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REPORT

1st Transfer Workshop in Germany Schleswig-Holstein, 26-27th August 2019



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1. Introduction to the Idea of Transfer Workshops

The Transfer Workshop presented in this report has been realised within the range of activities planned under Work Package 5 of the WinWind project (Learning laboratories: transfer and validation of best practices), aimed at transferring the best practices and measures, analysed and selected by the project consortium, to targeted Wind Energy Scarce Regions identified (WESRs, as “learning regions”), focusing on community participation and engagement. The transfer workshop was addressed to a wide range of relevant stakeholders coming from Poland and Latvia, representing: Public Administrators/Decision Makers; Experts and Technicians; Citizens and Associations. It was organised by FU Berlin in co-operation with seecon Ingenieure and the Mentoring Experts from Schleswig-Holstein.

The outcomes of this “learning lab” realised will be used as an input to follow up workshops in Warsaw and Riga and, eventually, as the basis for drafting and signing of a Memorandum of Understanding (MoU). MoU is used to detail the rules and roles decided for implementing the future transfer processes. To realise the Learning laboratories foreseen in the WP5 - aimed at the transfer and validation of best practices - some preparatory actions have been made:

- Selection of the measures (chosen from best practices portfolio) to be transferred to the Wind Energy Scarce Target Regions (WESR, as “learning regions”);
- Creation of transfer teams consisting of stakeholders and market actors from the WESR and mentoring experts from the WinWind consortium and partner countries with implemented best practices;
- Preparation of Transfer Management Plans with the support of the mentoring experts and the country desks of the “learning regions”.

In order to obtain a comprehensive picture, the transfer workshop was embedded in a larger transfer visit of the Latvian and Polish transfer teams to Schleswig-Holstein, which included the transfer workshop in itself, accompanying site visits to the community wind farm in Neuenkirchen, a dialogue with the manager of a community wind farm in the neighbouring village of Süderdeich (who is also chairman of the foundation “Children of the Wind” which disburses part of revenues from the wind farm to social projects. Finally, the delegates were given the opportunity to discuss and build a dialogue with mentoring experts from the Ministry of Energy Transition of Schleswig-Holstein and the Chairman of the regional branch of the German Wind Energy Association (who is managing director of the cross-border community wind farm Grenzstrom Vintved in Northern Friesland, which has also been analysed in the WinWind best practice case study.



2. The Best Practice Case Selected for Transfer: Community Wind Farm Neuenkirchen



The community wind farm in Neuenkirchen in the federal state of Schleswig-Holstein in Germany is one of three community wind farms which have been analysed in a dedicated Best Practice case study of the WinWind project. Neuenkirchen was selected along with two other community wind farms in the state of Schleswig-Holstein due to the impressive success of local farmers and land owners in incorporating policy and corporate measures to ensure and enhance community participation and direct financial participation of citizens, land lease pool models for land owners, community benefits via civic associations / foundations and revenues from local business taxes. The main motivation of these measures was to avoid the involvement of external investors and to make sure that the entire community would benefit from the wind farm, not only the landowners and founding shareholders. Specifically, the wind farms should contribute towards raising local purchasing power and local added value through the generation of local profits and income, tax revenues, employment and additional benefits for the community (e.g. benefits in kind, civic non-



profit associations or local foundations supporting social welfare projects in the community). The operation of wind turbines is subject to payment of local business taxes. In the case of community wind farms, usually the operating company is registered where the project is located. This means that the hosting municipality receives 100% of the tax revenues. The case of Neuenkirchen is an illustrative example of a community energy project meaning the economic and operational participation and/or ownership by citizens or members of a defined community in a renewable energy project. Further information regarding the best-case studies can be found in the Report Synthesis & comparative analysis of best practise case studies for promoting the social acceptance of wind energy (WinWind Deliverable 4.3).

