

Good Neighbour

IWEA Best Practice Principles in
Community Engagement &
Community Commitment

March 2013

IWEA
Irish Wind Energy Association



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Contents

1. External Foreword	3
2. IWEA Foreword	4
3. Background	5
4. Economic Value of Wind Energy	6
5. Renewable Energy Targets	7
6. Role of Wind Energy in Ireland	7
7. Community Commitment Best Practice Principles.....	8
Introduction.....	8
Community Commitment Principles	8
8. Community Engagement Best Practice Principles.....	10
Community Engagement Principles.....	10
Ongoing Engagement.....	10
9. Community Commitment Case Studies.....	11
Lisheen Wind Farm, Co Tipperary	12
Bindoo, Gartnaneane & Mullananalt, Co Cavan & Co Monaghan.....	13
Mountain Lodge Wind Farm, Co Cavan.....	14



Pat Rabbitte
Minister for Communications,
Energy and Natural Resources

We are living through the transformation of our electricity sector as we strive for a more sustainable future. The imperatives of climate change and energy security necessitate the switch to renewable energy. Ireland has abundant and excellent wind resources which will play a central part in our new electricity mix. As the winds of change blow over Ireland, it is important that we have the hearts and minds of our citizens with us.

It is important that wind energy developments are properly planned and I would underline the importance of the Department of Environment's Wind Energy Planning Guidelines in this regard. The 2012 Government Policy Statement on the Strategic Importance of Transmission and other Energy Infrastructure recognises the need and urgency for new energy infrastructure. It notes that the planning process provides the necessary framework for ensuring that all necessary standards are met and that consultation is built into the process. Very extensive public consultation rights are enshrined and protected under Irish planning law.

The Government in its Statement also acknowledged the appropriateness of energy project developers examining appropriate means of building community gain considerations into project planning and budgeting. The 2006 Strategic Infrastructure Act also provides for the Board to make provision for the financing in whole or in part of a service in the area in which the proposed development would be situated, which the Board believes would constitute a substantial gain to the community.

It is in this context that I very much welcome the initiative of the Irish Wind Energy Association (IWEA) to develop these voluntary community engagement and community commitment guidelines for their members as a follow on to the 2012 IWEA Best Practice Guidelines.

Pat Rabbitte, T.D.

Minister for Communications, Energy & Natural Resources



Kenneth Matthews
Chief Executive
IWEA

It has become clear in recent years that the wind industry in Ireland not only has the capability to provide a substantial proportion of our nation's green electricity, but it is also a significant driver of economic growth. Communities have gained both directly and indirectly through job creation, local authority rates, land rents and local support services.

Increasing community acceptance of wind energy is central to the efficient deployment and expansion of wind energy in Ireland and the industry has worked hard to ensure that an extensive community benefit serves those living close to an onshore wind farm. A well-considered and executed community engagement plan will improve the likelihood of community acceptance of projects and IWEA believes that working with communities and improving the understanding of the benefits of onshore wind are key elements of this. There are many examples of existing community commitment initiatives voluntarily embarked upon by IWEA members with examples shown in the third section of this document.

The launch of this Best Practice document on community engagement and commitment is an extension to the IWEA Best Practice in Wind Farm Development (March 2012) and aims to set out clear best practice recommendations for IWEA members. IWEA as the industry voice, has consulted with our members, learning from existing best practice initiatives and I wish to thank all our members for their efforts in making sure that the overall benefits of onshore wind are so clearly understood. With this, I am delighted to launch this Best Practice in Community Engagement and Commitment that will not only set out the recommended practice to provide a commitment through the development of a project but importantly for continuous engagement through the life span of a project.

Kenneth Matthews.

3. Background

With one of the best wind regimes in Western Europe, Ireland continues to develop its wind industry which is still in its infancy. The strategic advantages of Wind Energy including the reduction of greenhouse gas (GHG) emissions and increasing the security of supply are well known. However the benefit of wind energy development which rarely gets much attention is the provision of a much needed boost to a faltering economy.

Both local and national economies have benefited significantly from the development of Wind Energy over the past 20 years. Ireland's current Wind capacity of 1738MW¹ accounts for the payment of approximately €11.5 million in local authority rates in 2012 alone. In addition to these wider contributions, the Irish wind industry also provides a variety of community benefits which are delivered at a local level; for example, opportunities for education, local contracts and employment. IWEA is committed to ensuring that communities continue to benefit from onshore wind farm developments through job provision, investment and community benefits initiatives.

