Irish Wind Energy Association

# Joint Oireachtas Committee on Communications, Climate Action and Environment

PETER HARTE, CHAIRPERSON

# Community Engagement and Social Acceptance

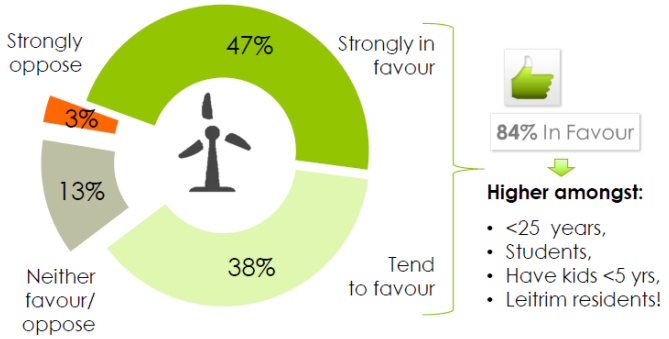

- IWEA leading positive change in this area and have developed a range of best-practice guidelines on community engagement:
  - Publicly Supported Community Engagement incentives in recent RESS consultation from DCCAE, 2017
  - Published IWEA's Policy Recommendations on Shared Ownership, An Irish Energy, 2017
  - Being a Good Neighbour, 2013
    - Includes a recommendation to provide ~€60k/turbine in community benefit
  - Best Practice Guidelines (Chapter 11), 2012
  - IWEA also publicly supports and endorses the department's Code of Practice for Wind Energy Development in Ireland Guidelines for Community Engagement, Dec 2016

