

# Call for Evidence on onshore wind – Part A Community Engagement and Benefits

Closing date for responses 15<sup>th</sup> November 2012

Please use the table below as a template to respond to the consultation. It will help us to record and take account of your views.

Please expand the text boxes and /or attach any additional evidence as appropriate

## PERSONAL DETAILS

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Would you like this response to remain confidential? No

**Please note:** *I am responding as an individual academic who has advised both developers and communities. Several of the questions are not relevant to me, but I have responded to those questions where I believe there are potential novel solutions.*

## Community Benefits

### Questions for developers

**Q.4 What types and amounts of community benefit do you currently offer?**

*The following is the independent advice given by me as an academic adviser to some local developers who have now implemented developments of these recommendations in their discussions with Communities. The benefit to the community could be a payment which has three separate elements to determine its value. An accounting period is defined by agreement which may be a period of say three months, a year etc. Two of these elements are associated with the total value of the Renewable Obligation Certificates, the third addresses variations from wholesale price changes.*

- 1. There is a guaranteed minimum payment to the community over the accounting period depending on the size of the wind farm. This is guaranteed even if during the period, the performance is below par – i.e. the Developer takes some risk. This guarantee is set in relation to the weighted average load factor of existing wind farms in the area in previous years or other relevant information..*
- 2. If, during the accounting period, the load factor is higher than that used to define the minimum payment, the Community will share a proportion of the increased income from the project.*
- 3. The above calculations are made with reference to the weighted average wholesale price over the previous year as declared from the half hour data on the Elexon Website. If the wholesale price rises above this level over the accounting period then the community benefit from a proportion of the increased income. If the wholesale price falls then the benefit is guaranteed at the level determined in (1) and (2) above – i.e. the Developer once again takes the risk.*

**Q5. Are there types of community benefit that you would like to offer but are not able to? Why not? Are there regulatory barriers?**

*In modern society, Electricity is essential to all, and those communities which host electricity generation should benefit in proportion to the generation/demand in the local area: conversely those areas which expect the benefits of electricity, but are reluctant to (or in the case of towns unable to) host them in their area should pay more. This is more than just wind energy. There should be a differential so that communities hosting low carbon electricity benefit at a higher rate than those merely hosting unabated fossil fuel generation – see response to Question 9 for further details*

## Community Benefits

### Questions for All

<b>Q8.</b>	<p><b>Do you have views on who in the community should benefit from any funding ?</b></p> <p><i>Unless there is a general national benefit policy for communities hosting energy provision – see Question 9, the benefit should be for the Communities themselves to decide, however, experience does show that in fractured communities this may lead to disagreements within different sections of the community and against any development – see response to question 11.</i></p>
<b>Q9.</b>	<p><b>Do you think it would be a good idea to establish a standard level or value for community benefit packages either nationally or across the UK ? If so, do you have views on what an appropriate value might be for all parties and how this could be calculated ?</b></p> <p><i>Establishing a standard level of benefit nationally or across the UK would not be sensible as it would reduce opportunities for innovative development of benefits such as that indicated in response to Question 4. Nevertheless there should be a register of the type of benefit, but not the level (as this should vary from one region to another) – see also response to Question 10.</i></p> <p><i>However, there is a more general issue about providing benefits or otherwise to communities not just for wind farms, but for all forms of generation.</i></p> <p><i>Opposition to the siting of energy generation, whatever the source, is often significant in the local area. Yet society as a whole needs electricity and the correct benefits should be addressed in a wider scale. Thus those local communities, say based on a Local Authority District Area, which have a high (or even surplus of ) generation of whatever kind relative the total consumption in the community should receive a discount. Such a discount might be a fixed rate per household to minimise administration. However, those with low or no generation relative to consumption should pay a premium surcharge.</i></p> <p><i>The level of discount or surcharge should be set differentially i.e. lower for unabated fossil fuel generation as opposed to a higher level for low carbon generation. This will help to focus a better community spirit nationally.</i></p> <p><i>Information to implement such a scheme is already available at the Local Authority Area in the form of consumption data</i></p>
<b>Q10</b>	<p><b>Do you think it would be useful to have access to a central/national register of benefits, recording details of benefit packages provided at existing onshore wind developments (For example, along the lines of the Scottish Government Register of Community Benefits from</b></p>

	<p><b>Renewables ) ?</b></p> <p><i>There should not be a register of specific benefits in monetary terms as the relative benefits will necessarily vary from one community to another. Instead there should be a register of methods for determining benefits to encourage innovative and creative thinking about benefits. (see response to Question 4). In addition the level of benefits should be related to the proportion of generation/demand in the local community, and so will vary (see also response to Question 9).</i></p>
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**Community Ownership**

**Question for Developers Note Response as an Independent Academic**

<b>Q11.</b>	<p><b>Do you have experience in working with communities or individual local people to provide a share in your development? Please give details</b></p> <p><i>I have experience as an independent academic of talking to local communities where Wind Farms are proposed. What is apparent in some areas is that some Communities say they will never agree among themselves on what to use any benefit for. Furthermore they often want the Developer to tell them what any benefit would pay for rather than as should be the case, the local community deciding. Several times I have heard the comments: “ our community will never agree!” and reflect a disconnect with that community. In other cases I have heard comments such as why don’t those without electricity generation in their area pay more and we who have to put up with the disadvantage pay less. See response to question 9 as to how this concern might be addressed.</i></p>
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**Community Ownership**

**Question for Communities**

<b>Q12.</b>	<p><b>Would you personally, or as part of a wider community group, consider investing in a stake of an onshore wind development community ? If not why not? Please explain your reasoning.</b></p> <p><i>Yes, for the reason outlined in Question 9. Living in an urban area where the generation level of all forms of electricity is well below demand, I would be happy to provide some support in those area of low carbon generation.</i></p> <p><i>However, there should ideally be a country wide scheme as outlined in Question 9 to allow all small communities who have large proportions of low carbon generation to benefit. If this is not the case then any such individuals who wish to support projects should have the freedom to choose which project to support.</i></p>
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Please submit your response to [onshorewind@decc.gsi.gov.uk](mailto:onshorewind@decc.gsi.gov.uk) by **15 November**.