Community Energy in the North West
Sector Survey 2018

Understanding and supporting communities through the energy system transition

Electricity North West Limited
Registered number 02366949

Bringing energy to your door
I am very pleased to welcome you to the first ‘state of the sector’ survey of community energy organisations in the Electricity North West licence area. We have worked with Community Energy England to produce this report alongside their national ‘state of the sector’ report and I would like to thank them for the opportunity to work together.

The survey received responses from 23 groups with 9.2MW of community owned generation capacity and I would also like to thank them for their time and effort in preparing their responses. This report highlights that despite tough times communities in the North West raised a total investment of £665,000 last year to support at least four projects which is a great achievement.

Community energy is represented throughout our region but is particularly well represented in Cumbria and Greater Manchester. Community energy groups in our region work across the full range of energy projects with at least five groups working on energy efficiency and two on low carbon transport. Whilst the sector is largely driven by volunteers in our area, it also employs 28 full time staff.

This report is an opportunity to showcase the community energy sector and to talk about the successes and value the sector can bring to our region. We believe that community energy represents an opportunity to engage customers in energy issues and can deliver a range of benefits such as energy efficiency, improved air quality and community benefit funds that can help transform the communities of the North West.

Electricity North West is committed to supporting communities in taking an active role in decarbonisation. We have recently launched our Leading the North West to Zero Carbon plan which recognises the scale of the challenge and sets out our role in helping our customers drive down their carbon emissions.

This sector survey demonstrates what community groups have achieved with relatively modest means and it reinforces what we hear from our stakeholders – that the community energy sector is ready and willing to scale up and meet the challenge.

As part of our role in Leading the North West to Zero Carbon we want to support community energy in achieving its ambitions. Since June 2018 we have been delivering our Community and Local Energy Strategy which we developed in response to stakeholder needs and which we will continue to develop and adapt to support the growth of the sector.

I hope you find this document accessible and informative and I encourage you to share any feedback you have with us.

Steve Cox
Engineering and Technical Director
Electricity North West
About this Document

We believe that communities will play a key role in decarbonising the energy system. Understanding community led energy in the North West is a significant step towards encouraging and supporting local zero carbon development in the future.

This report provides an in-depth understanding of communities involved in community energy across the North West of England. The information provided in this report aims to provide a starting point for understanding community energy benefits within communities located in Electricity North West’s distribution licence area. Building on this and understanding the future plans and trajectory of community energy will enable Electricity North West to support, collaborate with, and catalyse communities’ growth through the energy transition.

This research is supported by Community Energy England, utilising data collected as part of the annual Community Energy - State of the Sector 2019 research project. As part of this national project, 27 community energy organisations active in the North West of England were surveyed between January – March 2019. The survey was carried out by UK community energy consultancy Scene Connect, seeking to better understand:

- Community energy activities throughout 2018;
- People and diversity within the community energy sector;
- The impacts and benefits of energy projects;
- The motivations and challenges faced in 2018;
- The future of the community energy sector.

Electricity North West

Electricity North West is the region’s distribution network operator (DNO) and owns and operates the network infrastructure that transports electricity from the transmission network to people’s homes and businesses.

Community Energy England

Community Energy England (CEE) is a not for profit organisation that represents and supports the community energy sector. CEE was established by the sector to provide a voice for community energy and to put people at the heart of the energy system by helping to create the conditions within which community energy can flourish.

Scene Connect

Scene is a social enterprise focused on strengthening communities through consultancy, research and development of ICT products and services. We work across the renewable energy and energy access sectors.

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Community Energy in 2019

Community energy means community led projects or initiatives to reduce, manage, generate or purchase energy. Community energy projects focus on engagement and benefits to their local area and communities, encompassing energy generation and storage, as well as activities such as improving energy efficiency and providing access to low carbon transport.

Community energy forms a small but growing part of the low carbon and renewable energy sector, with over 300 active community energy organisations throughout the UK. As of 2018, these organisations were found to own over 250 MW of energy generation capacity and to have engaged and supported over 80,000 community members in energy efficiency programmes. While the North West of England has a relatively low number of community energy organisations, the region contributes a huge amount to the sector via high profile projects such as Mean Moor Wind Farm and far reaching organisations such as Energy4All and the Carbon Coop.

