Ynni Cymunedol Cymru
Community Energy Wales

State of the Sector 2023

Just Transition to Net Zero Wales
Community Renewable Energy

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About the Research

The annual Community Energy State of the Sector (SOTS) report has been funded by the Welsh Government, and is the only SOTS Report within the UK to launch within 2023. The completion of the report analyses the activities of community energy organisations during 2022, comprising evaluative interviews with 37 participants across Wales, including site visits. These included 15 interviews through the medium of Welsh.

Importantly, the sampling sought to reach a range of organisations working in the Welsh community energy sector: from organisations working at different scales of generation or activity, to those organisations supporting a wide set of projects and outreach work. These ranged from individual community energy projects such as Ynni Ogwen and transition organisations such as Transition Monmouth, to those 'supportive scaffolding' organisations such as DEG (Datblygiadau Egni Gwledig), Ynni Teg, Energy Local, and Partneriaeth Ogwen.

With there being no major updates regarding new projects since the last SOTS published in 2022[1], the focus of this report has been to understand the positive impacts of existing projects, alongside the challenges that community energy organisations in Wales face in developing new projects in the current regulatory and market conditions. The overall findings indicate the breadth of work being completed within the sector extending beyond the core activity of energy generation. The report has drawn on detailed and qualitative interview data to bring together emerging themes and barriers related to all aspects of community energy, and Community Energy Wales (CEW) is grateful for the participants who took time to share their views about the status of community energy within Wales.

@CommEnergyWales

www.communityenergywales.org.uk

1 CEW State of the Sector 2022

About Community Energy Wales

Community Energy Wales connects, inspires and supports communities to lead a just transition towards a zero-carbon society.

Communities should be at the forefront of the transition to a renewable energy system.

Our members are a network of grassroots practitioners delivering energy generation, energy efficiency, low carbon community heating, community transport, and education and outreach projects.

We support communities to deliver their projects. We connect community organisations to share learning and best practice.

We inspire through leading innovative projects in partnership with our members so that other communities can learn from us.

Community energy is a great way for people to have a hand in the transition to net zero whilst lowering fuel bills, boosting the local economy, building a resilient community, educating local people, and building an asset base. Once up and running, community energy projects provide funds for communities, supporting a range of other local beneficial initiatives.

Community Energy Wales are the voice of the community energy sector in Wales. Our work includes influencing decision makers, promoting the work of our members and researching the sector to continue improving community energy.

Benefits can flow to communities from the development of community energy projects – but as an increasing number of community organisations are discovering, the journey from an initial idea to the realisation of a project can be fraught with frustration and delay.

Community Energy Wales supports groups to develop projects by:

- Fforwm Datblygu / Development Forum - a quarterly online forum where community energy groups can pool their experience and new groups can learn from established wisdom.
- Gathering evidence about where the stumbling blocks or barriers are that delay or prevent schemes from going ahead – be this access to the right kind of funding at the right time, regulation, planning and licencing issues or grid connectivity.
- Campaigning on behalf of the sector and influencing the formation of energy policy in Wales in support of delivering clear community energy targets.
- If you are an individual who wants to be an active supporter of community energy, you can join our RhanNi network.
- If you are interested in becoming a member (organisation), or joining RhanNi (Individual) please get in touch with us at info@communityenergywales.org.uk

Ynni Cymunedol Cymru
Community Energy Wales

Llywodraeth Cymru
Welsh Government

Executive Summary

Maintaining Resilience

2022 was a challenging year for the Welsh community energy sector. The continuing cost of living crisis, coupled with stubborn barriers ranging from early-stage funding, to grid capacity backlogs resulted in persistent uncertainties for both new and existing projects. Despite this, resilience remained strong. Community owned energy capacity increased by 6% from 2021, and 15 full time equivalent jobs were created throughout the year, a 10% increase on the previous year. Community energy organisations continued to create cost-savings through existing projects, and many provided targeted support in their operations in response to challenges faced during the year.

Sector Diversity

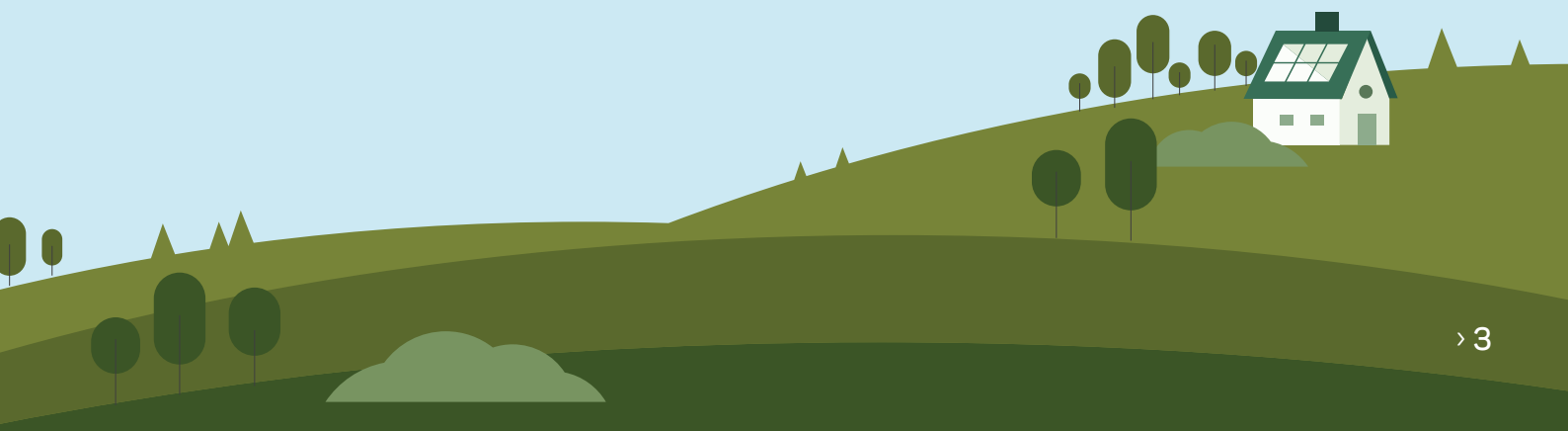
Within the context of reaching net zero, community energy organisations have a vital role to play. The community energy sector continues to occupy a broad range of interests, ranging from electricity generation, developing heat networks, providing low-carbon transport initiatives and tackling fuel poverty. In 2022, this extended to delivering energy advice workshops and energy saving measures that have helped to cut bills and reduce emissions, making a positive impact economically and environmentally.

Sharing the Benefits of Community Energy

Community energy projects have generated a range of community benefits. Community benefit funds have supported new job opportunities within the sector, created targeted interventions in alleviating fuel poverty and provided small grants to local organisations. The sector is ‘more than profit’ and so we will continue to work towards maximising community benefits by re-investing profits. Where we can, we will be taking advantage of larger-scale shared ownership projects by promoting community share offers which will enable people to benefit from electricity generation in their area as well as determine how best to invest community benefit funds.

Next Steps - Towards a Just Transition

Achieving the legislative goals set by the Welsh Government from the 2023 Review of Wales’ Renewable Energy Targets, which include having 1.5 GW of renewable energy capacity locally owned by 2035, necessitates a pivotal role for community energy organisations in working towards decarbonisation. This not only includes organisations expanding renewable energy capacity but also fostering local ownership and engagement across younger and older generations. To achieve this, Community Energy Wales is advocating for the development of a two-tier energy market that places community renewable energy at the centre of a ‘just transition’. This would incentivise locally produced energy generation, improve energy security and cost certainty and would ensure the expansion and support of community energy organisations for decades to come.



Headlines: Welsh Community Energy in 2022

- 36 active community energy groups based within Wales.
- 29.2 MW total of community owned energy capacity, a 6% increase from 2021 total.
- 2.9 MW of new electricity capacity installed during 2022, including 3 new solar projects.
- 160 FTE working across the sector in Wales, an increase of 15 FTE from last year.

Community Challenges

The backdrop to developments within the sector is the continuing cost of living crisis facing communities across Wales, and the persistent increased cost of gas and electricity. Community energy organisations within Wales play an important role in supporting local people and have continued to respond in a variety of ways. This includes donations to local foodbanks, and putting on energy efficiency workshops to help local people save money on their energy bills. Organisations such as Cwm Arian Renewable Energy (CARE) have also helped alleviate fuel poverty through their energy support service, and providing thermal imaging cameras to identify heat loss within houses and community buildings. It is still the case that the sector remains dynamic and responsive to how existing resources can be best used to support local communities.

Project Development

Many of the challenges faced in 2021 by community energy organisations persisted into 2022. This includes a lack of organisational capacity, lack of feasibility funding, and developing sustainable business models for projects. Furthermore, wider grid network availability being stretched has created a challenging environment for developing new community owned projects. The projects that launched within 2022 were limited to small scale solar projects, however, the diversity of the sector away from electricity generation remained prevalent. This includes organisations involved in low-carbon transport initiatives, tackling energy efficiency and fuel poverty, and providing community benefit funds offering targeted support to local groups.

Many community energy organisations took the opportunity to consider how resources could be most effectively used given the challenges faced by both the sector at large and local communities. There remain many projects currently in development at a larger scale, including the 33 MW Alwen Forest shared ownership scheme on the Conway/Denbighshire border, and the 30 MW Bretton Hall community owned solar development developed by Ynni Teg, situated on the Wales/England border.