IWEA believes that engagement with local communities is an important part of the development of a wind farm. There are a number of publications which provide guidelines and methodologies for undertaking community engagement such as the DoEHLG Wind Energy Development Guidelines. It can be considered that the planning process meets the minimum requirements of community engagement required to satisfy current legislation however IWEA encourages developers to engage with communities from an early stage.

IWEA published Best Practice Guidelines in March 2012 where it is outlined that direct engagement between the developer and the local community in some form should be undertaken through the development of a project. With this in mind, IWEA has extended its guidance with the publication of this Best Practice in Community Engagement and Commitment, which sets out the best practice for IWEA members.

¹ Figure based on ESB Networks and EirGrid connected wind figures as of 28th December 2012

4. Economic Value of Wind Energy

Ensuring the security of energy supply is a key part of the Government's *Framework for Sustainable Economic Revival*². Having regard to the current economic downturn, the framework acknowledges the need to put the energy/climate change agenda at the heart of Ireland's economic renewal.

Ireland currently has 1738MW³ of wind capacity which has been of huge benefit to local economies including contributing approximately €11.5 million⁴ in local authority rates in 2012 alone. In some counties commercial rates from wind energy can account for more than 30% of the total commercial rates intake. Similarly, the increased wind capacity is an added benefit for landowners with the certainty of land rents for a 25 year period.

The range of benefits to local economies includes:

- Job Creation
- Local Authority Rates
- Land Rents
- Increased demand for local support services in construction, operation & maintenance, legal and accounting and project management
- More wind on the system will result in more stable energy prices for consumers and will act as a hedge against high fossil fuel prices
- Reducing Ireland's reliance on imported energy
- Reducing carbon emissions

In summary, large scale expansion of the Irish wind industry will be an extremely positive economic development for Ireland.

² 'Our Sustainable Future' Framework for Sustainable Economic Revival 2012

³ As per ESB Networks and EirGrid connected wind figures as of 28th December 2012

⁴ Based on Average Council Rates contribution with 30% capacity factor

5. Renewable Energy Targets

Wind energy development is a vital part of Ireland's strategy to achieve EU legally binding renewable energy targets set for 2020. Ireland's target under the EU Renewables Directive is for renewable resources to account for 16% of total energy consumption by 2020. This has been translated into national government targets of 40% Renewable Electricity, 12% Renewable Heat and 10% Renewable Transport by 2020.

6. Role of Wind Energy in Ireland

The importance of wind energy goes far beyond EU targets. The proactive and strategic development of wind energy has a clear role to play in Ireland's road to economic recovery and in stimulating employment growth. To reach our EU targets, for example, Ireland needs to deliver at least 275MW of wind energy per year up to 2020. This output positions Ireland to deliver enough energy to support existing jobs in the sector, as well as to create thousands of new jobs and bring in further investment to support economic recovery. The jobs' potential will span a range of sectors, from construction and maintenance to legal and financial services. There are currently approximately 2,000 jobs in the wind energy sector, and according to the 2009 Deloitte report⁵ on the wind energy sector, 10,760 jobs could be created by 2020 through direct and indirect involvement in the sector. The construction and development of wind energy projects in Ireland, north and south, will involve billions of investment by 2020, approximately one third of which will stay in the Irish economy.

5

http://www.iwea.com/contentFiles/Documents%20for%20Download/Publications/IWEA%20Policy%20Documents/2009_06_Deloitte_IWEA_Employment_in_Wind_Energy_Report.pdf?uid=1245768156894

7. Community Commitment Best Practice Principles

Introduction

IWEA and its members support the provision of financial contributions by wind farm operators to local communities and have sought to formulate best practice principles for the provision of a community commitment. This document sets out, for the first time, IWEA's best practice principles for delivering extended benefits to local communities for wind farm developments of 5 Megawatts (MW) or above.

IWEA understands the importance of community commitment initiatives and has actively promoted best practice guidelines for community engagement among its members. Increasing community acceptance of wind energy is central to the efficient deployment and expansion of wind energy in Ireland. The development of Ireland's significant wind energy resource is an extremely positive economic development for Ireland and resulting in greater security of our energy supply and job creation, providing a hedge against high fossil fuel prices and a reduction in GHG emissions.

The crucial role that the renewables industry is playing in the delivery of 2020 targets for Ireland, through the decarbonisation of energy supply and securing the country's future energy supply cannot be underestimated.

Contributions made by a developer are, in general, not a requirement of planning policy or a requirement for the grant of a planning permission (although there is provision under the Strategic Infrastructure Act to require a service to be provided in a local area.) It should be noted that in general a community commitment agreement is not legally binding and the decision to offer additional benefits is an entirely voluntary act on the part of the wind farm operator.