Communities have faced a number of key challenges through 2017/18, as the removal and reduction of subsidies and support schemes has reduced the number of new community energy organisations and successful projects. In particular, the closure of the Feed-in Tariff (FiT) subsidy scheme in March 2019 has had a negative impact on the financial viability of small to medium scale energy generation projects.

Whilst community energy has faced unprecedented challenges to growth, there are a number of new opportunities in the low carbon and renewable energy sector. Falling costs in renewable energy technology are paving the way toward subsidy-free energy projects; communities are trialling innovative new approaches to energy generation and supply and energy networks are adapting to changing patterns in energy demand, distributed generation and storage.

With effective support, communities will be well-placed to harness these opportunities and to play an important role in the wider decarbonisation transition. Innovative approaches such as local energy supply, smart demand management and grid balancing services, will allow communities to play an increasing role in energy networks and markets. Ensuring that communities are provided with the expertise and tools necessary to participate will be essential in generating the greatest local benefits from the energy system transition.

As the distribution network operator for the North West of England, Electricity North West plays a central role in guiding and supporting communities and their energy ambitions. Future opportunities within the electricity network include new business models for energy storage, flexibility services, peer-to-peer trading and electric vehicle charging infrastructure. Electricity North West helps communities to operate at the forefront of energy innovation through mutually beneficial partnerships and collaboration, support and knowledge sharing. These new ideas and ways of working will help community energy play an important role in the future of the energy network.

Mean Moor Community Owned Wind Farm, Cumbria
North West Communities

Community energy organisations were found to be located throughout Electricity North West’s licence area, with clustering around major population centres such as Manchester and Lancaster. This distribution follows patterns found throughout the UK, with larger generation projects located in rural areas such as Cumbria, and with small-scale generation (e.g. rooftop solar / photovoltaic (PV)) and energy efficiency schemes being more common in the urban context.

Cumbria was found to have the greatest generation capacity, dominated by the 6.9 MW Mean Moor Wind Farm near Ulverston, as well as solar PV in Burneside and a recently installed hydro scheme near Killington. In the South, a number of small-scale hydro and solar PV schemes are located in the Greater Manchester area. Several notable supporting organisations are located in the North West, including Energy4All which has supported over 24 community energy organisations across the UK.

Community Energy Projects in the North West
People and Energy

Community energy relies on the passion and commitment of volunteers to deliver the projects which generate their local benefit and legacy. These volunteers bring a range of skills and knowledge together to deliver projects which tackle climate change, reduce fuel poverty, support local services and much more besides.

Whilst 28 full time staff were reported across the North West, it was found that the majority of this figure was attributable to Energy4All and Carbon Coop. Of the community energy organisations surveyed, 23 reported no full-time staff and over half of the responding organisations (56%) reported less than 10 volunteers supporting their organisation’s work. This demonstrates the limited staff capacity available to many organisations.

Though limited in staff capacity, organisations were found to have wide ranging support within their communities, with an average membership of 196. Members include those from the local community, affiliated organisations and both local and national investors, such as those investing through community shares.

Community energy projects are often seen as an effective route towards engaging local populations about climate change, zero carbon living and renewable energy. Organisations in the North West were found to have reached over 10,000 people via organisational mailing lists, and to have delivered events to over 1,000 participants across 42 events in 2018. Event topics included climate change, renewable energy, low carbon transport, fundraising and site visits to community owned projects.

Through membership, mailing lists and events, community energy groups are delivering indirect low carbon benefits, such as awareness-raising, supporting behavioural change, and inspiring new community led low carbon projects and initiatives.

Communities & People

Community Energy Business Models

Mailing List 10,400

Members 4,500

Staff 28 FTE
Community Energy & Diversity

Community energy in the North West was found to have a low level of diversity throughout most organisations. On average, less than 1% of organisational staff and volunteers were found to be black and minority ethnic, identify as LGBTQ+ or consider themselves neurodiverse. In terms of gender equality, organisations were found to be 33% female on average, with only two organisations reporting over 50% of their staff and volunteers being women.

