



Grŵp Trawsbleidiol
ar Ynni Cynaliadwy
Cross Party Group
on Sustainable Energy

Mewn partneriaeth â | In partnership with

FW | FRESHWATER **ARUP**

Minutes

Cross Party Group on Sustainable Energy

Presentations by

Sophy Fearnley-Whittingstall, SFW Communications

Alun Roberts, BVG Associates

Tuesday 24 September 2019 @ 12.00pm
Seminar Room 1+2, Pierhead Building

Attendees

Assembly Members

Huw Irranca-Davies, AM

Llyr Gruffydd, AM

Industry Members

Alex Meredith

Alun Roberts

Andrew Cotter-Roberts

Angharad Davies

Angharad Neagle

Ben Coates

Carolyn Pugsley

Chris Collins

Dan McCallum

Edward Perkins

Ellie Mitchell

Gerallt Hughes

Gregory Vaughn-Morris

Helen Westhead

Heulwen Hill

Isabelle Michelson

Jason Shilcock

John Morgan

Kate O'Sullivan

Kee Evans

Rebecca Pike

Siân Caiach

Simon John

Simon Morgan

Siôn James

Yasmin Akbari



AGM

- Llyr Gruffydd proposed as Chair for another term.
- Freshwater proposed as Secretary for another term.

Welcome: Llyr Gruffydd

- This meeting's theme is an important area within the sustainable energy sector. It's to do with community ownership models and the need for them to benefit communities and signify ownership in more ecological ways.

Presentation: Sophy Fearnley-Whittingstall, SFW Communications

Sophy Fearnley-Whittingstall delivered a presentation on renewable energy in communities providing useful insight from her experience of working on various solar and wind farm projects.

Presentation: Alun Roberts, BVG Associates

Alun Roberts presented a case on smart community ownership and how such an approach can balance local benefit and renewable energy targets.

Questions and answers

Question: *Dan McCallum, Renew Wales* - In regards to the cost of capital and borrowing, are you sure your figures are correct as we have had different rates of borrowing and share offers for some of our projects?

Response (AR) It is quite possible to borrow at lower rates, we used one example of figures from one community shared model so I fully accept you may get opportunities to borrow at different rates.

Question: *Dan McCallum, Renew Wales* - Maybe we can do it cheaper than big utilities through community ownership. There's a lot happening in Wales with community-owned projects, but Wales often gives away its assets. We can do a lot ourselves; Wales has a track record of developing significant projects at a community scale, which I'd like to see more of.



Response (AR) When you talk about owning assets or giving them away, what you are ultimately trying to achieve is about economic benefit to the area. I'm not sure it's about giving away your assets, it's more about generating the best income you can for the area.

Question: *Llyr Gruffydd, Welsh Assembly* - What are your thoughts about the government taking stakes in these ventures?

Response (AR) That would be positive.

Response (SFW) At the Labour Party Conference, they passed a policy to invest in offshore wind, but some people feel the offshore wind industry is doing well without government involvement. But on the other hand, if they can reduce the cost, then perhaps it is a good thing.

Response (AR) I think it's great to have that public investment but ultimately we have to look at the developers, who have the experience to build.

Question: *Gerallt Hughes, ARUP* – Would you see the Welsh government's role similar to Local Energy Scotland, in facilitating the early stages of planning, and having a role in helping the community, who have an idea, to take it forward.

Response (SFW) I absolutely think Wales can benefit from a similar body to Local Energy Scotland. For those unaware, Local Energy Scotland is funded by the Scottish government, and was set up with the objective to help community groups get involved in community energy projects – whether that's shared ownership, working with big developers or developing their own projects from scratch.

Question: *Alex Meredith, innogy Renewables Cymru* - What is problematic, same as in Scotland, is planning consent. No credit is given to organisations for engaging with communities and developing a scheme/partnership in planning terms. There is a need for planning rules to give credit to anyone proposing a scheme where there's community involvement/engagement.

Response (SFW) It is difficult because it's not considered a material benefit in planning terms, although if you tried to submit a planning application without community benefit in Scotland it would be looked upon quite harshly. You can, however, analyse the economic benefits that would arise from the projects and those would be considered in the planning process. It would be better if it was formalised as planning is the hardest obstacle to get through in large projects. I'd like to see more smaller community-led projects but climate change is a huge problem and we need big developers to build significant projects as well. It would be good if there was differentiation in the planning process but then you could be accused of bribing communities so it's hard to get right.

Question: *Jennifer Pride, Welsh Government* – The Scottish government has also learned a lot from what we've done in Wales in terms of renewables. Also want to clarify the tip heights section of the presentation, as this seemed to be referencing English planning policies as there are no such restrictions in Wales. Also concerned about dependency on onshore wind and the subsidies from it.