The transfer workshop was held on August 26th and 27th in the Town Hall of Neuenkirchen and comprised two parts. The first part included an introduction to the regional context and the wind farm itself as well as a visit to two of the community wind farm sites. The second part was dedicated to the details of the planning process and practical questions of active and passive financial participation of the citizens. The main purpose of the transfer workshop was knowledge transfer and capacity building. However, the workshop included an interactive session with elements of the learning lab approach developed by the Work package leader (Ecoazioni). The learning lab approach will be fully deployed in the follow up workshops to be held in Warsaw and Riga in Autumn 2019.

The workshop was attended by the transfer teams from Latvia (9 persons) and Poland (4 persons) as well as the local mentoring experts (the two managing directors of the community wind farm in Neuenkirchen, the Mayor of Neuenkirchen, the managing director of the community wind farm in Süderdeich being simultaneously chairman of the foundation Children of the Wind, and the German project partners of the WinWind project. Further mentors comprise planning and policy experts from the Ministry of the Interior and the Ministry of Energy Transition in Schleswig-Holstein as well as from the regional branch of the German Wind Energy Association. The workshop was realized with the assistance of two interpreters.



2.1 Key Takeaways from the Transfer Visit and Workshop on the Community Wind Farm in Neuenkirchen

In the following section, we summarize key findings of the presentation by Reimer Schoof, the managing director of the community wind farm in Neuenkirchen and the subsequent discussions.

Support schemes/framework conditions

- A high level of investment security was provided by the Renewable Energy Sources Act (EEG) and its feed in tariff/premium system. Also, the community wind farm in Neuenkirchen did benefit from the legally fixed remuneration. Feed-in tariffs and feed-in premiums were key elements of the national support scheme prior to 2017 (no competition, security for investments). In 2017 the transition to a competitive auction-based system started (pay as bid rule).
- In 2008, a new Mayor was elected, who in contrast to the former Mayor, supported the plans of a community wind farm.

Involvement of Community in the Planning and Decision-Making Process:

- Designation of wind energy suitable areas in regional planning: before 2015 districts and municipalities could suggest such areas. In 2008, the local council decided to develop wind energy suitable zones on the territory of the municipality.
- In 2009, the foundation of a citizens' action group against the designation of wind suitable zones in Neuenkirchen
- A physician, authoritative and influential as an opponent due to his close contacts to local citizens helped to make people vote against wind energy developments in the region. This led to a negative local referendum in 2009 which stopped the planning process for two years.
- After an interim period of two years, the new mayor initiated a second referendum in 2011 (positive)
- Conflicts arose already around the plans for the community wind farm but intensified when plans for a repowering project and for the siting of offshore test facilities in Neuenkirchen became public.
- Authorization of the community wind farm according to the Federal Pollution Control Act with Environmental Impact Assessment (i.e. formal procedure with public participation)
- In the approval procedure, the following aspects of nature conservation were relevant: bird migration, bats, distances to a local nature conservation area (*Weisses Moor*), wind power



sensitive bird species, but, all in all, nature conservation played a rather subordinate role in the public discourse.

- Citizen information events as informal participation concepts
- The concerns of citizens who fear health risks need to be taken seriously.

Active Financial Participation of Citizens:

- Plan: 20% of total investment should be covered by equity (EUR 11 million)
- Direct financial participation of citizens as limited partners
- Eligibility: residents of the community of Neuenkirchen as well as landowners who have land within the lease pool, approx. 700 ha.
- Minimum deposit 500 EUR, maximum deposit 150,000 EUR
- No investor with more than 25% of the voting rights
- 145 citizens registered as limited partners (July 2014)
- Municipality participates with a symbolic amount of 20,000 EUR (Municipal Supervision Authority drew the line)

Passive Financial Participation:

- Landowner Land Lease Pool Model
- 34 landowners receive compensations for the use of their land
- Farmers have land of 133 ha to 0.5 ha in each area
- 5% of the annual net feed-in tariff is given as compensation to the landowners and distributed in the following way:
 - Owners whose properties are in the planning area (about 700 ha): 70%
 - Owners of the 12 sites used for WTG installations in the planning area (roads as delineation in the 3 subregions): 20%
 - Owners of the land that is used for road access, crane, and parking spaces: 10%
- Annual business tax revenues for the municipality: 700,000 EUR (600,000 EUR come from the community wind farm)
- Further benefit sharing by founding the civic association *Bürgerverein Neuenkirchen e.V.*
 - Donation: 1% of the annual feed-in tariff flows into the civic association as a donation (shareholder resolution)
 - Use for donations by local associations (buses, PC equipment for schools, community centre, sports field rehabilitation, etc.)



