



Botley West Community Benefit Proposals

Low Carbon Hub and local community shareholders:

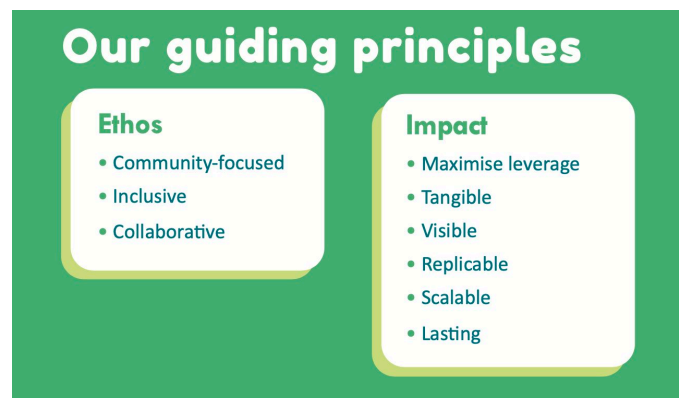
- GreenTEA (Green Transition Eynsham Area)
- Sustainable Woodstock
- Sustainable Botley

Locus standi

Low Carbon Hub and its local community shareholder groups are working together on responses to the Botley West solar farm proposal because the groups work in the affected communities and Low Carbon Hub exists to support its shareholder community energy groups.

Principles

We propose that whatever community benefit package is agreed, it should follow the principles that Low Carbon Hub and its community shareholders work to:



This means that we do not just focus on the amount of funding, but on how we can use it to work in partnership with the developer, landowner, and local authorities to create lasting change that benefits everyone in the community. So, we would expect to: leverage the amount of funding offered, so that it becomes the seed for a much bigger impact and; share the learning from this experience so that it can be repeated for other communities in other places where such solar ground mount projects are developed.

Impacts

The impacts we propose to achieve in the communities affected by the Botley West Solar Farm are:



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1. substantial progress in planning and implementing the **transition to a net zero energy system**, particularly action that reduces energy demand and therefore energy bills for the least advantaged in the community;
2. a landscape of **nature recovery** that achieves at least 70% biodiversity net gain, and that is open and accessible to all in the community;
3. **opportunities for our young people** to gain work experience, training and job opportunities in renewable energy and environmental management.

Amount of funding

We consider that there is a case for substantially more funding to be offered than the £50,000 per year currently proposed.

Whatever sum is agreed, it must be **index linked** or otherwise linked to the revenues of the solar farm, so that it does not lose its value over time.

We would expect the range to be **up to £4.2m** per year, based on the amount of £5,000 per MW of renewable energy developed that is offered in Scotland. We have arranged our proposals below in a 'modular' way that demonstrates in outline what we think could be achieved at each level of funding.

We understand that the developer is proposing a number of benefits already that we would welcome, including community agriculture and allotments and learning trails for local schools. We are particularly pleased to hear that the developer may be able to provide the **B4044 cycle path** as part of the works to put in the proposed cabling works.

We would not, however, agree that the biodiversity net gain or retail energy company opportunities should be seen as part of a community benefit offer; these are both either required or provide potential new trading opportunities that would increase the economic returns of the solar farm, even if discounts were offered to local people.

Governance

We propose that the funding and resulting activities are governed by a combination of landowner, developer, local authorities and community members. This could take the form of a Board whose job would be to make sure that the agreed benefits were achieved over time.

Further, we consider that social enterprise structures could be used to run the energy, nature recovery and education activities. There are exemplar structures to follow for this, such as the Community Management options proposed for the Salt Cross development or the community energy corporate structures already used locally by Low Carbon Hub, Southhill Community Energy and the Westmill Wind and Solar Parks. Our experience of such



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corporate structures is that they encourage focus on the delivery of community benefit through an entrepreneurial approach to increasing the desired social impact.

A Botley West community nature management company and a Botley West community energy company would provide very tangible and visible, long-lasting structures that would be incentivised to maximise leverage of the funding they received. Their shareholder and management structures could embed community representation for the long-term.

Community ownership

We understand that the developer has ruled out the opportunity to explore any form of community ownership for Botley West solar farm. We agree that the technical and financial requirements of this proposal would make it very difficult either to split the site or the investment. It is an issue, however, that is mentioned often by community members; it is an opportunity that would be very much valued. We would ask, therefore, that the developer explore options with us to see if there is any that could fit the bill.

