

## Scottish Community Renewables Initiative – Community Renewable Installations

Renewable energy projects offer important benefits to many Scottish communities. They generate local jobs and income, vital to the regeneration process. They help pave the way to local environmental sustainability in energy supply. They are the technologies of the future. The SCRI is a one-stop shop offering communities help at every stage of developing a renewable energy project. We give advice on project management and we provide or source expertise on renewable technologies. Financial support to contribute to part or all of the installation costs and the necessary supporting infrastructure is also available.

### Local advice and project management support

There are SCRI Development Officers in each of the five Energy Efficiency Advice Centre offices in southern and eastern Scotland and at Highlands and Islands Enterprise in the north. The SCRI Development Officers work to promote local community renewables by:

- Providing expertise and developing networks to drive things forward
- Bringing interested parties, skilled advisers and funders together, to develop and implement schemes
- Signposting communities to UK and Scottish funding sources
- Advising on Scottish planning and legislative requirements

All applicants for SCRI funding for technical assistance (feasibility studies, public consultation) and for capital installation (see below) **MUST** involve their local SCRI Development Officer in the application process. The SCRI Development Officer will help tailor the application to ensure maximum chance of success. **You should make contact with your local SCRI Development Officer as soon as possible.**

### Funding support

Communities may apply for funding for **technical assistance** and **capital grants** for renewable energy equipment installation and associated costs.

#### *Technical assistance funding*

Technical assistance funding is available to projects which are at the formative stage and which will progress no further without this support. The maximum grant is normally £10,000.

Technical assistance grants are available to:

- Pay for part or all of the costs associated with feasibility studies or community consultation
- Provide support for an organisation's staff to develop a proposal
- Pay for capacity building (renewable energy awareness raising, training and skills development)

Applicants are required to outline contributions from other sources (public or private). Applications with significant investment from other sources will be highly regarded.

### *Capital Grants*

Capital grants pay for a contribution to the capital costs of projects, with funding of up to 100% of project costs. The maximum grant is £100,000.

100% funding will not be the norm and will only be provided in circumstances where a project demonstrates high quality environmental benefits, and particular educational and demonstration merits. In assessing applications, contributions from other funders will be highly regarded. Other funds may come from either the public sector or the private sector.

Funding is available for:

- Capital costs of installing renewable energy generation plant
- Capital costs for supporting infrastructure, such as roads
- Project management costs associated with the development and installation of generating equipment
- The costs of the community establishing a partnership with a third party such as a developer, or setting up a new company or purchasing an equity share in an existing company
- The costs of implementing regulatory or fiscal regulations designed to encourage renewable energy generation or use. These may include metering equipment, licences or costs of accessing Renewable Obligation Certificates

### **What technologies apply?**

Technologies eligibility under SCRI include (not limited to):

- small-scale hydro-electric power
- wave power
- wind power
- solar energy (including off-grid photovoltaic, water and space heating)
- landfill and sewage gas
- biomass and energy from waste

Renewable energy technologies can generate energy in the form of electricity and/or heat – both types of technologies are acceptable. The overriding requirement is that the project must result in a decrease in greenhouse gas emissions, relative to alternative sources of power.

Applications are equally eligible for installations that are connected to the main electricity grid, stand-alone, or connected to a mini-grid. The only exception is that SCRI does not apply to PV (photovoltaic) installations that are eligible to apply for funding under the DTI Major Photovoltaic Demonstration Programme.

### **Assessment Criteria**

Applications for assistance under the Community Stream will be assessed against a range of essential and desirable criteria. Applicants **must** meet all of the **essential** criteria. In addition,

the more applicants' meet the **desirable** criteria, the higher the likelihood of the application being successful. The Energy Saving Trust, Highlands and Islands Enterprise or the SCRI Assessment Board is the ultimate arbiter in deciding if an application meets any or all of the assessment criteria (see below).

