rather than a sales pitch.

“It all sort of began in wave and tidal energy, through the European Marine Energy Centre. That was our training ground. Then came the crash in the market and we had to re-evaluate and diversify into other things, and offshore wind was one of those areas. We want to win a bigger slice of the cake in offshore wind and we’re trying to develop for the global market right now.”

Graeme Harrison, area manager at Highlands and Islands Enterprise’s Orkney area team, said: “Leask Marine’s skills are in high demand and we are delighted to support them in extending their services to the marine renewable energy sector.”

INVERLUSSA MARINE SERVICES

Inverlussa Marine Services has secured a multi-million contract to help develop a wind farm off eastern England.

The Isle of Mull-based workboat operator will provide sea support during the construction phase of Ørsted’s Race Bank offshore wind farm off the Norfolk coast.

The company has invested £3.5 million into the offshore renewables sector, including in the purpose-built wind farm vessel Helen Mary, built at Macduff Shipyards in Aberdeenshire.



PSG MARINE

PSG Marine is planning to expand after winning a lucrative contract worth more than £1 million.

The Invergordon-based firm will manage the onshore handling works for the 100-turbine Moray East offshore wind farm.

The logistical service company will now be employing more workers to help with the increased demand – taking its full roster to 40.

Work will be carried out at the marshalling harbour within the Port of Cromarty Firth in Invergordon.



FIRST SUBSEA

Mooring expert First Subsea has gained a foothold in an exciting new renewable energy sector after winning the contract to provide platform mooring connectors to the world’s largest floating offshore wind farm.

The company, part of Aberdeen-based First Tech Group, is now working with developer and construction company Cobra Group on the Kincardine Offshore Wind Farm.

First Subsea’s platform mooring connector was developed specifically to address the shortfall in mooring technology in the floating offshore wind market. The connector will allow the mooring lines to be pre-laid on the seabed, prior to the arrival of the wind turbine structure, eliminating the need for expensive construction vessels and significantly reducing offshore installation times.

Greg Campbell-Smith, Sales and Business Development Director, said: “We are pleased to be part of this project which is at the forefront of the UK’s technology and innovation plans to decarbonise our energy supply.”

SHEPHERD AND WEDDERBURN

Legal expert Shepherd and Wedderburn is at the heart of the renewable energy industry.

The firm's clean energy team supports the delivery, financing and operations and maintenance of offshore wind farms across the country.

It advises the developers of four of the seven Round 3 projects in UK waters, including Moray East, Moray West, and Neart na Gaoithe in the Firth of Forth.

The firm – which has offices in Glasgow, Edinburgh and Aberdeen – has more than 90 specialist lawyers and 30 years' experience working in the energy sector.

Its clean energy team specialises in overcoming complex challenges to successfully deliver projects. Its lawyers currently are advising on the Hornsea One and Hornsea Project Two wind farms for Orsted and on regulatory matters on East Anglia ONE and East Anglia THREE for ScottishPower.

It is also helping with the Dounreay Tri offshore floating wind turbine demonstrator project.

AERIAL VISION

Offshore drone inspection and survey specialists Aerial Vision began filming construction of the £2.6 billion Beatrice Offshore Wind farm in autumn 2017, covering engineering works bringing the HV export cable ashore at Portgordon, the renovation of Wick Harbour and the offshore site construction.

All Aerial Vision staff – from drone flight crew to backroom processing and editing staff – are based in Scotland, from the company's base in Lanark to Aberdeen and beyond.

Chief Strategy Officer Gareth Knowles said: "Supporting the project throughout its life means we have a strong personal bond with BOWL; we really feel that we have helped birth the project and are proud to be part of the success story it has created in Wick."

"WE REALLY FEEL THAT WE HAVE HELPED BIRTH THE PROJECT AND ARE PROUD TO BE PART OF THE SUCCESS STORY IT HAS CREATED IN WICK"



UTILITY ROV SERVICES

Utility ROV Services is expecting a boost in revenue and staff after winning a lucrative wind farm contract.

The Fife firm has completed boulder relocation and post-clearance survey works on the site of the Moray East offshore wind farm.

The company has now worked on the Beatrice, Moray East and Neart na Gaoithe projects, as well as the Kincardine Offshore Wind Farm - part of a new wave of floating projects.

Utility ROV Services supplies remotely-operated units which can be used for underwater tasks such as cutting and dredging. It specialises in renewables, offshore oil and gas and decommissioning.

More staff will be hired to support a number of project awards and consistent success since the company's launch in 2013.

The firm, which has its HQ in Glenrothes, employs 34 people, has offices in Aberdeen and Norwich, and operates across the globe.

ALPHA OFFSHORE SERVICE

Aberdeen-based engineering firm Sparrows Group acquired wind energy-focused Alpha Offshore Service in 2018.