Outline options

We would expect the two proposed social enterprises to operate very differently:

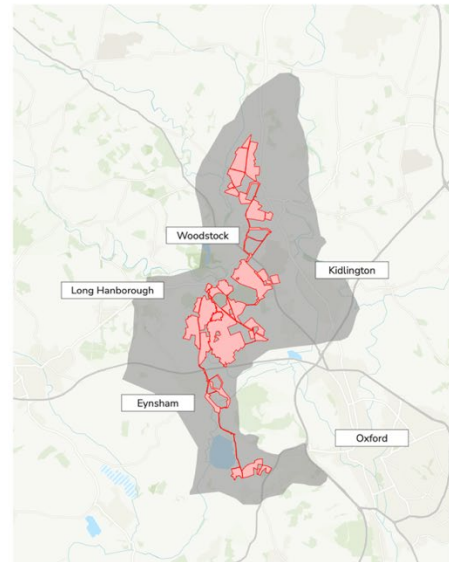
Botley West Community Nature (BWCN) would operate using funds already in place for developing and managing the landscape and ecology masterplan and would raise funds in the normal way to fund apprenticeships. **Botley West Community Energy (BWCE)**, on the other hand, would be the conduit for new community benefit funds to be spent on agreed energy priorities in the affected communities. We have therefore focused on the options for BWCE to assess the impact of a new community energy fund.

The slide below shows population numbers and locations of the affected area with household numbers and fuel poor numbers taken from Oxfordshire averages.

Broad numbers



West Oxfordshire		Cherwell	
Eynsham	5,324	Begbroke	800
Woodstock	3,521	Kidlington	13,600
Bladon	977	Yarnton	3,227
Blenheim	-	Gosford and W	1,384
Freeland	1,521	Shipton-on-Che	379
Hanborough	2,617		19,390
Cassington	794		
Wootton	602	Vale of the White Horse	
Tackley	1,209	Cumnor	6,652
Stanton Harcourt a	1,134	North Hinksey	4,316
Steeple Barton	1,546		10,968
Rousham	-		
North Leigh	2,126		
	21,371		
Total population	51,729		
People per household	2.5		
Households	20,692		



Botley West Consultation Zone

- Total household numbers: c.20,700
- 8% average in Oxfordshire in fuel poverty: c.1650
- Average cost for fabric measures: £8-10,000
- Probably 3 primary substations for CAPZeros:
 - Eynsham
 - Woodstock
 - Yarnton
 - North Hinksey



We assume that a BWCE would use funding in the first year to produce Community Action Plans for Net Zero for the affected primary substation areas (PSAs), like that produced already for the Eynsham PSA (short version included as an appendix to this paper). We have assumed 3 further PSAs to cover: Woodstock, Yarnton and North Hinksey. We would expect to be able to produce these new CAPZeros much more quickly and cheaply than the Eynsham prototype using the new LENZA local energy mapping tool being developed by the County Council. We would expect to work with Parity Projects (www.parityprojects.com) to produce detailed mapping of housing standards and socio-economic factors.

We further assume that the BWCE primary focus, at least in the first instance, would be to tackle the intractable problem of households in fuel poverty with a view to completing fabric upgrades to LETI standards as soon as possible. It may be that the BWEC could channel public funding to help these households, but we have assumed no funding available for these purposes.

We would expect that there would also be a focus on helping households and community buildings to become 'future-proofed' and 'smart', so that they could take part in new tariff opportunities. For these reasons, we have proposed the development of a revolving fund to



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help 'able to pay' households to benefit from new opportunities and, over the longer term, to support the roll-out of new smart community options.

The slide below shows our initial view as to how the assumed foci above could be delivered at each funding level with amounts of funding and numbers of households being on a per annum basis and at today's values.

Botley West Community Energy: options

£0.5m	<ul style="list-style-type: none"> <li style="background-color: #00a68f; color: white; padding: 5px; margin-bottom: 5px;">Community Action Plans for Net Zero developed and stewarded <li style="background-color: #00a68f; color: white; padding: 5px; margin-bottom: 5px;">30 grant funded fabric improvements for fuel poor households <li style="background-color: #00a68f; color: white; padding: 5px;">A grant/revolving fund arising from community ownership model
£1.5m	<p>Plus</p> <ul style="list-style-type: none"> <li style="background-color: #00a68f; color: white; padding: 5px; margin-bottom: 5px;">120 grant funded fabric improvements for fuel poor households <li style="background-color: #00a68f; color: white; padding: 5px;">Investment raised to add to revolving fund: aim for doubling
£4.2m	<p>Plus</p> <ul style="list-style-type: none"> <li style="background-color: #00a68f; color: white; padding: 5px; margin-bottom: 5px;">300 grant funded fabric improvements for fuel poor households <li style="background-color: #00a68f; color: white; padding: 5px; margin-bottom: 5px;">Investment raised to add to revolving fund: aim for four times <li style="background-color: #00a68f; color: white; padding: 5px;">Innovation: using the licensed supplier as 'anchor generation' for SCES