Young people were also found to be under-represented: our research found an average of 10% of the staff and volunteers are under 25, with 35% over 65. This trend can be explained in part by the volunteer nature of community energy, where core staff and volunteer groups are retired and have relevant skills for use within the energy sector.

Whilst it was noted that high volunteer turnover and limited human resource tracking and reporting can also be considered a reason for under-reporting, it is evident that more needs to be done to engage communities beyond those who are able to invest in projects.

Skills and Development

Community energy projects, whether the construction of a wind turbine or the delivery of climate change workshops, require a high level of knowledge and expertise. Respondents stated that their organisations have good knowledge of climate change and energy concepts, often with supporting engagement, financial, business, technical and funding experience and expertise. In contrast however, many organisations reported a lack of more specific skills, including legal, accounting, and marketing expertise.

Improving access to this expertise may be achieved through several routes, including early-stage funding for project development, knowledge-sharing between communities and topic-specific guides and events. Whilst every community energy group is different, supporting skill development and skill sharing within the sector remains an important part of long-term success and growth.
Energy Generation and Use

Community energy projects focus on the ownership of energy infrastructure, including energy generation, storage and networks, as well as reducing energy use and improving its management. The core focus of these projects is to contribute to carbon emission reduction whilst providing the dual benefit of community development.

Communities in Electricity North West’s licence area were found to be actively engaged throughout these activities, generating clean energy as well as implementing projects which benefit local people, businesses and public services. Projects range from large scale energy generation, such as the 6.9 MW Mean Moor Wind Farm in Cumbria, to impactful initiatives which raise awareness of climate change and reduce energy use at the local level.

These activities and the efforts of local people and communities is a critical component in the transition towards a zero carbon economy, bringing together clean energy, sustainable lifestyles and reduced carbon emissions. Community energy organisations, and the projects and initiatives they develop, are effective vehicles for delivering these changes.

As the local distribution network operator, Electricity North West can play a key role in supporting communities to access these opportunities and deliver locally beneficial projects. Through funding, knowledge sharing and collaboration, Electricity North West will support the ongoing and future work of communities throughout the North West of England.

Community Energy Generation Sites

<table>
<thead>
<tr>
<th>Organisation Activities</th>
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<tbody>
<tr>
<td>Wind</td>
</tr>
<tr>
<td>Solar PV</td>
</tr>
<tr>
<td>Hydroelectric</td>
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<tr>
<td>Biomass</td>
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<tr>
<td>Solar Thermal</td>
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<tr>
<td>Energy Storage</td>
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<tr>
<td>Electric Vehicles</td>
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</table>
Electricity Generation

Across the 23 communities involved in electricity generation in Electricity North West’s licence area, 9.2 MW of community-owned generation capacity was identified, equivalent to 4% of all community energy capacity in the UK.

In 2018, two new community electricity generation projects were completed, totalling 58 kW and including 23 kW of solar PV and 35 kW from a micro hydropower project. A further 575 kW is planned for 2019, including anaerobic digestion and solar PV projects.

Communities generated 23.5 GWh of energy in 2018. This is equivalent to the energy demand of 7,800 UK homes and reducing carbon emissions by 6,600 tCO2e or 3,300 return flights to New York.

Energy Storage

The falling costs of energy storage and new opportunities to derive value from storage projects (e.g. flexibility or demand side response), mean energy storage is becoming an increasingly viable option at the community scale.

Two communities in the North West were found to be involved in energy storage, including Carbon Coop successfully supporting the installation of domestic storage and investigating community-owned solar and storage projects in 2019. Further to this, Charge My Street in Lancaster is investigating the use of energy storage in tandem with an electric vehicle charging infrastructure.

Whilst few energy storage projects have been delivered by communities, many respondents noted that storage will form a key part of their 2019 focus, as opportunities in the energy network transition materialise.

Heat Generation

Heat generation was found to be dominated by solar thermal installations, with just one new project installed in 2018. A total of 22 kW of heat generation capacity was identified, including solar thermal installations on a Manchester church roof. Over 500 kW of further heat energy generation is planned for installation in 2019 in the form of an anaerobic digestion plant in Cumbria.

