Wind industry commitments on community engagement

June 2020

windeurope.org

1. INTRODUCTION

Europe has installed 14 GW and 4,000 wind turbines per year on average over the past 5 years. But wind needs to develop at a much faster pace to reach the 750 GW of onshore wind and 450 GW of offshore wind needed to achieve climate neutrality by 2050. In the 2020s Europe must deploy at least 20 GW per year.

The recently announced EU Recovery Strategy prioritises the climate agenda and singles out wind energy as one of the 'policy fundamentals of the recovery'. The wind industry is ready to deliver.

But we cannot do it without public support. And we cannot take this support for granted. We need to plug the societal benefits, involve communities in wind farms and allow them to benefit. Support from government and society at large, including from the local communities where we want to build wind farms, is part of our license to operate.

This support comes down to the industry's contribution to wider society and the economy: how we help cut CO2 emissions; how we reduce energy imports because we use the local wind resource; how we support jobs – over 300,000 in Europe – and how our industry exports €8bn in goods and services every year. It is a good story and people know about it. Opinion polls show 75-80% of Europeans want more wind.

In addition to support from society at large, we cannot sustain wind deployment without support from local communities. The wind industry needs to plug the local economic benefits: local jobs, the taxes wind farms pay to the local municipalities and the wider socio-economic benefits. But it is about much more than that. Project developers need to engage the community from the very start, when drawing up the initial plans for a wind project. This process needs to be transparent and inclusive, allowing local communities to assess the pros and cons of a project. It should factor in the communities' needs and help develop the project with that understanding, based on common interest.

The industry also needs to ensure it always engages fully with local communities and shows them how they will benefit directly from the development of wind energy. We must highlight that wind energy is one the few economic sectors that invests significantly in rural areas and in local communities and which gives direct socio-economic benefits to local rural communities.

To this end, WindEurope has developed this paper to reinforce and underline our strong commitment to working with local communities across Europe. It outlines three guiding principles that the wind industry commits to follow as a model of best practice for good community engagement:

- early, transparent and comprehensive information and communication;
- direct engagement of key local actors and activation of the local economy; and
- highlighting how communities will benefit from the investments being made.

These principles should apply at every stage of a project, from site selection and pre-application, planning, construction to operation and decommissioning. The examples attached to the principles highlight existing good practices.

Once approved by the WindEurope Board and embraced by WindEurope's wider membership, this document will be the base for the Secretariat's narrative, used to demonstrate the industry's commitment to working with communities and to showcase the benefits and local added value the wind industry creates.

2. PRINCIPLES FOR COMMUNITY ENGAGEMENT

2.1 EARLY, TRANSPARENT & COMPREHENSIVE INFORMATION AND COMMUNICATION

The industry recognises that the key to successful wind project development lies in early and effective dialogue around the project with all the local stakeholders.

Developers need to make sure that project information is provided at a very early stage, in a transparent and accessible way to all stakeholders: residents, voluntary groups, local councils, landowners, and environmental groups.

Adequate communication resources should be provided when exchanging with residents to understand their needs and concerns. This will allow local communities to assess the pros and cons of a project. Project developers should also be sensitive to people's sense of place, their attachment and connection to the landscape and environment.

Creating effective and clear communication channels will allow for a two-way exchange between developers and the local communities. This process cannot be considered as a public consultation where developers seek approval from a community for a project already set in stone.

The examples below highlight some effective models for informing and communicating with local communities. They apply on a case-by-case basis depending on the local context. These practices may work well in certain jurisdictions but not be applicable in others.

Case study: RES, Wadlow Wind Farm, 26 MW (UK)

Community Liaison Group "Connecting people who care with local causes that matter": The 26MW wind farm at Wadlow Farm, operational in 2012, supplies the annual equivalent of 15,000 homes, 29% of the houses in the South Cambridgeshire District. Prior to construction, since 2009, RES formed a Community Liaison Group (CLG) made up of elected representatives from the local communities, which enabled them to put forward their ideas, raise concerns, and discuss the project with representatives from RES. Members of the CLG visited the site throughout construction, allowing the community to monitor progress. This was finalised with an agreement between the CLG and RES to manage a community benefit fund. £39,000 per year is paid by RES, over the lifetime of the project, and used for local projects: Linton Children's Book Festival, refurbishment of the St Nicholas' Church, provide iPad to the Meadow Primary School etc.

