SUSTAINABILITY CASE STUDY: IMAGINE IF... CHANGE WAS IN THE AIR

Sometimes to generate real change in a community, you need a combination of 'blue sky' thinking and down-to-earth determination.

When we were approached by Berwickshire Housing Association and Community Energy Scotland (CES), they already had an innovative idea: build a wind farm, generate power from renewable sources and feed the income back into the community. But making this vision a reality would take complex legal negotiations, not to mention a huge combined effort from every stakeholder involved.

ADDLESHAW GODDARD



A NEW APPROACH

Facing uncertainty over future funding levels for investment in new and existing social housing stock, Berwickshire Housing Association and CES embarked on an ambitious joint venture. Known as the Hoprigshiels Wind Project, the plan was to install three wind turbines and use the revenue generated to fund community renewable energy projects, build 500 affordable homes and provide enough clean energy to power 5,900 more. It was the first scheme of its kind in the UK.

We provided a broad range of services to support this trailblazing project spanning property, construction and finance. Here are just some of the lessons learned along the way:

#1: SET THE RIGHT FOUNDATIONS

One of the biggest challenges revolved around the land itself. There were numerous other wind farms in the area, which led to some difficult conversations. How could our client gain access to the project site?

What elements could they share with other projects in the vicinity – and on what terms? In many areas we managed to secure 'collaboration agreements' where our client agreed to co-operate to achieve a shared goal. In others our client had to go it alone – for example, building a new sub-station miles away from the site.

#2: A LITTLE GOODWILL GOES A LONG WAY #4: BETWEEN A ROC AND A HARD PLACE

The fact that this was a community project helped smooth the way for many decisions, such as around planning. As we see more and more requests for energy projects, the community-led aspect is increasingly the deciding factor in whether plans get a green or red light.

What's more, because it was a local, charitable venture there was no huge budget available to throw at problems. Progress relied on 'traditional' skills such as empathy, collaboration and the resolve to keep going, rather than business connections and hefty financial incentives.

#3: A MEETING OF MINDS

There were many skilled and experienced people involved in this project. The team from CES brought immense expertise in how the sites were put together. Berwickshire Housing Association had a strong vision. Triodos bank and Renewable Energy Investment Fund (REIF) brought in-depth knowledge of the finance side. But all sides shared a determination to see the project through.

To this, we added detailed understanding of areas like negotiating a Turbine Supply Agreement and the Power Purchase Agreement to sell the energy back to the grid. We were also delighted to play a central role in uniting the disparate elements and help drive the project forwards.

Then there were the time pressures.
In order to qualify for a Renewables
Obligation Certificate (ROC) subsidy,
which made the project financially viable,
the turbines had to be commissioned and
generating power within strict timescales.
This deadline meant everyone had to make
decisions quickly. Through sheer strength
of will and a huge combined effort, the
agreements were completed on Christmas
Eve, enabling the parties to maintain the
construction timetable and complete the
build in time.

THE RESULT

The project was successfully completed on schedule and the turbines are now turning. As they generate power, CES plan to use this income to invest strategically in the sector, including in their Community Energy Futures training and capacity-building programme. Our team has used this experience to support more community renewables ventures, including the largest community owned wind farm in the UK, and we are looking forward to working on other renewable projects in the future.



