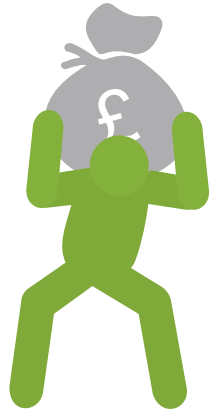


Company Limited by Guarantee



Community Investment Funds



Previously, Community Benefits were paid to individual groups within the community.



To create the best value for these funds, which can be significant amounts of money, current good practice is to identify the correct vehicle to encourage communities to work together, allowing a broad and equitable distribution of funds.



Independent financial and legal advice identified a Company Limited by Guarantee (C.L.G) as an appropriate vehicle to safeguard the funds, as well as those responsible for their administration.



Company Limited by Guarantee



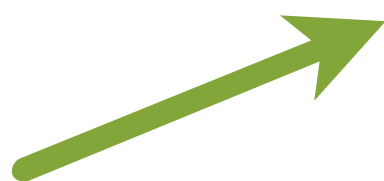
Two community representatives elected to be members of Company Limited by Guarantee (CLG).



Community Investment Funds



Community investment funds from Wind Farm per annum.



What we believe are the benefits of a CLG

- The agreement between the CLG and the Wind Farm company provides a legal framework to secure the community investment funds.
- Improved communication between the developer and all participating community councils.
- Regular updates on the development. (Construction updates, project timelines and milestones etc.).
- Experts can be invited to join the CLG when appropriate.
- The CLG is a safe vehicle for distributing large sums of money.
- The CLG framework can accommodate a change in ownership of the Wind Farm company.
- The CLG will continue irrespective of changes to community councils.



Crossdykes Wind Farm Shared Ownership

2015

Muirhall Energy instructs Johnstone Carmichael to present on community shared ownership to the community councils benefiting from Crossdykes Wind Farm “Community Benefit”.

2015 - 2020

Engagement with community councils and Local Energy Scotland on the shared ownership opportunity. To minimise risk to the community, the opportunity would not crystallise until the wind farm was operational.

May 2021

Crossdykes Wind Farm construction complete, and commissioned.

May 2022

Crossdykes Community Services Limited (Subsidiary of Crossdykes Community Benefits Limited), the company in receipt of annual community investment funds from Crossdykes Wind Farm) successfully acquired 5% shareholding in Crossdykes Wind Farm with Funding from Muirhall Energy Limited.

August 2022

Crossdykes Community Services Limited sold its 5% shareholding in Crossdykes Wind Farm alongside the other shareholders resulting in a circa 30% return on its investment.



Lessons Learned

To guarantee the community investment funding of £7,000 per MW, it is recommended that the local communities commence dialogue in three fundamental areas as early as possible:

Corporate Structure



The earlier the structure is agreed and implemented, the easier it is to establish a contract between the community and wind farm company.

Funding



Muirhall Energy assisted with arranging funding at Crossdykes. New funding packages must be made available if shared ownership is to become standard in industry.

Advisors



It would be helpful to engage with advisors who have significant experience in renewables to understand revenue streams etc, as they are best placed to support communities through this process.





LES (Local Energy Scotland) administers the Scottish Government's Community and Renewable Energy Scheme. CARES supports communities across Scotland to engage with, participate in and benefit from the energy transition to net zero emissions.