Community Commitment Principles

IWEA members recognise the importance of interacting with the local community from the early planning stages and throughout a wind farm project's life cycle. IWEA believes that wind energy developers require flexibility to shape good examples of community engagement during the duration of wind energy projects to suit the particular community in which they operate.

The criteria below set out a structure for a flexible approach that incorporates community engagement and community benefits for wind farm developments.

IWEA acknowledges that each wind farm project and local area is different. In recognition of this, IWEA proposes that the method of any community commitment agreed will be project specific and will operate as a flexible framework referring to the best practice principles below as a framework for engaging with local communities.

- These Best Practice principles apply to onshore wind energy projects of 5MW and above in the Republic of Ireland reaching commercial operation 6 months after publication of this

document.

- Any method of community funding will be determined by the relevant developer with the project specific communities. The communities will be identified through a process of engagement involving all relevant stakeholders. The community to benefit from developer contributions could be determined by taking a number of factors into consideration such as population and population density. Local consultation and knowledge should be central to defining the local community.
- Support equivalent to a value of at least €1000/MW of installed capacity per annum, index-linked for the lifetime of the project to be provided.
- Payments and/or benefits in kind under a community benefit scheme to commence not later than twelve months from the date of completion of commissioning of the windfarm (unless otherwise agreed by the developer/operator and any proposed recipient to be paid at a later date).
- Payments and/or benefits in kind shall be provided for the duration of the commercial operation of the wind farm. Annual payments may be wholly or partially aggregated over the permitted operational life, as agreed through consultation between the project developer/operator and the community.
- All parties to this Best Practice will continue to commit to full, open and transparent dialogue with local communities around proposed windfarm projects.

8. Community Engagement Best Practice Principles

Community Engagement Principles

IWEA members will endeavor to follow the Best Practice Principles of community engagement when planning the engagement strategy and preparing associated literature.

- IWEA Members should adhere to Section 11 of the IWEA Best Practice Guidelines 2012⁶. Wind Energy Developers to commit to engage with integrity, fairness and transparency.
- Developers will endeavor, where possible, to engage with host communities from an early stage in light of the potential benefits of such engagement.
- Developers should seek to understand the views of host communities and this should be done early enough to influence final design where possible.
- Engagement with the local community is recommended at each relevant stage of the project, e.g. early project stages, EIA and planning, construction, and operation.

Ongoing Engagement

Effective Community Engagement is a key factor in achieving social acceptance over the lifetime of a wind energy project. The dialogue undertaken by stakeholders during the development of onshore wind energy projects should be inclusive, transparent, accessible and accountable.

IWEA members will continue to commit to full, open and transparent dialogue with local communities around proposed wind farm projects, including promoting at an early stage the company policy on local benefits and opportunities for public participation, so that local residents and the wider community are informed regarding the development of the proposals and have an opportunity to comment on their development.

In order for these responsibilities to be fully met within individual project developments, key stakeholders will be expected to:

- Enter into constructive dialogue with a view to working towards agreed positions on issues up for negotiation
- Assist, where possible, in identifying other key stakeholders within the community
- Assist, where appropriate, in identifying the full range of local opinion about the development of local benefits

⁶ IWEA Best Practice Guidelines 2012 <http://www.iwea.com/index.cfm/page/iweabestpracticeguidelines>

9. Community Commitment Case Studies

Beyond local direct investment, community commitment schemes are a well-established part of onshore wind energy developments. These are voluntary schemes set up by developers in recognition of local communities' commitment to accommodating onshore wind farms. They are in turn a commitment by developers to ensure that a proportion of the benefits delivered by these projects are realised within the communities that live near them. Three existing community commitment schemes are outlined in the following pages as examples of good practice in this area.



Lisheen Wind Farm, Co Tipperary

Bord Gáis Energy

Background

Lisheen Wind Farm is located 15km north of Thurles, Co. Tipperary and is located within the grounds of a zinc mine. The 18 turbine Lisheen Wind Farm became operational in 2009 and has a generating capacity of 36 MW. As part of the planning process, a Community Fund known as the Moyne/Templetouhy Community Trust Fund was established in 2009, on commissioning of the windfarm. The fund is currently administered by North Tipperary County Council. To date, Bord Gais Energy has contributed over €120,000 in support of numerous local clubs and community projects within the Moyne/Templetouhy area, including the following:

- Moyne Athletic Club
- Templetuohy Grotto
- Moyne Community Hall
- Tempeleree Burial Ground
- Templetuohy Coursing Club
- Templetuohy Youth Club
- Templederry Community Hall
- Moyne New Burial Ground Committee
- Moyne National School
- Moyne Templetuohy GAA Club

Over the lifetime of the development, it is expected that approximately €600,000 will be contributed to the local community in total. The community funding scheme has been highly successful to date, with tangible benefits visible within the local area.