Response (AR) There's been lots of discussion around onshore wind, but I think it will happen. I think where it's gone through the planning permission, it's had a certain



assumption of what they were working towards and so perhaps it needs a new set of projects with that in mind. I think you can do onshore wind for less than offshore, and we'll get to the point where developers are willing to take that risk. At the moment, it's going to take a different industry mind set for developers to go back through their old projects for offshore and see if it can be revisited for onshore. Tip heights section wasn't in relation to guidance but more of an understanding that if you have navigation lights on your turbines, you are going to have problems getting consent.

Question: *Sian Caiach, Llanelli Council* – Over the years, I've noticed quite a bit of hostility towards some of these projects. People are looking for 'easy' sites and are not consulting communities. Employment is minimal and people in rural areas, who work on the land, are being displaced for people who may not be local, especially with regards to solar farms. In addition, many of those in rural areas speak Welsh – so it also introduces concerns about the preservation of the language. It's also about choosing sites – people don't want brownfield sites when greenfield sites are cheaper. Our grid infrastructure could be improved by the Welsh Government, or anyone else who has the money, because we have problems in the rural area with it. So people are getting a little bit cynical about this. We need joined up thinking; we need the best sites – not the easy ones, and selling shares is going to be difficult when people are on the poverty line. There is a high levels of poverty in Carmarthenshire and many people aren't seeing it as a wonderful answer to global warming, but rather feeling exploited and not seeing the benefits.

Response (SFW) A developer for a solar farm will always have two main considerations for a site: good grid connection and a site that's easy to screen. In my experience, farmers have welcomed solar developments as part of the diversification of farming activities and the additional regular income it offers. This enables them to continue to farm the rest of the land and continue to employ other local people to keep the farm going. I agree communities need to be brought into the project at the earliest stages of the project to help influence the benefits they are going to get. There's no solar projects that I've worked on when the local community doesn't get a financial benefit. For example, there's a remote community in Devon where I did a solar project and, as a result, they were able to install superfast broadband, which had a huge impact on those who lived and worked there. It is the responsibility of those in the industry to ensure local people understand how they will benefit from a solar farm and we work together on it.

Question: *Unknown respondent* – The announcement by Labour is that there would be a green industrial revolution and that 51% of off-shore wind farms would be publicly owned. Isn't this a huge shift in the way we think about the ownership of these huge assets as the big criticism of retention value in Wales is that the investors are foreign-owned investors. Does this shift leave the Welsh government high and dry, and are Welsh government going to have to think even bigger?

Question: *Dan McCallum, Renew Wales* - Responding to Sian's point as well as this one, yes this is technology, and yes it could be built by bigger utilities and let the wealth go out of Wales, but we are facing climate change and we need to engage with people through whatever means and there are definitely opportunities to do so through community ownership. As Sian said, many people and communities can't afford to invest, but in my experience we have used the profits from the wind farms to buy shares in local



organisations, such as local rugby and football clubs and schools as these projects generate substantial profit, even without subsidy. So there are ways of engaging with people – it may not be at an individual level but with the larger community. This is an exciting time for Wales, especially with support from the Welsh government, there are a lot of projects being built and we need to make the most of it.

Question: *Huw Irranca Davies, Welsh Assembly* - I share your optimism, but how do we reflect within our policy the changes within solar, onshore and offshore, and the change in environment, as well the difference in costs. There was a realisation when we started that we needed the expertise and supply chains of big companies but this has changed. There are different opportunities now, and I wonder if there is a problem in reshaping the market, not for the benefit of anyone in particular, but doing it with the government and local authorities. Why can't local authorities be tasked with reviewing brownfield and other possible sites and flag them up as potential for development – but stipulating that the deal is that there has to be a golden share with the community. Is that concept scary to you?

Response (SFW) A lot of local authorities are looking into it and have declared a climate emergency and this is one way to meet their commitments. Public Power Solutions – is part of Swindon Council – but they work with local authorities across the country to review the assets they have and if they can be developed for onshore wind, solar farms, electric vehicle charging networks etc. Local authorities can borrow money cheaply and the people trust them – a local person is more likely to invest in a project if they know their local council already has, so they need to take responsibility.

Question: *Huw Irranca Davies, Welsh Assembly* - Would that be something larger companies would also want to get involved in? As much as I'd like to, we can't do it all through community ownership and we need larger companies to get involved.

Question: *Alex Meredith, innogy Renewables Cymru* - We've had very positive experiences working with local authorities on projects we've got in our pipeline and anticipate working more closely with them. Local authorities have an enormous level of expertise in land management and procurement, so ideally we can come up with a balance where they've got land they want to develop and we can come to a solution that benefits everyone. We see a very positive level of engagement. It is varied – different local authorities have different levels, but I think we have a bright opportunity in Wales.

Close

The host thanked the presenters and guests, and asked for suggestions for future topics from attendees.

Date of next meeting

Will be the New Year – probably February.