# IWEA Research October 2017

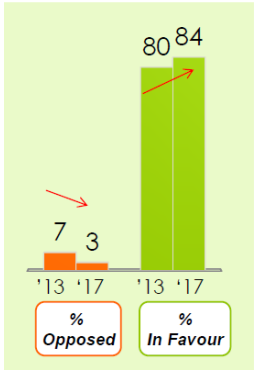
Irish Wind Energy Association

## Attitudes to Wind Power

Q.1 All adults 18+ - 2078

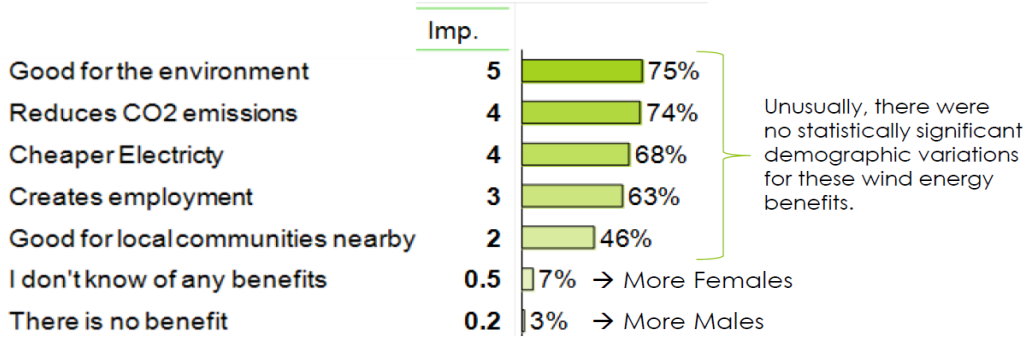



***Trends over Time****



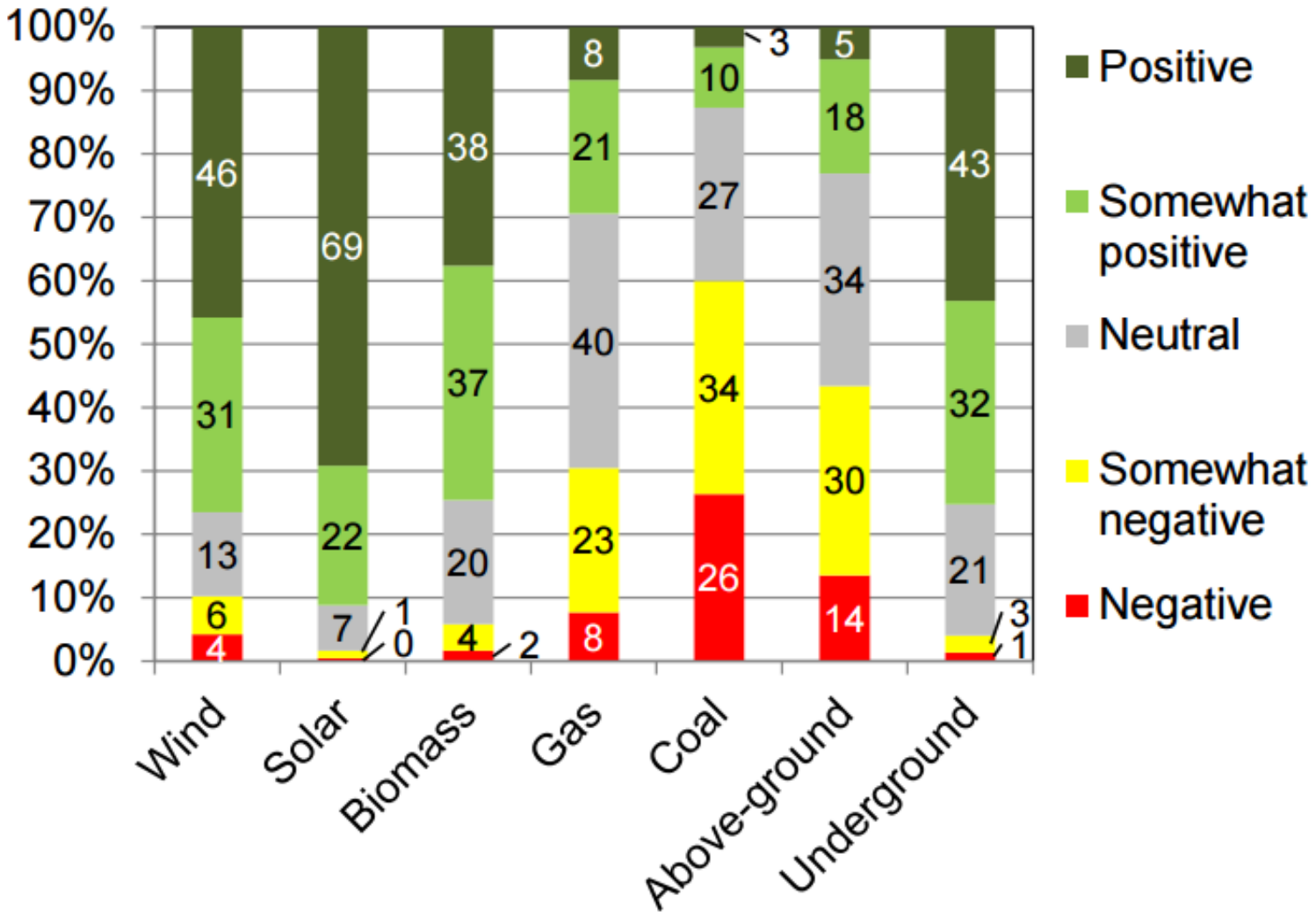

## Ranked Benefits of Wind Power

Q.6 All adults 18+ - 2078




- 84% of public favour Wind Energy
  - 47% “strongly favour”; 38% “tend to favour”
- Just 3% “strongly oppose” Wind
- 70% cite ‘renewables’ as preferred fuel source
- Only 6% cite ‘fossil fuels’ as preferred fuel source
- High level of understanding of benefits of wind energy

Independent research commissioned by IWEA. Survey of 2000 adults throughout Ireland, conducted in October 2017 by *Interactions*.




ESRI paper, May 2017

- Only 4% negative to wind
- Need suite of engagement approaches and early engagement
- Community Benefit and Ownership are important
- Need to look at discounted electricity as proxy for ownership
- Need local authority engagement in communities
- Renewables policy needs to be communicated locally

# Examples of Community Benefit Schemes

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Sliabh Bawn (58 MW) Coillte Joint venture with BNM

- Over 25 years an annual total of €87,000 will be distributed to the local community
- Opened in 2016 a total of 45 projects were supported including sport and recreation works in local schools, Scout Groups, projects that look to improve local walkways and trails, upgrades to local sports facilities, village improvement works, promotion of local history and heritage and widening the coverage of defibrillator equipment across the local area.
- Sliabh Bawn officially launched their recreational facilities on Saturday 2nd of September 2017 with 6 trails including an equestrian trail, trim trail with fitness equipment and picnic area.

Raheenleagh (35.2 MW) Coillte Joint venture with ESB

- €252,000 has been distributed to the local community across 22 projects since 2016
- Killarerin-Ballyfad community centre received €95,000 in funding and 15KM of local way marked trails constructed

Castlepook (33 MW) Coillte Joint venture with ESB

- Supports a variety of local organisations including Ballyhea GAA club

Galway Wind Park (169 MW) Coillte Joint venture with SSE

- Benefit scheme launched December 2017 first round of funding to occur Q1 2018

Arklow Cancer Support Group awarded community funding for car to transport cancer patients between Wicklow and Dublin

