



Cumbria Community Energy Trust 'Putting Power Back in Cumbrian Hands'

Assessing the Appetite for Change



The establishment of a Cumbria Community Energy Trust is being proposed for early 2010 as a means of ensuring that Cumbrians benefit more fully from the development of renewable energy projects in our County. More specifically, it wishes to promote community owned renewable energy projects that are more socially, environmentally and financially considerate to residents of Cumbria.

It aims to promote community owned renewable energy projects which are not only valuable in generating renewable electricity, but also benefit local communities proportionately. Furthermore, the proposed Trust is keen to promote specific procurement clauses which favour Cumbrian based businesses wherever practical, ensuring that local job creation opportunities are maximised.

As a first step, the proposed Trust wishes to gauge the level of support for smaller, appropriate scale renewable energy and community heating schemes (wind, hydro, solar, wood, anaerobic digestion) which would be owned by and benefit the community and residents of Cumbria. **This questionnaire also wishes to assess whether Cumbrians would be willing to invest in such projects**, providing various levels of return to the investor, a share of the profits channelled into local community projects and a share set aside to help other communities establish their own renewable energy schemes. Ideally, 100% of a scheme would be owned by Cumbrian residents, though realistically such schemes may need to engage external, socially responsible investors such as The Co-Operative Bank, Charity Bank or Local Authority, for example.

Your answers to the following questions will remain confidential, and your details or comments will not be passed on to any other organisations without your permission. There will be no obligation on you to act or contribute as a result of your answers.

If there is sufficient appetite for investment in community renewable energy projects in Cumbria by Cumbrian residents, then the proposed Trust will begin developing proposals and engaging with communities which already have projects in the pipeline. If requested, we will keep you informed of the findings of this questionnaire and future investment opportunities. Please answer the following questions and those overleaf with a tick ✓ and return this form to consultation.response@cumbriavision.co.uk, fax 01768 861346 or send it to the address overleaf.

The closing date for responses is Wednesday, March 31.

Investment Options

- It is anticipated that initially the level of investment would be restricted at each project to a minimum of £500 and a maximum of £2,500 per resident (a successful model already demonstrated by Energy4All's 1996 Baywind project at Ulverston). This means that if only 1,000 of the 497,000 residents of Cumbria decided to invest, the Trust could quickly raise between £1.5million and £2.5million in shares and make it truly realistic to kick start community energy projects across Cumbria. Keeping investments small but many also means that the profits would be more evenly distributed across our communities in Cumbria.
- As an investor, you need to be aware that different renewables and different projects will give very different annual returns, from less than 1%pa to 15%pa. At this stage, a general appetite for investment is being assessed.
- The intention for each project would be to distribute the profits between the many small investors, the immediate community and also to reinvest some of the profits in 'working capital' – to help the Trust administrate and kick start other community projects.
- Where a community or organisation is developing its own project independently but welcomes investment from elsewhere within the County, then the Trust would be keen to signpost investors to such opportunities.
- To keep administrative and legal costs to a minimum, to harness the skills and experience that Cumbrians have already developed in this field, the proposed Trust is exploring opportunities of being hosted in 2010 by an existing Cumbrian social enterprise, charity or local authority; such discussions are ongoing.

A	Support for Renewable Energy Schemes in Cumbria:	Yes	No	Unsure
1	I STRONGLY SUPPORT the concept of developing 'community scale', community owned renewable energy projects, including wind, hydro, biomass, solar and anaerobic digestion.	√		
2	I would CONSIDER SUPPORTING 'large scale' onshore wind projects in Cumbria but only if the community benefit / ownership were far greater than is currently the norm.		√	
3	I AM AGAINST 'large scale' onshore wind projects in Cumbria in all circumstances because of their size and impact on the landscape, irrespective of the level of community benefit.	√		
4	I am IN FAVOUR of 'large scale' onshore wind projects in Cumbria, irrespective of their size, impact or level of community benefit – because I believe they are necessary in the fight to combat climate change.		√	
5	I would SUPPORT a community scale wind project, majority owned by the community.		√ *	
6	I feel that our local authorities should consider investing in community renewable schemes in Cumbria where there is sufficient annual return.	√		

Comments?