More information: https://www.cambscf.org.uk/wadlow-wind-farm-community-fund.html

Case study: Innogy/RWE, Germany, Königshovener Höhe wind farm, 67 MW (Germany)

Early information - Local people identify with their wind farm: The Königshovener Höhe wind farm operating since 2016 is located on a renaturalised area of the Garzweiler open-cast mine, a former lignite mine. RWE created jointly with the local community a "Bedburg wind farm" that residents can identify with. During the planning stage the city of Bedburg and RWE developed a joint communication plan to put local people in the picture through information events and press activities and to inform them about the use of wind energy. Local media joined press conferences in the run-up to important project developments. North Rhine-Westphalia's Environment Minister Johannes Remmel and Bedburg's mayor attended the official opening in spring 2016. RWE documented the progress of the project in digital formats. The city of Bedburg invited local residents to an information event to provide in-depth answers to all the residents' questions. A wind festival was set up allowing the people of Bedburg to celebrate "their" wind farm. The wind farm is attracting a lot of interest, and the demand for visits is high notably school visits on Global Wind Day.

More information: https://iam.innogy.com/en/about-innogy/innogy-innovation-technology/renewables/onshore/innogy-onshore-construction-projects/koenigshovener-hoehe-onshore-wind-farm

Case study: Vattenfall, Pen Y Cymoedd Wind Farm, 228 MW (UK)

Communicating effectively *"The Power in the Valleys Campaign":* The community benefit fund for Pen y Cymoedd is worth £1.8m a year until 2043. Vattenfall has been working closely with the communities since the pre-application phase to understand what their community needs are and how the funds should be used locally. The 'Power in The Valleys' campaign used online crowdsourcing and blogging tools to engage and encourage communities to contribute their ideas. The campaign has focused on four key themes: health and well-being, jobs, environment, and tourism. All the community had the opportunity to contribute, using freepost forms, local events, and workshops and even advertising on local buses.

More information: https://group.vattenfall.com/uk/what-we-do/our-projects/pen-y-cymoedd

Case study: ERG, Porspoder Wind Farm, 12 MW (France)

Early communication: This project in Brittany is still in the development stage, but it has already integrated the local population. Two consultation workshops were organized with the public. The first workshop focused on the project introduction "How does this concern us all?". The second workshop entitled "What is the best location for our wind farm?" used cartographic background and layers to enable discussions. These exchanges helped develop four implementation scenarios. Pictures were available all around the study area to give the public an overview of the project. The environmental impact assessment study, discussions with designers and further consultations made it possible to identify the best design comprised of the 4 wind turbines. This was deemed the best compromise between landscape, environmental and human issues.

More information: https://www.epuron.fr/fr/projects/parc-eolien-de-porspoder

2.2 DIRECT ENGAGEMENT OF KEY LOCAL ACTORS & ACTIVATION OF THE LOCAL ECONOMY

The industry recognises the need to proactively engage the community and local economic actors. Based on the developers' understanding of the communities' concerns and needs, it is important to explain how people could benefit from the project and offer them a model that can create value for the community as a whole.

Strong community engagement creates mutual benefits for wind farm developers and communities. The engagement models should be based on a partnership with the community and have buy-in from the key community groups and the local government. They need to be based on common understanding, trust, and shared interest.

Crucially, wind projects generate socio-economic benefits in areas that are often rural or peripheral. This includes local contracting, local financing (i.e. via local and regional banks) trainings, apprenticeships, and partnerships with local energy utilities.

The examples below highlight good practices for engaging key local actors and activating the local economy. They apply on a case-by-case basis depending on the local context. These practices may work well in certain jurisdictions but not be applicable in others.