# Examples of Community Benefit Schemes cont'd

Electricity Supply Board

- All ESB financial community benefit schemes range in value from €1,000 – €1,500 per MW per annum
- Grousemount (114MW) will offer €150,000 per annum for 25 years amounting to €3.6M to the local community
- Raheenleagh (36.5 MW) Community Fund: €53,000 annually for the operational lifetime of the wind farm
- Invites local primary schools for educational tours explaining the construction and operation of the wind farm

Element Power Moanvane

- Over €3.6M total value of the Community Benefit Fund to support local projects and amenities
- €150,000 per annum for 25 years
- Community Ownership - Local residents will be able to invest in the project and get a return from the wind farm
- Direct financial return for all households which are within 1km of the turbines and landowners involved directly with the project.
- Local road improvements

Brookfield

Standard community fund of €1,000 – €1,500 per MW per annum

DCU students Wind Farm visit

# Community Engagement Survey of IWEA Members

- IWEA survey was conducted amongst the largest developers in ROI
- 70% of respondents already have formal community benefit schemes in place
- €1,000-€1,500 per MW is typical range for those who engage in such schemes
- 70% of respondents are open to the idea of a near neighbour benefit scheme such as discounted electricity, efficiency upgrades, etc.
- 57% of respondents are open to community ownership options e.g. shares, bonds

5k and 10K fun run along the new trails mark opening of the Sliabh Bawn recreational facilities.

# Communities are central to industry development

- IWEA has been consistently setting high standards for our members for community engagement
- Our members are very actively engaging with communities, and making large funds available
- Acceptance of wind farms, particularly after they are operational, is very high, at 84% nationally
- We continue to raise the bar and we're looking forward to implementing the new ownership provisions and Energy Citizen ethos set out by DCCAE