Welsh Government

2022 saw a number of developments within the Welsh Government related to community energy organisations. This included continued progress towards the establishment of Ynni Cymru, a new energy company for Wales which will seek to put Smart Local Energy Systems at the heart of the energy system transition in Wales. A new renewable energy developer, Trydan Gwyrdd Cymru, has also been established to develop renewable energy across Wales, specifically onshore wind projects. Support remains for the development of new renewable energy projects from the Welsh Government Energy Service (WGES), for community and public sector organisations.

Welsh Policy Context

KEY TARGETS

2020	2021 - 2026	2030	2035	2050
At least **ONE** element of local energy ownership	**100 MW** public bodies and community enterprises	**63%** carbon reduction	**100%** renewables **1.5 GW** from locally owned renewables	**100%** emissions reduction

Net Zero Wales Carbon Budget 2 (2021 – 2025) [2]

- Reduce carbon emissions by 100% by 2050.
- Expand renewable energy generation by public bodies and community enterprises in Wales by over 100 MW between 2021 and 2026.
- 63% reduction in carbon by 2030.

Review of Wales' Renewable Energy Targets 2023 [3]

- 100% of Wales' electricity needs from renewable sources by 2035.
- 1.5 GW of renewable energy generation capacity to be locally owned by 2035.
- All new energy projects in Wales to have at least an element of local ownership from 2020.

In the context of the continued cost of living crisis, community energy has an important function in supporting local communities while meeting the legislative goals for net zero. Since 2022, and the last State of the Sector report[4], the policy context has evolved across both Welsh and UK governments, with implications for community energy organisations.

UK Energy Bill

The UK Energy Bill[5], passed in 2023 by the UK Parliament, was an opportunity to enable local communities to be embedded within a just transition to net zero, by enabling local energy trading, which is key to cutting bills and kickstarting community energy uptake. Instead, the UK Government plans to create a ten-million-pound England only fund over two years to fund feasibility studies and community energy start-ups. Both Community Energy Wales and Community Energy Scotland have made interventions to ministers to highlight the missed opportunities of this bill for communities across the UK, and to question the funds being limited to England-only. Financial and logistical support for the community energy sector remains consistent and encouraging from the Welsh Government.

2 Net Zero Wales Carbon Budget 2 (2021-2025) (21st October 2021) | GOV.WALES
3 Review of Wales' Renewable Energy Targets 2023 (14th July 2023) | GOV.WALES
4 CEW State of the Sector 2022
5 Energy Act 2023

Future Grids for Wales

The 'Future Grids for Wales' Report[6], published in July 2023 by the Welsh Government presented a series of recommendations for both the Welsh Government and for wider energy system networks regarding the changes required in the grid to meet Net Zero, and how the Welsh energy system is developed and operated. Recommendations include investment in network reinforcement to accommodate increases in electricity demand from decarbonisation around 'peak' times, scaling up renewable deployment to 18.2 GW in Wales by 2050, and addressing barriers to decarbonisation within industry. Grid constraints will only increase if there is no reshaping of the current energy system to accommodate increases in supply. The report advocates for the Welsh Government to take a leadership role in accelerating decarbonisation, and to work together with network organisations across the UK to ensure Wales is not left behind in reshaping energy systems for the future.

Wales Heat Strategy

The Welsh Government are in the process of consulting on a national heat strategy for Wales[7], as part of the overall goal of meeting net zero emissions by 2050. 50% of the total energy use within Wales is tied to heating, therefore creating a targeted strategy is an opportunity to bring the public sector, industry and households together to transform heating across Wales. The current consultation involves identifying several areas of change required up to 2050, including the phasing out of gas boilers, reform of power network planning, supporting delivery of local area energy plans addressing heat decarbonisation, and engagement with the UK Government on UK-wide issues, such as the potential role of hydrogen for heating. CEW has encouraged community energy groups in Wales to contribute to this consultation, advocating for the critical role of these groups as part of the move towards a 'just transition', and for developing low carbon heating opportunities to provide a local response to community energy needs.

Preparing Wales for Renewable Energy 2050

The National Infrastructure Commission for Wales have provided a set of recommendations[8], focused around a long-term strategy and action plan for meeting net zero by 2050.[9] Recommendations with relevance for the community energy sector include measures to streamline planning decisions on renewable energy applications, increased resources and technical capabilities to local authorities to implement local area energy plans (LAEPs), and further facilitation for community energy organisations to engage in this process. Moreover, the report advocates a 'renewable energy bill' to secure increased community ownership of renewable energy, recognising the particular challenges faced by community energy projects in comparison to commercial projects.

6 Future Grids for Wales (14th July 2023) | GOV.WALES
7 Heat Strategy for Wales (16th August 2023) | GOV.WALES
8 Preparing Wales for Renewable Energy 2050 (16th October 2023) | National Infrastructure Commission Wales
9 An independent, non-statutory, advisory body to Welsh ministers

Barriers

There are many barriers frustrating the progress of community energy schemes. These include price volatility in the energy market, increases in construction and grid connection costs and uncertainty over future UK-wide energy legislation. These barriers impact on both existing schemes and, in terms of planning, future community energy schemes. Emerging themes are:

> *"But the biggest barrier for me is the fact that small-scale renewable energy projects aren't often viable just on their own, in their own right. So you either have to be very lucky and have a cheap grid cost, or you can connect directly to a big energy user or something like that to have projects that are financially viable... But, obviously, the bigger the projects, the more money is at risk and the more money you need to find, so that's challenging.*

Funding and long-term planning

- The viability of developing new energy projects has been affected by changes in UK Government policy (e.g. removal of the feed in tariff) and fluctuating funding and market subsidies (e.g. removal of EU funding).
- Community energy groups are not able to easily sell the power they generate to local consumers, due to barriers in regulation.

Infrastructure

- Barriers related to existing infrastructure are clear across the sector, with limitations on grid capacity and scale-up potential of projects being prevented due to connection challenges and limitations.
- These constraints are tied to the timescales for available grid capacity, combined with lack of a clear strategy to increase grid capacity to meet net zero targets, and uncertainty as to how the persistent backlog for new grid connections will be tackled.
- While additional generation can be produced from existing schemes, there are limits through constraints such as export limitations.

"And we're all saying, "Well, there's one big constraint, and that is grid, grid, grid and grid." And hundreds of megawatts of physical capacity for renewables in Mid Wales, but you can't get the power out. And until that happens, it won't happen...You know, it's got to happen. If they need to meet their carbon targets by replacing fossil fuels for electricity generation, we've got to have strong grid in the places..."

Outreach and awareness of community energy projects

- Many organisations expressed frustration with the difficulties in explaining the benefits of community energy to those who are not already engaged with the sector. This comes down to time and resources.
- There have been difficulties in defining the boundaries of 'community energy' and ensuring that language and terminology used in promotional materials is accessible to wider audiences, e.g. 'retrofit' schemes.
- Local groups want to be able to make the clear linkages between the projects delivered through community benefit funds to the community energy schemes themselves. Local energy trading would enable this.
- More resources are needed to optimise the way community benefits are distributed and administered.
- The sector is heavily reliant upon volunteers to deliver all aspects of its work.

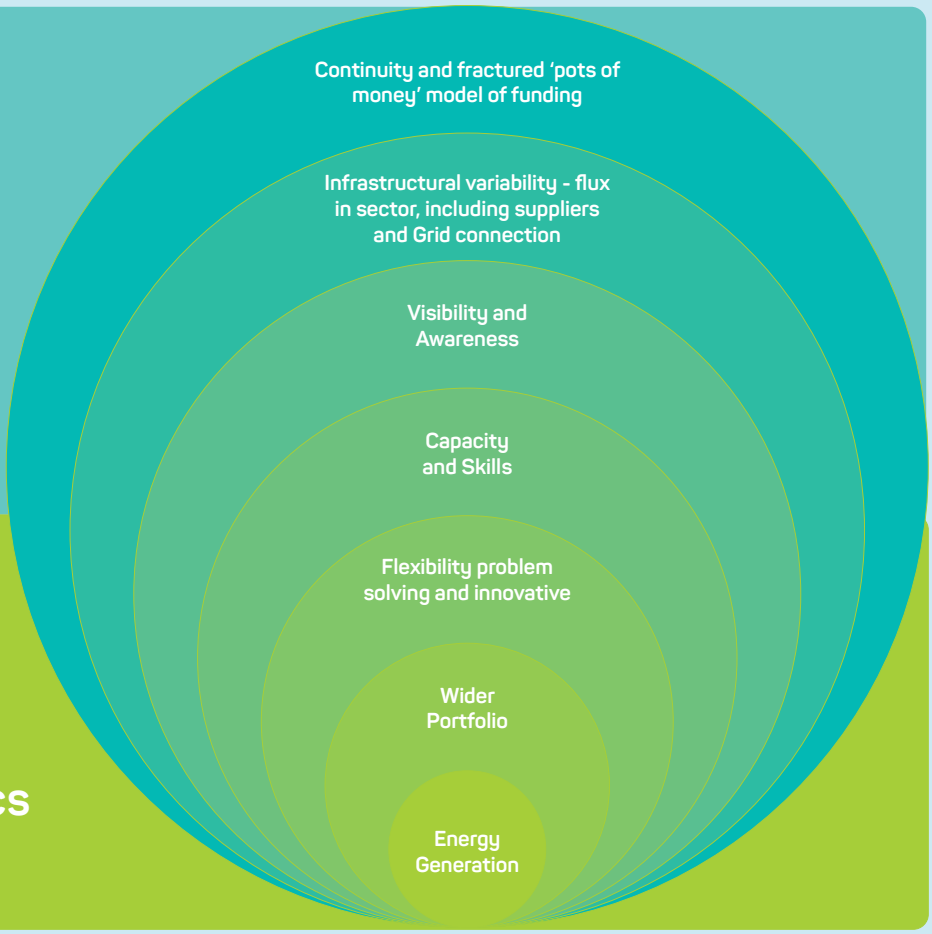
"when people think of community energy and having those discussions and the discussions we've had in our local community, or when people ask us about our project, it's like, "Oh, is the electricity going to the community?" And it's not, but it could. So that's what everybody's perception is. And so with all the power for the people thing, it could, but we're missing that at the moment. So that's a nut that needs to be cracked".