Case study: Wind farms in South Evia, 218.7 MW (Greece)

Activation of local economy and jobs: Several wind farms totalling 218.7 MW were constructed in South Evia Island in Greece between 1998 and 2017. The projects contributed to a total benefit of € 82 million to the local economy and society. Only from operation, the wind farms contribute € 3.9 million per year locally. This amount refers to development works, sponsorships, supplies to the local market, support to local actions such as firefighters in the Taminaio and Stira municipalities, and the special tax (3%) in favour of the municipalities and citizens. In 2017, at least 62 direct permanent jobs were created for locals in the operation and maintenance of wind turbines.

More information: https://eletaen.gr/wp-content/uploads/2018/09/2018-06-25-wf-local-benefits-in-s-evia-greece.pdf

Case study: Falck Renewables (UK, Sweden and Norway)

Contractors' Open Days: Falck Renewables initially organised the Contractors' Day in the United Kingdom, but they have extended them to Norway and Sweden. Falck Renewables organise Contractors' Day where procurement needs are first presented to the local entrepreneurial community. This allows local companies to understand the opportunities and standards they provide in the procurement of goods and services. Using a short supply chain brings many benefits, to the company and also to the local community itself: reduced supply costs, better integration in the local community, reduction of the environmental impact, as well as allowing to redistribute in the area a greater share of the economic value generated by wind development. For the community, this approach translates into commercial, industrial and skills development.

More information: : https://www.falckrenewables.eu/storage/app/media/About%20us/Falck_report19_en_DEF.pdf

Case study: ERG, Sandy Knowe Wind Farm, 48 MW (UK)

***Business Breakfast Meet-the-Buyer*:** ERG have partnered with Dumfries and Galloway Chamber of Commerce to develop a tailored procurement policy. In 2016, ERG organised business events in Dumfries and Galloway College: it allowed networking and one-to-one opportunities for local businesses to meet the developer. The event was hosted in partnership with Dumfries and Galloway College, Dumfries and Galloway Chamber of Commerce and Dumfries and Galloway Council. A pre-qualification process with the Chamber was issued for the businesses to determine their suitability to work on the project. Over 25 local businesses submitted responses and many of the businesses that attended the Business Breakfast Meet-the-Buyer event in 2016 also attended the Business Breakfast in January 2019 to reaffirm their interest.

More information: https://www.erg.eu/en/home

2.3 HIGHLIGHTING HOW COMMUNITIES WILL BENEFIT FROM THE INVESTMENTS BEING MADE

The industry commits to sharing value with the local communities. Successful engagement with communities secures the long terms investments and helps the effective delivery of projects. This is key in particular to rural communities feeling cut off from the faster-growing metropolitan areas that have done far better from the globalised economy.

Wind farms make significant contributions to the local economy through taxes and payments associated with land management. In Spain for example wind farms pay €4.3/MWh in local taxes and charges[1]. These taxes cover local municipalities and autonomous regions (funds ultimately allocated also to municipalities). They form an important part of the local municipalities' revenues, support infrastructure upgrades, and contribute to social welfare and economic development.

Besides taxes, developers can cement their community engagement with voluntary initiatives. Local authorities and municipalities will play an important role in as defining and allowing all local stakeholders to benefit from these measures. It is thus important for developers to explore whether these measures are feasible in the local and regional context, as well as the developers' individual experience and resources.

The community benefit models include:

- **Benefits in kind: voluntary benefits which the developer provides to support the communities**
  The aim is to provide support tailored to the needs of the local community. It can promote cultural, educational, recreational, and health-related initiatives, as well as initiatives raising environmental awareness and promoting energy sustainability. Examples of benefits-in-kind: sports and education programmes; special electricity prices and discounts on electricity bills; Initiatives linked to the environment; support to local non-profit foundations; funding of local events etc.

- **Community benefit funds (particularly developed in the United Kingdom and Ireland)**
  Community benefit funds are a good opportunity for the local communities to access resources and directly enhance the local economy, society, and environment. The funds are available to communities and voluntary organisations for projects based within a given distance from a wind farm. They might be small-scale, one-off investments i.e. a school gardening project, a biking lane, purchase of equipment or larger renovation projects i.e. repairing a memorial, local infrastructure upgrades.