School tours and education days regularly supported at wind farms

Irish Wind Energy Association

25 YEARS YOUR POWER YOUR ENERGY YOUR FUTURE

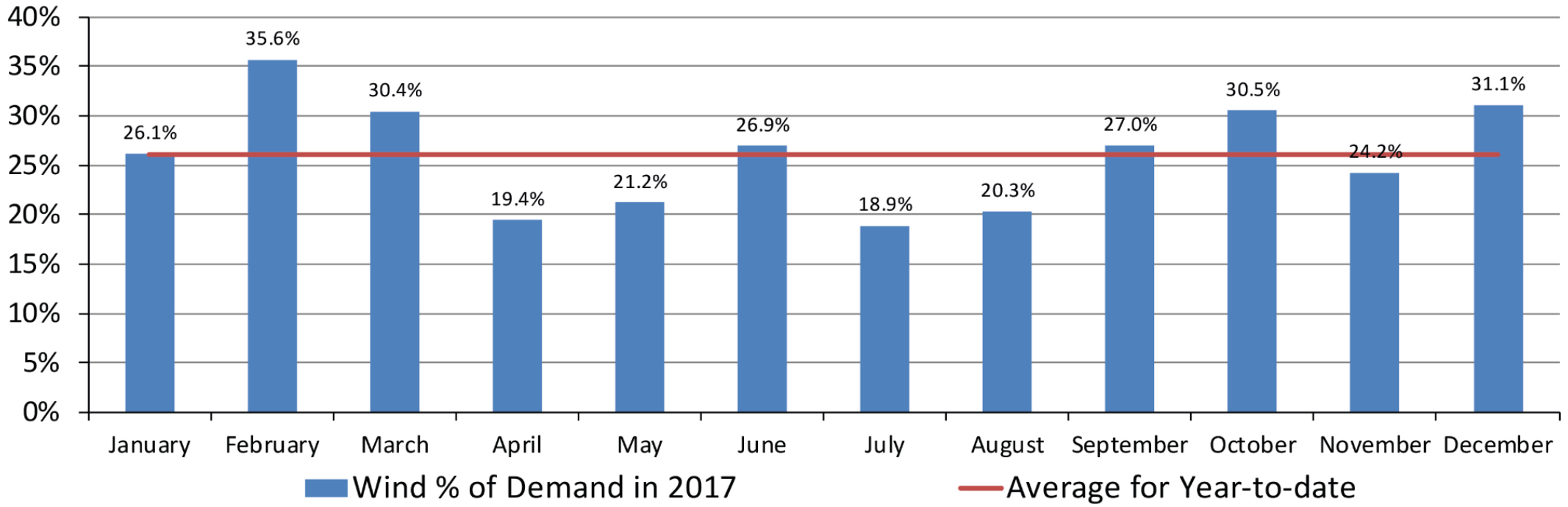
# Wind Energy is Delivering

DR. DAVID CONNOLLY, HEAD OF POLICY

JOINT OIREACHTAS COMMITTEE ON COMMUNICATIONS, CLIMATE ACTION AND ENVIRONMENT

16TH JANUARY 2018

# Wind Power in 2017: 26% of Electricity in Ireland



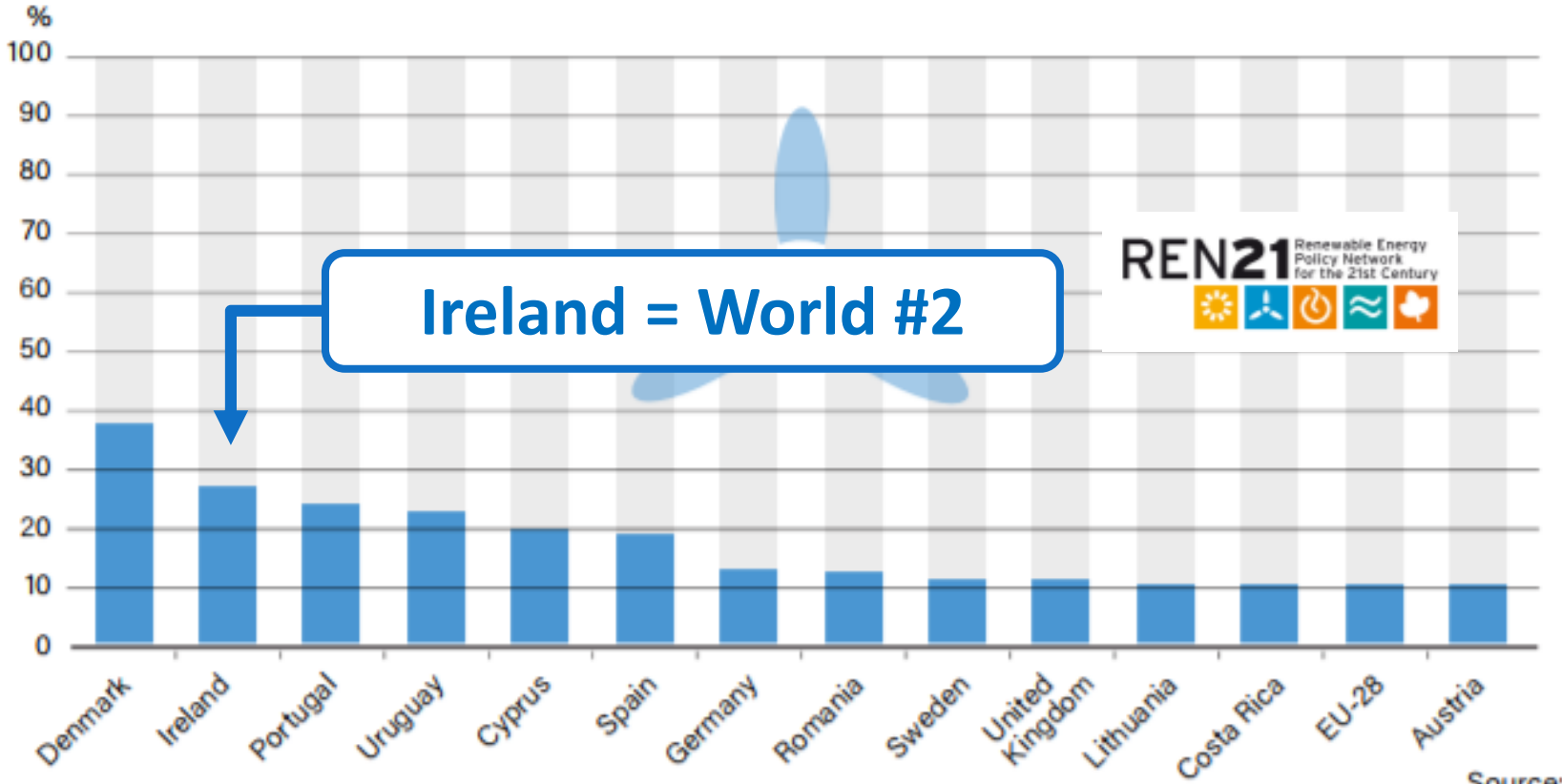

Impact of 26% Wind:
Estimated reduction in CO2 emissions: ~3 Mt
Estimated reduction in imported fossil fuels: ~€185 Million

