

CARBON CAPTURE, JOBS AND PETERHEAD POWER STATION

A Friends of the Earth Scotland Briefing – August 2025

Summary

- SSE and Equinor have submitted a planning application for a new gas burning power station with carbon capture plant at Peterhead, Aberdeenshire. The application is for an additional plant alongside the existing Peterhead gas burning power station.
- The more time and resourcing that goes into an unnecessary and dangerous new plant, means that less is spent planning and investing in a just transition for workers at the existing plant and the community of Peterhead.
- SSE's planning documents predict that there will be 50 operational jobs at the new plant once it is up and running – a reduction from 83 staff working at the existing plant.
- As a result, SSE explicitly state in their planning application that “the direct, indirect and induced employment created by the operational phase of the Proposed Development is likely to have a **minor beneficial long term (not significant) impact.**”
- In contrast, local public ownership of energy generation can play a significant role in ensuring substantial numbers of jobs are actually created, and that North East Scotland benefits from closer to **27,000 new jobs** in genuinely renewable energy.¹

Introduction

In February 2022, SSE plc and Norwegian oil and gas company Equinor submitted a section 36 planning application² to the Scottish Government Energy Consents Unit to build a new 910MW gas burning power station with carbon capture plant at Peterhead, Aberdeenshire. The proposed power station would be **additional to the existing 1,180MW gas fired power station**

¹ <https://platformlondon.org/app/uploads/2023/12/Public-Ownership-NE-Scotland-1.pdf>

on the site, which has been among Scotland's biggest polluters for the past 5 years.³ There is also no clear plan for phasing down the existing plant and the developers have been forced to admit they could both run at the same time, with SSE stating in their latest report in June 2025 that Peterhead 1 is expected to stay operational until 2040. new plant is a dangerous distraction from the necessary measures needed to ensure a just transition for workers and the community in Peterhead, and across Scotland more widely.

Carbon Capture and Storage (CCS) – an Unjust Transition

CCS has a long history of failure and should not be part of a just energy transition. The costs of implementing CCS are high and the technology has not been proven at the scale that industry claims it is able to implement.² The Scottish Government is not currently on track to meet its climate commitments and missed 10 out of its 14 legally enshrined climate targets. An increase in climate emissions at the power station risks Scotland once again missing vital targets. The emissions from the power station would account for 42% of Scotland's carbon budget in 2044 – meaning other sectors of the economy would be forced to decarbonise much quicker than planned because of one power station.

CCS refers to a set of technologies that are designed to trap some of the carbon pollution that is produced from industrial facilities. It is estimated that there has been \$83 billion in CCS investments since the early 1990s – yet there are only 40 operational CCS projects globally, capturing only 0.1% of global CO₂ emissions, with almost 80% of large-scale CCS projects cancelled or put on hold.³ Additionally, CCS' application with gas-fired turbines or power stations is one of the most expensive uses.⁴ Peterhead has been part of this picture, with several failed attempts to develop CCS around the existing plant, already costing £100 million of public money.⁵

² <https://carbontracker.org/reports/curb-your-enthusiasm/>, p.2

³ <https://carbontracker.org/reports/curb-your-enthusiasm/>, p.11

⁴ <https://carbontracker.org/reports/curb-your-enthusiasm/>, p.13

⁵ <https://www.bbc.co.uk/news/uk-scotland-scotland-business-38687835>

A core part of a genuinely just transition is workers moving to well-paid, secure jobs with good terms and conditions. When surveyed about their priorities for the energy transition, offshore oil and gas workers cited **job security as the most important factor** when considering moving to a new industry.⁶ The very few operational CCS projects are on a much smaller scale than what is being proposed in Peterhead and elsewhere. This means the evidence base for job creation is small and often vastly inflated by industry lobbyists. The lack of clarity and job security inherent in CCS means that repeated attempts to chase the carbon capture fantasy ultimately wastes time that could have been spent transitioning workers to secure industries, such as in energy efficiency or offshore wind manufacturing