Welsh Community Energy Sector:

Barriers

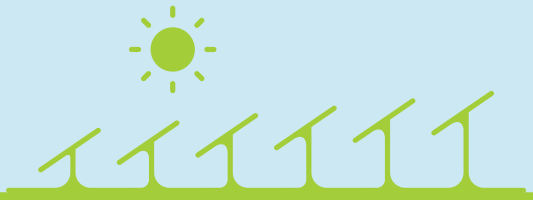
Welsh Community Energy Sector:

Characteristics



"because we are so project-focused, what we haven't got capacity for at the moment is to administer the proper distribution of those funds, if you like, because, as you know, some of the community energy organisations are well set up on that side of things. They're doing a lot in terms of community benefit. I have to say that we are not proactive in delivering community benefit. And that's a weakness, I think. It's partly because the way we were set up and what we were assumed to do, which is essentially to support other organisations in the sector to deliver their community benefit".

Electricity Generation



2.9 MW NEW SOLAR PV INSTALLED IN 2022

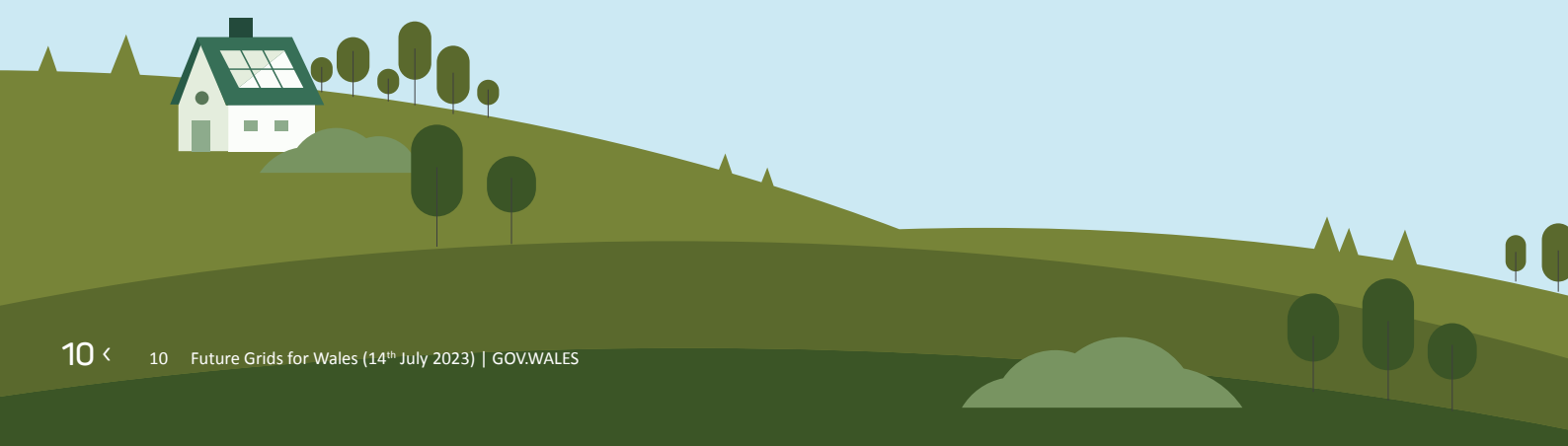
Electricity generation remains challenging for Welsh community energy organisations. In 2022, focus primarily shifted towards solar PV installations, with nearly 100 kw of supply added. A significant portion, 90 kw, was spearheaded by Egni Co-op. While electricity prices surged due to market volatility during 2022, the windfall surpluses generated have not propelled new electricity generation initiatives. Instead, the surpluses have been used to repay initial project investments, or to bolster community benefit funds. Some organisations have halted all new projects and funding applications to cover costs associated with existing schemes.

The barriers identified in the 2022 State of the Sector report persist, exacerbated by the removal of feed-in tariffs and the struggle to secure long-term funding for new projects. Reasons for projects stalling include limited time and staff resources, despite efforts to build up capacity and developing viable business models. For example, the high costs linked to abstraction agreements and connection charges serve as initial barriers to the development of new electricity generation. Current market and regulatory conditions remain persistent obstacles to launching community energy projects, hindering the scale and pace of decarbonisation.

"But it seems to be that the generation is dropping almost year by year. And I mentioned last year there was five months with no generation at all. But, yeah, and that's a real problem. I mean, it's a problem for us cooperatives who did our assumptions based on 2015 rainfall data. Last year for us was about 65% of 2019's rainfall. So that's two-thirds, and that makes a massive, massive difference."

"If they gave us enough money for our power, we'd be okay. But then if they give us enough money for our power, then the consumers have to pay too much. So there has to be efficiency savings to make it work; otherwise, it just doesn't work. It's a bit dangerous at the moment 'cause this lump of money we're going to get from the sort of falsely inflated PPAs is going to make it look as if it's doing much better than it actually is."

Erratic weather conditions that curtail generation is another challenge, evident in differences between operational yield and original project forecasts. Grid capacity and connection backlogs were significant barriers to generating additional power. Although the regulation and planning of the grid are not devolved, the Welsh Government are attempting to develop the energy system changes that are within their power to meet decarbonisation targets.[10]



Case study

Gower Power

What is the project?

Gower Power is a community benefit society made up of 44 individual members, all of whom live in or around Swansea. The society is a part of Community Energy Together (CET), a collaboration between five community energy groups in England and Wales to enable the transfer of seven currently operational solar farms into community ownership. Gower Power has developed several other community energy projects, including co-founding Wales' first community-owned solar farm, and also one of the UK's first local renewable energy tariffs in a consortium that also involves Ecotricity. Alongside selling green electricity to the grid, the consortium project, now called Gower Electric Co, has a solar storage facility which produces a quota of electricity to be sold to customers in the Swansea area, delivering discounted locally produced energy whilst also providing other community benefits through a small grants programme.

What is the impact?

Gower Power's renewable energy generation has contributed significant social and economic benefits across Swansea. After converting from a Community Interest Company (CIC) to a Community Benefit Society (CBS) in 2023, Gower Power successfully raised a share offer to purchase Brynwhilach solar farm as a community owned project. Operational since 2017, the solar farm generates 4.8 GWh per year, with a total installed capacity of 4.99 MW, and is generating enough electricity for the equivalent of 1,650 households. Gower Power is currently on track to put over £8M of renewable energy assets into community ownership across 5 projects by the end of November 2023. Over £55,000 of surplus funds from Brynwhilach have been used for local and environmental benefits within Swansea, such as supporting Cae Tan CSA's Sustainable Schools programme, and 'Cocoon', a community wellbeing outreach project. The solar farm will help to save over 45,000 tonnes of CO_2 over its lifespan. The share offer will provide around £2.7M over the next 23 years to fund new renewable energy projects and community initiatives. Other community energy projects Gower set up previously will also continue to spill out further community benefits.

"We want to go for a big solar project, the roof over there, which is over 20 kilowatts with a lot of solar panels, it's possible it could be a problem in the valley with having a grid connection, which is so expensive, so it might not be feasible for the project, right? This is common all over the country, isn't it? Great Britain needs to be rewired, to be honest. That's the truth".

Shared ownership

Welsh Government set an expectation for all new energy projects in Wales to have at least an element of local ownership from 2020, emphasising the need for renewable energy developers to work with the communities hosting projects to ensure that as much benefit as possible is retained. Guidance has been published by the Welsh Government on local and shared ownership of energy projects, including a template for the recommended collaborative benefits report.[11]

Community Energy Wales has a key role to play in facilitating this, and after a slow start, we are seeing a growing interest from developers wanting to deliver this policy objective. Where they already work together with local community groups, there are mutual benefits to both. For example, Awel Aman Tawe are in the process of delivering the Y Bryn onshore windfarm near Port Talbot, with a cooperative model allowing local investment and community benefits from the profits of the scheme. Community Energy Wales is working with RWE Renewables on the Alwen Forest 33 MW wind farm and has established a new Community Benefit Society, Ynni Hiraethog, to be the counterparty. In these front-running projects, developers are finding that the support of local stakeholders in all stages of consultation is improving the quality of engagement, while communities are securing the opportunity for increased economic benefits.

Shared ownership presents a number of challenges for all parties. Beyond the guidance provided, much work is needed to develop a range of suitable commercial models to demonstrate value to decision makers, ease access to finance, and resolve commercial and governance barriers. To support this, Community Energy Wales has launched a working group on shared ownership, bringing together our members who are commercial developers with community energy groups to share knowledge and information, tackle barriers, and develop best practice. The wider aspiration is that the relationships built will yield benefits from the skills and capacity of the developers around further local decarbonisation activities and projects.

