GOOD ENERGIES ALLIANCE IRELAND

Public Consultation on

THE DESIGN OF A NEW RENEWABLE ELECTRICITY SUPPORT SCHEME IN IRELAND

Submission to Department of Communications, Climate Action and Environment

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Design of a new Renewable Electricity Support Scheme in Ireland - Submission

INTRODUCTION

Good Energies Alliance Ireland (GEAI) is a non-profit Environmental NGO in Ireland with a principal focus on energy sources and uses. GEAI is a grassroots organisation based in Leitrim but its remit is all-island. Its mission is through research, advocacy, education and campaigning to influence public opinion and decision-makers in Ireland against the continued use of fossil fuels and towards practical policies on energy sources and uses that combat climate change and respect the environment, the planet and people. GEAI is a member of the Environmental Pillar and Stop Climate Chaos.

GEAI welcomes the opportunity to respond to the DCCAE draft publication on the design of a new RESS in Ireland. Such considerations are vital at a time when Ireland has to show that it takes seriously its commitment to the 2015 Paris Agreement and its obligation to reduce its carbon emissions. GEAI considers this to be a very important document, giving

- economic analyses of costs of introducing an RESS in Ireland;
- developing high-level cost-effective design options for renewable electricity projects;
- assessing measures to increase community participation in renewable electricity projects; and
- recommending a model for community participation.

In its response to the publication, GEAI will deal mainly with the issues around **"providing pathways for increased community participation",** especially in rural settings.

In GEAI, situated in County Leitrim, we are acutely aware of the urban/rural divide, also of the difference in infrastructure development between the southern half of the Republic and the northern. If a line is drawn between Dublin and Galway, the northern section is predominantly rural, with poor public transport, broadband and access to hospitals.

About 1 million people live north of this line – 22% of the total population living on around 50% of the total landmass. In the 26 counties, well over a third of the population live outside cities and towns and this proportion increases to half of the population if smaller towns and villages are included. Census 2016 shows an overall increase in population in Ireland of nearly 0.5 million from 2011 to 2016 but migration from northern regions towards the more southern urban settlements; three counties actually witnessed population decline - Donegal (-1.5%), Mayo (-0.2%) and Sligo (-0.1%).

A stark warning was included in the draft National Planning Framework[1]:

If we do nothing
The Economic and Social Research Institute (ESRI) in projecting likely future development scenarios to 2040 … suggests that there will be:

- *A **degraded environment** with the loss of farmland and habitat to predominantly greenfield development and increased risk of groundwater pollution.*

[1] Ireland 2040 – Our Plan National Planning Framework: September 2017

- ***Social disadvantage and inequality*** *perpetuated by geographic location..."*

The Action Plan for Rural Development[2] includes three measures to address such trends:

1. *Planning for the future growth and development of rural areas, including addressing decline, with a special focus on activating the potential for the renewal and development of small towns and villages.*

2. *Putting in place planning and investment policies to support job creation in the rural economy.*

3. *Addressing connectivity gaps.*

We believe that community participation in the transition to a low carbon economy has the potential to revitalise rural areas through reskilling workers, creation of local jobs (thus keeping workers in their communities) and generating new income streams for businesses and farms.

Quoting from the National Planning Framework (NPF):

The NPF supports the development and diversification of the rural economy:

"Rural areas make a major contribution to Ireland's identity and to overall national development in economic, social, cultural and environmental terms. Rural areas, including Gaeltacht regions and Ireland's inhabited offshore islands, hold much of Ireland's natural resources, biodiversity, environmental qualities and landscape and contribute in a unique way to Ireland's culture. Rural areas are also a focus for living and working and for recreational activities. The agri-food and tourism sectors, which are particularly important for rural economies, employ in excess of 363,000 people (18% of the national workforce).

Rural Ireland has faced challenges in recent decades, such as the loss of traditional industries and employment, emigration and poor connectivity. However, the emergence of new technologies and improved infrastructural connectivity provide opportunities for diversification into new employment sectors.

Supporting the diversification of the rural economy is essential not just to create job opportunities in rural areas but is also an opportunity to link employment to bigger issues such as climate change, managing sustainable land use and sustaining vibrant rural communities."

