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Scotland's centre of expertise connecting
climate change research and policy

Leveraging local and community energy for a just transition in Scotland

▶ Fraser Stewart, Rebecca Ford, Prina Sumaria and Robbie Evans, Regen

Unlocking local and community energy for a just transition

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About Regen

Regen provides independent, evidence-led insight and advice in support of our mission to transform the UK's energy system for a net zero future.

We focus on analysing the systemic challenges of decarbonising power, heat and transport.

We know that a transformation of this scale will require engaging the whole of society in a just transition.



Experts



Pioneers

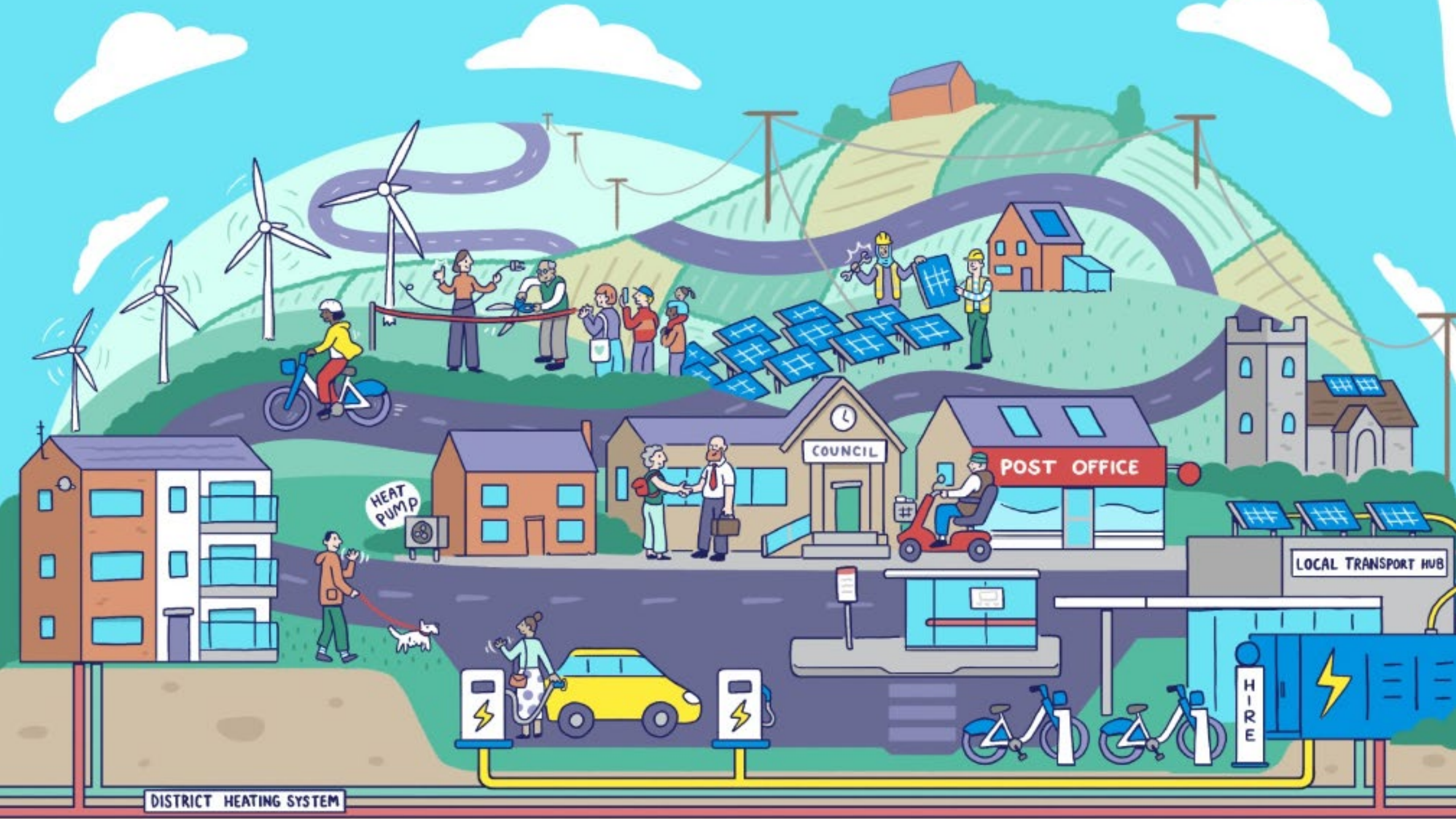


Convenors

What do we mean by a “Just” transition?

*A “just” transition **ensures those already on the margins of society are not left behind or penalised**, or, better still, **can actively participate and benefit** as a priority from a clean energy system.*





DISTRICT HEATING SYSTEM

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LOCAL TRANSPORT HUB

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HEAT PUMP

What is 'just' community and local energy

- Community and local energy is an ambiguous concept – open to diverse interpretations and practices.

2GW target of 'community and locally-owned' renewable energy capacity by 2030



EST Community and locally owned renewable energy report 2023

But....

- **Only 439MW (43%) is local and community owned**
 - *if including community (10%), local authorities (16%), public sector charity (9%), and housing associations (8%).
- **448 MW (44%) is owned by farms and estates**
- **142MW (14%) owned by local businesses**

Policy Opportunities

- Scottish Government has been support local and community energy for years (e.g., Targets, CARES, best practice guidance, Energy Strategy and Just Transition Plan)
- GB Energy & the Local Power Plan
- Review of electricity market arrangements (REMA)
- Regional Energy Strategic Plan (RESP)
- Connections reform

"Local Power Plan will roll out small and medium-scale renewable energy projects, using established technologies, to develop up to 8 GW of cheaper, cleaner power. This will include shared ownership projects in partnership with private developers" – founding statement of GB Energy

The UK government pledges up to £400m annually in low-interest loans for community projects, plus £600m yearly in local authority grants.

