

Community Benefits Details

The exact community benefit for a wind energy project can only be determined once the exact generating potential and a route to market for the power produced has been established. However, the following example outlines what the potential benefit could be under the current Renewable Energy Support Scheme (RESS) T&Cs, based on a generating capacity of 50MW. The RESS contribution for wind energy is currently set at €2/MWh (megawatt hour). Based on an average capacity factor of 35%, a 50MW wind farm developed under RESS, would attract a community contribution in the order of €300,000 per annum for the first 15 years of operation of the proposed wind farm. The value of this fund would be directly proportional to the electricity generated by the development.

Under the current RESS T&C's, this fund would be divided as follows:

- <u>Direct Payments</u> A minimum of €1,000 shall be paid to each household located within a distance of a 1-kilometre radius from the RESS Project.
- <u>Energy Efficiency</u> A minimum of 40% of the funds shall be paid to not-for-profit community enterprises whose primary focus or aim is the promotion of initiatives towards the delivery of the UN Sustainable Development Goals including education, energy efficiency, sustainable energy and climate action initiatives.
- Administration Costs A maximum of 10% of the funds may be spent on administration. This is to ensure successful outcomes and good governance of the Community Benefit Fund. The generator may supplement this spend on administration from its own funds should it be deemed necessary to do so.
- <u>Support for Local Groups</u> The balance of the funds shall be spent on initiatives successful in the annual application process, as proposed by clubs and societies and similar not-for-profit entities, and in respect of Onshore Wind RESS Projects, on "near neighbour payments" for households located outside a distance of 1 kilometre from the RESS Project but within a distance of 2 kilometres from such RESS Project.

The Community Benefit Fund belongs to the local community. The purpose of the fund is to bring about significant positive change to the local area. To make this happen, the first task is to form a benefit fund development working group which includes representatives from the local community. This group will then work on designing the governance and structure of a community entity that would



administer the Community Benefit Fund. Further details of the RESS community benefit fund structure and a similar example can be found in the following link: https://www.gov.ie/en/publication/5f12f-community-projects-and-benefit-funds-ress/

Should the Proposed Project not be developed under RESS, the Applicant is committing that for each megawatt hour (MWh) of electricity produced by the wind farm, the project will contribute €1 into a community fund for the entire operational life of the Proposed Project. This would equate to an estimated annual fund of approximately €150,000 (using the same formula as the RESS example above), which across the estimated 30-year operational lifespan would result in funding in the order of €4.5 million to the local community which is a substantial contribution.

The number and size of grant allocations will be decided by a Community Fund liaison committee with various groups and projects benefiting to varying degrees depending on their funding requirement.