Since then the business, which inspects more than 4,000 offshore wind blades every year, has signed a contract to work on Vestas turbines at the Egmond aan Zee offshore facility in the Dutch North Sea. The agreement struck with NoordzeeWind, a joint venture between utility company Nuon and Shell, covers blade repair work at the offshore wind farm.

Alpha Offshore will provide experienced personnel with specialist knowledge of the 44-metre Vestas turbines.

NHV GROUP

Helicopter operator NHV provided air support during the construction of the £2.6 billion Beatrice Offshore Wind Farm.

It flew workers back and forth from the facility in the Moray Firth to Aberdeen International Airport after winning the work from main contractor Seaway Heavy Lifting.

NHV started operating out of Aberdeen at the beginning of 2016 and announced the opening of a new hangar, apron and passenger handling facilities in October 2016.



The Beatrice project utilized state-of-the-art Airbus H175 aircraft, originally developed for the oil and gas industry.

NHV's base manager in Aberdeen, Jamie John, hailed the new contract win, saying: "We were delighted to provide air support as it strengthened our longstanding partnership with SHL and supported them in the construction of the Beatrice Offshore Wind Farm project.

"Our brand-new facilities and aircraft offered SHL and Beatrice a fantastic platform for them to support their construction operations in the Moray Firth."

The operator hired seven contractors to help its 25-strong team in Dyce cover the increased workload.

It also added a third Airbus H175 helicopter to its fleet in Aberdeen, while a fourth is expected to follow. NHV has used the new-generation aircraft as a selling point in its efforts to procure additional contracts.



EDEN SCOTT

Recruitment firm Eden Scott has seen business go from strength to strength thanks to the offshore wind industry.

The firm revealed investment in its team and new technology had paid off with a 13% year-on-year rise in turnover to £13.5 million.

And it believes jobs in the oil and gas sector are largely been replaced by the strengthening renewables sector.

It pointed to "significant" contract wins to supply the Moray East and Neart na Gaoithe offshore wind farms as particlaur highlights of recent business.

The company also said fee income had returned to the levels experienced during the height of the oil and gas market in Aberdeen, resulting in a "healthy six-figure" profit.

Co-founder Michelle Lownie said: "We've always challenged the industry to set a higher standard in terms of customer service and staff recognition.

"It's reassuring when our results show that a good, well-run businesses can prosper when they focus on their people.

Eden Scott, which was established in 2003, has more than 60 staff in Aberdeen, Edinburgh, Glasgow and Belfast. It recruits into 19 different sectors.

GMR HENDERSON / WICK HARBOUR

GMR Henderson played a major part in the £20 million rejuvenation of Wick harbour for the new HQ of Beatrice Offshore Wind Farm.

The local company was involved in the restoration and development of the project's operations and maintenance base.

Work included the sympathetic redevelopment of two buildings which were originally designed by renowned Scottish engineer Thomas Telford in 1807 to support marine work in Wick.

Gerald Henderson, Director of GMR Henderson, said: "These Thomas Telford buildings have stood in Wick for over 200 years and their sympathetic renovation is very important to Wickers like myself.

"Of course there are many benefits to working on a project round the corner: not just the small commute in the mornings, but that we can be part of a project that,

when completed, we will be able to see and take pride in every day."

The new base is home to up to 90 full-time employees for the project's 25 year lifetime, offering opportunities for everything from Offshore Technicians to Office Administrators to help keep Beatrice turning.



BURNTISLAND FABRICATIONS

A multi-million-pound deal between Moray East offshore wind farm and fabricators BiFab saw the firm building 100 monopiles at Arnish on the Isle of Lewis and creating work in Methil, Fife, too.

Worth £26.5 million to the firm, BiFab bosses said the deal could spur the company on to win further contracts. Canadian owner DF Barnes described the Arnish yard as "one of the best equipped" in its portfolio and "ready to go".

Sean Power, DF Barnes Vice President of Business Development, said:

"The equipment here is second to none and the workforce here has a history of being extremely productive, very capable and safe. I think that's why we were able to bid to the developers and win this contract."



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RIGMAR GROUP

Aberdeen offshore services firm Rigmar won its first major offshore wind deal as a main contractor in 2019.

Vattenfall, the Swedish energy group behind the European Offshore Wind Deployment Centre, has hired the company to inspect and maintain subsea structures at the cutting-edge facility in Aberdeen Bay. The firm will also be responsible for foundations, turbine transition pieces, subsea cabling and boat landings.

It is Rigmar's first deal as a main contractor in offshore wind, having built up experience as a sub-contractor.

Rigmar's CEO Keith Nelson said: "Having completed a number offshore wind projects as a sub-contractor we are delighted with our first as the main contractor and are grateful to Vattenfall for this prestigious contract award. "

Rigmar was supported by the Fit for Offshore Renewables supply chain programme, funded by the Scottish Government and run by the Offshore Renewable Energy Catapult.



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