2.2 Key Takeaways from the Foundation “Children of the Wind” and Community Wind Farm Süderdeich

In the following we summarize key lessons of the presentation by Wilhelm Borcharding, the managing director of the community wind farm in Süderdeich and chairman of the Foundation “Children of the Wind” and the subsequent discussion.

Overview on the foundation “Children of the Wind”

- The foundation was set up in 2012 and already disbursed 150,000 EUR.
- Contrary to the citizen association in Neuenkirchen, the foundation needs to keep a certain amount of capital, but they also are obliged to disburse 100,000 EUR within 20 years.
- Members of the foundation are responsible for decisions on how to disburse the foundation’s budget.
- There is a flat hierarchy; but sometimes fast decisions are necessary, and the chair of the foundation decides on his own.
- The foundation supports several organizations and institutions like kindergartens, schools, libraries, retirement homes, etc. The goal of the foundation is to initiate certain projects, pioneering with certain ideas and that other organizations associated to those projects continue in a follow-up support.
- The foundation receives 1% of the annual remuneration (feed-in tariff) of the community wind farm Süderdeich (nearly 15,000 EUR); capital of the foundation also comes from compensation payments received for cable laying for other wind parks.
- The foundation does not intervene in municipal duties. Organizations/institutions communicate their wishes towards the foundation.
- The foundation is also asking the organizations which receive funding, to spend the money in local businesses → support of local value chains

Overview: Community wind farm Süderdeich

- Founded in 2012, in operation since 2016
- 45 shareholders
- Since a year, the community wind farm directly sells electricity to the final consumer and has therefore the status of an electricity supply company. 120 customers by now; works with a contractor. 0,2% of the produced power is directly marketed and the revenues become part of the foundation’s budget. Friends and acquaintances are promoting the project; people find it positive to have a direct and local contact person.



- Regarding procedural and financial fairness, Borchering explained, it would be better to also let people from neighbouring communities participate in citizen wind farms.
- Problem: German environmental authorities would like that also the concrete pillars (20m underground) are disposed or recycled → would be highly expensive and hard to implement in practice.

2.3 Key Takeaways from the Ministry of Interior and the Ministry of Energy Transition (MELUND)

Ministry of the Interior

- Explanation of federal planning system and the relevance of the Federal Building Code §35,1, no. 5 which gives a positive signal towards developing wind farms.
- Framework conditions: The state government of Schleswig-Holstein (SH) defined political goals (e.g. 10 GW from wind energy in 2025) → 2% of the total area is needed for this purpose. The state government defined special areas for wind energy use (safety concerns and setback distances are key when designating hard and soft taboo zones. The wind potential is not a criterion in SH, because in SH there are generally good wind conditions due to the proximity to the North Sea and Baltic Sea.
- Acceptance & Distance: Several scientific studies show that distances between wind turbines and housing areas are not key for acceptance (ex post). Nevertheless, some politicians and experts think about increasing minimum setback distance from 800 to 1,000m. This would mean that SH might not reach the territorial goal of 2%. On federal level, there is a parliamentary working group on “acceptance”, which partly also supports increasing distances to raise acceptance. For SH this is not the key, but the argument is simple to use it in the political debate.
- Locally based projects and financial participation are leading to better acceptance: But resistance is growing, people think the level achieved is enough.