In summary, the lower level of funding allows action to be taken but quite slowly, whereas the higher levels of funding allow a real momentum to develop alongside a critical mass of energy assessors, retrofit coordinators and installers. The lower level of funding would mean that it would take around 55 years to help all the current fuel poor households, 11 years at the middle level, and 4 years at the higher level. Addressing the issue of fuel poverty with the speed and momentum enabled by the middle or higher level of funding would also allow a critical mass of trained support professionals and installers to develop locally. This could make a significant impact on fuel poverty in the area quite quickly as well as allowing 'able to pay' householders to work as streets or communities in upgrading their fabric and installing solar PV, batteries and EV chargers in order to become 'smart'.



The opportunity for a full Community Energy Services Company

We have included an outline below¹ of the way in which the BWCE could work with the proposed new SolarRetail company to develop a **Community Energy Services Company (CESCO)**:

1. A CESCO could write a Power Purchase Agreement (PPA) with the Botley West solar farm for an amount of electricity per household in the community. Current UK average consumption is 3,000-4,000kWh, though this will go up as we transition to electric heat and transport. Starting at 2,000kWh per household might be a good starting point as a significant fraction of a typical home's load and a good target to encourage people to bring their consumption down via insulation and other energy saving measures.
2. The CESCO could use flexibility within the community's electricity demand and battery storage to manage many of the risks around matching the availability of this 2,000kWh per household from the solar farm to the demand in the homes. Template contracts would need to be developed, so that the CESCO and local customers could easily contract on 'approved' terms.
3. The CESCO would then sell a progressive tariff to its members, with the first 2,000kWh being reasonably cheap and backed by the PPA with a mix of generators. Subsequent kWh would be progressively more expensive, reflecting the fact that (a) they would need to be bought on shorter-term PPAs or wholesale markets, so would be likely be more expensive for the CESCO, and (b) this would create an incentive for energy efficiency, while keeping the basic supply reasonably priced.
4. Botley West solar farm could be asked to reserve a certain amount of its generation for a community PPA like this one, or indeed a series of them, so that local communities could benefit from having the solar farm in their area. There is no reason why Botley West would need to make any commercial sacrifice in doing this – a long-term PPA at a stable wholesale price is good for both parties.
5. More thought would be given over time to how the CESCO could combine the progressive tariff with Time of Use pricing because we do want to steer demand away from peak times.

¹ Adapted from the model outline included at p42 of the Eynsham Community Action Plan for Net Zero (CAPZero)



Summary of views and proposals

Our **views** are:

1. We welcome the proposals for community access across the site, and for new connections from the site to other places, particularly the possibility of support for the **B4044 cycle path**.
2. We do not think the proposed community fund of £50,000 is big enough.
3. We have shown the impact that a fund of between £1-4.2m per annum could achieve; whatever sum is ultimately agreed we think it must be **index-linked** or linked directly to the actual revenues of the solar farm.
4. We would like the developer to consider opportunities for community ownership of Botley West solar farm.

Our **proposals** are:

1. A Board is put in place to govern delivery of the promised community benefit, using the impact outcomes we have proposed, the Board to be a partnership between developer, landowner, local authorities and communities.
2. Two new social enterprises are incorporated: **Botley West Community Nature** and **Botley West Community Energy**. The first of these to be funded from expenditure already to be incurred for the putting in place and maintaining the proposed Biodiversity Net Gain, the second to be funded as part of the agreed community fund and any funds or income leveraged.
3. The BWCE job would be to deliver the targets and actions agreed through the development of the CAPZeros, with an assumed focus in the early years on addressing fuel poverty.
4. A new **Community Energy Services Company** is developed alongside proposals for the new SolarRetail company to help local people to benefit directly from the electricity production of the solar farm, and, over time, to develop into 'smart communities' that can benefit from new time of use tariffs.