Graph: Martin Howley, SEAI

# This Makes Ireland a World Leader

Irish Wind Energy Association

**Figure 29.** Share of Electricity Demand Met by Wind Power, Selected Countries with over 10% and EU-28, 2016

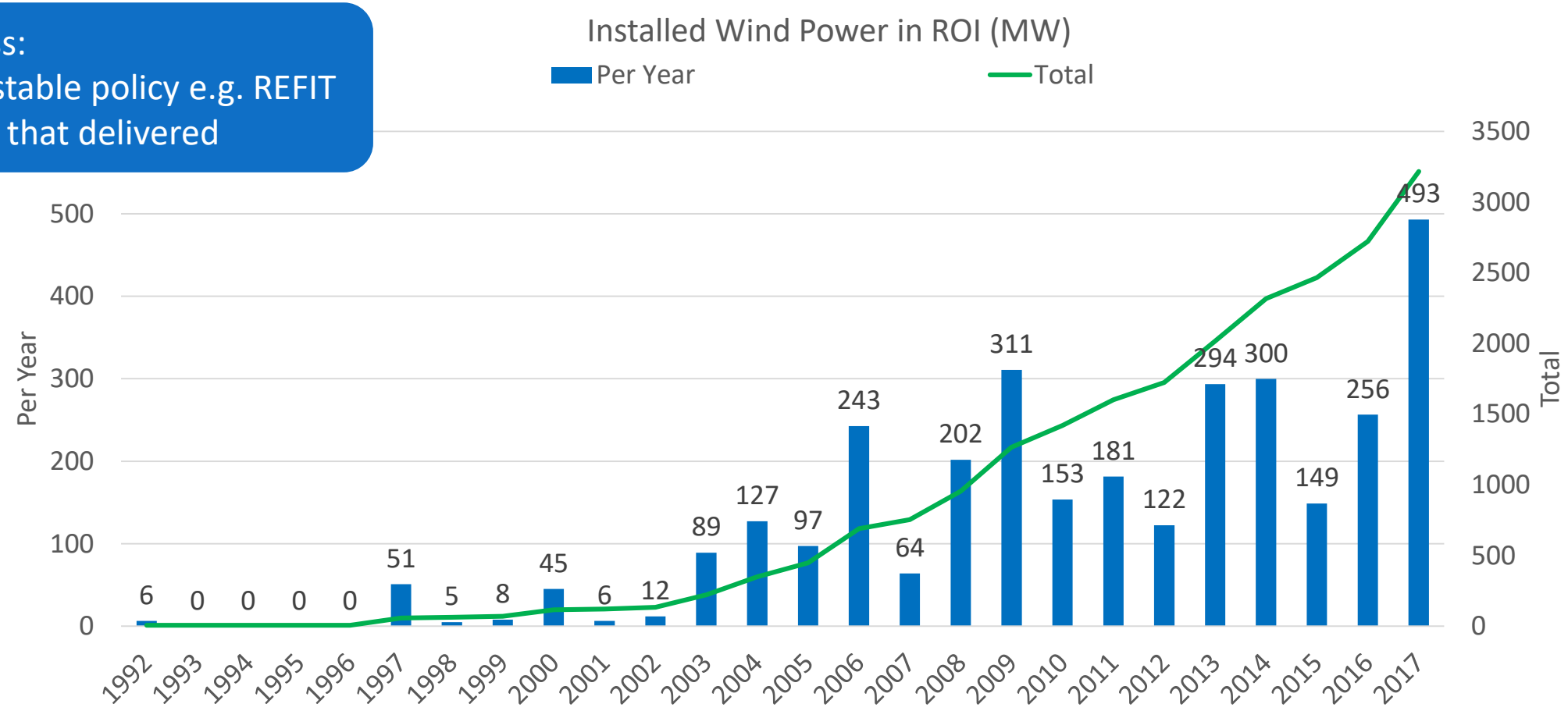



WIND has become the LEAST-COST option for new power generating capacity in an increasing number of markets.

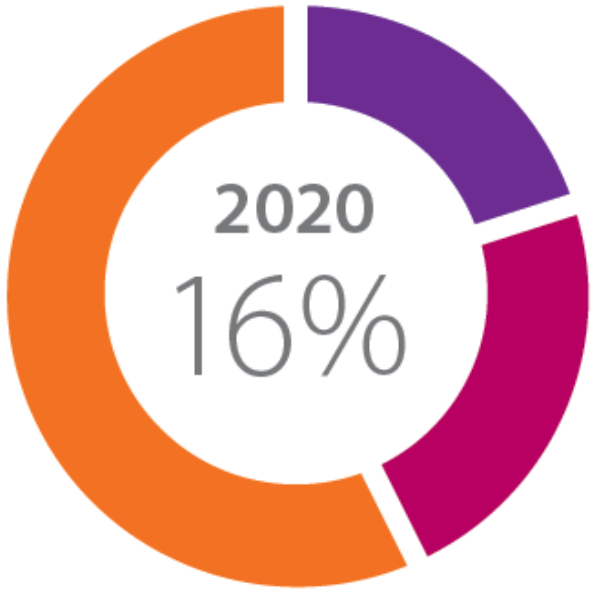
Source: See endnote 94 for this section.

