

CARES SUPPORTS  
LOCAL RENEWABLE  
ENERGY GENERATION

LOCAL  
ENERGY  
SCOTLAND

# Local Energy Systems

## *Policy and institutional support*

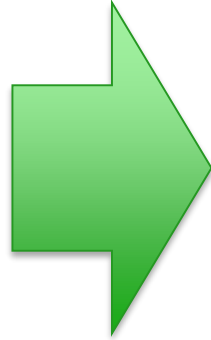
Chris Morris

Local Energy Scotland

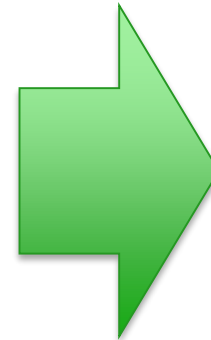
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# About us – Local Energy Scotland



Community and  
Renewable  
Energy Scheme  
(CARES)



Local Energy Scotland is a consortium of



**RICARDO-AEA**

# Policy and institutional support



- 1. Are energy policies in Scotland and the UK enabling the development of local energy systems?**
2. Are the right enabling support programmes in place to support Local Energy Systems?
3. Are we engaging with the right stakeholders?
4. CARES support for Local Energy System projects.

# Energy Policies - Scotland



Scotland is developing an energy strategy

- Stable transition
  - Supply & Demand and Whole system
  - decentralised with a local stake
- 
- Energy efficiency is a National Infrastructure Priority
  - System is driven by ambitious Climate Change targets
  - New stretching targets
    - Community and locally owned targets.
      - 500MW target increased to 1GW by 2020, 2GW 2030
    - Half of newly consented projects in 2020 to have an element of shared ownership

# Energy Policies - UK



- Energy reset - Nuclear and Gas. Phase out coal by 2025
- Green deal ended
- Renewable subsidies reduced/closed.
- Removal of tax relief for individuals investing in renewable energy
- Regulatory; Ofgems – future energy/non-traditional business models

# Is this creating an enabling policy environment?



- Energy policies diverging.
- At a Scottish level much is in place – engage with Energy Strategy consultation.
- UK cuts are accelerating innovation.
  - Increase value from energy generated
  - Look at new business models
  - Size projects with local use considered rather than optimising the economics.
- Challenges with regulation and getting energy markets to work for local energy systems.
- Enabling role for local authorities.

# Policy and institutional support



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# Community and Renewable Energy Scheme (CARES)



- Maximise the local benefit from renewable energy.
- Support includes toolkits, local Development Officers, grants and loans.
- Available for communities, rural businesses, local authorities, housing associations, charities, social enterprises etc.
- Current FiT funded projects – small wind and hydro (50kW – 9MW).





# CARES – developing areas



- Growth in support for shared ownership where community owns a stake.
- Grid constraints restrict community energy
  - Infrastructure and Innovation Fund
  - Funded micro grids, studies looking at local loads, work with DNOs to resolve grid issues share grid connections, Energy Masterplans etc.
- Local Energy Challenge Fund – competition looking for ground breaking Local Energy Projects. 13 live capital projects.
- Programme has and is adapting to the changes in policy and infrastructure. This need to continue.

# Other Scottish enabling programmes



- Low Carbon Infrastructure Transition Programme (LCITP)
- Heat Network Partnership
- District heating loan
- Home Energy Scotland and Resource Efficient Scotland
- Scotland's Energy Efficiency Programme (SEEP)
  - *Builds on existing programmes. 15-20 years to improve energy efficiency of Scotland's buildings.*

# Have we got the right enabling programmes?



- Community energy the sector is going through a huge transition and CARES is adapting
- Greater focus needed on transport, urban and heat projects.
- CARES Local Energy Challenge Fund stimulated exemplars
- Different approach for Local Energy System projects
  - Journey start with stakeholders and energy audits/ masterplans
  - Projects – creative funding solutions
  - Reviews

# Policy and institutional support



1. Are energy policies in Scotland and the UK enabling the development of local energy systems?.
2. Are the right enabling support programmes in place to support Local Energy Systems?
- 3. Are we engaging with the right stakeholders?**
4. CARES support for Local Energy System projects now.

# Stakeholders



- Community energy projects – drive for community income
- Local energy system approach
  - Understand communities motivation
  - deep and varied collaborations
- Successful Local Energy Challenge Fund projects have bought together wide partnerships
- Local authorities will be key and have a leadership role

# Policy and institutional support



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4. **CARES support for Local Energy System projects.**

