

Annex 6 Risk Register

Category	Description	Consequence	Likelihood	Impact	Score	Mitigation
Stakeholder engagement	Solutions are proposed that are not embraced by users and stakeholders.	The proposed solutions are not achieved because they are not fit for the local reality.				Early stakeholder engagement. Keep stakeholders aware of benefits.
Scope	Energy Transition is dependent on a number of factors as discussed within the Shetland Energy Strategy. There are various routes to take and we need to take a balanced approach between clean, secure and affordable energy.	Projects deliver on one but not all threads required for a Just Transition.				Continuous stakeholder engagement to ensure focus and to keep up to date with advances across energy transition. Cooperation and collaboration to learn from others and not duplicate effort.
Change	Priorities and responsibilities change over time.	Delays, overspends, underspend for correct budget year leading to overspend, objectives being unmet.				Action planning resource to highlight changes to the project pipeline and energy ecosystem, to ensure timely feedback of changes and updates to other areas.
Financial	Project has inadequate access to financial support to allocate resources required.	Cash flow issues. Project decisions delayed. Sub-optimal projects.				Robust financial planning. Full funding packages in place. Long term view on carbon saving and the price of energy used.

Resource Management	Energy transition will be balancing act between supply and demand. Risk of resources not being available when needed.	Delays, overspends / underspends. Time wasted.				Robust financial and procurement planning along with other resources.
Technology	Rapid changes in technology, anticipated changes to technology. Hope of changes to technology. Technology availability.	Project specific				Technological advances will play a key role in energy transition. It is therefore important that we remain aware of technology readiness and capability, along with the skills and backup to ensure systems remain operational. Early planning essential.
Distribution	Energy Transition fails to reach everyone. Businesses and individuals are left behind. Particularly those with the greatest need.	Targets unmet				Communication plan. Understand the challenges to delivering energy transition.
Regulations	Organisations involved in the project lacks the authority / approval to implement the project.	Project not achieved, or delayed.				Full understanding of the regulations and stakeholders relevant to each of the projects progressed. Learn lessons from projects undertaken in other areas.
Learning and skills	Not learning from the experience and knowledge of other places.	Unnecessary mistakes are made. Duplication of effort.				Emphasise networking with other places and businesses. Engage qualified and skilled advisors.
Public opinion	Public is resistant to change and follows negative opinion formers.	Project is undermined in the media. Resistance groups form.				Prepare and resource a communication plan. Issue regular updates on progress
Competition and fuel market	Any project will operate in a highly innovative, competitive and evolving energy retail market.	Fall behind competitors who can supply cheaper energy				Energy generation potential in Shetland is far in excess of the local domestic market. Shetland will require a specific business model. Shetland has high load factors but

						high / additional capital costs to get the energy to market.
External risks	COVID-19 or other world changes, leading to huge changes in energy use. Changes to Government Policy.	The project can't be delivered or has to change direction.				Proactive contingency plans developed.
Resource availability	Attracting the necessary resources to support project development	Projects don't have the necessary resources				Understand the critical factors. Thorough project planning.
Competition between areas	Other areas/regions are looking at this – how can we make sure we are not overlooked	Sub optimal projects, developers choose to locate elsewhere				Need to show what sets Shetland apart, but also collaborate with other areas