# Wind Power is Consistently Delivering

Key To Success:
1.Long-term stable policy e.g. REFIT
2.An industry that delivered



# Wind Energy Expect to Supply almost Half of Ireland's 2020 Renewable Energy Target




Ireland's Renewable Energy Target

=

RES E 9%

RES H 3.7%

RES T 3.2%

=

40% Renewable Electricity

OTHERS 3-5% RES-E

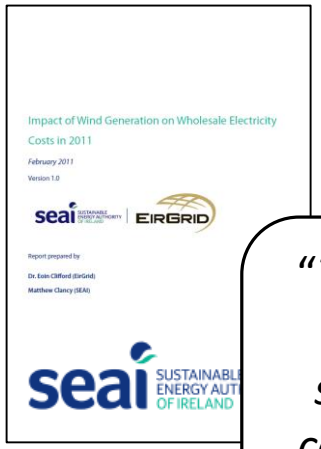
WIND 35-37% RES-E

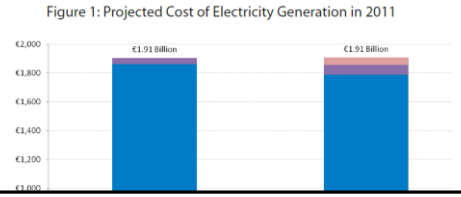
=~7-8% RES

(Saving >€700 Million)

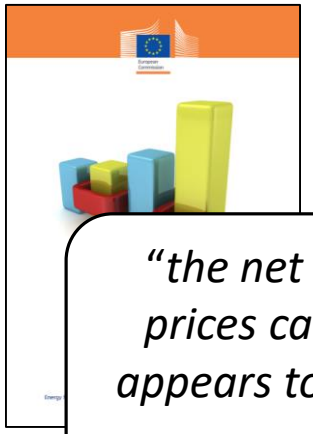
Renewable Electricity

# Cost of Subsidies (PSO) Offset by Reductions in Wholesale Price of Electricity Due to Wind




*"This reduction in the wholesale market cost of electricity is approximately equivalent to the sum of Public Service Obligation (PSO)… total cost does not increase with the inclusion of the 2011 wind capacity"* SEAI Report



*"the net effect of renewable energy on retail prices can be to reduce, not raise prices. This appears to be the case in Spain and Ireland"* EU Commission Report

ESRI


*"The effect of wind remains positive after including the cost of subsidies given to wind generation"* ESRI Report


THE IRISH TIMES

John FitzGerald: The benefits of renewable electricity

*"Necessary investments will be expensive but in the long run they will be cost effective"* Prof. John Fitzgerald