- **Community investments through shares (community ownership)**
  Local communities can also benefit from owning shares of a wind farm. There are different models

[1] *See text box on page 10 for additional background*

for community ownership whereby locals acquire a share of the wind energy project. The electricity generated by the wind farms is collectively sold and the profits are distributed among participants. Much like other benefits, community ownership represents an opportunity for rural communities.

The examples below highlight good practices and initiatives to the benefit of local communities. They apply on a case-by-case basis depending on the local context. These practices may work well in certain jurisdictions but not be applicable in others.

Case study: EDPR, Margonin Wind Farm, 120 MW (Poland)

Infrastructure upgrades through taxes: Margonin in Poland is home to 6,000 people and 60 turbines – Poland's biggest wind farm (120 MW). It is an excellent example of how wind farms bring local benefits. When the wind farm was built, the taxes paid formed 25% of the municipality's budget. The developer, EDPR, is still paying the same amount of taxes today and cooperates closely with the community. This collaboration has led to the development of several social responsibility programs, a new football stadium and other infrastructure upgrades. The support from the wind industry has contributed to making Margonin one of the richest municipalities in the region.

More information: https://www.edpr.com/poland/sites/edprpoland/files/annual_report_margonin_za_2015_1.pdf

Case study: SSE Renewables, Plastic @ Bay, Highland Sustainable Development Fund (UK)

Environmental improvement/sustainability initiative: SSE have awarded £ 65,000 to the Plastic @ Bay recycling project which turns marine plastic into useful objects in the north Highlands where around 20kg of plastic material washes up on Durness beaches each day. The project encourages residents and visitors to deposit washed-up plastic at deposit sites along the coast. Plastic @ Bay then shreds and moulds the material to create 3D filament, jewellery, furniture, and hardware. They follow a circular economy model where profits are invested in beach cleans, research and education activities. The project is the first of its kind in Scotland and provides three key outcomes: reduction in marine pollution; vital employment opportunities during off-peak seasons; education on reducing plastic consumption.

More information: https://sse.com/media/629283/Community-Investment-Report-2019.pdf

Case study: RES Local Electricity Discount Scheme, 2012 (UK)

Discount on electricity: In 2012 RES launched its first Local Electricity Discount Scheme (LEDS) as part of the community benefits package for a wind farm in Carmarthenshire UK. Through the discount scheme, qualifying properties closest to a wind farm are eligible for a minimum discount of £100 per year of their electricity bill. The LEDS benefit is available to private residences, local businesses and public buildings like schools, libraries, and hospitals. Participation in the scheme is voluntary and is not linked to any electricity supplier or tariff. As of 2013, RES introduced the Local Electricity Discount Scheme as part of the community benefits package at all its new wind farm projects of 5MW or more.

More information: www.res-leds.com

Case study: Acciona, Social Impact Management programme, 2019 Report

Since 2015, all energy facilities developed by ACCIONA follow the procedures of the Social Impact Management (SIM) methodology, as a strategic key tool to guarantee local engagement and create added- value from the projects to society. In 2019, SIM implementation has reached to 124 projects of the company, in 27 different countries, and the social contribution to the communities is valued at more than 12,5 € million for all renewable projects. Most activities are fully aligned with the Sustainable Development Goals. The budget is used to support tailor-made infrastructure improvements, social welfare of vulnerable groups, voluntary activities, health campaigns, community actions, volunteering activities, procurement of goods and services, educational campaigns and other information and volunteering initiatives.

More information: https://www.acciona.com/sustainability/society/social-impact/

Note: *In Spain alone, between 2018 to 2019, Acciona contributed with €21.6 million at local level and €19.4 million at regional level for all renewable electricity projects, a total of € 40,6 million. In addition, €14.8 million were paid for land rent. The cost of land fees varies depending on the area and the company: for wind, the average is €4,400/MW. But altogether, the local and regional tax contributions and land fees represented an average of €9.630/MW or €4.3/MWh.*