The launch of the renewable energy developer, Trydan Gwyrdd Cymru, expected in April 2024, alongside existing support from the Welsh Government Energy Service (WGES) and Ynni Cymru should help to improve understanding and bolster efforts to expand shared ownership projects in the coming years.

> ***"I think the whole shared ownership stuff really. You know, where there's not an obvious group to kind of take it forward that, you know, Community Energy Wales kind of acts as the counterparty. And I think that's a real opportunity for Community Energy Wales as well, but it's also potentially a way of developing the whole sector in Wales 'cause, ultimately, those projects could be - well, they will be separate coops, or they could be transferred to other organisations or whatever further down the line. But it needs a credible partner for the developers to engage with."***

11 Local and shared ownership of energy projects: guidance | GOV.WALES

"Just transition is the key bit, isn't it. What does that mean? I'm assuming that means that's about shared ownership, public ownership, local ownership, fair and equal access to the ownership, something that spreads the benefits of, you know, whatever's happening in the energy market in Wales that the benefits that are accrued from that, and I guess we're largely talking - if we assume that the environmental benefits are going to flow regardless of who develops the projects, the main thing then is will the financial benefits be spread more widely, or will they just be focused in a few large-scale corporate interests? And that's what we don't want to see."

Case study

Alwen Forest

What is the project?

Alwen Forest is a proposed wind farm scheme situated in working forest managed by Natural Resources Wales on the Conwy-Denbighshire border, adjacent to Llyn Brenig and the Alwen Reservoir. The location was identified as one of seven areas across Wales which would be suitable for wind farm installations. The wind farm is proposed to include nine turbines and will deliver up to 33 MW of energy. The proposal is being developed by RWE Renewables, who partnered with Community Energy Wales to tender for the lease issued by Natural Resources Wales, showing early commitment to the shared ownership aspiration.

What is the impact?

RWE resourced Community Energy Wales to take part in local consultations, with up to 15% of the project available for community purchase. Community Energy Wales have established a Community Benefit Society, Ynni Hiraethog, which will raise the investment through a community share offer. Ynni Hiraethog's share of revenues will be put towards local projects, under the leadership of a board of local directors. Alwen Forest is an early example of how renewable energy projects can be taken forward which not only produce clean energy for the grid, but where local people have a direct stake in the distribution of profits from the scheme.

Heat

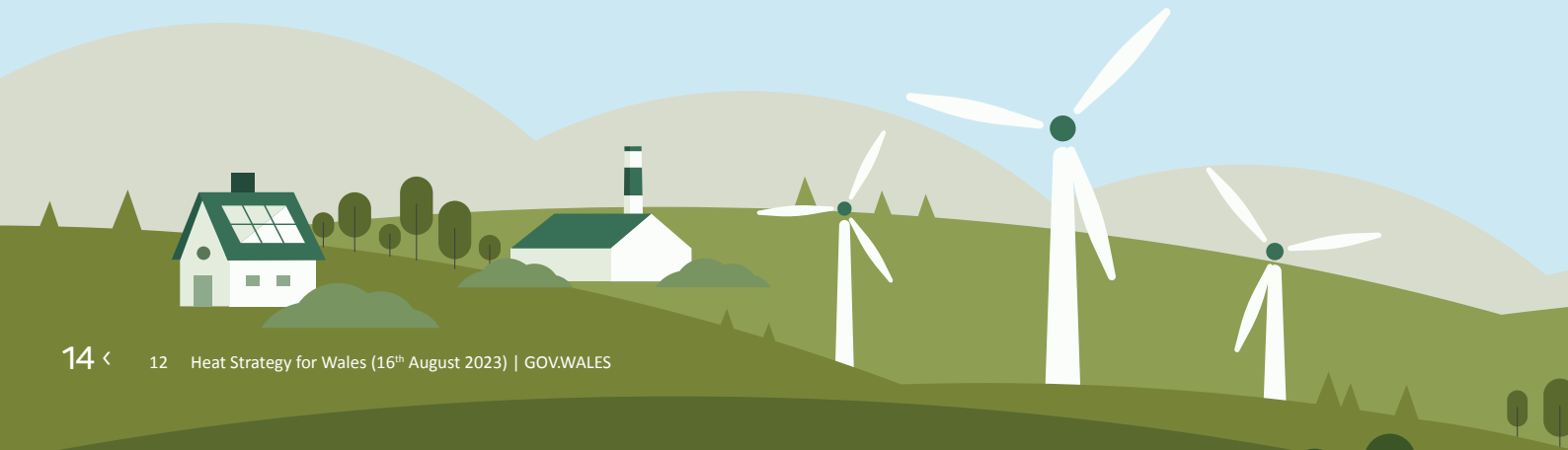
Renewable heat generation has a vital role in reducing reliance on gas for heating. The development and expansion of renewable heat networks will be essential for meeting decarbonisation targets and will need to be utilised alongside home energy efficiency measures including whole-house retrofit schemes, and policies which tackle fuel poverty. A community approach will support more successful public engagement and participation, and has potential to add significant value by unlocking more new distributed and community owned renewable generation projects.

> *There's a public attitudes tracker thing, a lot of people haven't heard of the word retrofit, which makes sense. Like what's an air source heat pump. And before you can participate and benefit, you need to be aware of it."*

Heat generation projects remain challenging to develop across all sectors. Many people have yet to be convinced of the merits of investment and are unaware of the benefits that heat networks can bring, especially for off-grid communities. Perceptions that heat networks won't work, especially in Wales, where many places are sparsely populated, are persistent. Moreover, the lack of a targeted heat generation strategy for Wales exacerbates the challenges faced by groups trying to progress projects.

Some progress is being made towards long-term planning for heat generation in Wales, including the Welsh Government's consultation on a national heat strategy.[12] Community Energy Wales has established a Low Carbon Community Heat working group to foster collaboration between the various organisations with an interest in renewable heating systems to share knowledge and tackle the barriers. This group works with counterparts in England and Scotland to facilitate cross-nation learning on community heating. Community Energy Wales has also been a partner in developing a feasibility plan for a "Community Energy Service Company" model incorporating retrofit, heat networks, smart local energy trading and new generation, funded by UKRI and including Gwynedd County Council, Energy Local, and Partneriaeth Ogwen as partners.

> *"One of the challenges is that there are no clear models for community heating plans, no clear business plans at the moment."*



12 Heat Strategy for Wales (16th August 2023) | GOV.WALES

- In Wales, heat equated to less than 1.5% of community owned generation in 2022 (State of the Sector Report, 2022), despite heat equating to 40% of overall energy consumption.[13]
- Overall, total renewable heat capacity equates to 742 MW (Energy Generation in Wales Report, 2021), providing an estimated 2.42 TWh in 2021, (this would be the equivalent of 6.5% of use in 2019). Most of this heat use is for domestic use (61%) with a significant amount of heat also used in industry (31%).[14]
- There are an estimated 454,000 homes in Wales off the gas grid, equating to 33% of homes, many relying on gas, LPG, or electric systems for heating (https://www.nongasmap.org.uk/), with Ceredigion being the most 'off-grid' county, with 82% of homes off the gas grid.
- There is a strong correlation between areas that have low numbers of homes connected to the gas network and higher average energy use. The fluctuating and increasing price of LPG and oil also means that homes off the gas grid are more vulnerable to fuel poverty.

Case study

Ynni Cymunedol Twrog

What is the project?

Ynni Cymunedol Twrog are a social benefit company comprised of members of Blaenau Ffestiniog, Trawsfynydd, Gellilydan, Maentwrog, Penrhyndeudraeth, Llanfrothen and Talsarnau community and town councils. They have come together to identify and develop opportunities in the renewable energy field, and their aim is to secure management of local energy assets through community ownership. This includes campaigning for the Maentwrog Waterpower plant in Gwynedd to come into local ownership. They have worked with local enterprises, such as The Green Valleys, ShareEnergy, EGNIda and Innovation Gwynedd Rural, alongside the Welsh Government Energy Service, to engage with and develop plans in the Gwynedd communities for community energy projects involving hydro and solar opportunities.

What is the imapct?

Ynni Cymunedol Twrog, alongside Cwmni Bro Ffestiniog, Gwynedd Council, Grŵp Cynefin, ADRA and Y Dref Werdd have convened a steering group since 2021, organising feasibility studies for delivering small scale heat networks in Tanygrisiau, to move towards zero-carbon heating supply and ensure local involvement in heating infrastructure. Ynni Cymunedol Twrog recently received additional funds from WGES to further explore these opportunities.

Also within Gwynedd, a Pioneering Places project funded by UKRI, involving Gwynedd Council, Energy Local and Ynni Ogwen has received funding to develop Community Energy Service Companies with heat as a service in Blaenau Ffestiniog and Dyffryn Ogwen areas.

13 Energy use in Wales 2022 (29th June 2022) | GOV.WALES
14 Energy use in Wales 2022 (29th June 2022) | GOV.WALES

Energy Demand

Work on Local Area Energy Plans (LAEP) is progressing in every Local Authority in Wales, and these plans should be adopted in 2024. Community energy organisations must be a key driver for balancing supply and demand through smart local energy systems, and, more broadly, reducing overall energy demand. There is continued commitment from community energy organisations to enable people to cut their bills through 'smart' consumption. However, the ambition for bringing the community energy sector into the heart of the Local Area Energy Plan process has had a low level of success, and further work will need to be done to connect LAEP ambitions to the power of the community sector to secure the intended outcomes.

