

RSA-Pemabo Univ Western Fjords Sept 12

WIND ENERGY: MIGHT COMMUNITY BENEFIT PROVISIONS GROW COMMUNITY OWNERSHIP OF RENEWABLE ENERGY RESOURCES?



*Gill Bristow,
Richard Cowell,
Max Munday,
Cardiff
University*

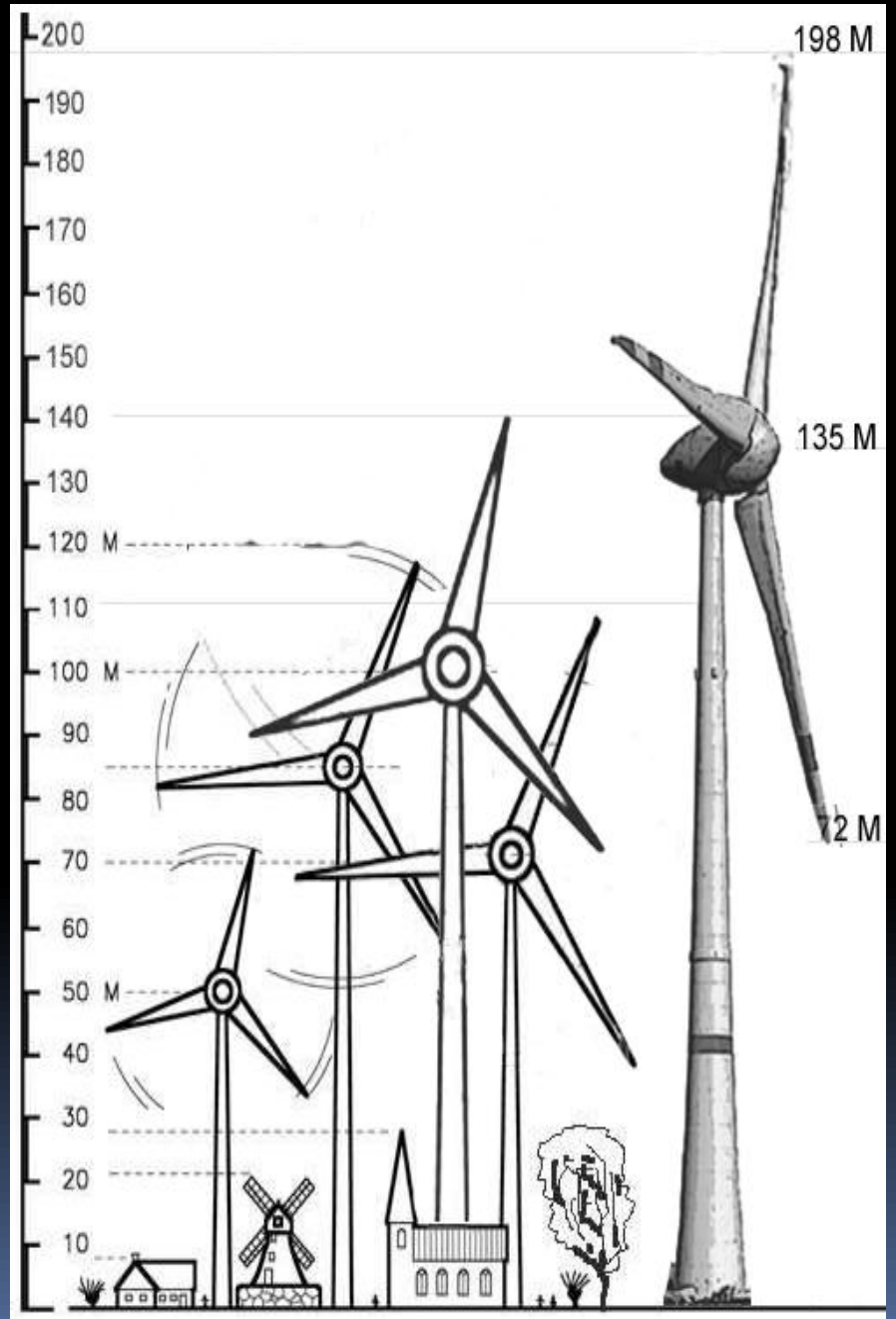
Themes

- benefit provisions in context
- evolving pattern of community benefit provisions
- appraisal
- opportunities for transformation
- can these benefits be used to better serve the longer-term resilience of the communities living with wind farms?