Limited uptake of heat energy projects in the North West is mirrored throughout the UK more broadly, where far fewer community energy groups have successfully installed heating projects. There may be increased interest in heating projects in 2019, with a number of respondents investigating community heat networks for the future.
Energy Efficiency

Energy efficiency projects were found to include both physical improvements and upgrades to buildings in the North West, as well as providing grant funding, expertise and knowledge sharing, energy efficiency events and advising community members. In total, five community energy organisations were found to be focusing on energy efficiency. These were predominantly around the Manchester area.

In 2018, community energy organisations engaged 550 community members, providing advice and support towards improving their home or their organisation’s energy efficiency. Over 200 physical energy efficiency improvements were completed in 2018, including the retrofitting of energy efficiency measures in domestic housing, and providing funding to upgrade local schools with energy efficient lighting. Communities also ran 20 energy efficiency focused events, engaging 200 participants and offering advice, support and training to community members.

Community Energy Efficiency

Over 500 Community members engaged
Over 200 Services and Upgrades provided

Low Carbon Transport

Two community energy organisations were found to be involved in low carbon transport projects. Both Carbon Coop and Charge My Street, both of which are also involved in energy storage, are developing innovative low carbon transport projects in the North West.

Carbon Coop is developing a project to install electric vehicle charging in homes as a form of demand side response. The OpenDSR project – supported by the UK Government’s Department for Business, Energy and Industrial Strategy – seeks to develop an open source framework for providing flexible demand at the domestic and aggregated levels towards replication across the wider community energy sector.

Charge My Street has recently raised funding via a community share offer to install four community charging points in Lancashire and Cumbria. Further to this, the organisation provides mapping of electric vehicle (EV) charging locations across the North West, helping to reduce barriers to EV use.
Community Energy Projects in 2018

Whilst the number of new community energy projects in the UK has dropped over the last few years, there have been a number of successes in hydropower in the North West through 2018. This includes RainePower as well as successful solar PV installations by the Baywind Energy Co-operative.

Further to this, the number and extent of engagement in relation to energy efficiency and wider low carbon living has been notably impressive, with over 500 community members engaged during 2018. Lastly, new technologies have played an increasing role in 2018, with organisations such as Carbon Coop and Lancaster’s Charge My Street initiative supporting the installation of EV and energy storage infrastructure.

Case Study

Whalley Community Hydro

Whalley Community Hydro is a 100 kW micro hydroelectric scheme situated on the River Calder in Lancashire. Initially formed from activities by Transition Town Clitheroe, a community organisation addressing peak oil and climate change concerns locally, Whalley Community Hydro was constituted as a community benefit society in August 2011.

The hydro scheme was funded via a £750,000 share raise, with income from the project returned to community investors on an annual basis as well as supporting a community benefit fund. To date, the fund has supported energy efficiency LEDs at a community sports ground, materials for teaching about energy conservation and low carbon living in five local schools, loft insulation at a local community centre and a home improvement service for those in fuel poverty.

Whalley Community Hydro took part in Open Utility and Good Energy’s innovative Piclo peer-to-peer energy trading trial in 2015/16, aiming to understand how smart local trading and energy matching could reduce customers’ energy bills.

Case Study

Carbon Coop

Carbon Coop is an energy services and advocacy co-operative based in Manchester. It helps local people and communities to reduce their domestic carbon emissions through providing domestic energy efficiency services, carrying out research and hosting training and awareness-raising workshops to local community members.

Starting in the first quarter of 2019, Carbon Coop is developing an automated demand side response system which is integrated with electric vehicle charging, electric heating systems and smart appliances. The project builds on a feasibility study carried out in 2018 for the Business, Energy and Industrial Strategy department of the UK Government. If successful, this innovation will: support a more stable and resilient grid by drawing electricity when most available; and generate additional income through incentive payments for those grid services. Findings of the project may also contribute to the launch of the Energy Community Aggregator Service (ECAS), supporting community energy groups to participate in flexibility energy markets across the UK.
Funding & Finance

Community energy projects use small amounts of initial funding to support large scale finance raising and in turn community income, with resulting benefit over project lifetimes of 25 years and beyond.