MELUND

- In terms of RES development, SH has much achieved in the electricity sector, but not in the heat or transport sectors.
- Community energy is important for the German energy transition. The state government in SH provides financial support for community energy via different channels: the Energy and



Climate Initiative (EKI) and energetic urban redevelopment; and the revolving community fund.

- Revolving community energy fund: first example in Germany of a fund like this; the fund just started operation (by now no realized project yet, but some renewable energy projects in process). It shall help citizen energy projects to compete with projects of commercial developers and traditional energy supply companies and helps to mitigate the risk of high upfront costs
- The fund provides risk capital of min. 10,000 and max. 200,000 EUR. Target group: individual citizens. But the people need to live in the host municipality or next to it, where the project shall be realized. Individual citizens need to operate the process.
- Barriers for participating are low, as project initiators do not need to provide a complete and detailed business plan, etc. They only need to contact the Ministry and initiate the process. There are no risks in the initial process phase and application for the fund is quite simple.
- The Fund began operating with 5 members. EUR from the SH government, administration by the Investment Bank Schleswig-Holstein, a 100% state owned organization.
- If projects are successful, they need to pay back the full amount of money + 2% with every additional year the money was not payed back. Idea: one successful project finances the next projects. If projects are not realized, the Ministry loses the money. Risk free for citizens.
- Funded projects need to hand in monitoring reports every year
- 4 persons from the Ministry are engaged in the fund: 1 who checks the applications, 3 others are responsible for monitoring.
- The Bank checks business plans.

German Wind Energy Association in SH (BWE Schleswig-Holstein)

Horst Leithoff (Chairman of the regional branch of the German Wind Energy Association in SH; managing director of the cross-border community wind farm Grenzstrom-Vindtved¹ and two other community wind farms)

- Based on his experience with the development of community wind farms in Northern Friesland, Horst Leithoff formulates several key steps: First of all, an agreement with local farmers has to be reached, that a wind farm can be developed on their land → common understanding/contract with the farmers, that the windfarm can run at least 30 years)

¹ This wind farm has also been included in the the respective WinWind Best Practice case study about community wind farms in Dithmarschen and Northern Friesland.



- Organize information meetings for everybody to join
- Decisions were always made together with all shareholders
- People need to recognize or feel, that the wind farm is a common project and that all people are equal in the project; the wind farm needs to become a part of the local identity.
- The federal government promised not to change essential policies, this was important to create safety for investments. Safe calculations for the next 20 years.
- Only disadvantage of a community wind farm: you can only become a shareholder in the beginning of the project, not afterwards or at later stages.
- Scepticism regarding the new revolving fund from MELUND: people might abandon a project faster or might be less motivated to make it work, as it is not their private money they are operating with.

Q: Who can participate in a community wind farm project? A: Essential criterion is, that the family or individual lives in the village, or owns land in the village, or runs a business in the village. People need to pay taxes locally.

Q: Are there any conditions that parts of the revenues need to be reinvested again?

A: No. After 20 years, there is a check if the windmills are still safe and we need to pay for the recycling and deconstruction. For that purpose, we need to keep reserves. It is also more important that the local community earns the trade taxes from the operation of the wind farm rather than the shareholders decide to donate something. Taxes are better to raise local acceptance than donations.

Nicole Knudsen (Wind Energy Association in SH)

- Community wind power is one way to create local acceptance.
- She dislikes the word “acceptance”, she prefers the term “common understanding” („gemeinsames Verständnis “)
- A basic question people have is “What are you doing to the village, the landscape?” People have a lot of questions and we need to have answers for them to convince them. We need to answer: What are our aims and why? What is serious regarding the fears of people?
- In the past: we made the mistake, that we did not explain enough what we are doing and why; acceptance problems also by false promises on the federal level
- We must think about acceptance in a bigger context.
- There is also a change in the demands and aspirations of people: people want companies to act fair. The challenging attitude developed towards more justice/fairness.
- Problem: citizen and often mayors lack information/knowledge about how planning processes for wind farms work.



