

# **ARGYLL & BUTE COMMUNITY PLANNING GROUP**

**12<sup>th</sup> August 2015**

**George Dean**

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# Islay Energy Trust

- Incorporated 2005, registered as a charity 2007
- Emerged from the Islay Development Company
- Open to anyone over 17 years of age, living or owning property on Islay, Jura or Colonsay
- Community-owned charity, with now 340 members
- Aims: to develop and operate renewable energy projects for the benefit of the community, and to reduce the islands' carbon footprint



# A Few Numbers

- Activity driven primarily by Board volunteers until 2009
- Up to March 2015, total spend on own operations of >£1.1m
- Annual average of 2.5 FTE's employed – staff costs of £0.6m over the period
- Local spend on facilities, consultants etc., of £0.3m
- Estimate of £0.4m additional spend on Islay by project developers
- This is a direct contribution to the island's economy



# Project Areas

- Tidal stream
- Carbon saving/energy efficiency/biomass/solar
- Offshore wind
- Biofuels
- Onshore wind
- Hydro
- Regulations, plans and politics/lobbying



# Onshore Wind – Islay Challenges

- HIAL airport
- Bird population
- Grid connection/strength
- SSSIs
- Visual Impacts
- A few farm-scale installations
- No shortage of wind!



# The Castlehill Project

- £1.2m capex, Enercon E-33 turbine, grid upgrade at Crinan
- Funded by £535k from community shareholders, £750k loan from REIF/SIB
- Construction through 2014, handover in April 2015
- Project development by IET, ownership by Islay Energy Community Benefit Society
- IET provides all operational services (annual fee)
- IECBS covenants all surplus to IET (after shareholder interest and loan repayments)
- Starting in 2016, IET (as a charity) distributes funds to selected projects or groups (based on local research)



# Just some of those involved...

- » Scottish Natural Heritage
- » Scottish Investment Bank
- » Community Energy Scotland
- » The Big Lottery Fund
- » Highlands and Islands Enterprise
- » Climate Challenge Fund
- » Highlands and Islands Airports
- » Diageo
- » Argyll & Bute Council
- » Co-Operative Development Scotland
- » IECBS investors
- » Laggan Estate
- » Dr Colin Anderson
- » Enercon
- » Green Cat Renewables
- » F MacGillivray
- » Land Use Consultants
- » RJ McLeod
- » W&M Currie
- » TA & WN Wood
- » I MacPherson
- » Scottish & Southern Energy
- » Prelec
- » Alex McIntosh
- » J&L Logan

# Challenges and Lessons Learned

- Planning permission, airport, birds, delays
- Evaluation of potential organisational and financial structures
- Developing the prospectus and marketing the project
- Negotiation with landowner (SNH)
- Modelling and due diligence – 13 contracts and 3 variations
- Massive volunteer effort
- Community involvement (an election required for Board members!)





# Next Steps

- Estimate of £60/£80k annual community benefit fund (doubling after loan repaid)
- Engage Grants Development Officer and establish a Grants Advisory Panel
- Publish process for applications / select some small revenue-generating projects
- Dream about the next big IET project .....tidal array? ..... another turbine?



**Thank You!**

Any Questions?

