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Economic impacts of local energy

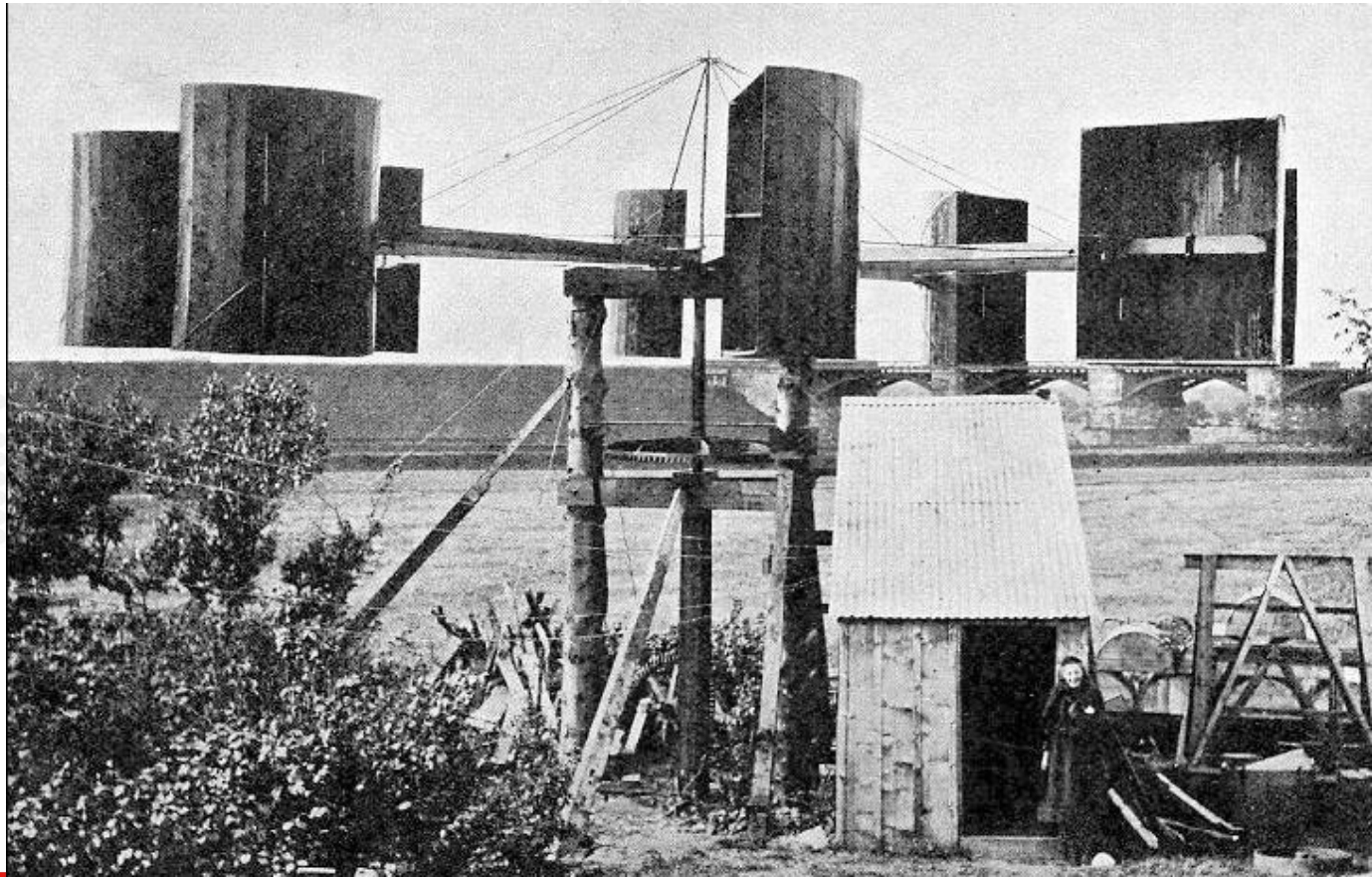
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The local impacts of energy vs The impacts of local energy

- Energy installations *for* a place rather than *at* a place
- Localised approach to energy provision places local centrally
- Starts with local energy issue – demand, resource, “need”



The “why” of local energy?

- Future energy provision; current strengths and integrated approach
- Local energy offers potential for multiple contributions
 - Bringing energy closer to people
 - Local resource utilization, where “non-local” solution impossible
 - Innovation in the energy system, through ownership and community
- Can local energy also have an economic impact - can we identify routes, and measure this?

Local energy challenge fund (LECF)

“The LECF was launched ... to **demonstrate the value and benefit of local low carbon energy economies**. The LECF aims to support **large-scale local low carbon demonstrator projects which show a local energy economy approach linking local energy generation to local energy use**. This includes projects looking to develop innovative energy distribution and storage solutions that have an **overall aim of creating more local value and benefit**.”

<http://www.localenergyscotland.org/funding-resources/funding/local-energy-challenge-fund/>

- Projects “should be able to demonstrate”: *Partnership and collaborative working; Innovation; Added local value.*

Our approach

- Identify transmission mechanism between project and local, regional and national economy
- What does the project change in the local energy system?
- “Bottom-up” and “top down” approach to understand range of impacts

Findings (1)

- The projects were focused at “local” levels – i.e. with defined boundaries
- Focused on addressing an *identified need in an identified geography*
- Specific beneficiaries were identified and part of the conversation around the scale/scope of the project
- LECF funding critical to projects

Findings (2)

- Short-term and long-term impacts and quantification
- Local business for local businesses?
- Skills and track records matter
- Importance of word of mouth

Lessons: People, Process and Projects

- Importance of network capital for delivery
- Key role for project management given typical complexity of projects
- Learning for all stakeholders to maximise chance of success
- Evaluation as part of delivery
- Local energy systems responding to challenge from policy
- Innovation and the energy system

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Thanks

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