Rural areas play an important role in the transition to low carbon economy

"Rural areas have a strong role to play in securing a sustainable renewable energy supply for the country. Historically, rural areas have significantly contributed to the energy needs of the country and continue to do so. In planning Ireland's future energy landscape and in transitioning to a low carbon economy, the ability to diversify and adapt to new energy technologies is essential. Innovative and novel solutions for renewables have been delivered in rural areas over the last number of years, particularly in the areas of solar, wind and bio mass.

In meeting the challenge of transitioning to a low carbon economy, the location of future national renewable energy generation will, for the most part, need to be accommodated on large tracts of land that are located in a rural setting, while also continuing to protect the integrity of the environment.

[2] Realising our Rural Potential: Action Plan for Rural Development 2015

The forthcoming Renewable Electricity Policy and Development Framework will aim to identify strategic areas for the sustainable development of renewable electricity projects of scale, in a sustainable manner, compatible with environmental and cultural heritage, landscape and amenity considerations."

Given all the above, involving rural communities in the transition to a low carbon economy must be a priority issue; studies have been done all over the world on such transitions and the necessary measures are recognised. However, putting these measures in place requires radical decisions to be made.

Difficult decisions lie ahead

The way forward to reducing carbon emissions is not easy. Very difficult decisions must be taken that will change the way we do things, from heating our houses to travelling to work to growing our food. Rural communities, who are vital to the development of future distributed and smart grids, are made up of people who have their own way of doing things, who associate those methods with culture and tradition, and who resist change.

Current emissions targets require us to deliver 40% of our electricity needs from renewable sources by 2020 with a strategic aim of in excess of 50% by 2030 and more by 2040 and beyond using wind, wave, solar, biomass and hydro sources. Roll out of the National Smart Grid Plan is under way, enabling new connections, grid balancing, energy management and **micro grid development**.

EU Roadmap 2050[3] suggests the following (among nine recommendations):

1. *Much more aggressive exploitation of **cost-effective efficiency measures** as an essential component in all pathways studied.*
2. *To reach the 80-95% greenhouse gas emission reduction targets for 2050 a **nearly fully decarbonised power sector** is necessary; decarbonisation of key non-power sectors like passenger transport and heating **depends strongly on zero-carbon power**.*

The following is a quote from the 2015 Energy White Paper[4]:

"***Government will widen the opportunity for citizen participation in energy matters** by:*

- *supporting community participation in renewable energy and energy efficiency projects*
- *facilitating access to the national grid for designated renewable electricity projects, and developing mechanisms to allow communities receive payment for electricity*
- *providing funding and supports for community-led projects in the initial stages of development, planning and construction*
- *providing a new support scheme for renewable electricity from 2016*
- *developing a framework for agreeing how communities share in the benefits of substantial new energy infrastructure located in their area, and establishing a register of community benefit payments*
- *examining shared ownership opportunities for renewable energy projects in local communities*
- *exploring the scope to provide market support for micro generation."*

Ireland has identified three energy pillars

[3] A zero-carbon European power system in 2050: proposals for a policy package. April 2010
[4] Ireland's Transition to a Low Carbon Energy Future 2015-2030

- Competitiveness
- Security of Supply
- Sustainability.

The RESS scenarios and support mechanisms have been assessed against these criteria, and also against other policy objectives[5].

What is missing from this approach is an appreciation of the importance of community buy-in to those scenarios. Recent history shows that an approach to renewable energy development that does not prioritise community support is fraught with difficulties, including objections to planning, protests, political campaigns and in general, substantial delays to projects if not total obstruction. The most famous example of this was the proposal for 2,000 wind turbine in five midlands counties to export electricity to UK, which died a death as a result of public outcry, resulting in a set back to the development of wind energy in this country.

The Report does not mention an essential component of Renewable Electricity roll-out in Ireland – **capturing the hearts and minds of rural communities**. If "the location of future national renewable energy generation will, for the most part, need to be accommodated on large tracts of land that are located in a rural setting" (NPF), then the communities that live on such land must support such development and benefit from it. The switch to renewables requires buy-in to the vision of change by all sectors of the community – householders, small businesses, farmers, disadvantaged as well as prosperous**. In the absence of consideration of such factors, relying on economic factors alone, the results of the RESS may not be optimal**.