Context

- Wind energy facilities create impacts sometimes seen as significant and adverse
- Gravitate towards spaces valued for their openness.
- Facilities larger and larger
- Potential effects on pre-existing landscapes and the way that people relate to them (Pasqualetti, 2011).
- Risks to biodiversity

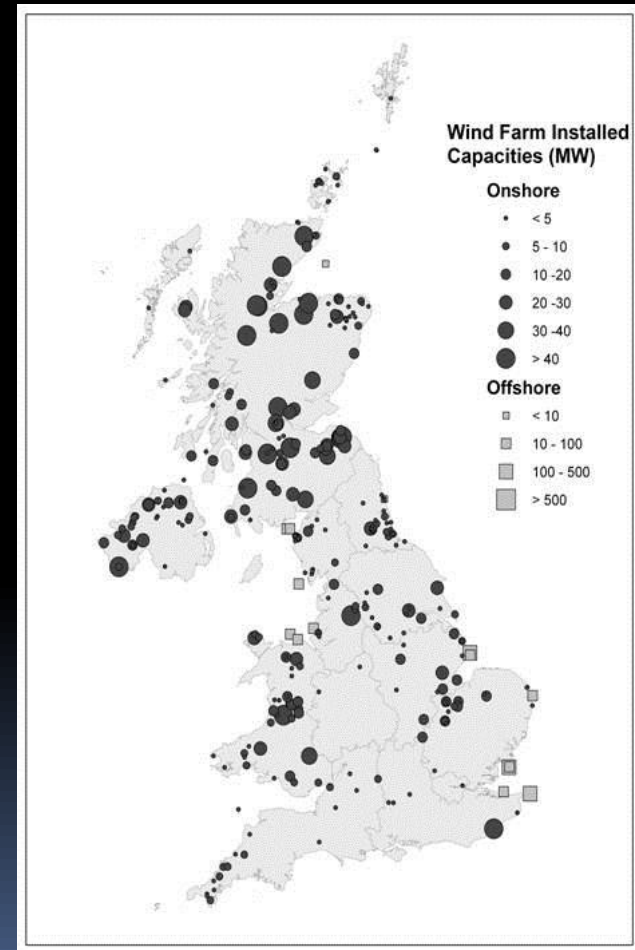
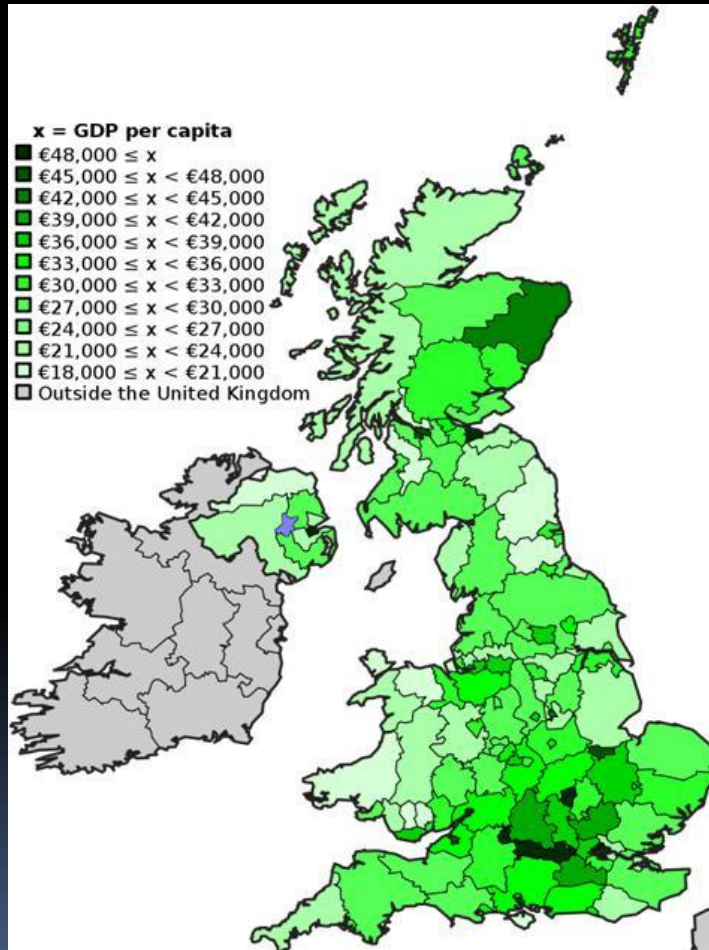




Context

- The distribution of impacts from wind farms fall unequally.
- concentration of harms & economic benefits fall unevenly
- benefits to communities modest
- Spatial pattern of wind energy development in the UK, disproportionately felt by relatively disadvantaged groups?
- Many rural and coastal areas receiving large-scale wind energy relatively disadvantaged?

Spatial pattern of development?



Why community benefit provisions...

- **Foster social acceptance:** the belief that community benefits make communities more accepting of new energy developments.
- **Good neighbours:** energy companies extol the virtues of fostering positive relations with the communities around projects.
- **Compensation:** Developers of wind energy projects may be pursuing socially beneficial schemes but these can compromise environmental qualities that people might otherwise have expected to keep (Goodin, 1989).