# WIND IS BENEFITING IRELAND

IWEA
Irish Wind Energy Association

## INVESTING IN INFRASTRUCTURE:

APPROXIMATELY €5 BILLION SO FAR

## CREATING JOBS:

~4500 ACROSS IWEA MEMBERSHIP

## SUPPORTING LOCAL AUTHORITIES: RATES OF ~€20 MILLION/YEAR

## REDUCING ENERGY IMPORTS: BY ~€150 MILLION IN 2016

## SUPPORTING WIND COMMUNITIES: IWEA MIN RECOMMENDATION OF ~€60K/TURBINE TODAY

## ATTRACTING FDI

SUCH AS MICROSOFT DATA CENTRE 2017

## REDUCING ELECTRICITY GENERATION COSTS

## REDUCING CARBON EMISSIONS: BY ~2.5 MILLION TONS IN 2016

# Wind Will Need to Continue Large Growth to Meet 2020 RES-E Targets i.e. >500 MW/year

# More Wind in the Pipeline for 2020 But Challenges to Overcome

# Wind Energy is Delivering

## ~500 MW in 2017 equates to ~1% RES more for Ireland

IWEA
Irish Wind Energy Association

### 2017: Another Record Year!

+500 MW New Wind Capacity

2020 Target
4300 MW

+5% RES-E More due to Wind

2020 Target
40% RES-E

+1% RES More Due to Wind

2020 Target
16% RES


IWEA
Irish Wind Energy Association

# What Industry Needs to Deliver Above 2020 Target

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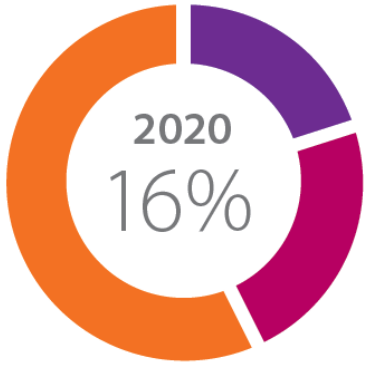
1. Empower Community Engagement by providing independent support and information to communities where wind farms are being developed
2. Clear national policy decision setting out revised targets and general commitment to implement urgently any consequent policy or legislation required to deliver same e.g. 2030 targets
3. Fast track the much delayed Renewable Electricity Policy and Development Framework to ensure local Councils can't override national policy.
4. An Bord Pleanála Review completed Feb 2016 making 101 recommendations. None of the key recommendations have been implemented. Introduce ABP a mandatory decision deadline, if Local Authorities can make decisions in 8 weeks, ABP can.
5. Upcoming auction based Renewable Energy Support Scheme for onshore and offshore published and approved by EU State Aids by summer 2018, first contracts end 2018.
6. A number of planning law issues to be resolved (O'Gríanna, ownership to middle of road) to ensure planning decisions are robust to challenge - likely will require legislation.
7. Planning guidelines to be implemented without inadvertently driving up cost or reducing extent of projects. (See Appendix for impact on cost to consumers of poor decisions).
8. EirGrid to fast track upcoming grid allocation regime for projects that have planning.
9. DS3 programme to be fast tracked, with additional volumes of services required to balance additional wind, on basis of revised EirGrid technical studies of higher targets.
10. Fast track some key flexibility measures (quantified by EirGrid study) such as demand side, interconnection, storage and flexible generation to manage wind curtailment levels.
11. Restore international investor confidence by not applying retroactive 3x rates increase.
12. Restore international investors confidence by not reneging on REFIT2 giving full market protection (i.e. REFIT 2 must cover all or most balancing costs in transition SEM to I-SEM).

# Cost of Missing Our Targets Could be Almost Half a Billion Euro

Irish Wind Energy Association

## TARGETS

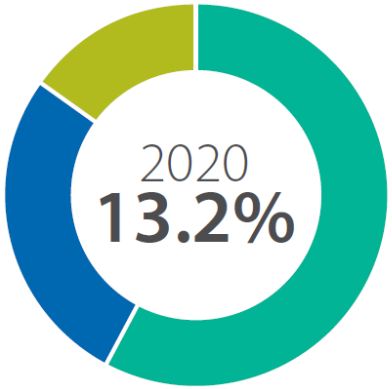



RES E 9%

RES H 3.7%

RES T 3.2%

## CURRENT TRAJECTORY




Renewable electricity: 7.6%

Renewable heat: 3.6%

Renewable transport: 2.0%

seai SUSTAINABLE ENERGY AUTHORITY OF IRELAND

## SHORTFALL TYPES

Renewable Energy

Emissions/ Green-House Gases

## SHORTFALL COST (UCC)

€68-315 Million in2020

€80-140 Million in 2020

UCC: Total Could be Over €450 Million in 2020

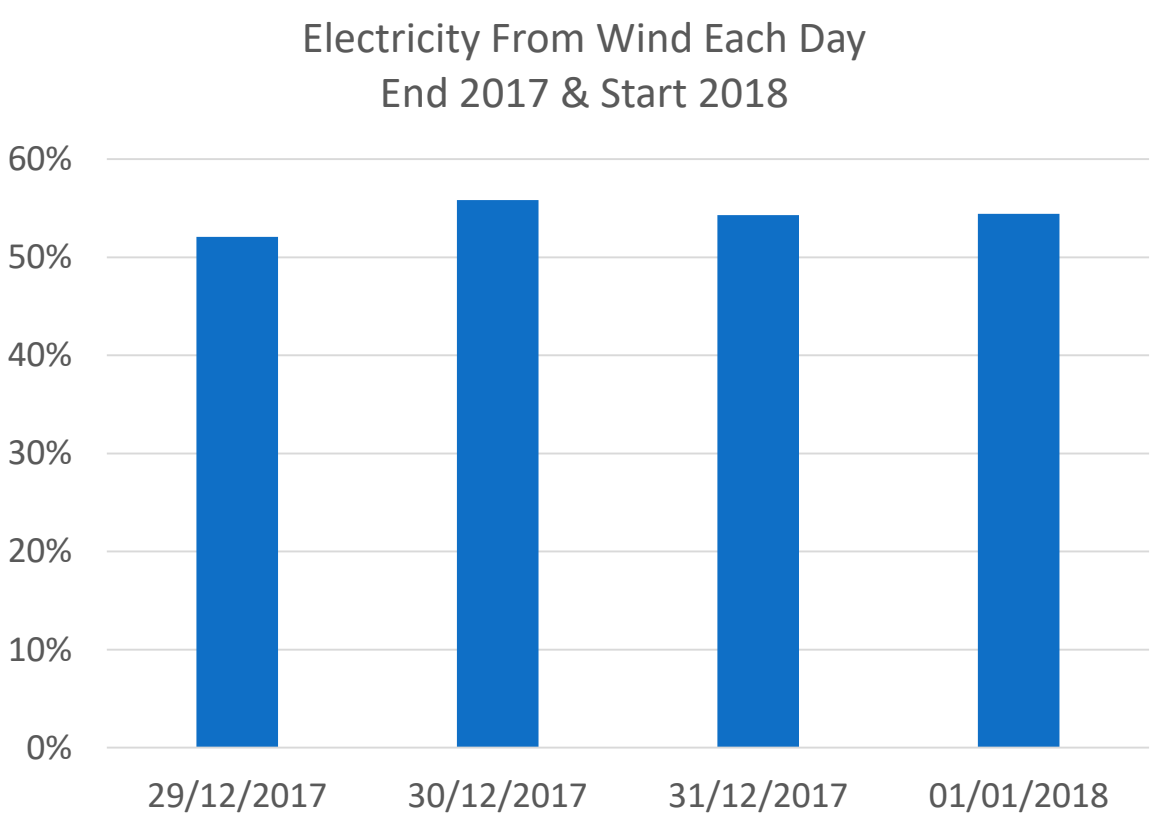
# Wind Energy will Prevent Significant Non Compliance Costs