It is not enough to plan big projects and to then try to engage the local community. If Ireland is indeed to achieve a fully decarbonised power sector by 2050, then every house, every business, every farm must have the opportunity to participate in this transformation right now. **Microgeneration must form part of this transformation** – it is easily the best way to engage local communities and individuals who at present know very little about renewable energy and don't care. Residential Solar PV may not seem to be economically viable but the impact of good will that can be generated by a microgeneration scheme is not to be under-estimated. If every house can reduce its electricity bill; if every farm can develop a new income stream from small wind farms; if solar PV becomes "fashionable" and people become enthusiastic, the knock-on effect will be the support of bigger projects and appreciation of the benefits accruing despite their impact on nearby landscapes.

Policy-makers should beware of relying on reports and intellectual arguments to support their proposals for large renewable energy projects. The 50% of Irish people that live outside the major urban centres are not impressed by words. They want to see concrete benefits to themselves; they want to see bills being reduced as well as a better quality of life. They have a voice and in recent years have learned the power of that voice. Projects without public support are doomed to failure.

Another aspect of the current approach to RE Support Schemes needs to be addressed. That is **the influence of women in decisions that are made in homes**. Up to now, energy-related projects and organisations tend to be dominated by men. The reason for this is that discussions around energy tend to focus on the technical. The language used is technical, instruction books are technical, the technology is perceived to be complicated and not user-friendly. The emphasis when promoting RE schemes should focus on tangible benefits – reduced bills, better quality of life, health and ease of use. Women as well as men should be trained to manage microgeneration systems in the home or

[5] P39 RESS Public Consultation

farm. The literature should be gender-proofed and more women should be deployed as technical advisors.

Microgeneration

The RESS report states that "the relative cost of micro-generation is very high" and cites the example that domestic rooftop solar PV is 4100/MWh more expensive than large and medium solar PV in 2020. It then concludes that "meeting renewable electricity targets and renewable diversity ambitions are more cost effectively achieved at large and medium scale levels". (p36) and proposes that "microgeneration would not be supported via the main RESS" (p42).

This conclusion is based solely on economic grounds, which does not take into consideration the added value of getting the community's goodwill and commitment to make the change to renewables. A micro-generation support scheme would engage householders and farmer's attention; it would introduce them to the possibility of change in their sources and uses of energy; it would make them more amenable to consider new ways of doing things. In particular, if the individual feels that he/she is being supported to participate in the new world of renewables, this will make them far more amenable to support proposals for larger-scale developments such as windfarms.

The Report states that "Supporting community-led renewable electricity projects is one of the clear policy objectives underpinning this scheme"[6] If such projects are restricted to large-scale renewable projects, even with so-called "community benefits", there could be many hurdles to be crossed, including cynicism and lack of trust; lack of capacity for investment; objections to planning; and difficulties around the distribution of community benefits.

Support for microgeneration implies that at the individual/group level, a relationship has been built with a Trusted Advisor. There also is the possibility of creating new jobs in communities (installers, maintenance), a very important benefit of such schemes. The success of a microgeneration scheme will therefore pave the way for discussion of larger projects.

Another consideration is that, despite some projects being designated as community-led, the perception will remain that renewable energy projects are again examples of developers coming into a community and imposing on residents changes to "their" landscape that they have not agreed to nor want. Where there is dissatisfaction, there will be active opposition. To win the hearts and minds of communities who already are opposed to wind turbines (for example) will take more than talk about community benefits; the better approach is to give them ownership of their own energy future. At this stage, people know that we have to change the way we do things. A supported microgeneration scheme is the best way of allowing the change to start.

Solar PV - The current situation:[7]

Solar PV has been excluded from the last three REFIT feed-in tariff programs (which are solely targeted at large scale producers). No commercial scale solar installations have been built in Ireland.

Residential and Micro-scale Solar receives no grant aid, no subsidy and no tax deductions are available. No Feed-In tariffs are available for these customers and net-metering is similarly

[6] P41

[7] https://wikivisually.com/wiki/Financial_incentives_for_photovoltaics#Ireland

unavailable. Co-operative and privately shared electricity between separate properties is illegal. A 9c/kWh Feed-In tariff was available from Electric Ireland until December 2014, when it was withdrawn without replacement. Income from this feed-in tariff was subject to income tax at up to 58%. No other Micro-scale Feed-In tariffs are available.