- In Schleswig-Holstein, a label for fair wind energy developers has been developed in 2018 which is similar to the label in Thuringia. However, the current situation is difficult: there are currently only very few permissions for new windmills granted due to a moratorium in Schleswig-Holstein, in consequence, there is no incentive among developers to apply for the label. Another problem is that in contrast to Thuringia, where the label is issued by the Service Unit Wind energy (a subunit of the Thuringian Energy and Greentech Agency), in Schleswig-Holstein developers must pay for the label.

Q: What is your position on labels² like in SH or Thuringia?

A: We have a neutral and primarily independent service unit wind energy in Thuringia which provides information and advisory services to municipalities, citizens and developers. And we observe that the self-commitment did not work well, because people thought: “We know how to build community wind parks. We don’t need a label for self-commitment”.

Difference between SH and Thuringia: In SH it is a private company that offers the label (wants to earn money) and Thuringia runs a service unit that offers a label without costs. A label is not a planning instrument but is an incentive to follow a number of rules or criteria.

Q: What is the benefit of the investor to hold the label?

A: Its main purpose is image. In Thuringia it has become almost impossible to do business without having the label, because communities ask for it.

Q: Is there a regulation how the communication with society should be performed?

A: Every person can object to a local or regional plan which includes wind energy priority zones. Regional plans must undergo public participation. But the situation is different with permitting of a concrete project. Sometimes, the investor needs to carry out an EIA to get the permission. In this case there are possibilities for public participation. But the projects need to be communicated preferably early, but there is no formal rule or requirement for that.

² Regarding the labels a short explanation for the Polish delegation was necessary as they were not familiar with this kind of instrument.



3. LIST OF PARTICIPANTS

3.1 GERMANY

Name	Position	Organization	Function
Rosaria di Nucci	Project coordinator	Freie Universität Berlin, Environmental Policy Research Centre	WinWind Coordination
Dörte Themann	Researcher	Freie Universität Berlin, Environmental Policy Research Centre	WinWind Coordination
Michael Krug	Researcher	Freie Universität Berlin, Environmental Policy Research Centre	WinWind Coordination
Swantje Vondran	Project manager	Seecon Ingenieure Leipzig	WinWind Consortium
Rosalind Brown	Expert	Seecon Ingenieure Leipzig	WinWind Consortium
Reimer Schoof	Managing Director	Bürgerwindpark Neuenkirchen	Mentoring Expert
Michael Schmidt	Managing Director	IMS Ingenieurbüro Michael Schmidt	Mentoring Expert
Thies Wellnitz	Mayor	Municipality of Neuenkirchen	Mentoring Expert
Wilhelm Borcharding	Managing Director	Community wind farm/Bürgerwindpark Süderdeich GmbH & Co. KG Foundation/Stiftung „Kinder des Windes“	Mentoring Expert
Brigitte Petersen	Expert	Community wind farm/Bürgerwindpark Süderdeich GmbH & Co. KG Foundation/Stiftung „Kinder des Windes“	Mentoring Expert
Angelika Behlig	Expert	Ministry of Energy Transition, Agriculture, Environment, Nature and Digitalization	Mentoring Expert
Milena Schulz-Gärtner	Expert	Ministry of Energy Transition, Agriculture, Environment, Nature and Digitalization	Mentoring Expert
Ulrich Tasch	Expert	Ministry of the Interior, Rural Areas and Integration	Mentoring Expert
Horst Leithoff	Chairman	German Wind Energy Association (regional branch of Schleswig-Holstein)	Mentoring Expert
Nicole Knudsen	Expert	German Wind Energy Association (Schleswig-Holstein Branch)	Mentoring Expert
Karolina Mokrzycka	Interpreter	Übersetzungsbüro Altun	Translation (Polish)