In 2018, communities in the North West were found to have accessed £204,000 of funding to develop energy projects. In particular, this includes £70,000 from the Rural Community Energy Fund (RCEF) to develop projects including solar PV on local business properties and a farm level anaerobic digestion plant. Communities were also found to have successfully secured funding from EU projects, including RESCoop MESICE and Horizon 2020. Electricity North West provided funding of £71,000 across six communities in 2018, as part of its Community and Local Energy Strategy.

From this initial funding, communities were able to generate £665,500 in investment, including £250,000 for energy efficiency projects and £376,000 in community shares towards the installation of solar PV, micro-hydro and low carbon transport projects.

A number of wider non-community led projects are investigating and supporting community energy in the North West. Oldham Metropolitan Borough Council’s European funded COALESCE1 partnership seeks to increase the capacity for local renewable energy projects that keep the value of energy generation within the local population. Further to this, The Tyndall Centre Manchester is investigating UK community energy projects to develop innovative policies, finance mechanisms and business models to support community energy’s future growth.

Impacts of Community Energy

Community energy delivers local, regional and national benefits derived from projects. These encompass environmental, economic and social benefits, including:

- Lower electricity costs for community members and local services;
- Reduced fuel poverty;
- Carbon emissions reduction;
- Support for local services and groups;
- Community cohesion and resilience;
- Job creation;
- Community asset ownership;
- Local environmental improvements;
- Low carbon awareness and understanding.

### Funding & Finance in 2018

#### Total Funding

- **£204,000**

#### Local Authority

- £104,000

#### Self-Funding

- £665,500

#### Community Shares

- £376,000

#### Grants

- £250,000

#### Other

- £8,000

### Notes

1. Community Owned and Led Energy for Security Climate Change and Employment
Community Benefit

Community energy organisations have been shown to deliver local and regional benefit in a number of ways, from establishing community benefit funds to raising awareness in their communities.

Across 13 organisations with community benefit funds, £70,600 was distributed via grants, loans and donations within North West communities during 2018. Respondents further noted indirect economic benefits via energy bill savings to local schools and community buildings and loans to other community organisations to assist with similar energy projects.

Wider benefits derived from community energy projects were found to centre around awareness and education in relation to environmental issues and energy use. Inclusivity and community cohesion were also found to have a central role in many communities’ activities in 2018.

Case Study

Burneside Community Energy

In November 2018, the Cumbria-based energy group successfully raised £330,000 for their next solar PV installation through a share offer. It is expected to generate 365,000 kWh of renewable electricity per year, avoid 1,900 tonnes of CO2 emissions, and provide over £127,000 for community projects, across the project’s 20-year life time. All this, while providing a 4.5% annual return for investors.

Burneside Community Energy is also the recipient of £15,000 in grant funding from Electricity North West. This award comes as part of the DNO’s Community and Local Energy Strategy, designed to support projects that put local energy at the heart of communities. The aim is to engage communities in energy issues, support vulnerable customers and reduce fuel poverty. Burneside Community Energy will use the grant to develop a business case for community-owned energy assets to supply a new housing development, providing local benefits for the whole village.

Case Study

Morecambe Bay Community Renewables (MORE)

MORE Renewables is based in Lancaster, and has developed solar PV and biomass community energy projects through share offers. They aim to increase local renewable energy uptake, nurture an attractive investment environment for local people and organisations, and reduce energy costs and carbon emissions through supporting local community projects.

MORE Renewables has a Community Benefit Fund. In 2018, this fund was used to thank the group’s local Citizen’s Advice Bureau for their engagement in alleviating fuel poverty: Citizen’s Advice North Lancashire provides debt advice, financial capability guidance and energy clinics, helping to keep the lights on and homes heated at affordable rates for local people. The fund, totalling £3,275, represented money that had been set aside throughout 2016 and 2017 for the purpose of community benefit.
Motivation and Challenges

Community energy groups have a wide range of motivations and aims. Most agree that tackling climate change via reducing carbon emissions and low carbon living is a critical part of their ethos. In 2018, communities in the North West reduced carbon emissions by 7,200 tCO2e via energy generation, with further carbon reductions achieved through wider energy efficiency, low carbon transport and education projects.

Income generation was seen as the second most important motivation across all responding communities. Income generation, whether via income from generation projects or through fundraising or grant support, allows community energy groups to implement beneficial projects within their community. This includes improving health and social care services, improving local air quality and delivering community events and workshops.