Homeowners with grid connected PV systems are charged a €9.45 per billing cycle "low-usage surcharge" for importing less than 2kWh per day or being a net exporter of energy in a billing period.

This is an unacceptable situation that cannot continue. The argument that microgeneration costs more than medium or large generation a) does not take into consideration the public relations results already discussed and b) may be over-stated (see below)

Note on FiT in Germany[8]:

The feed-in tariff, or "FiT", is financed through a levy on the electricity bills of households and small enterprises. It is not paid out of public budgets, nor does it diminish fiscal revenue. By its nature, the feed-in tariff is thus not a subsidy. It should be noted that large industrial users of electricity – if they are exposed to international competition – enjoy very large discounts on the levy. These reductions, constituting de-facto exemptions, may be considered subsidies. In its routine application of state-aid disciplines to ensure that no distortions in competition unduly disturb the functioning of the European Union's internal market, the European Commission found these reductions to be acceptable practice in the circumstance.

The guaranteed FiT in combination with the possibility of favourable KfW loans was and still is very important for the development of community led RES projects as it provides for the necessary calculability of revenues and risks[9].

[8] https://energytransition.org/2015/07/german-feed-in-tariff-is-not-a-subsidy/

[9] Cost and financing aspects of community renewable energy projects: Volume ll Germany

GEAI SUPPORTS THE ESTABLISHMENT OF DOMESTIC AND (SMALL) FARM SOLAR PV OR OTHER MICRO GENERATION SUPPORT SCHEMES that include:

- Establishment of a network of Trusted Advisors (at least one per county) that can give independent technical and financial advice at a local level.
- Support for micro-generation schemes based at community level that will serve individuals and small farmers as well as group schemes.
- Feed-in Tariff (fixed €/MWh payment for each unit of electricity produced) rather than Feed-in Premium scheme, combined with smart metering to optimise performance.
- Lump sum payments (grants) to subsidise the costs of purchase and installation.
- Adjustment of our electricity grid to allow it to accommodate extensive micro-generation.

Q5 / Q6

GEAI supports the proposal to have a dedicated Community Category volume of renewable capacity allocated for community-led renewable projects and to ring-fence 10-20% of the total capacity for community-led projects.

However, we consider that such projects must not exclude micro-generation projects, which must be supported via the main RESS. Also, we recommend that such figures as 10% or 20% be flexible, allowing for more community-led projects where appropriate. Such ring-fencing is very important as initially it will take a longer time for communities, who have no experience of taking on relatively large projects, to get themselves organised appropriately in order to access the level of financing required, as compared with developers used to big projects.

We emphasise that the current barriers to community ownership of Renewable Energy projects should be re-examined and addressed. In particular, access to the grid must be made easier and with less delay. Regulation concerning gateways and other grid access issues must be changed to allow for a changed environment. In particular, a study must be done as a matter of urgency on the implications for our grid of extensive micro-generation implementation and measures taken to address existing problems.

We emphasise that the roll-out of microgeneration projects cannot be evaluated solely on the basis of an economic model; but rather it can be regarded as social obligation required for the widespread acceptance of renewable energy and the well-being of communities.

Q9

We agree that planning approval, grid connection, bid bonds/penalties and community participation criteria should be met before projects can apply for support under the new RESS. In fact, we would be very insistent that measures are put in place to ensure that community participation is not only promised, but access is guaranteed to the resources required.

Q12a.

What should be the minimum size of project be, below which a community investment offer does not need to be made (e.g. 100KW, 500KW, 1MW)?

The Scottish experience provides support through its Community and Renewable Energy Scheme (CARES) to small scale projects over 50KW[10]. In the context of the small towns and villages scattered all over rural Ireland, this might be a more sensible cut-off point.

Q12b*.*

What minimum share should be offered to the community for investment (e.g. 20%) and should there be a maximum amount any one individual can purchase?

The 20% initial offer to the community for investment seems fair and reasonable. It is also in line with the Danish example where it is required by the 2009 Renewable Energy Act on all new wind projects to offer a minimum of 20% ownership to local people[11].