Consumers should be able to regulate their consumption based on data and the use of smart meters. 'Energy Local' uses an electricity provider to make lower tariffs available for electricity consumption during periods of low demand. There are numerous examples where users become more aware of when they use energy throughout the day and adjust their consumption accordingly. Home electricity demand reduction should not be treated in isolation but should be part of a holistic approach to decarbonisation that encompasses other forms of an individual's energy use, such as heating and transport.

Community energy organisations recognise smart local energy systems as being critical to achieving net zero emissions. Initiatives like Energy Local have shown the effectiveness of managing local supply and demand. Local trading in a two-tier market, something Community Energy Wales sees as essential if we are to make a just transition to net zero, has the potential to drive behaviour change in reducing overall energy demand and shifting time of use away from peak demand times, reducing pressure on grid and storage infrastructure. Local energy trading would place local generation and consumption at the forefront of energy systems. This creates a dynamic environment where consumers actively participate in and benefit from the transition to cleaner, more sustainable energy practices.

> ***"Simplistically, if you've got local generators at 11,000 volts and they connect to the main transformer that the town takes its supplies from, then you're not using the grid, so you shouldn't pay that element of transport cost for power that involves the grid...So provided you can get the right mix of PVs and wind to match future projections of the economy, then you should be able to decarbonise using an Energy Local approach. Well, particularly as you can offer higher PPAs whilst also saving the consumers – it looks like – 20 to 25%."***

Case study

Energy Local Corwen

What is the project?

Energy Local Corwen is a community project that, by helping match electricity use with power from the local hydro energy project, helps to control electricity bills. Households club together to consume local clean power as it is generated. The community owned hydro receives more than a standard PPA (power purchase agreement) but households pay less. Financial surpluses from the hydro are 'channelled back and retained' into worthwhile community projects. The Hydro project has a 40-year lifespan and is estimated to generate £1.2 million over the course of its life, of which £120,000 will go directly to benefit the local community. Energy Local has designed a local market via Energy Local Clubs, where there are currently six active clubs across Wales with more developing.

What is the impact?

> *"helping people, generating more renewables, community-owned renewables, which obviously then will benefit the community"*

Surveys of 62 members of Energy Local Corwen revealed the positive impact of the scheme. There were substantial cost savings to users, with annual electricity bill reductions of up to £300 per household. 97% of respondents stated that they had modified their electricity habits to some extent because of the scheme, while over 70% highly valued the project supporting the local community. Beyond these benefits, the programme serves an educational purpose by actively engaging users in the process of aligning energy supply with demand, thereby facilitating more efficient management of the electricity network.

Low Carbon Transport

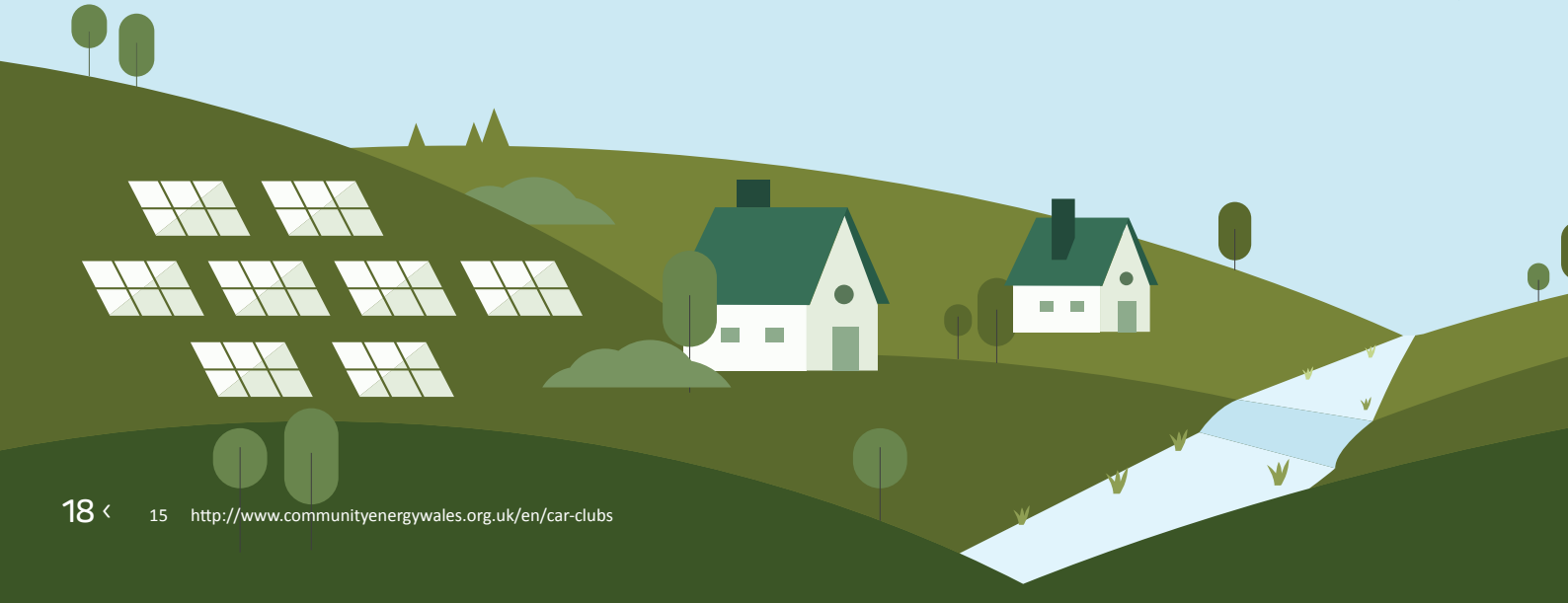
COMMUNITY ENERGY ORGANISATIONS INSTALLED 6 CHARGE POINTS IN 2022, BRINGING THE TOTAL TO 19

7 ELECTRIC VEHICLES HAVE BEEN PURCHASED FOR COMMUNITY CAR CLUBS, BRINGING THE TOTAL TO 18

"we did look at the possibility of putting an EV charger on the turbine, but we thought is there actually a point? People around here are relatively poor and won't be buying EV anyway".

There is a mixed picture regarding low carbon transport activities. Several projects have demonstrated success in fostering sustainable, community-based transport options. Many low-carbon transport projects are supported by community benefit funds from energy generation, intertwining decarbonisation measures across sectors. The Charge Up Wales project, supported by the National Lottery Community Fund[15] is developing electric vehicle (EV) community car clubs and a network of charge points. Charge Up Wales is increasing electric vehicle capacity across Wales in a way which will benefit many communities. These car clubs address pressing issues like social isolation by improving accessibility to essential services in rural areas and for those with limited financial means. Car clubs also aim to reduce the actual number of vehicles on the road.

"We are now heading into our second year with the Bws Ogwen scheme. Bws Ogwen is a community electric bus. A bus that during the tourist season transports visitors from Bethesda up to Llyn Ogwen and onto Capel Curig now too. The idea behind that is to create community benefit and economic benefit for Bethesda's high street. But obviously, it's also environmental. It's an electric bus, and it reduces carbon emissions in the national park. So that's a WEFO money project that funded the community bus. Outside the tourist season, it is used by the school to help schools, sports clubs and for socialising. We also do shopping trips for the elderly. So, there is community use for that resource beyond the tourist season."



15 http://www.communityenergywales.org.uk/en/car-clubs

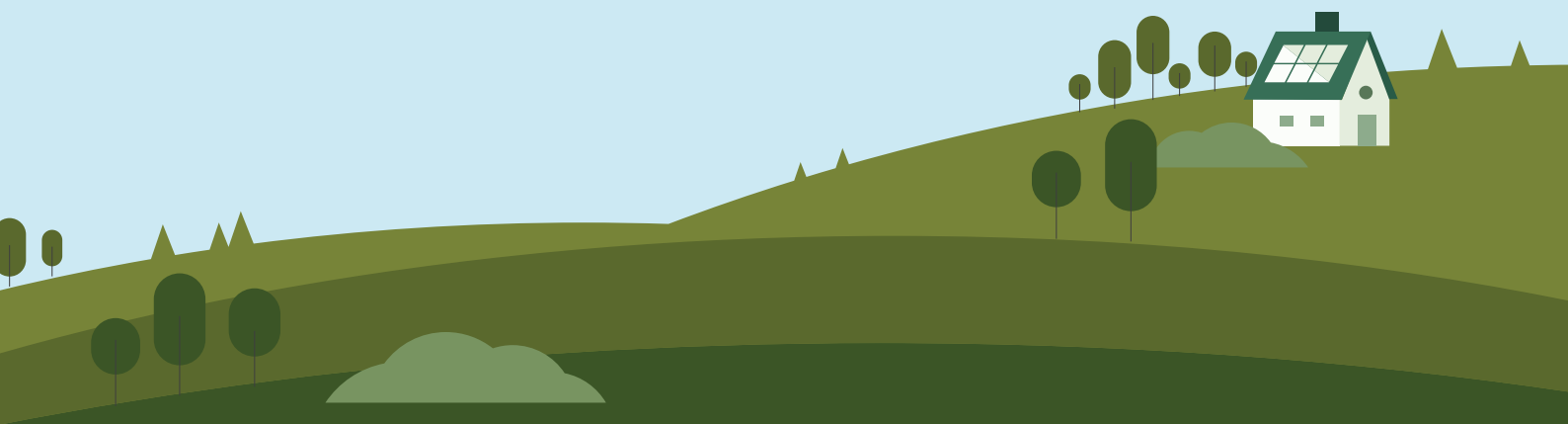
"where we're going is, I call it EV fuel poverty too because I don't have anywhere to charge, so I'm not getting a car. Yeah, but they're not going to produce cars that aren't EVs anymore. Oh, I won't be able to have one".

