

# Building Support for the Energy Transition – Call for Views

## Introduction

Community Energy Scotland is a member-led organisation that works to increase community resilience and enable our members to play a significant role in a just energy transition. Our member community energy groups create locally controlled, decentralised solutions for meeting local energy needs. They are ‘more than profit’ groups that organise collective and locally-driven action to:

1. Generate renewable electricity or renewable heat,
2. Reduce energy or fossil fuel demand (e.g. through retrofitting or EV car clubs)
3. Positively impact energy systems e.g. demand side management, load balancing, flexibility or storage projects.

We provide technical assistance, training and knowledge-sharing forums, and we deliver projects including the Scottish Government-funded Carbon Neutral Islands project and the Islands Centre for Net Zero, and the UK-wide Energy Learning Network.

Community energy groups can play a key role in helping wider members of the public understand the benefits of the energy transition, encourage people to actively participate in the transition, and give them a stake in the energy transition, including through community ownership. Please see our Projects page for examples: <https://communityenergyscotland.org.uk/projects/>

### **1. Has the Government properly explained the potential benefits of the energy transition to the average citizen?**

The UK Government, in particular Ed Miliband, have been making an effort to explain the benefits of the energy transition. However, the picture has been confused by narratives that say that new oil and gas (e.g. Rosebank) will contribute to energy security (and, sometimes it is said, lower bills). This is untrue, as the former Conservative UK Government admitted, because the majority of any new oil and gas would be exported to global markets, and we would continue to buy the majority of our fossil fuel energy on global markets. This false narrative needs to be more effectively countered. It should be explained more clearly that the best way to achieve energy security and lower bills for the long-term is to accelerate the transition to renewables.

In addition, the Government could do more to highlight the potential benefits from community- and locally-owned energy, in contrast to the current model where the vast majority of our energy infrastructure is owned by foreign-owned multinationals. When communities own their own renewables generation, they reinvest the profits in the local community, retaining wealth in the local economy and benefitting all members of the community, not just wealthy shareholders. Supporting more community- and locally-owned energy is the best way to maximise social and local economic value from the energy transition.

(References:

- An average of **70%** of community groups’ organisational expenditure is spent locally.<sup>1</sup>

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<sup>1</sup> Community Energy State of the Sector (2022) report: <https://communityenergyscotland.org.uk/wp-content/uploads/2022/06/UK-SOTS-2022-Summary-Report.pdf>

- By reinvesting revenue locally, community groups generate about **tenfold** additional local employment and income impact.<sup>2</sup>
- **£11.7m** was spent locally by community energy organisations across the UK in 2023.
- **796 FTE jobs** were provided directly by community energy.<sup>3</sup> Far more jobs are created in the local and community businesses that they support or create.)

Further, it is regrettable that the multinationals who are being awarded contracts to build out the National Grid are not creating the numbers of jobs in the UK that have been promised by Government. For example, the supply contracts worth £4.4bn for the two of the earliest projects in Scotland - Eastern Green Link 1 and 2 - have all gone exclusively to companies based abroad.<sup>4</sup>

This will feed the opposition to net zero, as workers and communities who have been dependent on fossil fuel jobs do not see enough green jobs to replace them. Therefore, the Government must do more than 'explain' the potential benefits of the energy transition. Unions, workers and communities need to see action to:

- award contracts to UK-based companies (this may require changing procurement rules)
- develop production capabilities here
- increase the number of young people learning vocational trades and developing skills that can be used in green energy and the supply chain
- enable community groups and local authorities to own more of new and existing clean energy infrastructure, including wind, solar and hydro installations and storage facilities.

## **2. Is there a clear understanding of the costs of the energy transition to householders and businesses?**

No. Many people think (and many news outlets report) that clean energy is making bills higher.

There is an assumption that building out the grid will result in higher energy bills, if transmission upgrade costs are passed on to consumers. This should not be accepted as inevitable. Developers have a choice to accept slightly lower profits, while still maintaining viable operating margins to secure investment.