Empty promises for jobs in Peterhead

The Environmental Impact Assessment for the power station, submitted by SSE, predicts that there will be **just 50 operational jobs at the new plant** once it is up and running. They state that “these may be new jobs or jobs undertaken by personnel at the existing power station.”⁷ At the existing plant, there are approximately 80 jobs.⁸ Therefore, this figure shows there **are not enough planned jobs for workers**, let alone a significant number of new jobs for the area. As a result, SSE explicitly state in their planning application that “the direct, indirect and induced employment created by the operational phase of the Proposed Development is likely to have a **minor beneficial long term (not significant) impact.**” The construction jobs make up most of the figures, with an average of 776 people employed over the 42-month period.⁹ SSE explicitly acknowledge that “high level of employment leakage with a large proportion of jobs (and benefits) going to residents outside of the local area, due to the size of the workforce and the

⁶ <https://foe.scot/wp-content/uploads/2020/09/Oil-Gas-Workers-Report-Final.pdf>, p.21

⁷ <https://www.ssethermal.com/media/a0gjkrmv/main-report.pdf>, p.34 (“SSE Thermal Peterhead Low Carbon CCGT Power Station Project: Environmental Impact Assessment Report Volume 2: Chapter 10 – Traffic and Transport” p.22)

⁸ <https://www.energyvoice.com/oilandgas/north-sea/219629/sse-announces-plans-to-axe-peterhead-power-station-> [SSE to cut 11 of 90 jobs at the Peterhead plant]

⁹ <https://www.ssethermal.com/media/a0gjkrmv/main-report.pdf>, p.350 (“SSE Thermal Peterhead Low Carbon CCGT Power Station Project: Environmental Impact Assessment Report Volume 2: Chapter 17 – Socio-Economics, Tourism and Recreation”, p.17)

specialist skills required and the number of potential workers available in the area.”¹⁰

Additionally, **construction jobs are not unique to CCS infrastructure.**

Funnelling money and resources into shaky, unproven technologies is even riskier when Scotland needs to increase its domestic manufacturing capacity in other genuinely renewable industries. To reach the job creation potential and domestic procurement promised in the most recent ScotWind leasing round, Scotland needs **19 significant fabrication sites** for offshore wind components. Scotland currently has **0**.¹¹ This should be an absolute priority for the Scottish Government, instead of wasting time on backing CCS projects that amount to nothing more than greenwashing.

Public ownership: ensuring a truly *just* transition.

Instead of leaving the energy transition in Peterhead to private companies, the Scottish Government has the potential to take transformative action around energy ownership and generation. Local public ownership of local generation can play a significant role in ensuring substantial numbers of jobs are actually created, and that North East Scotland benefits from closer to 27,000 new jobs in genuinely renewable energy.¹²

Private generation and financing of energy **is already heavily dependent on public money**, such as through subsidies.¹³ Increasing public spending but keeping it *within* public control at national, local, and community level would mean that we retain say over how the benefits of the energy transition are distributed – by investing in jobs in local, green industries and reinvesting back into crucial public services.

If you have any further questions or thoughts, please contact: Malachy Clarke, Policy & Advocacy Manager at mclarke@foe.scot

¹⁰ <https://www.ssethermal.com/media/a0gikrmv/main-report.pdf>, p.350 (“SSE Thermal Peterhead Low Carbon CCGT Power Station Project: Environmental Impact Assessment Report Volume 2: Chapter 17 – Socio-Economics, Tourism and Recreation”, p.17)

¹¹ <https://www.stuc.org.uk/resources/scotwind-report-2024.pdf>, p.3

¹² <https://platformlondon.org/app/uploads/2023/12/Public-Ownership-NE-Scotland-1.pdf>

¹³ <https://www.tni.org/files/2024-05/TNI%20%20Green%20Multinationals%20Exposed%202023%20%20061223-1%20%20Web%20OSF.pdf> pp.13-14