Q12c.

What is the appropriate distance from the project for the initial offer (e.g. 5km)?

In Denmark there is a preferential right to buy for those living within 4.5km distance of the project[12]. 5km seems reasonable but it is an arbitrary decision which must be discussed through a wider public consultation, especially in rural areas. Usually renewable energies installations, in particular wind and solar farms, are located in remote areas. Thus, it is necessary to evaluate an appropriate distance for the initial offer taking into consideration different site-specific factors including population density surrounding the project and its location and visibility.

Q12d

At present, some financial supports are present to allow communities to borrow money on a short- or long-term basis. Such supports include cooperatives or charities set up to address the difficulties experienced by community organisations in accessing commercial loan facilities. These include Credit Unions, Community Finance Ireland[13] and Clann Credo[14]. However, the scale of financing of a community-led renewable energy project is beyond the capacity of the quoted institutions, who generally finance developments on the scale of tens of thousands of Euro rather than hundreds of thousands or even millions.

In this situation, community-led RE projects must be supported by our mainstream financial institutions, the commercial banks or large investors. Difficulties arise where banks are not used to

[10] http://www.gov.scot/resource/0043/00438782.pdf

[11] http://www.embark.com.au/display/public/content/Community+energy+in+Europe;jsessionid=AF4D42381D601E5C3E167149DE9B77FC

[12] https://www.foe.ie/download/pdf/community_energy_barriers_recommendations_best_practice_in_europe_2.pdf

[13] https://www.communityfinance.ie/

[14] www.clanncredo.ie/

dealing with community organisations, especially where loan guarantees are required. Existing community-based RE projects in Ireland have had a long history of difficult negotiation with banks.[15]

Case Study Germany[16]

In general, the raising of capital and the financing of the RES projects has not posed a problem for the RES community led projects, in particular because communities and commercial ventures alike can access low cost loans of up to €25 million from the German Public Development Bank (KfW).

GEAI agrees with the recommendations made by **Friends of the Earth Ireland** in their summary of barriers to the development of Community Energy projects.[17]

Recommendations:

- *Create Funding and Finance Supports to help groups in initial stages of development, feasibility, planning and construction. In particular, for developments In initial stages to bridge the gap between feasibility and planning. This could be achieved by:*
- *Creating grant and grant-to-loan funding structures for Community Energy projects to fund initial development costs;*
- *Supporting access to finance through discounted credit, special Government guarantees, or by facilitating local loans through appropriate investment vehicles (green funds/strategic investment funds or credit unions etc. or similar to the KfW Bank in Germany which provides low cost financing to community and farm energy schemes);*
- *Creating tax efficient structures and incentives for local ownership of renewable energy for the installation/construction of developments or as per the Danish model where income earned up to a point from Community Renewable Energy is tax free;*
- *Amending the grant aid from the Sustainable Energy Authority of Ireland through Better Energy Homes, Better Energy Communities etc. to include all forms of renewable energy generation, particularly solar electricity, wood energy and heat pumps, with a dedicated portion reserved exclusively for supporting community centred organisations developing renewable energy generation and energy efficiency.*

Q13a.

Do you agree with the emerging proposal that a floating FIP is made available for smaller community projects?

The proposal for a floating feed in premium for small scale projects <5MW would deter potential investment as the uncertainty of even covering costs of such small scale installations is great when viewing the trends in demand and market prices.

[15] Tipperary Energy Agency

[16] Cost and financing aspects of community renewable energy projects: Volume ll Germany

[17] Community Energy for Ireland, Executive Summary. Friends of the Earth Ireland

A cut of level of 5MW for wind, 1MW other technologies below which a suitable **fixed feed in tariff** would apply would seem more appropriate to attract investment in such schemes as seen in recent changes to the system used in the UK for renewable electricity producers[18].

Q15.

In respect of grid access, DCCAE and SEAI are keen to receive feedbacks on the policy proposal to facilitate grid access for community-led renewable electricity projects.

Grid access has been recognised as one on the biggest barriers to community energy development in Ireland as it is "complicated, expensive and prohibitively risky"[19].

A first comment that has to be pointed out is that access to the national grid should not just simply be facilitated but MUST be provided. For communities, knowing to have a timely grid access is an indispensable pre-requisite to even begin considering the submission for a renewable energy project.