Organisations seeking to develop new community transport projects face numerous barriers ranging from a lack of community support, the cost of electric vehicles not being feasible to local users, to the cost of insurance. The need to include local communities and communicate the aims of the low carbon transport projects was clear.

Wales has seen a small reduction in carbon emissions from transport since 1990. There are ambitious government targets to transform travel in our communities. Their aim is to reduce the number of car miles travelled per person by 10% by 2030 and to increase the proportion of trips by sustainable travel mode (public transport and active travel) to 35% by 2025 and 39% by 2030.[16]

Using electric vehicles alongside other low carbon transport options is critical to reducing emissions in the long term. Ensuring the infrastructure is in place to support low carbon transport measures will contribute to behaviour change. Furthermore, increasing financial support for organisations spearheading community-based transport projects is essential to accelerate the adoption of sustainable transport solutions.

" We sent out questionnaires, and there didn't seem to be support from the local community council either (for joining an EV car club) ...but there's nothing worse than imposing something on the local community and it's not used, and that really looks stupid. So, yeah, we want to do it properly."



16 Net Zero Wales Carbon Budget 2 (2021-2025) (21st October 2021) | GOV.WALES

Case study

Beics Ogwen

What is the project?

Beics Ogwen is a project of Partneriaeth Ogwen, a social enterprise based in Bethesda, Gwynedd. The project promotes active travel and is focused on promoting cycling as part of reducing carbon emissions and increasing the accessibility of cycling to the local community within Bethesda. Beics Ogwen is a part of Dyffryn Gwyrdd, which is a project focused on sustainability and the environment, and addressing different types of poverty across Gwynedd. Both projects are administered by Partneriaeth Ogwen, and have received funding from the National Lottery Fund and the Welsh Government.

What is the imapct?

With an Active Travel grant from the Welsh Government, a Co-ordinator was appointed to the Beics Ogwen project - a project to promote the use of bicycles. A small fleet of electric bikes was purchased for hire. The electric bikes have been hired by tourists as well as local people and their use promotes health and well-being. A large part of Beics Ogwen's work is the development of the bicycle workshop, where members of the community drop in to learn how to maintain and repair bicycles. Since the start of this Active Travel project, 139 people have attended cycling for well-being sessions, including 26 who attended accessible cycling sessions. Bike repair events at the workshop were attended by 70 people and 68 borrowed bikes for a combination of commercial and recreational purposes. Many of those who borrowed electric bikes have gone on to buy an electric bike. A total of 15 volunteers have contributed time and expertise to the project.

"By having a store of electricity and dumping it on the grid at certain times, you get a premium for that electricity. Like, you know, when everyone comes home and puts a cup of tea on, if there's some issue with the grid elsewhere, the grid can draw more electricity from the battery. So there's basically a complex grid services agreement with Ecotricity, who manage that and maximise the value of electricity."

Social and Economic Impacts

18 NEW JOBS CREATED IN 2022 – 160 FTE ACROSS COMMUNITY ENERGY SECTOR IN WALES

There is a deep sense of pride in the social and economic impacts of projects within communities from the membership of Community Energy Wales. Benefits from their work extended beyond energy projects to include skills workshops and education provision covering a broad spectrum of topics, ranging from budgeting and energy efficiency to heat loss surveys. For example, the Energy Warriors project by Egni Coop works with the charity Energy Sparks to engage and enthuse school pupils to take action on climate change.

"What are we doing about the cost-of-living crisis? How are we going to help people?" We looked at it and thought, right okay, so it needs to be something where we can act pretty quickly. So we just decided to give a contribution to the Carmarthen food bank and to Shelter Cymru. We put £6,000 into the food bank and £4,000 to Shelter Cymru, as well as our regular sort of £3,000 or £4,000 that we pay to the community council."

Community energy organisations are empowered by the autonomy given through these projects that place community interests first, rather than those of corporate energy suppliers. This was evident in the widespread support for bilingual communications about reaching net zero, and the potential for a just transition placing local interests first. The rising costs of electricity led to increased profits for community energy generation in 2022 and saw the creation of eighteen new jobs. These include six jobs at Awel Aman Tawe, with examples across the sector including Engagement Officer, Operations Manager, and Energy Wardens.

In addition to the deployment of community benefit funds during the year (as detailed on pages 26-27), there were concerns expressed about where the costs associated with the transition away from fossil fuels will fall. Decarbonisation must enjoy support from people in all communities as opposed to being driven chiefly by corporate or business interests and external stakeholders. The need to learn from past mistakes was underlined. The environmental and economic consequences that people in former mining areas continue to live with cannot be repeated. The transition to net zero must ensure that the economic impacts both include, and uplift Welsh communities.

"I'm passionate about it because I don't want people to think they have to go to Cardiff or further in order to have an interesting and meaningful life and feel that they are doing something of value, important to their communities or regarding the environment. And I feel that a lot more young people want to work in the environmental sector because they are more aware of all the problems to do with climate change. I believe that people are actually looking to work in the sector. So I've been sending in grant applications, basically, in order to create new jobs in the county"

Case study

GwyrddNi

What is the project?

GwyrddNi is a partnership between six social enterprises from different parts of Gwynedd - Datblygiadau Egni Gwledig (DEG), Partneriaeth Ogwen, Siop Griffiths in Dyffryn Nantlle, Cwmni Bro Ffestiniog, Cyd Ynni, and Ynni Llŷn. GwyrddNi believe that the best people to shape the future of a community are those who live there; people who know their locality, their neighbours, the history of the area and what its main needs and strongest assets are.

The partnership came together and secured a grant from the National Lottery Climate Action Fund for £562,315 in 2020 for the first phase of the project, and were also successful in the second phase, to facilitate Community Climate Assemblies within the five communities over a period of two years. A Community Assembly is a process that brings people together in their communities to listen, learn, share, talk and plan, before agreeing on recommendations or actions as a response to a central question. The central question of the GwyrddNi gatherings was 'How can we in (Local Area) respond locally to climate change?'. An educational programme to go alongside the assembly process ensured that children and young people were able to participate in the process as well. GwyrddNi have recently been successful in obtaining second phase funding from the Climate Action Fund to start working on the Assemblies' co-created Community Climate Action Plans and continue with the education programme for another 4.5 years.

Impact of Phase 1

- **430 adults and 154 organisations were part of the overall engagement process**
- **182 adults followed the GwyrddNi gatherings tour from start to finish**
- **613 pupils took part in the GwyrddNi Education Programme**
- **5 Community Climate Action Plans were drawn up**
- **27 community groups were formed to start operating locally**

"I think what we're quite good at doing is combining the environmental and the community. So our projects kind of bring community and environmental benefit together. And in the case of the bus, it's in our economic interest as well."

Energy Efficiency and Fuel Poverty

According to Welsh Government's headline figures, 14% of Welsh households are in fuel poverty, with a further 11% at risk.[17]

"Some communities still burn coal to keep warm, just like they did 200 - 300 years ago. We really haven't moved on. My concern is that 'worst first' isn't on the agenda anymore, that they've forgotten about the rural areas."

"Prepayment meters and poverty, they go hand in hand."

Overall, the huge energy price hikes for Welsh homes over winter 2022-2023 meant a shift in focus for many community energy projects, with families across the country forced to reallocate a larger share of their income to pay their energy bills. Organisations offer services that focus on actions with the greatest gains such as draught-proofing and insulation. 2022 saw a surge in applications to funds to help stop homes tipping into fuel poverty. One project alone (Y Dref Werdd) helped over 2,000 people apply for financial support.

"And if you install new heating systems in people's houses, people come back afterwards and do some kind of retrofit. You just want to get it all over with instead of people coming and going and doing work on the house over a long period of time."

Established community energy projects look to Welsh Government's Renewable Energy Deep Dive[18] and its ambition to "scale up resources to support community and local renewable energy in Wales" that specifically promises to include vulnerable groups. For example, the opportunity to use funds saved from efficiency gains and high energy prices to help those most in need, and many houses across Wales – especially in rural areas – retrofitted. The process and complexities of retrofitting have been highlighted, as has the need for adequate insulation and draft exclusion prior to the installing of heat pumps. There is little general understanding as to what retrofitting involves, which is a barrier to development. Some rural communities have up to 50% housing stock without mains gas due to "viability issues", which further exacerbates fuel poverty.

"we've been going around people's houses sticking a large fan on an external door, depressurising the house when the weather is cold and then going around the house with a thermal imaging camera to see how it's performing"

Many project members are also seeing how their work has had to expand to cover a range of new situations

17 Fuel Poverty Estimates Wales (2nd November 2022) | GOV.WALES
18 Renewable Energy Deep Dive (8th December 2021) | GOV.WALES

where their help is required. The high energy prices have resulted in community energy schemes helping with paying bills, providing support with grant applications and in some cases providing survival essentials. Some schemes have donated shares to community groups so they can use the profits as they see fit, and others have warm areas where those worried about heating costs can keep warm.

Case study

Cwm Arian

What is the project?