## **Application Process**

The grant assessment and award procedure differs between applications depending on the level of funding. The application process involves the following steps:

- Applications will be receivable at any time and assessed against the established essential and desirable criteria (see below)
- All potential applicants are required to discuss proposed projects with SCRI staff who will advise on eligibility
- Applications will be made via SCRI staff who will complete the application form on behalf of the applicant
- Applications up to £20,000 will be assessed by the local SCRI Development Officer, and the Energy Saving Trust or Highlands and Islands Enterprise (as appropriate). Where necessary, technical experts will be engaged to provide advice in relation to technical or economic viability. Decisions will be made as applications are received and assessed
- Applications involving funding of more than £20,000 will be considered by an advisory group of appropriate stakeholders that will meet approximately every two months. The advisory group will make recommendations for funding to the Energy Saving Trust and Highlands and Islands Enterprise (as appropriate). Receipt of a positive feasibility assessment does not automatically mean that a project will be funded
- If an application is successful, the applicant will receive a formal offer of funding which will be open for a set period. If the applicant does not accept the offer within this time, the offer will be withdrawn
- Funding will be provided on a basis agreed with the applicant, which will generally involve the establishment of key milestones and deliverables. Up-front funding may also be provided, where it is necessary for the project to commence

## **Suppliers and installers**

Under SCRI, only systems installed by accredited installers are eligible for grant. SCRI will rely on the accreditation process being developed for the *Clear Skies* programme (the equivalent England/Wales/Northern Ireland scheme). Installers should contact the Clear Skies programme on 08702 430 930 or visit the website [www.clear-skies.org](http://www.clear-skies.org). In terms of technical assistance (e.g. consultants to carry out feasibility studies) an approved list of companies will be drawn-up. Interested organisations should contact the Energy Saving Trust on 0131 244 0833 for further information.

## **More information**

The application procedures for technical assistance and capital funding under the SCRI are currently being developed and are expected to be available from early February (you will be advised when these are finalised). If you would like more information on the operation of the SCRI, contact the SCRI Hotline on **0800 138 8858** (Monday - Friday 9am – 5pm).

*Correct as at 15 January 2003*

## CRITERIA FOR ASSESSMENT OF APPLICATIONS

Projects under the SCRI – Community stream, will be assessed against the following criteria:

*Essential – eligibility (these are criteria that **must** be met for a project to receive funding):*

- The scheme will be open only to applications from legally constituted, non-profit distributing organisations. Such organisations will include, but are not restricted to:
  - Local/national/voluntary, non-profit and charitable organisations
  - Local rural partnerships
  - Local authorities
  - Housing associations
  - Local enterprise companies
- Consortia of non-profit distributing organisations are acceptable. Bids in which private industrial or commercial organisations collaborate as part of consortium bids with non-profit distributing bodies will also be accepted, provided that the private organisation is not the lead applicant / beneficiary and the project itself is non-profit distributing
- All projects must be located in Scotland
- All projects must allow publication of details of their work and reasonable access to those seeking to replicate the project
- The project must entail the generation of energy from renewable means
- Projects seeking more than £10,000 in capital funding from SCRI must be accompanied by an appropriate development plan and positive feasibility study
- Projects relating to direct community ownership on behalf of the local community must demonstrate community benefit, community involvement and significant local support for the project
- The project must meet all general legal and regulatory requirements

*Essential – viability*

- Capital projects must be technically viable and capable of producing renewable energy within 2 years of funding being granted
- Technical assistance projects must be completed within one year of funding being awarded
- All applicants must demonstrate that the project entails the most cost-effective and appropriate means of meeting a given requirement for renewable energy
- There must be a satisfactory maintenance and management plan for the project once installed
- There must be an established and viable structure for the ongoing management of the project

*Desirable (the more of these criteria that are met increases the likelihood of funding)*

- Potential for replication elsewhere
- Additional sources of funding, demonstrating leverage of Scottish Executive core funding
- Amount and cost per tonne of reductions in carbon emissions as a result of the project
- Energy efficiency measures incorporated as part of the project
- A clear plan of action to maximise the project's educational potential: that is, the potential to raise awareness of renewable energy in general and /or the particular technology used