IWA ‘Re-energising Wales’ Project
Work package 4 (Social and Community Issues) Expert Group
Tuesday 21st November, Acuity Legal Offices

Attendees
Shea Buckland-Jones, IWA
Keith Jones, National Trust
Adam West, Coastal Housing
Andrew Regan, Citizens Advice
Professor Judith Marquand, WISERD
Kate O Sullivan, WISERD
Paul Smith, EST
Stuart Bechares, Acuity Legal
Sioned Page Williams, Bangor University
Gareth Harcombe, Cardiff Council
Jodie Giles, Regen
Andrew Lloyd, Newport City Homes
Kalpana Balakrishnam, Natural Resources Wales
Allison Cawley, Melin Homes
Matthew John, Tai Calon
Charlotte Gibson, Welsh Government
Chris Daw, Welsh Government
David Llewellyn, Blaengad Cyf. and Partneriaeth BRO Partnership
Eurgain Powell, Office of the Future Generations Commissioner

Introduction

SBJ noted the purpose of the meeting i.e. to further develop the scope of the IWA Re-energising Wales work package 4 (WP4). Professor Judith Marquand was going to kick off the meeting and talk through the WISERD paper which was circulated before the meeting and forms part one of WP4. This would be followed up by presentations from REGEN on local energy supply models and an update from Welsh Government on the energy targets, the call for evidence on shared ownership and the next steps for Welsh Government support for communities on energy. Both of these sessions would be used to inform development of the
WP4 work. SBJ also thanked Acuity Legal for hosting the meeting.

**An update from WISERD, Professor Judith Marquand**

The Wales Institute of Social and Economic Research, Data and Methods (WISERD) have funded a 6 month PHD student to carry out an initial assessment, for work package 4, of the viability of local and community ownership of renewable energy projects across different geographical locations in Wales via quantitative and qualitative research. WISERD will report findings by April 2018. Findings will be used to inform part 2 of work package 4 which will build on the ideas in considering how to mainstream local and community ownership of renewable energy projects in the future and derive local benefit from the system.

Judith initially talked through the paper that was circulated before the meeting. The main purpose was to agree the terms of reference for the WISERD work for WP4 and seek comments on the areas selected for the qualitative interviews.

**Section A - Terms Of Reference (TOR)**

AR questioned what the term ‘value’ referenced in the TOR. JM noted that this would be made clearer.

Some wider points were made including that PLC’s are also now interested in partnering with local and community energy groups but currently they need confidence to work with these groups in understanding how or why they would work with communities.

KB (NRW) stated that it would be good for the project to bear in mind the Area Statements work currently ongoing. Explanation was given on background to these i.e. based upon the State of Natural Resources Reports, NRW Policy developed through WG Obligations, etc. This background has informed the identification of key areas to be considered within the area statements, one of which is energy with consideration of local renewable energy and ownership.

**Section B - areas and organisations selected for the qualitative interviews**

Judith explained the rationale for selecting set LA areas for further research, based on data most readily available i.e. community energy project numbers, levels of social housing, levels of deprivation, land designations, network capacity etc.

EP noted that it is worth meeting with the wider public sector beyond local authorities such as health boards, universities etc. KJ echoed this stating that universities/colleges are large landowners and hold large potential for renewable energy generation - NUS have also done some work around fossil fuel divestment.

AR questioned whether we would actually interview householders themselves. The intention is to interview organisations more so than householders, but this will be considered as part of the WISERD work or at least the work will pick up research already undertaken with householders in Wales. DL suggested that the ‘Stories of Change’ data could possibly be shared.

DL also noted that Friends of Taff Bargoed activity is missing from the data outlined in the WISERD report and that he might also have information on discontinued projects. It was noted that the data only covers data up to a certain date and used what was publically
available already. CG and CD noted that data could be updated once the WG energy generation report is released very soon as it contains local ownership data.

