

## Carmarthenshire Energy Ltd

**Project type:** 500kW Wind turbine

**Location:** Salem, Llandeilo

**Aim:** Raising funds for local action on Climate Change, energy efficiency, locally owned renewables, fuel poverty and keeping profit local. Allowing Carmarthenshire residents to benefit directly from their abundant natural resources.



### About the scheme

Following refusal of an initial proposal for a 500 kW wind turbine, which was developed by Carmarthenshire Energy on land between Llanddarog and Nantgaredig, Carmarthenshire Energy were able to secure the development rights of a consented 500 kW wind turbine at Salem from Seren Energy, who were about to sell these rights to a private company. By acting quickly, Carmarthenshire Energy managed to secure the ownership, benefits and opportunities provided by this development for the local community.

The turbine, an Enercon E48 500 kW machine, was constructed and commissioned in 2016. The group were able to secure capital finance in a short space of time, with much of this finance being provided via the Welsh Government's Ynni'r Fro programme. Since securing this finance and starting construction, the group have run three successful share offers and raised over £1 million in shares in the project.

The turbine has now been running for over one year and has been generating a sustainable income for Carmarthenshire Energy to use for the benefit of its local inhabitants. The first recipients of the community benefit fund are the local community at Salem with solar PV, battery storage and an electric car charge point being installed at Salem Village Hall.

### Partners

**Carmarthenshire Energy Limited:** Inspired to combat climate change and fuel poverty and strengthen the local community, after a year of consultation with communities, businesses, councillors and officers, Carmarthenshire Energy Trust was formed as an Unincorporated Association, with some crucial start-up funding from Carmarthenshire Environment Partnership in 2011.

A year later, in November 2012, the Industrial & Provident Society for Community Benefit, Carmarthenshire Energy Limited was registered at Companies House. Its aim is to support community groups, those suffering

from fuel poverty and those concerned with energy security and climate change; creating renewable energy projects run for people not profit, with any surplus generated reinvested into the local economy.

**Seren Energy:** Seren Energy is a renewable energy consultancy based in Swansea. In addition to providing consultancy services, Seren Energy has developed their own renewable energy developments through their development arm, Seren Renewables.

Seren Energy provided consultancy services to Carmarthenshire Energy for their initial wind turbine project, CELT1, which did not achieve planning consent. The wind turbine development at Salem was initially developed by Seren Energy for Seren Renewables. After gaining planning consent, Seren Renewables sold the development rights to Carmarthenshire Energy and it became CELT2.

**Ynni'r Fro/Ynni Lleol:** In order to secure the development rights to the project, make the necessary payments for the wind turbine and enable the initial share offer to be developed, the Welsh Government provided a capital loan to the project through the Ynni'r Fro scheme (predecessor to the Local Energy Service). The majority of this loan has now been refinanced via a share offer, with the remainder being administered by the Development Bank of Wales.

## What was the outcome?

The project was purchased by Carmarthenshire Energy and has been generating clean, renewable electricity since 22nd May 2016.

Whilst the first year of operation was not particularly windy, the turbine generated over 1.5 MWh of electricity by October 2017 – comparable to the annual electricity needs of approximately 400 average Carmarthenshire households.

The project has raised £1M of share equity from approximately 160 shareholders. These shareholders have been paid their first year's interest of 5.6% on their investment. The group have already started putting the money generated by the turbine to good use, by installing solar PV, battery storage, electric charge points and low energy lighting at the nearby Salem Village Hall. These actions are inspiring the hall to take further action themselves on reducing their energy bills.

## What was learned?

### The benefits of having a strong and resolute board

Whilst the project has encountered obstacles and challenges, the Board of Directors have devoted time to resolving these. They have provided support to one another whilst navigating the obstacles and have attracted new talent to their Board during the last year. They remain strong and committed to their goals and ambitions.

### There is a lot of support for the project

Carmarthenshire Energy's Facebook page has over 500 "likes" and their Twitter presence is increasing. Carmarthenshire Energy currently has approximately 200 members, of which over three-quarters are shareholders. Approximately 70% of shareholders are from Carmarthenshire, representing local support and confidence in the project. The group are aiming to restrict the remaining shares in the project to shareholders in Carmarthenshire and specifically target local charities and community groups.

### Actions inspire others to take action

The group are proud to have installed a 10kW PV installation with 5 kWh of batteries and an EV charge point at Salem Hall. They are also in the process of installing low energy lighting at the hall. These actions have inspired the Hall to fit an air-source heat pump to further reduce their energy bills and maximise use of the electricity from the solar PV.

## Welsh Government's Local Energy service support

The Welsh Government provided a loan to Carmarthenshire Energy to enable them to secure the development rights to the project, make the necessary payments for the wind turbine and develop the initial share offer. The loan was provided through the Ynni'r Fro scheme (the predecessor to Local Energy). It was later transferred to be administered by the Development Bank of Wales

The Welsh Government's Local Energy service continues to support Carmarthenshire Energy in their pursuit and progress of new projects.

## About Local Energy

The Local Energy service supports the development of locally owned renewable energy schemes through development officer support, grants and loans. To find out more visit the Local Energy website.

For more details on the project see: [www.carmarthenshireenergy.org](http://www.carmarthenshireenergy.org)

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