Further, the Scottish Government recently postponed the Heat in Buildings Bill because of fears that accelerating the switch to heat pumps and heat networks would increase bills. Both Governments should commit to more consistent, coherent messaging (and policy) that explains that the best way to reduce energy bills for the long-term is to:

- Insulate homes to reduce the amount of energy required to heat them
- Support home owners to switch to clean heating (and give renters the right to require their landlord to do this)
- Decarbonise our electricity supply, since renewables are the cheapest form of energy to generate now.

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<sup>2</sup> L. Okkonen, O. Lehtonen, Socio-economic impacts of community wind power projects in Northern Scotland, Renewable Energy 85 (2016) 826-833.

<sup>3</sup> <https://communityenergyscotland.org.uk/wp-content/uploads/2024/12/CEE-Scrolling-infographic-in-full-Dec2024.pdf>

<sup>4</sup> <https://www.heraldscotland.com/news/25062599.great-scots-green-energy-upgrade-carve-up/>

### 3. Is there a need for public campaigns to counter the anti net zero narrative?

Yes, there is a need for this. However, this cannot only be top-down Government information campaigns broadcast across the whole country. Instead, or in addition, the Government could fund community energy groups and representative bodies (e.g. Community Energy Scotland, Energy Learning Network) to lead more grassroots, local campaigns, tailored to specific groups of communities. Community energy organisations are best placed to do this because we can engage people in the energy transition, and help them see and feel the benefits.

It is understandable that many people are upset about the current energy transition, as in many ways it has not been a just transition up to this point. Energy suppliers are profiting from high energy bills while over 30% of households in Scotland are in fuel poverty. Multinationals like Iberdrola (Spanish-owned company that owns Scottish Power) are increasing shareholder profits, but many developers are not even paying community benefits at the 'good practice' level set by the Scottish Government to local host communities.<sup>5</sup> Wealth is being consolidated through the use of a common good, our natural resources, and many communities feel that that wealth is being extracted.

The best way to counter the anti-net zero narrative is to ensure that communities have a meaningful stake in net zero. That can be achieved by supporting and facilitating community ownership and shared ownership, throughout the country. Community ownership gives people an element of control and involves them in decision making; this helps counter the feelings of disillusionment and disempowerment which are contributing to growing anti-net zero sentiment. Community ownership also rebalances the risks and the rewards, the benefits and the burdens of the energy transition, making the transition more just. When communities start to feel the benefit through increased revenue flowing into the community, funding local projects, creating jobs and contributing to community wealth building and community empowerment, that is when they will be more favourable towards the energy transition.

Campaigns could help share case studies of communities that are benefitting from their own renewable energy installations, for example the [Isle of Gigha](#) (who won the Social Enterprise of the Year Award), [Point and Sandwick Trust on Lewis](#), and, soon, the post-industrial Garnock Valley, where [Radio City Association have developed the UK's first subsidy-free community-owned turbine](#), expected to generate millions for the community.

The Netherlands provides an instructive example. To counter growing opposition to turbines, the Government introduced the Klimaatakkoord, which added shared ownership to the national regulatory framework. They also set out a legislative target of 50% of onshore wind and solar to be local citizen-owned by 2030. A study found that windfarms with a higher percentage of cooperative ownership led to a faster planning and development process, and fewer legal objections and appeals.<sup>6</sup>

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<sup>5</sup> For example, Scottish Power-operated Cruach Mhor wind farm is only paying £1,200/MW in community benefit payments, compared to the [good practice benchmark of £5,000/MW](#).

<sup>6</sup> [https://www.sciencedirect.com/science/article/pii/S2214629624004821?ref=pdf\\_download&fr=RR-2&rr=92362f331a0fb331](https://www.sciencedirect.com/science/article/pii/S2214629624004821?ref=pdf_download&fr=RR-2&rr=92362f331a0fb331)

#### 4. How should the Government be more positively engaging the public with this goal?

In addition to any national or local public campaigns, the Government must take action to give communities an ownership stake in net zero. Here are some recommendations for action through policy changes.