Community and local energy can maximises a just transition

- New revenue streams
- New business and investment opportunities
- Building capacity, skills & job creation
- Reduces fuel poverty
- Climate education and outreach
- Climate adaption and resilience
- Increases acceptance



Challenges for unlocking ‘just’ local and community energy

Representation

- 1) Lack of awareness of CE
- 2) Local capacity: time, money, and resources
- 3) Sustainable finance availability



Unlocking local and community energy for a just transition

Scottish Government

- 1) Lack of awareness of CE
 - **Awareness raising campaign**
- 2) Local capacity: time, money, and resources
 - **Hire community development officer at a local level**
- 3) Sustainable finance availability
 - **Expand CARES**
 - **Develop sustainable finance, funding & investment models**

Unlocking local and community energy for a just transition

UK Government & GB Energy

1) Lack of awareness of CE

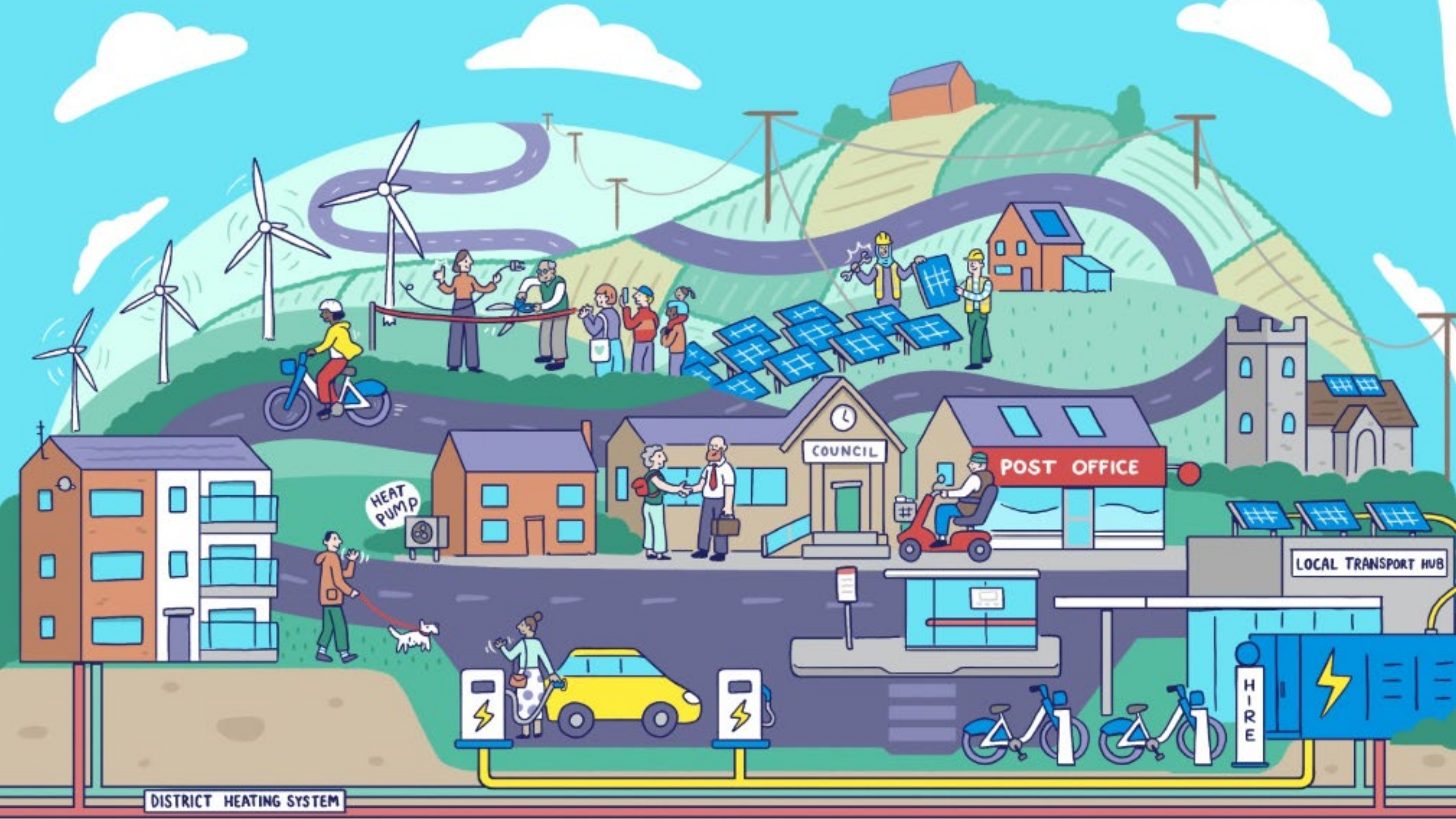
- **UK Government and GB Energy: Prioritise community and local energy.**

2) Local capacity: time, money, and resources

- **RESP/NESO: Create accessible register of high and low capacity areas**

3) Sustainable finance availability

- **GB Energy: Derisk early-stage projects**
- **Market reform: Create stable price mechanism**



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