By stating that " grid access (…) is unlikely to be available for new community projects in the short to medium term without some changes to the rules governing access to the Grid" (pg. 46) it is implied that no strong commitment will be taken into consideration in the near future; this is frankly unacceptable.

Legislative measures must be put in place to better regulate access to the National Grid, in particular related to renewable energies.

Germany's Renewable Energies Sources Act provides an excellent example when it comes to grid access as renewable energy plants operators are "statutorily entitled" to get immediate priority connection to the grid by grids operators[20].

In Denmark all the installations have access to the grid according to a non-discrimination principle[21].

Providing a clear statutory environment is crucial to give a strong signal and encourage the creation of stable and profitable markets.

Furthermore, the document expresses that "for any change to be made to the process for securing grid access there would need to be a clear case that this is in the public interest (…)" (pg. 46). Having our electricity locally produced and owned is in the best interest of ALL Irish citizens. We must support the country's transition to a low carbon economy and the lack of political will is posing a serious threat to Ireland's future.

Q16.

[18] https://www.euenergycentre.org/press-releases-and-news/284-major-changes-for-the-renewable-electricity-market-a-focus-on-uk-contracts-for-difference-cfd
[19] https://www.foe.ie/download/pdf/community_energy_policy_position_paper.pdf
[20] http://www.res-legal.eu/search-by-country/germany/tools-list/c/germany/s/res-e/t/gridaccess/sum/136/lpid/135/
[21] https://www.foe.ie/download/pdf/community_energy_barriers_recommendations_best_practice_in_europe_2.pdf

DCCAE and SEAI welcome feedback on the role of the proposed Trusted Intermediary.

In our view, there is some confusion around the terms utilised in the document. According to the suggested policy design two different types of professional profiles are introduced: Intermediaries and Advisors.

We think there is no point to establish two separate roles as the Trusted Advisors can act as intermediaries among all parties, namely community groups, local citizens and developers.

A very important feature, which we agree with, is that the Trusted Advisors must be independent professionals able to safeguard the best interest of all parties involved.

Q17.

DCCAE and SEAI welcome feedback on the role of the proposed Framework for Trusted Advisors.

It is not clear what meaning the word "framework" assumes in this specific context. Is it suggested to establish a pool of experts or a formal institutional structure?

Unfortunately, the Community Report mentioned in the public consultation document has not been published. Therefore, we do not have further elements to deeply understand how this "framework" has been envisaged by the Department and SEAI.

To create a pool of Trusted Advisors (TA) with broad expertise in the field of energy generation and distribution is extremely important. Selected TAs must have complementary expertise on technical, legal and financial issues. Communication among them must also be facilitated in order to ensure a transparent and uniform approach to all projects.

Community groups and, in general, local citizens need to be able to rely on the provision of update, correct and independent information, therefore this suggestion is more than welcome.

To extend this, the establishment of a network at county level might be considered, in close collaboration with local authorities, while at national level it could be coordinated by a single centralised agency such as SEAI.

Q18a

We agree with the proposal that community benefit payment be based on best practice principles. However, without access to the thinking about what constitutes best practice in this regard, we cannot be more specific than this or give added recommendations.

Q18b

The proposed €2/ MWh seems on the face of it to seem an adequate level of community benefit.

The following extracts are from a paper published by Energy Policy[22]

"Community benefits, in their myriad forms, establish a crucial financial link between developers and the local community that predominantly aids in the acceptance of developments (Walker et al., 2014). In doing so, the potential negative effects are seen to be recompensed, at least from the view of local authorities (Aberdeenshire Council, 2016). Simultaneously, significant benefits payments allow for the formation of trust, defined as the "belief that someone… will act in your best interest", between communities and developers (Bellaby, 2010, p. 2615). A rise in the demand for community benefits for host communities comes concurrently with the increased implementation of non-statutory 'good practice' principles. The rationale behind these principles is guided by the need to equitably share the remunerations extended from exploiting a public natural resource (LES, 2015)"

In Scotland, Local Authorities levy developers:

"In 2011 The Highland Council again adopted a strong policy position insisting that "Developers will provide Community Benefit of not less than £5000 per installed Megawatt that will annually appreciate in line with the UK Retail Price Index" (Highland Council, 2013, p.1). This figure was quickly adopted as a norm, across the UK, by industry as well as national and local government (DECC, 2014; RenewableUK, 2013; Scottish Government, 2013). Currently 87 Scottish projects were making payments based upon installed capacity, with over £10 m of annual community payments (LES, 2016)."