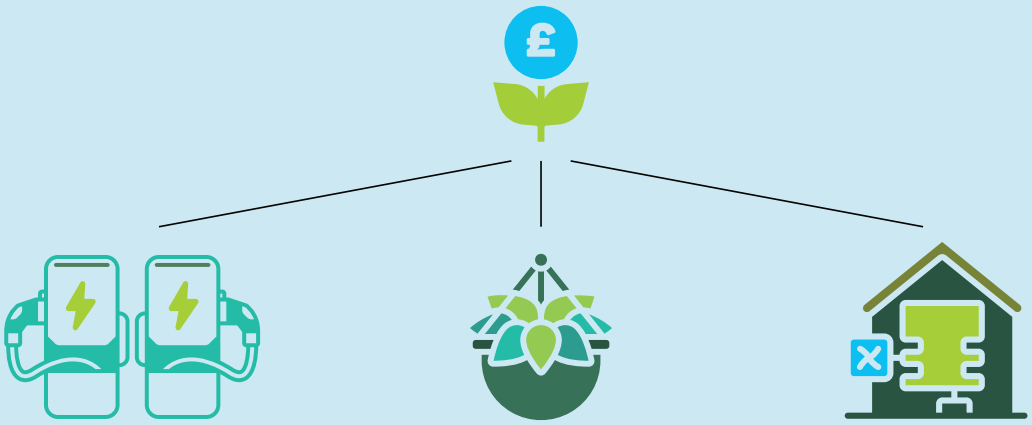
Cwm Arian Renewable Energy (CARE) are a Community Benefit Society making a positive environmental impact for the community across Pembrokeshire. Launched in 2011, CARE employs eighteen people, owns a 700 kW wind turbine and currently runs several projects, including organising community meals, energy advice support services and a community apple juicing service.

What is the impact?

> *"I suppose Cwm Arian itself always was originally constituted to relieve poverty in our area."*

For the last 2 years, CARE have specifically concentrated on energy efficiency and related issues such as fuel poverty through their energy support service. After initially starting with funding for a smart meter roll-out programme, they broadened their remit to include help to switch suppliers, a local advice helpline and dynamic social media presence which shares useful information with local groups. They also provide a call-out service to assess the energy efficiency of people's homes and are trusted in the local community as people know the volunteers and staff and believe in them and their work. 'Peer mentors' are given training, and then provide advice to people who they know well like friends or family members. In addition, CARE provide practical support like offering subsidised or free thermal imaging, and have started to provide energy consultancy for buildings such as community halls, that are experiencing major increases in heating costs.

Community Benefit Funds

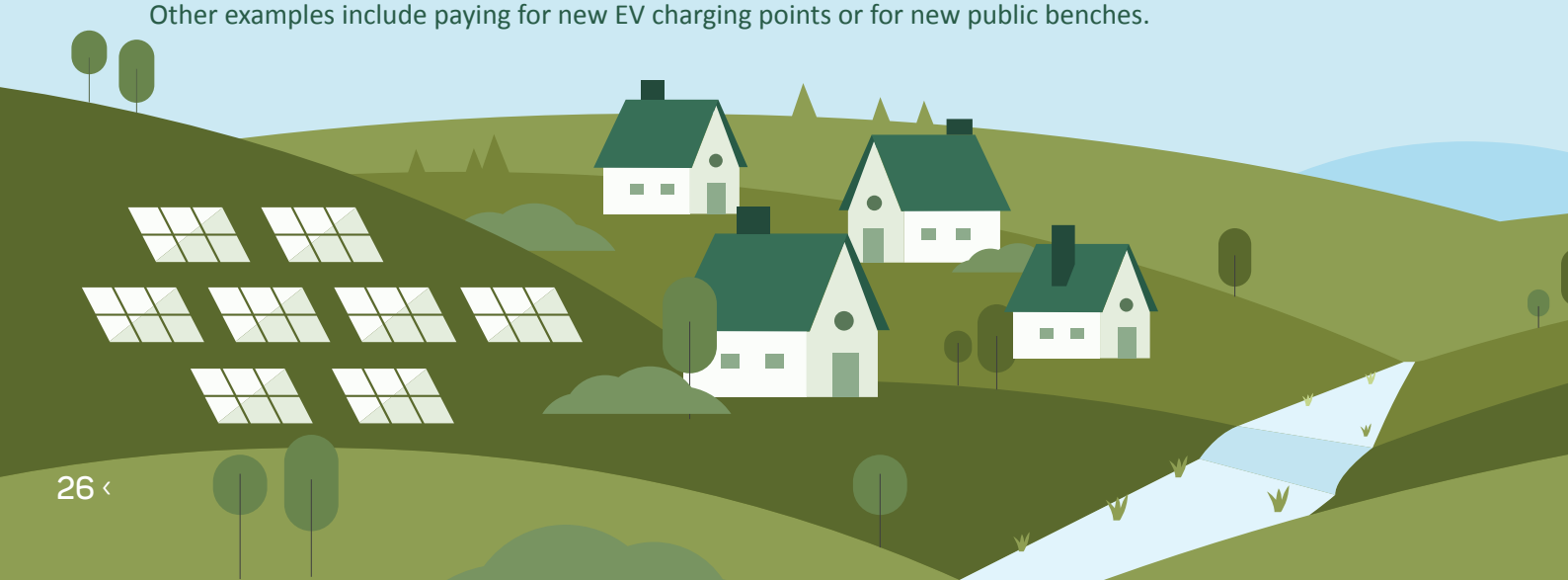


£4,406 **£277** **£100s - £1,000s**

Several community energy projects have been operating for many years and are fast approaching maturity. This means that some have generated a significant surplus in income, both due to the recently inflated energy prices, and the fact many of the loans needed to develop the projects have now been repaid. Some of these operating surpluses pass into community benefit funds which are then used for a variety of purposes, including environmental or climate change related projects as well as more general community support. Community benefits funds can help to create local jobs and support training, improve access to broadband internet, or electric vehicle infrastructure and, importantly, also re-investing in additional local generation. Some examples provided by community energy organisations include helping families and homes in fuel poverty through advice services, providing community facilities like warm hubs, food provision and supporting schemes which reuse school uniforms to reduce waste and help support families struggling with the costs of living.

> *"at the moment, the money's flowing in and we have to find a way to use it."*

Community benefit funds run by community renewable energy projects tend to be limited to very specific local areas to the project, in the immediate vicinity. Most offer a range of small grants to pay for things like additional insulation and fittings in colder homes, and / or the installation of new heat pumps. They have also subsidised the installation of new boilers in community centres and the fitting of solar panels on roofs. Other examples include paying for new EV charging points or for new public benches.



"Unfortunately, so little energy is owned by communities. Just imagine if all that money was community owned, those billions of pounds. Imagine if that was billions of pounds that was coming to communities."

Projects can have a 'ripple effect' from the money distributed, changing people's attitudes and leading to further projects, connections or development. In addition to distributing the funds themselves, some groups have opted to invest in providers such as Robert Owen Community Bank, which provides low-interest home improvement loans to individuals, and business development loans for local growing businesses. What makes these projects a success is their local connections. The people in local communities are best placed to determine what will best suit that local place and will invest accordingly.

"set up a community energy fund partly to address fuel poverty, particularly the under-insulated houses, and things for community facilities"

Examples of current community benefit funds

Ynni Sir Gâr

£20,000 to reinvest in projects specifically targeting fuel poverty (to be shared amongst a number of smaller community projects or businesses working within their communities to tackle cost of living issues related to energy).

YnNi Teg

Donation of £6,000 to Carmarthen Food Bank and £4,000 to Shelter Cymru.

Gower Power

Gower Power has received over £55,000 of funds from Brynwhilach solar farm, which has supported local and environmental communities and groups.

Ynni Padarn Peris

Paid out a number of small grants such as £500 to a local football club to purchase sportswear and equipment and £1,850 to Llanrug Community Council to put an information board up in the village cemetery.

Moving Forward Towards Net Zero – A Just Transition

What needs to change?

Community energy has been described by our members as a 'catalyst'. It generates an income stream to support other green initiatives in their area. It builds community resilience across renewables, energy efficiency, housing, transport, biodiversity and culture. Integrated community energy has a genuine impact on local economic resilience. It supports a circular economy, and it provides a positive, practical and values-led way for people to participate in decarbonisation and support their community at the same time.

Community energy provides excellent economic value. It's 'more than profit' and delivers:

- Onshore wind in Scotland provides on average 34 times the community benefit of commercial projects.[19]
- Community energy fuel poverty work delivers at least £9 of social benefit for every £1 spent.[20]
- In 2021, the sector's most challenging year ever, it worked with more than 51,000 households across the UK and saved £3.35m on energy bills.[21]

Our sector continues to enjoy the support of and collaboration with the Welsh Government. Funding has been provided for Community Energy Wales, Ynni Teg and the Welsh Government Energy Service to upscale what we do. Further commitment has been demonstrated by setting up the new renewable energy developer Trydan Gwyrdd Cymru and the implementation of the cooperation agreement commitment between the Welsh Government and Plaid Cymru to create Ynni Cymru.