Awareness raising and education were referenced by many groups as they represent an important function of community energy: engagement and inclusivity. Community energy organisations know the importance and impacts made possible through sharing information and knowledge about the climate, carbon and energy. In particular, one community stated an aim to engage citizens in the energy system and to address issues of democracy and equality in energy issues.

Understanding community motivations is an important first step in helping them to achieve and expand their aims and ambitions.

Community Energy Motivations

Community Energy groups were found to be motivated by...

- Tackling Climate Change: 52%
- Income Generation for Community Benefit: 48%
- Awareness Raising: 41%
- Supporting Community Services: 19%
- Reducing Energy Bills: 15%
- Better Quality of Energy Services: 11%
- Tackling Fuel Poverty: 11%
Challenges in 2018

Challenges throughout the last year have centred around uncertainty and risk within the energy sector. The reduction and subsequent removal of the FiT subsidy regime for small to medium scale renewables was cited by 30% of respondents as a major barrier to their work. Communities stated a need to pursue new models of energy generation, including behind-the-meter renewables and local energy supply options.

Respondents also reported a lack of organisational capacity and time constraints as major barriers to their work. Due to the voluntary nature of most community energy groups and limited core funding to employ staff, communities are often overburdened, impacting on project timescales and success.

In terms of the project development, communities reported that access to suitable sites and the planning process were the greatest barriers. These issues are also seen at the national level, where communities lack the necessary land or buildings to develop their projects. Increasingly, partnerships with public and private organisations are allowing communities to develop projects which offer mutual benefit. Burneside Community Energy is an example of this, providing low cost renewable energy to a local manufacturer and generating community benefit funding from the export payments.

Challenges such as this help explain why 22% of respondents reported a stalled project in 2018, including both electricity and heat generation projects. In all cases this was found to be due to a lack of viable business models following the removal of subsidy and export support, often alongside an inability to locate suitable local supply customers.

### Barriers to Community Energy in 2018

<table>
<thead>
<tr>
<th>Time Constraints</th>
<th>Organisational capacity</th>
<th>Access to a suitable site</th>
<th>Removal of Feed-In Tariffs</th>
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</thead>
<tbody>
<tr>
<td>Planning</td>
<td>Limited public support</td>
<td>Insufficient subsidy support</td>
<td>Removal of Export Tariffs</td>
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<tr>
<td>Access to finance</td>
<td>High grid costs</td>
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<td>Policy support</td>
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</tbody>
</table>
The Future of Community Energy

The renewable energy sector and how the UK energy network functions is changing at a dramatic pace, as distributed renewables become increasingly integrated and new models of energy ownership and supply are identified and developed. In total, 37% of community energy groups have energy projects planned in 2019. These projects encompass energy generation, storage, supply and use.

Primarily, communities intend to develop energy generation projects, focusing on developing new solar PV on community, domestic and public buildings. A number of respondents hoped to gain Feed-in Tariff (FiT) subsidies – either through connection or pre-accreditation – before the March 2019 closure of the scheme, while others suggested that their projects would be entirely behind-the-meter. A number of planned district heating projects were also identified, including the development of biomass and anaerobic digestion projects.

Communities remain engaged at the forefront of energy innovation, with respondents actively exploring flexible services and peer-to-peer energy trading and innovative models of local supply. This search for viable business models is both a reaction to recent policy changes and a forward-thinking approach to upcoming opportunities in the energy sector.

Supporting Community Energy

<table>
<thead>
<tr>
<th>Training</th>
<th>Reduced planning complexity</th>
<th>Lower grid costs</th>
<th>Expert support</th>
<th>Investment</th>
<th>Funding</th>
<th>Improved subsidies</th>
</tr>
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</table>

Communities stated that better support is needed for low carbon projects, including...

"It should be a year of coming of age for the sector as the environment takes centre stage but needs publicity at a national level"

Oldham Community Power
Supporting Communities

With recent changes in both the renewable energy support landscape and in energy distribution networks, communities more than ever need help to navigate and benefit from the energy system transition.