A levy of €2/MWh is comparable with Scotland, given a 30% power generation capacity from the average wind turbine. However, in the case of solar energy, where the output is much lower than this, it is not clear if this is an adequate levy.

Further comments: **The methodology around distribution of community benefit payments must be considered very carefully.** Best practice must be employed, with total transparency.

Q19.

What are your views on the definition of "Community renewable electricity projects, community-led projects and developer-led projects"?

According to the literature and many examples provided by other countries there is no single definition adopted worldwide for *community renewable electricity projects* as these projects can assume different shapes depending on size, structure, technology, governance and financing options[23].

Different ownership models have been developed around the world ranging from energy co-operatives, community investment funds, community solar gardens, and non-profit entities to different types of partnerships[24].

[22] Understanding community benefit payments from renewable energy development: Energy Policy June 2017

[23] http://cpagency.org.au/about-community-energy/

[24] http://peoplepowerplanet.ca/community-energy-models/

Despite the flexibility of the various definitions, the promulgation of a National Community Energy Strategy is strongly recommended.

An Inspiring example is provided by the Australian experience[25], that included the quotation:

"The dividend of community owned renewable energy is so prolific… in every way, the obvious things like financial [benefits], but the below the waterline benefits are much greater; the social capital, the skills development, the social networks, the community pride, the leadership that's taken. Community renewable energy has to be the most significant opportunity for social, community and environmental enterprise, bar none, in the developed world." Adam Blakester, Project Director, New England Wind, 20126

A suggestion for a National Community Energy Strategy tailored for Ireland has already been presented in a policy position paper[26] (2014) prepared by Friends of the Earth Ireland after a stakeholder consultation undertaken under the EU Community Power Project.

Regarding ***Community-led Community Projects***, some insights are provided by the concept of community-led local development.

The European Commission describes community-led local development as "an approach that turns traditional top down development policy on its head, where local people take the reins and form a local partnership that designs and implements an integrated development strategy"[27].

Similarly, Community-led renewable energy projects can be viewed as opportunities where communities empower themselves by becoming "active" actors and taking leadership rather than passively accepting top-down decisions. Community ownership of energy (especially electricity and heating generation and uses) must be considered as the stepping stone in order to successfully complete the transition towards a low carbon economy.

Developer-led Community Projects**,** defined in the document as "renewable energy project where community investors have less than 50% equity stake in the project", can be reasonably accepted ONLY IF there is full involvement and consultation of local communities surrounding the projects.

It has been demonstrated how the growing opposition to wind and solar farms projects led solely by developers is often driven by the perception that no or very little benefits are going to have a positive return on the community well-being[28].

Wide consultation processes along with transparency over costs and benefits are therefore necessary to lay the foundation for an element of trust and mutual respect to emerge.

CONCLUSION

[25] http://c4ce.net.au/nces/wp-content/uploads/2015/04/NCES_2015_Final01.pdf
[26] https://www.foe.ie/download/pdf/community_energy_policy_position_paper.pdf
[27] http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/guidance_clld_local_actors.pdf
[28] https://www.foe.ie/download/pdf/community_energy_policy_position_paper.pdf

In conclusion, it is the view of GEAI that both the challenges and the opportunities inherent in giving communities full access to Community Energy have not been adequately addressed in this report; neither is there evidence of a true commitment to "the provision of pathways and opportunities for community and citizen ownership and benefit sharing of renewable electricity projects."

It would appear that there is still a sizable gap between the measures that must be taken as we look towards 2050 and the ambitions of our government.

However, if microgeneration is included in the RESS scheme with guaranteed grid access and fixed Feed-in Tariffs, together with the other proposed community ownership and benefit sharing measures, a big step will have been taken to empower citizens to take control of their own energy futures and to have a real role in the transition of Ireland to a low carbon economy and a global Leader in Climate Change.

GEAI

10th November 2017