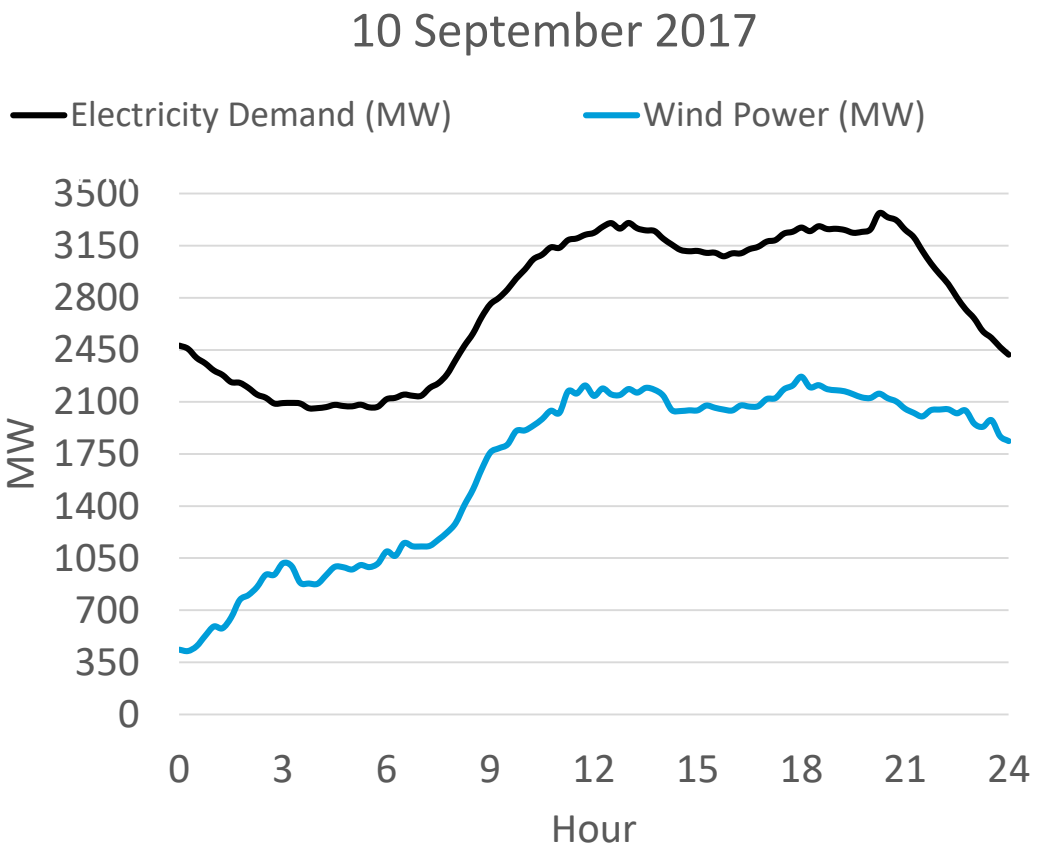
- SEAI: Every 1% RES Shortfall = ~€100 Million of Non Compliance Costs

- Wind Energy will prevent ~€800 Million in 2020 in Non Compliance

- Essential that we meet 40% RES-E target, due to shortfall in RES-H & RES-T

# Wind Power is Regularly meeting Over 50% of daily electricity demand



# Thank you for your attention