Most communities stated that reviewed and improved subsidy support continues to be an area of need to make their business models viable. With respect to the FiTs and wider export tariff, many communities are waiting to see how new models of energy export payments may work before they can progress their projects. Improving knowledge sharing and collaboration on the part of the energy network operator will be essential in supporting communities’ understanding of these new models and processes, and catalysing successful projects in future.

Funding and financial support are further areas where communities feel more support is needed. From core staff costs to feasibility studies and project financing, communities are in need of better resources and access to money which will allow them to translate their ideas into projects which benefit local communities and the national energy system.

Prospects in 2019

With recent changes and an uncertain future in the energy sector, communities were found to have a mixture of negative and positive views on the future of community energy. Whilst many highlighted disappointment and frustration in relation to changes to subsidies and a general feeling of limited support for community energy projects, respondents were generally positive about the long-term future of the sector.

Communities called for better guidance and clearer forward strategy from policy makers to support community energy projects. Several noted a need for the sector to scale up its ambitions and for the formation of more effective and professional support bodies and improved funding tools. Resilience and the commitment of communities was also highlighted as a cause for optimism, alongside new and exciting technologies and business models which communities are already exploring and developing.
Working with Electricity North West

Electricity North West’s Community and Local Energy Strategy, launched in June 2018, sets out a clear commitment to customers in this exciting and rapidly changing area. At the heart of the strategy is an engagement plan which sets out how Electricity North West wants to work with stakeholders and what they want to achieve which includes a closer, more collaborative working relationship.

Understanding community energy is the first step to securing long-term opportunities and catalysing collaboration between Electricity North West and the communities. The community organisations involved in this report highlight the depth and breadth of the beneficial impacts that community energy initiatives can have. Electricity North West aims to support the ongoing and future work of these community organisations, as well as supporting the development and of new ideas, organisations and initiatives.

Working with Communities

The key aims of Electricity North West’s Community and Local Energy Strategy are to respond to customers’ needs, create new mechanisms for community and local energy groups to engage with them, and search for locations on its network where community and local energy can be deployed for multiple benefits.

- **Powering Our Communities Fund**
  
  A total of £71,000 in grant funding has been awarded to community energy projects throughout the region in 2019. This funding will help six community led projects develop energy generation projects, improve energy efficiency and develop innovative smart energy initiatives. The next round of funding will be launched in autumn 2019.

- **Engagement & Knowledge Sharing**
  
  Electricity North West will continue to provide community and local energy focused ‘Community Connects’ workshops in 2019, alongside a regular newsletter which keeps communities and customers informed of relevant activity and promotes the success of community and local energy across our region.

- **Leadership and Guidance**
  
  Guides and resources designed to support communities to engage and benefit from the energy network transition have been developed. These include a guide to community energy and a guide on the electricity network.

- **Collaboration**
  
  Electricity North West is actively seeking mutually beneficial energy projects which meet the requirements of the Community and Local Energy Strategy and contribute towards the decarbonisation of the energy system whilst maximising benefit to communities across the North West.
Electricity North West has provided **£71,000** grants from the Powering our Communities fund for community energy projects in 2019.

Zero Carbon Economy

By 2050, energy demand is expected to increase by 3.3 GWh in the North West, with triple the capacity of grid-connected renewable energy and up to 2.5 million electric vehicles in use. This shift towards a zero carbon economy has already begun and Electricity North West has set out an ambitious strategy towards achieving this in the Leading the North West to Zero Carbon plan.

The transition to a near zero carbon economy will see Electricity North West’s role shift towards a ‘Distribution Service Operator’ (DSO) model. This model – and the wider change to a smarter energy network – will open up new opportunities for distributed energy resources such as renewable energy, energy storage and electric vehicles. Communities are already investigating these opportunities, including using existing and future generation and storage projects to provide flexible services to the grid.

If you are interested in learning more about Electricity North West’s work with communities or have an idea you would like to develop with us, please get in contact.

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**Community Energy Hub**  
CEE manages the Community Energy Hub, a free to use, single point of access for information on community energy. It is designed at its core to be a platform where community energy groups can share information and resources amongst themselves and with other organisations.  

hub.communityenergyengland.org  

Consider joining CEE to help make your voice stronger. Membership of CEE is inclusive and is open to any organisation that is committed to the development of the community energy sector.  

www.communityenergyengland.org/pages/join-us
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