1. Enable far more shared ownership through exercising existing powers under Sections 38 and 39 and Schedule 6 (the 'Community Electricity Right') of the 2015 Infrastructure Act, to give community groups the right to buy a stake in all onshore and offshore renewable electricity projects above 5MW in size. Secondary legislation could be used to make such offers mandatory across the UK.
2. This should be complemented by Government-led and backed community loans to enable more communities to secure the finance to take up shared ownership offers. Government-backed loan guarantees would help de-risk shared ownership and enable communities to attract more private finance, in addition to community share offers. Further, GB Energy provides an opportunity for innovative financial models to fill the current gaps in the financing landscape for community shared ownership, such as by securing 20% in every private development that will offer shared ownership to communities, and providing upfront finance for that 20% stake.<sup>7</sup>
3. The Government should make community benefit payments mandatory, not just for transmission, but also for new renewables and storage developments. See our paper on community benefits for details: <https://communityenergyscotland.org.uk/wp-content/uploads/2025/01/New-Standards-for-Community-Benefit-Funds-Dec-2024.pdf> The UK Government should also support efforts in Scotland and Wales to establish nationwide Community Wealth Funds using contributions from developers that would be in addition to local community benefit payments, e.g. <https://communityenergyscotland.org.uk/wp-content/uploads/2024/11/Proposal-for-a-Scottish-Community-Wealth-Fund-Nov-2024.pdf> These could be another form of finance for community shared ownership.
4. To support existing community energy groups and incentivise new groups to form, we urge the UK Government to reduce barriers to community energy connecting to the grid. This could be done by designating community energy projects as 'needed' for the Strategic Spatial Energy Plan, to give them higher priority in the reformed grid connection queue. The justification for this is that community energy provides additional social and local economic value compared with developer-led projects.<sup>8</sup> Community-owned energy should be designated in the Connections Network Design Methodology, and the Strategic Spatial Energy Plan should more strongly state the need for community energy across the UK.
5. Another way for Government to support existing community energy groups and incentivise new groups to form is to design a new mechanism to provide long-term security of income for community energy projects, such as a community energy export guarantee. Through de-

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<sup>7</sup> For details please see recommendation 2 here: <https://communityenergyscotland.org.uk/wp-content/uploads/2025/04/Shared-Ownership-UK-Gov-Briefing-Apr-25.pdf>

<sup>8</sup> Report on many forms of value from community energy: [https://communityenergyscotland.org.uk/wp-content/uploads/2025/02/ELN\\_The-case-for-community-energy\\_Briefing-Note.pdf](https://communityenergyscotland.org.uk/wp-content/uploads/2025/02/ELN_The-case-for-community-energy_Briefing-Note.pdf)

Report showing that community-owned wind farms contribute 34 times more financial value to their communities than privately-owned wind farms: <https://www.aquatera.co.uk/news/community-owned-wind-farms-have-paid-their-communities-34-times-more-than-commercial-counterparts>

risking community energy projects this would enable community groups to build a business model and secure finance.

6. Finally, the UK Government can unlock community energy at scale and help counter opposition to net zero by increasing capacity-building funding for community energy. We'd like to see increased, multi-year funding for external support organisations like ourselves, Community Energy England and Community Energy Wales, plus direct funding for development officers embedded in communities, to help with capacity building. This would be used to support community groups across all aspects of community energy, particularly:
  - Early stage project development and feasibility studies for new and repowering renewables installations;
  - Self-organising and upskilling to be ready to engage fully and fairly with developers to negotiate shared ownership and community benefits opportunities when they arise;
  - Creating governance structures to best utilise the community benefit funds the community is receiving or could receive.

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