The questionnaire was said to refer to **Small Scale** community owned renewables. However, the questions in section A and q4 of section C concentrate on wind power and mainly on **Large Scale** projects. Our response is below.

1. We welcome any initiative which will encourage and facilitate the development of green energy in Cumbria, helping to reach the challenging, but hopefully achievable, output target of Sir Martin Holdgate's paper

2. In particular, we welcome the proposal to support small scale community owned projects. * Note: in relation to Question A5 above, it is unclear what is meant by 'community-scale'.

3. Baywind and Energy4All already provide a proven way of establishing community owned larger land based wind farms and there is no point in the proposed Trust becoming directly involved. The Trust should stick to small scale. To set up a 5x 1.3MW wind farm costs some £6million, but we are told the Trust will keep investments small but many.

4. Tidal (and wave) power as well as geothermal power may have very great potential, but again will probably be large scale projects. Therefore, at least for the time being, the Trust should concentrate on hydro power and, although only carbon neutral, biomass, as well as possibly solar. Water, before coal and steam took over, was the established energy source for our many mills in Cumbria. As well as those sites, there are many others where small scale hydro power can be developed - as for example the potential scheme in Satterthwaite.

5. As Simon Sjenitzer points out in the Press Release, we cannot assume that grants will continue to be available on the present scale. It is essential therefore to reduce startup and running costs. If a number of small projects are combined in one scheme there will be the benefits of scale. How can this coordination be achieved? Possibly by a group of Parish Councils cooperating, by The National Park Authority, National Trust or Forestry Commission looking at schemes on their land, or by the larger Councils, eg South Lakeland and Eden. Would the Trust itself have a role to play?

6. We do not think it appropriate for Parish Councils to invest in the Trust.

7. We are ourselves proposing to hold an open meeting, probably in May, to consider the possibilities and interest in the area from the Duddon to Windermere and how projects might be coordinated. We hope that Sir Martin will be able to join us.

B	Investment Questions:	Yes	No	Unsure
1	Would you, in principle, be keen to invest between £500-£2,500 in community owned renewable energy schemes in Cumbria?		√	
2	If yes, would you be prepared to invest in projects if the annual dividends to you were between 2.5% and 5%?		√	
3	Would you only consider investing if the dividends were more than 5% pa?		√	
4	Would you be happy to see profits distributed between the small investors, the local community and some reserved for 'working capital', as decided by consensus?	√		
5	Would you be interested in investing more than £2,500 if the returns were sufficient?		√	

C	Keeping the Information Flowing:	Yes	No	Unsure
1	Please KEEP ME INFORMED about the outcome of this questionnaire and progress to develop community owned renewable energy schemes in Cumbria (until I notify you otherwise).	√		
2	I would like to be sent MORE INFORMATION AND EXAMPLES of how such community owned projects and small scale investments operate elsewhere in the UK.	√		
3	I would be interested in ATTENDING A PRESENTATION on small scale, community owned renewable energy schemes in the UK and to learn in more detail about the proposal to establish such projects in Cumbria.	√		
4	I currently live in an area near to a large wind farm proposal and I am confident that THE COMMUNITY WOULD WELCOME A PRESENTATION on how similar projects elsewhere in the UK have secured an element of community ownership and greater financial benefit.		√	

Name: Councillor John Taylor, on behalf of **Colton Parish Council**

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This questionnaire begins the process of developing more community owned renewables assets in Cumbria. Whilst every energy scheme has site specific considerations and the support of individual organisations will vary accordingly, the aspiration of community owned renewables and this questionnaire is being led by Cumbria Vision, with the support of Cumbria County Council and the Lake District National Park Authority. It also has the support of many of Cumbria's sustainable development organisations including CORE NW, Energy4All, Impact Housing, CAfS, SENS, SLACC and PACT, amongst others.

Please send any paper copies, marked 'Energy Trust' to, **Cumbria Vision, Unit 2, Enterprise House, Gillan Way, Penrith 40 Business Park, Penrith, Cumbria CA11 9BP.** We prefer if possible that you email. Copies can be found at www.cumbriavision.co.uk. Thank you