'The community funding scheme has been very beneficial to Moyne Athletic Club in helping to develop training facilities which not only greatly benefit the members of our club but also the community at large'

Paddy Doyle, Chairman of Moyne Athletic Club.



Looking to the Future

In 2009 North Tipperary County Council granted planning permission to extend the existing windfarm by an additional 12 turbines. Reinforcing our commitment to the local community, Bord Gáis Energy has increased the annual contribution to the Moyne/Templetuohy Community Trust Fund to reflect the additional development within the area.

With this additional contribution, Bord Gáis Energy looks forward to participating in the continued success and growth of both the Moyne and Templetuohy communities.

Bindoo, Gartnaneane & Mullananalt, Co Cavan & Co Monaghan

Background

Bindoo, Gartnaneane and Mullananalt wind farms have a capacity of 70.5MW of green energy. The wind farms are owned and operated by SSE, Ireland's largest renewable energy generator. The combined energy generated at the three Cavan and Monaghan wind farms is sufficient to power almost 35,000 homes.

Local Community Fund

Under Airtricity's Community Fund Programme, the company makes a financial contribution from each of its wind farms across Ireland to help local energy efficiency and sustainability projects.

To date, Airtricity has awarded almost €600,000 to local community groups in the vicinity of the Bindoo, Gartnaneane and Mullananalt wind farms.

This year, Airtricity made fund awards totalling €114,000 to 26 community projects across Bailieborough, Kill, Tullyvin, Leiter, Crubany, Mountain Lodge, Lisboduff, Maudabawn, Bough, Corraneary, Cootehill, Laragh, Stradone, Ballyhaise, Ardaghey, Loughmourne, Latton and Castleblayney.

Berni Power, Chairperson, Board of Management Laragh National School, said:

"We are delighted with Airtricity's funding for the replacement of single glazed windows and doors in the school with new double glazed energy-efficient windows and doors. This will result in an estimated 20% cut in our energy costs and reduce heat loss by around 50%."



Ms. Cathriona Meegan, Principal of St. Felim's National School, commented:

"The energy efficient lighting upgrade of the school being funded by Airtricity will help us to significantly reduce our running costs, allowing us therefore to invest in more educational materials for the pupils. The rewiring of the school's electrics means we now also have a safer and more reliable metering system."

Mountain Lodge Wind Farm, Co Cavan

Background

Mountain Lodge Wind Farm is an ESB and Galetech Energy Ltd development situated on a series of drumlins in Co. Cavan.

Operating since October 2008, the 31.5MW wind farm produces enough green electricity to run 18,000 homes.

The farm has reduced emissions of....

- 66,000 tonnes of CO₂
- 375 tonnes of SOX
- 281 tonnes of NOX

In addition, ESB and Galetech Energy Ltd set up a community fund in the area. The fund is managed by the Community Foundation of Ireland who act as an independent judicator on all grant applications. This fund is set up for the life time of the wind farm and pays out to local groups and projects such as:

Cootehill Community Childcare Ltd

To construct a soft play area outside for children to play, as the grass area is very rough for the younger babies. The project is for safety and play-development of babies, affordable for families of all cultures and religions.

Cootehill Senior Citizens

To help senior citizens to get out and socialise with other community groups in safe and warm environment, to respond to their social needs and also to maintain the meals on wheels service.

Holy Family Special School

To provide transport and equipment for pupils to take part in classes run by the Disabled Association which broaden the physical and mental horizons of those affected by disability such as severe and profound Learning Development and Autism.



Bright Future

The community Funding Scheme has been highly successful to date with tangible benefits visible within the local area

Established in 1993, the Irish Wind Energy Association (IWEA) is the national body representing the wind energy sector in Ireland. IWEA is committed to promoting the use of wind energy in Ireland and beyond as an economically viable and environmentally sound alternative to conventional generation and promotes awareness and understanding of wind power as the primary renewable energy resource. IWEA is also dedicated to education and awareness building, and to building the skills base of the renewable energy sector in Ireland. IWEA also supports the development of other renewable technology, particularly marine energy.

IWEA has more than 200 members who incorporate all leading industry voices in Ireland. IWEA acts as a central point for information for its membership as well as a voice to promote wind energy.

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