Community benefit funds - patterns?

- Typically provision of fund by developer to support activities in local communities.
- Typically fixed sum per MW (sometimes a % of wind farm revenues).
- from £0.5/MW; Moel Moelogan offer a range of benefit funds equivalent in total to about £4000/MW per annum. Parc Cynog extension offers £2000/MW.
- Funds administered via local institution, either an extant body, combination of extant bodies, or a trust (eg Cefn Croes Wind Farm Community Trust).
- Reactive framework: applications solicited and adjudicated on criteria; grants to myriad local activities.
- Eligibility is usually restricted geographically, permissible uses defined; charitable status issues

Community benefits schemes from Welsh wind farms

Category of community benefit	Frequency (n = 29 ^[1])
Community benefit fund Number Sums provided (£1000 per MW per annum) % channelling funds towards sustainable energy purposes	19 0.5 to 5.0 66%
Community ownership	3
In-kind benefits	7
Environmental mitigation/enhancement	12
No apparent wider community benefits	7

Any key themes in the benefit programmes:

- Community assets improvement, sports, associations etc.
- Education: Carno and Cemmaes providing bursaries for each local student going into FE/HE, Bryn Titli = £100K trust fund for educating and training.
- Sustainable energy projects, covering energy conservation; encouraging take-up of energy efficiency measures.
- Environmental enhancement of the landscape and wildlife habitats of the site, 'habitat management plan' secured by planning condition or planning agreement.

Evolution in benefits schemes?

Category of community benefit	Frequency 1992-1998 (n = 14)	Frequency 1999+ (n = 15)
Community ownership	0	3
Community benefit fund		
Number	7	12
Sums provided (£1000 per MW per annum)	0.5-1.5	0.6-5.0
No. channelling funds towards sustainable energy purposes	1 of 7	9 of 12
In-kind benefits	3	4
Environmental mitigation/enhancement	3	9
No apparent wider community benefits	5	2

Evolution of schemes

- provision of community benefits from onshore wind farms has become more routine
- post 1999, the scale of community benefit funds increased
- increased direction of these community benefit funds towards sustainable energy
- habitat management plans for wind farm sites also become more routine, and the rationales for providing these measures are clearer. BAP habitats and species are often now used to provide objectives

SSA	Successful Bidder	Scale of project	Community benefit offers	Annual sum
A Clocaenog Forest	RWE	32 turbines (64-96MW)	£6000-8000/MW per annum (depending on data source); upfront lump sum to environmental education and energy efficiency in local schools; possible contribution to cover costs of administering package.	At least £400K per annum, plus initial lump sum
B Carno North (Dyfnant)	ScottishPower Renewables	40-50 turbines (80-120MW)	providing £2000/MW per annum	At least £160k per annum
C Carno South	No scheme yet			
D Nant-y-Moch	SSE	proposal between 128MW and 160MW	£2000/MW per annum plus a bonus paid on the wind farms output; 2.5% of ROC recycle income; £3000/MW as initial lump sum to support energy efficiency measures.	At least £256,000 per annum, plus initial lump sum of at least £384,000.
E Pontardawe	Nuon		Less developed but see SSA F.	
F Pen y Cymoedd	Nuon	299MW	£6000/MW per annum; provision made for upland peatland restoration, and off-road cycle trails	£1.5-1.8 million per annum
G Brechfa Forest	RWE	one of 56-84MW and one of 24-36MW	£5000/MW per annum over the lifetime of both projects.	At least £500,000 per annum across both projects

Appraisal

- Short term response mode projects
- Interpreting 'the community' wholly as 'the locality containing the wind farm' neglects other constituencies
- Small communities may lack the capacity to pursue more significant projects, or attract match funding
- Demands to use funds constructively may be lacking in very small areas
- Are schemes really treating with the structural vulnerabilities?

Opportunities

- The scale of the wind farms and community benefit packages in the pipeline provides an opportunity to achieve transformational change in communities
- Benefits flowing to communities from large, externally-owned wind energy projects could be used to promote longer term resilience
- Leaving the communities with a lower carbon, more autonomous, locally-embedded energy system, capable of generating financial returns into the future that is less-dependent on fossil fuel imports and supports local employment.

Policy?

- **The effects of intervention** can help push up the level of community benefits that wind farm developers provide, and lead to more strategic intent. A&B; FCW
- **Land as leverage**
- **Royalties** relationship between royalties, profits, and community benefits. 'Coastal Communities Fund' begins (HM Treasury, 2011; HM Government, 2012)
- **Shifting spending towards a wider array of communities** Scottish and Southern Energy (2011)