KJ suggested some projects may not be accounted for in any figures if they did not have FTTs and did not need LA planning approval. JG from Regen responded to this noting that the methodology for obtaining data for the Welsh Government report will be made clear and answer questions such as this.

JG also clarified some of the groups included in the ‘third sector/other’ category within the report that Welsh Government had commissioned Regen to undertake; Charities, faith groups, hospitals, etc.

PS queried whether non-financial benefits will be given value as these too are important. CG said that the Welsh Government call for evidence will be touching on this. CG explained that projects in WG data classified as locally owned had to have some local financial benefit, although this will be teased out in the call for evidence. The point was made that these types of benefit are more important than getting too hung up on the definition of the organisations that sit within the local and community definition.

CG suggested that a recent research report from UKERC/Edinburgh University regarding LA roles could prove useful.

Most people voiced agreement with selection of Swansea as an area of research which is helpful with its links to work package 2 of the Re-energising Wales project.

Discussion was ended due to time constraints.

**Action:** Those present were asked to send further suggestions and/or opinions on selection of LA areas and the terms of reference to Judith and Kate separately.

**Jodie Giles, Regen, Local Supply Models**

Slides from this session will be sent out with the meeting note. JG explained the objectives of local energy supply and where value can be sourced within local energy supply models, by focusing on several exciting models that at present could be most beneficial for community groups and others to adopt i.e. local generation tariffs, microgrids, peer to peer trading and the role of aggregators (along with a slide showing how thinking has been applied in practice).

OFGEM are currently trialling some of these models which are, in places, working outside the existing regulatory rules. Several key points included:

- There are community innovation trials on the network to make the system more equitable.
- The Brooklyn blockchain peer to peer model is operating on a private network and not a public network.
- The aggregator model was useful for balancing supply and demand at a local level. Storage is key.
- Is the Easton example used on the slides only viable for new build? We could use EU money to apply this model and trial it with existing build.
- OFGEM doesn’t like network leasing.

Regen are talking to lots of people around why local supply is important to them. The point was made that these types of local supply models need to target and support people in fuel poverty.

**An update from Charlotte Gibson, Welsh Government: energy targets, a call for evidence on shared ownership and the next steps for Welsh Government support for communities on energy**

CG gave some background to Welsh Government energy drivers and priorities, also touching on the recently announced renewable energy targets and where we are now in terms of meeting them (more information can be seen on the slides). Welsh Government’s Energy Generation report outlining data on energy generated in Wales will be out soon.

CG explained that WG is carrying out a ‘call for evidence’ regarding local ownership and this should be out before the December recess. WG may well hold a call for evidence event.

LA’s should be outlining renewable energy resource potential in their LDP’s. It was questioned whether we can be more strategic on energy planning through strategic development plans? It was noted that we might well have to go beyond strategic search areas to meet the targets. There will be a consultation on the National Development framework next year and planning policy is currently being reviewed. It was noted that EST are currently looking at projects that can be delivered without subsidy.

CD explained that the public sector was his area of expertise and that WG are currently looking at combining the Welsh Government support service into a single energy service combining public sector support, SME support etc. WG would be able to provide technical and specialist support and advice which could, for example, help with scoping exercises, helping to arrange PPA’s (how to secure long term revenue and ‘Welsh’ renewable electricity) etc. Presently the service is out to tender. The idea is to have technical project managers whose support will be on a sliding scale basis. The new service will operate from April 2018. CD also mentioned a public sector estate survey that may be beneficial to this WP4 stream.

AR made the point that in considering local ownership, we need to ensure that vulnerable people and those in fuel poverty benefit. AF questioned what was being done about grid and procurement to favour local groups? CG noted that WG were setting up conversations with the DNO’s to consider what could be done to meet the targets in terms of reinforcement and grid flexibility.

**Next steps**

The next meeting is likely to be April at which WISERD will be able to feedback on their findings and WG might potentially be able to feedback on the responses received to their local ownership call for evidence.