# The aim







# Case study – Challenge Fund Innovation - Large Scale ASHP DH



- Partnership with GHA, Star Renewables, British Gas and Parson Birnckerhoff



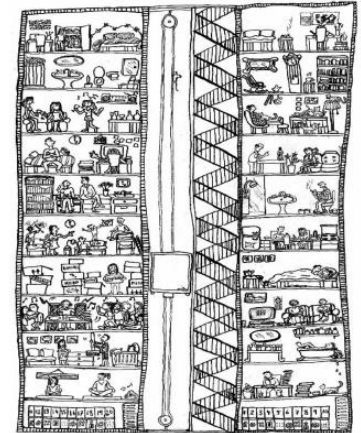
# Case study – Challenge Fund

## Assisting Communities to Connect to Electrical Sustainable Sources (ACCESS)

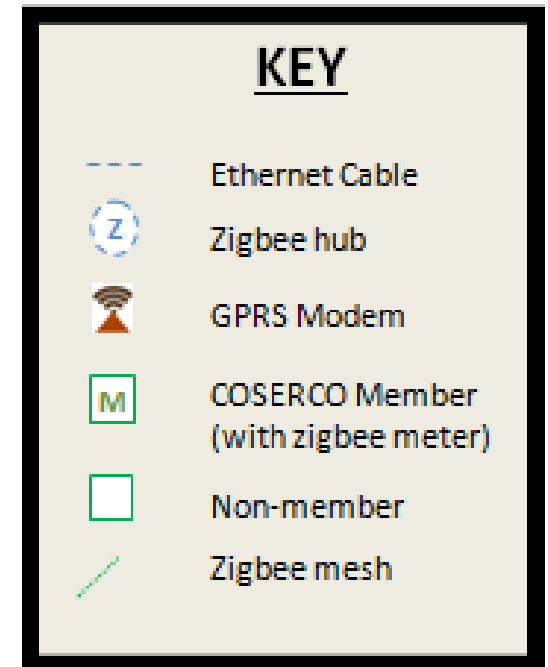
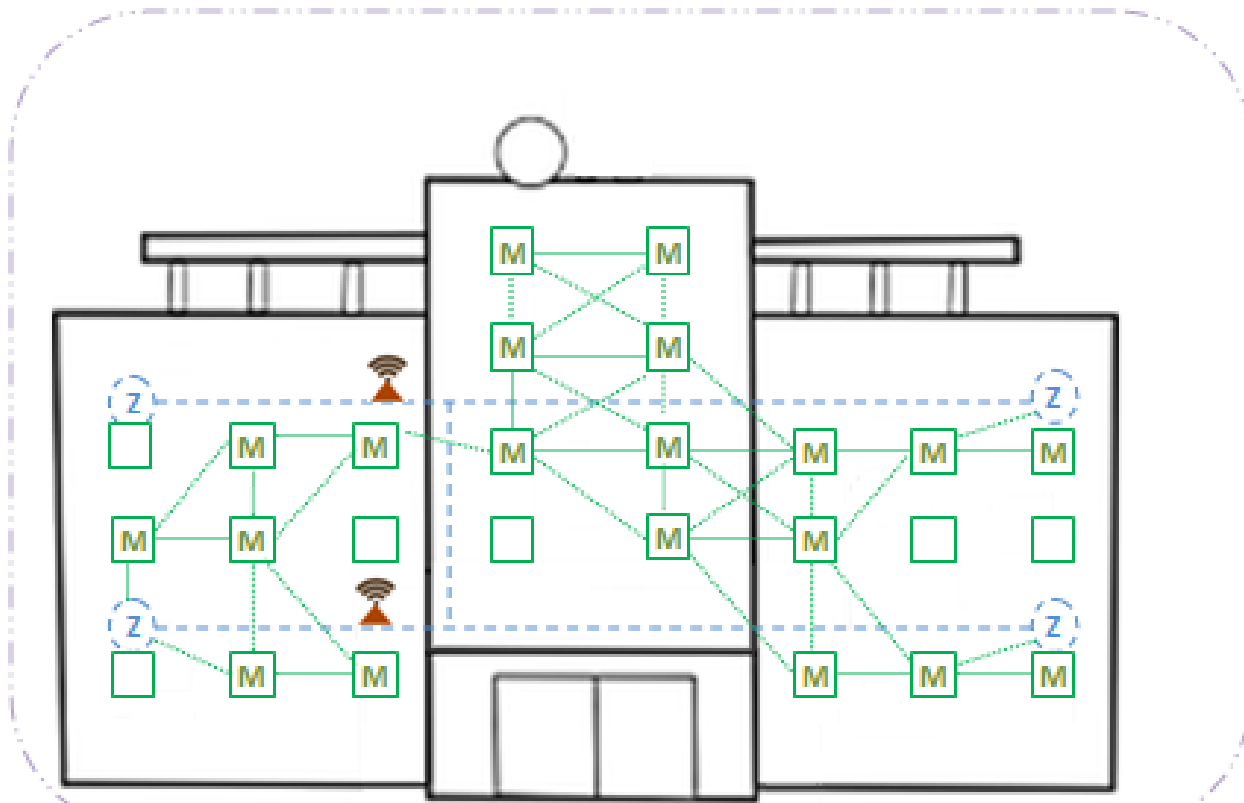
- Funded through the Local Energy Challenge Fund
- The ACCESS projects aims to pilot matching surplus renewable generation to electrical load in people's homes so that energy is used within the constrained network.
- Installed smart storage heaters and flow boilers in 87 homes, businesses and community buildings on the island of Mull and piloting matching the energy demand with the output of the community owned hydro.
- Working with SSE, they will create a new energy tariff that rewards customers that make use of the local renewable generation

# Case study – Challenge Fund Tower Power – aggregation project

Tower Power



Aggregated MPAN1 (high rise)



# Case study – shared ownership

## Working in partnership - Stewart Energy



- Stewart Energy Ltd is a joint venture between a farming family, and Lesmahagow Development Trust
- Three turbine 2.3MW wind farm project.
- Lesmahagow Development Trust have a 25% stake in the project use funding to deliver community plan



# Contact us



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