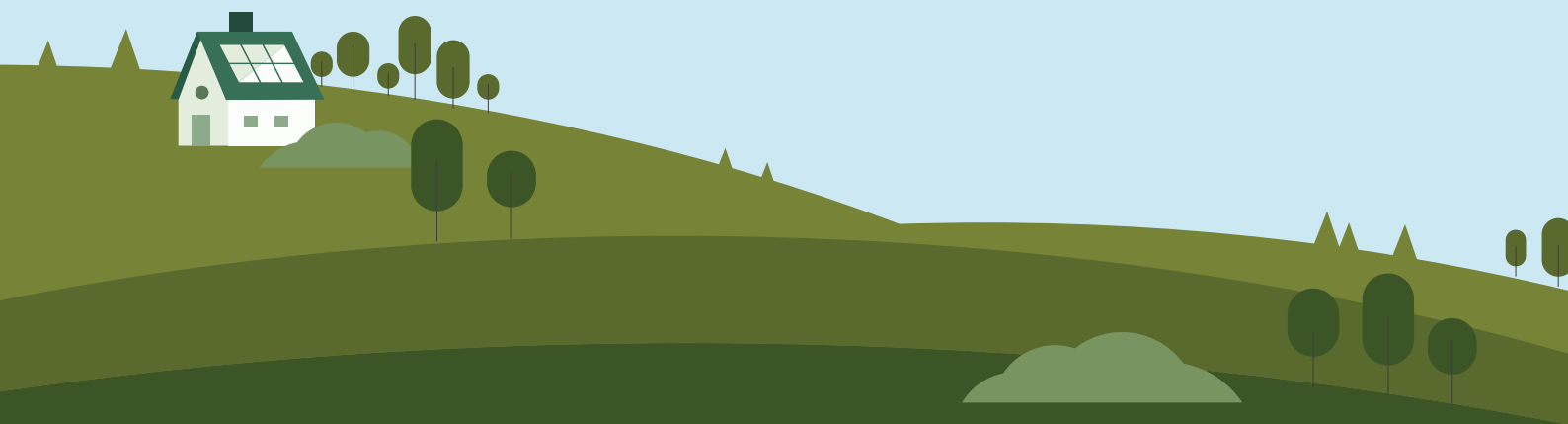
A target has been set for Wales to meet 100% of its energy from renewable sources by 2035 and for 1.5 GW of renewable energy capacity to be locally owned by 2035.[22] Community energy has a vital role to play if these commitments as well as the net zero targets are to be met. While community energy is devolved, most of the solutions to the barriers towards rapid growth of the sector remain under the control of the UK Government.

Numerous barriers have been identified. These make starting new energy projects difficult.

The barriers can be summarised as:

- **Grid Connection barriers**

  Time delays and the cost of grid connections are serious barriers for communities wanting to be a part of decarbonising the energy system.



19 Community owned wind farms have paid their communities 34 times more than commercial counterparts (June 17th, 2021) | Aquatera
20 Nolden et al. Capturing the value of community fuel poverty alleviation, Law Research Paper Series Paper 002 2021 | University of Bristol
21 Community Energy State of the Sector 2022 | Community Energy England
22 Review of Wales' Renewable Energy Targets 2023 (14th July 2023) | GOV.WALES

- **Resources**

  Limited access to start up finance, limited capacity in terms of technically trained personnel, reliance on volunteers, and the lack of financial incentives (nothing has replaced the feed-in tariff) are all challenges that remain for the sector.

- **Limits to urban development**

  Community energy has largely been limited to the more rural areas in Wales. This has had an influence on the demographics of those engaged in community energy, with a higher proportion of older adults sustaining the need to encourage younger generations to get involved. Models that work within the urban environment have not yet been widely implemented in Wales.

- **Barriers to local trading**

  Community energy groups could reduce costs to local consumers if they could easily trade directly with them, and finance more new generation at the same time.

Solutions

Overcoming the Grid Barriers

The Welsh Government through Ynni Cymru are considering smart local energy systems. Local and community energy can reduce the pressure on the grid. At the same time, the UK Government must facilitate upfront investment in the electricity grid. We would like to see incentives or specific requirements to be put in place that deliver strategic investment in grid ahead of need.

Such investments should be focused wherever communities and local groups wish to take forward community energy projects, capitalising on the value of local willpower, facilitating distributed generation, supporting wider community regeneration and integrating in a smart way with the development of the EV market and the electrification of heat.

Overcoming the Resources Barriers

1. More start-up finance especially grant finance would help more projects to start and progress through the early, highest risk phases.
2. Communities being able to access loans to participate in shared ownership would help to progress that policy aim.
3. Local authorities and community / town councils should be encouraged to work with community energy organisations on shared ownership projects to maximise opportunity and wider benefits.
4. A skills strategy connecting the further education sector to the community energy sector is needed to identify and provide the technical skills required by the sector.

Overcoming the Urban Barriers

An urban community energy strategy with financial and practical support available for groups to start new projects in Welsh towns and cities. Such a strategy could develop and underpin the current work being done on Local Area Energy Plans.

Overcoming the Barriers to Local Trading

By localising energy markets and encouraging demand side behaviour change, we can reduce the potentially vast costs of reinforcing the grid.

5. More local and smart distribution will also significantly reduce injustices in the current energy system (see Just Transition).
6. Non-devolved regulation affects the ability to trade locally (or implement tier one – see Just Transition below). Local trading – where community energy providers can sell the energy they produce at a reduced cost to local consumers – would also mean that smaller energy generators could achieve long-term stability for their business plans and create more certainty for the sector, enabling growth. It would also contribute to improved energy security, protecting communities from the volatility of the hydrocarbon energy market.
7. The sector has participated in 'sleeved' supply agreements that help reduce costs for consumer, while maintaining revenues for the generator. These arrangements need to be expanded, especially with the public sector.

Just Transition

A just transition cannot be achieved unless people and communities are at the centre of our energy system. A just transition is not possible with the current energy model. The risk is that the transition will be paid for by the customers who can least afford to pay and there will be an understandable backlash to that. This can be avoided if communities have a right to community energy (tier one – see below).

A Just Energy System

Community Energy Wales wants to see the development of a two-tier energy market, with community renewable energy, tier one, supplying as much local energy demand at lower prices as possible. The lower price would reflect minimised distribution costs and the avoided infrastructure costs arising from local demand-balancing and time of use impacts

'Tier two' would be more expensive energy from non-community energy sources e.g. the larger commercial renewable energy sector and its (much expanded) developments (bearing full transmission and distribution costs).

A two-tier system would incentivise people to use locally produced energy (from energy assets that they may part own) when it is available and during low demand times, with tier two use disincentivised. A shortage of cheaper tier one energy would incentivise its expansion, enabling its growth over time.

Further measures to enable community energy growth

8. Reform planning legislation so that community ownership is regarded as a material consideration in planning applications. The recommendations in NICW's renewable energy report[23] in respect of planning reform are supported.
9. Control over The Crown Estate by the Welsh Government would enable us to impact the affordability of offshore wind licensing.
10. A requirement on all public sector bodies to prioritise the procurement of local, community-owned energy wherever possible.
11. Give communities stronger rights to own and control buildings and local land.
12. Local Authority land asset reviews should be shared with local community energy organisations.
13. All suitable public sector land and buildings should be allocated to develop renewable energy projects either by the public body or made available to community energy organisations.
14. Further collaboration with the public sector, with guarantees that control and ownership stay in community hands.
15. Public information campaign to promote greater understanding of the energy system, and the opportunities involved in community energy – again, this could be delivered in a way which underpins the delivery of Local Area Energy Plans.

RhanNi

Adeiladu mudiad ynni cymunedol
Building a movement for community energy

Get Involved in Community Energy

If you are an individual that wants to support community energy, join the RhanNi network.

Rhan Ni (Our Part) is a growing movement for people who want to support Community Energy in Wales.

→ Do you want to help improve your community?

→ Do you care about our planet & our environment?

→ Do you want to help Wales to build a renewable energy asset base?

What is RhanNi?

We want an energy system that is community-led, provides community benefit, clean, green and fair and puts people at its heart.

By joining **RhanNi**, you will be a part of a collective voice pushing for the change we need to see.

You will be kept informed of the actions you can take to support the growth of community owned, not-for-profit community energy, including share offers, volunteer opportunities and more.

We are building a strong movement of people working to help our communities realise their full potential, build resilience, tackle the climate emergency and the energy driven cost-of-living crisis, and create a fairer energy system through us all playing our part.

If you want to start a community energy project, try taking these steps:

Talk to local people with key skills

See who would be willing to be involved, a core group of dedicated people is key to getting projects off the ground.

Research your community

Have a look at your area, do you have access to land or buildings? What is the energy use of your community? Who could benefit from a project?

Form your Organisation

Once you have a group of people and an idea for your project, you can set up your organisation to become members of Community Energy Wales, secure funding, insurance and meet other needs. Contact Community Energy Wales through your RhanNi membership to get further guidance with this.

- → **Contact the Welsh Government Energy Service**
- → **The WGES provides officer support, and a range of feasibility grant and development and capital loans and grants through the Development Bank of Wales[24]**
- → **There is also a WGES Toolkit[25] with a wealth of detailed information**

Funding

Funding for your project can come from community share offers, collaborations with partner organisations, grants or loans. The nature of the support that is available changes regularly, and Community Energy Wales share funding opportunities with our members.

Come along to our online development forum – Fforwm Datblygu

Fforwm Datblygu brings together experienced community energy groups with people who are keen to learn how to start a project. It meets quarterly, and mixes short presentations followed by Q&A with group discussions and informal information sharing. You need to be a member of Community Energy Wales or RhanNi (see below) to access the fforwm.

You're not alone!

Community Energy Wales are here to support new community energy developments in Wales from start to end. If you would like to find out more and become members of Community Energy Wales, get in touch.

24 https://developmentbank.wales/
25 https://www.gov.wales/community-energy-toolkit