COMMUNITY ENERGY

Powering our communities

Highlands and Islands Enterprise
Iomairt na Gàidhealtachd's nan Eilean
Highlands and Islands Enterprise (HIE) is an ambitious organisation with a unique remit which integrates economic and community development to achieve sustainable progress in every part of our region.

As the Scottish Government’s enterprise agency for the Highlands and Islands, our aim is to build an increasingly successful and competitive region in which people choose to live, work, study and invest. We achieve this through our approach which integrates enabling economic growth and strengthening communities across the Highlands and Islands.

With teams located in all parts of our region, we invest in, empower and enable our businesses, social enterprises and communities to grow, be innovative, and become resilient.

COMMUNITY ENERGY

OUR PRIORITIES
- Supporting businesses and social enterprises to shape and realise their growth aspirations
- Strengthening communities and fragile areas
- Developing growth sectors, particularly distinctive regional opportunities
- Creating the conditions for a competitive and low-carbon region

OUR APPROACH
Our approach to strengthening communities is threefold:

1. We invest in building community capacity, confidence and business skills
2. We empower communities to acquire, manage and exploit community assets for community benefit
3. We enable sustainable growth in the social economy through strong social and community enterprises

Cover image: ‘Tiley’ Project, March 2013, courtesy of Tiree Community Development Trust
Highlands and Islands Enterprise (HIE) has supported communities to bring forward community renewable initiatives – recognising these can play a critical role in sustaining and advancing vibrant communities through the significant income opportunities they create. The revenues earned from these schemes are being reinvested by the community, for the community.

The Scottish Government aims for Scotland to have sufficient capacity by 2020 to generate the equivalent of 100% demand for electricity from renewable sources. 500 MW of this capacity should come from community and locally-owned sources.

As well as contributing to the country’s drive to replace fossil fuels and cut carbon emissions, renewable energy projects are playing a vital role in strengthening communities, giving communities financial autonomy to be able to prioritise and address community needs. The challenging process to deliver a renewable energy scheme also builds organisational capacity and resilience.

Communities across our region have a great deal to gain from projects which create sustainable jobs, help attract inward investment and generate local spend.

**GENERATING COMMUNITY GROWTH**

From both our substantial community renewable energy based and regional expertise, we contribute strongly to national policy to maintain and enhance the profile of community renewables and the transformational impacts these can bring.

We do this because communities become more resilient through owning land and assets from which they deliver services, create opportunities and generate income.

With support from HIE, more communities are developing their own energy projects or gaining a shared ownership of a private development. These initiatives generate not only power, but income which communities can then invest in their local area.

Further projects in development across the Highlands and Islands should increase generating capacity threefold in the next three years. What’s more, income generated through community projects has already produced improved facilities and services.

**OUR SERVICES**

Working in partnership with Scottish Government, Local Energy Scotland, Social Investment Scotland and other key stakeholders, we provide specialist support for communities so that they can navigate through the often technically demanding journey to deliver a community owned renewables scheme.

The Scottish Government supports community renewable energy projects, providing grants and loans for project development through CARES – Community And Renewable Energy Scheme. The Scottish Investment Bank, an investment arm of Scottish Enterprise, delivers capital financing through the REIF – Renewable Energy Investment Fund. HIE is an active member of the Steering Groups for both these initiatives.

**COMMUNITY ENERGY**

We recognise that communities often require additional organisational capacity to deliver successful renewable energy projects. We provide advice, specialist support, investment readiness advice and funding.

HIE, in partnership with SG, leads the community element of the EU funded Low Carbon Infrastructure Transition Programme (LCITP) alongside Scottish Enterprise, Scottish Future Trust and sector specialists. It aims to help meet the Scottish Government’s target to reduce greenhouse gas emissions by 42% by 2020. The programme can provide project development, expert advice and funding to support large-scale private, public and community low-carbon infrastructure projects across Scotland.

Our publication, *Investing in your Community* — a guide to managing community funds, explains how communities can distribute income from a commercial energy developer, known as community benefit funds, as well as from their own renewable energy projects.

**ENERGY INNOVATION**

We work with communities and sector specialists to develop innovative ways of using power locally, including projects which do not rely on grid connection or capacity. Examples of community-led innovation includes explorations of battery and hydrogen energy storage, levelling out peak and off-peak demands and exploring ways to use locally generated energy to heat essential community facilities, benefiting the whole community.
NORTH HARRIS TRUST

North Harris Trust is a community development trust on the Isle of Lewis which has long been pioneering community energy development in the area. NHT originally began their renewable investigations with a focus on wind energy on their community owned estate, but are now also looking to progress a hydro scheme.

HIE provided support to employ an energy manager to take forward their renewable development, which creates both environmental benefits and income for investing in the estate and its community.

COIGACH

Coigach Community Development Company (CCDC) is developing two energy projects to provide sustainable income to fund long term local aspirations.

Their wholly-owned wind generating project is nearing completion, with income expected shortly after the turbine’s installation in 2017. CCDC are also working with the Scottish Wildlife Trust to develop a hydro generating scheme on croft land.

HIE is supporting a local development officer and providing specialised assistance to reach financial close and the next stage of development.

ROUSAY, EGILSAY AND WYRE

The three-island community of Rousay, Egilsay and Wyre is becoming more sustainable, enterprising and self-reliant, through managing a 900kW, income-generating wind turbine.

HIE supported the islands trust through our innovative community account management programme to employ a project officer to manage delivery and construction.

The trust is now developing methods of using constrained generation locally through the addition of local electrical demand and the installation of a smart grid management system.

MID-ARGYLL

HIE is helping to establish a process that will lead to Mid-Argyll community groups owning two wind turbines – one on each of two major planned wind farms.

This project aims to develop a model for community investment in commercial energy developments. We are funding specialist support to help the group develop a strategic plan and engage with relevant organisations.

This has the potential to become a major project bringing long term benefit to local communities and to Argyll more widely.

SOIRBEAS LTD

Soirbheas is a community charity for Glen Urquhart and Strathglass, which has partnered with the Girvan family company Corrimony Energy, in a wind farm of five medium-sized turbines.

The community will receive the equivalent of the money generated by one turbine, estimated at £20m over 20 years.

HIE provided Soirbheas with a grant for specialist advice on governance and technical assistance.

KNOYDART HYDRO

Knoydart is one of the remotest mainland communities in Scotland. In 1999 the community took over the running of the 1970’s installed hydro scheme which provides power to the majority of businesses and dwellings on the peninsula. Refurbishment of the scheme in 2001 cost over £500,000 and was supported in part by funding from HIE.

A programme of continual infrastructure improvement coupled with operational efficiencies has further increased the scheme’s resilience since refurbishment. The community are now looking at storage solutions for the excess energy they create at peak operational times.

FOR MORE INFORMATION

Highlands and Islands Enterprise
www.hie.co.uk/community-support/community-energy-default.html

Managing Community Funds
HIE’s guide to managing community funds, Investing in your Community, can be downloaded from www.hie.co.uk/communityassets

REIF - www.scottish-enterprise.com/services/attract-investment
CARES - www.localenergyscotland.org
SHARED OWNERSHIP - www.localenergyscotland.org/good-practice/shared-ownership

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