3.2 LATVIA

Name	Position	Organization	Function
Aija Zučika	Project manager	Latvian Environmental Investment Fund	WinWind Consortium
Iluta Plotņikova	Project assistant	Latvian Environmental Investment Fund	WinWind Consortium
Ivars Kudreņickis	Researcher	Institute of Physical Energetics	WinWind Consortium
Aigars Štāls	Land owner	Liepāja municipality	Expert Delegation Member



Raitis Madžulis	Project expert	Zemgale planning region	Expert Delegation Member
Dace Pole	Head of local administration	Tukums municipality, Slampe and Dzukste parishes	Expert Delegation Member
Juris Ozolins	External expert	Riga	Expert Delegation Member
Līga Dreijalte	Senior expert	Ministry of Economics, Sustainable energy policy department	Expert Delegation Member
Ojars Balcers	Expert	NGO "Zaļā Brīvība" (Green Liberty) - EKOenergy label network member	Expert Delegation Member, translation (Latvian)

3.3 POLAND

Name	Position	Organization	Function
Piotr Nowakowski	Expert	KAPE - Polish National Energy Conservation Agency Research & Projects Department	WinWind Consortium
Roksana Szymalska	Chief Expert	Ministry of Energy, Renewable and Distributed Energy Department	Expert Delegation Member
Magdalena Kałęcka	Chief Expert	Energy Regulatory Office, Renewable Energy Department	Expert Delegation Member
Aneta Wiczerzak - Krusińska	Press Officer	Polish Wind Energy Association	Expert Delegation Member



4. AGENDA

Monday, 26 August 2019

15:15	Transfer workshop (Part 1) Welcome <i>Reimer Schoof, Managing Director of Community Wind Farm Neuenkirchen</i> <i>Dr. Rosaria Di Nucci, Freie Universität Berlin, WinWind Coordination</i> Brief introduction of the participants
15:45	Introduction of the regional context: energy situation in Schleswig-Holstein and Dithmarschen <i>Michael Krug, Freie Universität Berlin, WinWind Coordination</i>
16:00	Introduction to the Community Wind Farm in Neuenkirchen (basic info, idea, history, planning) <i>Reimer Schoof, Managing Director of Community Wind Farm Neuenkirchen</i> Q&A
16:45	Visit of the community wind farm Neuenkirchen

Tuesday, 27 August 2019

	Transfer workshop (Part 2) Moderation: Swantje Vondran (seecon Ingenieure)
09:30-11:00	<ul style="list-style-type: none"> - Welcome (<i>Thies Wellnitz, Mayor of Neuenkirchen</i>) - Welcome and brief introduction WinWind (<i>Rosaria Di Nucci, FU Berlin</i>) - Planning of the community wind farm (<i>Reimer Schoof</i>) - Effects for the community and non-profit civic association (<i>Thies Wellnitz, Mayor of Neuenkirchen</i>)
11:00-12:00	Q&A Clarification of details (planning, permitting, implementation, participation and acceptance)
12:00-13:00	Transferability of the concept "community wind farm": pre-requisites and possible starting points
13:00-13:30	Outlook and next steps: transfer workshops in Poland (26 Sep 2019) and Latvia (10 Oct 2019) Perspectives of Memoranda of Understanding
13.30-14:15	Lunch and farewell
14:15	Transfer to community wind farm Süderdeich
14:30	Transfer visit to Community wind farm Süderdeich Welcome (<i>Wilhelm Borchering, Brigitte Petersen, community wind farm Süderdeich</i>)
15:00	Presentation of the Wind farm and the Foundation "Children of the Wind"
16:15	Visit of the community wind farm Süderdeich
17:15	Discussion, Q&A

Wednesday, 28 August 2019

10:30-13:00	Transfer visit to the State Ministry of Energy Transition, Agriculture, Environment, Nature and Digitalization (MELUND) <ul style="list-style-type: none"> - Welcome (<i>Angelika Behlig, Ministry of Energy Transition, Agriculture, Environment, Nature and Digitalization (MELUND)</i>) - Brief introduction to WinWind (<i>Rosaria Di Nucci, FUB-FFU</i>)
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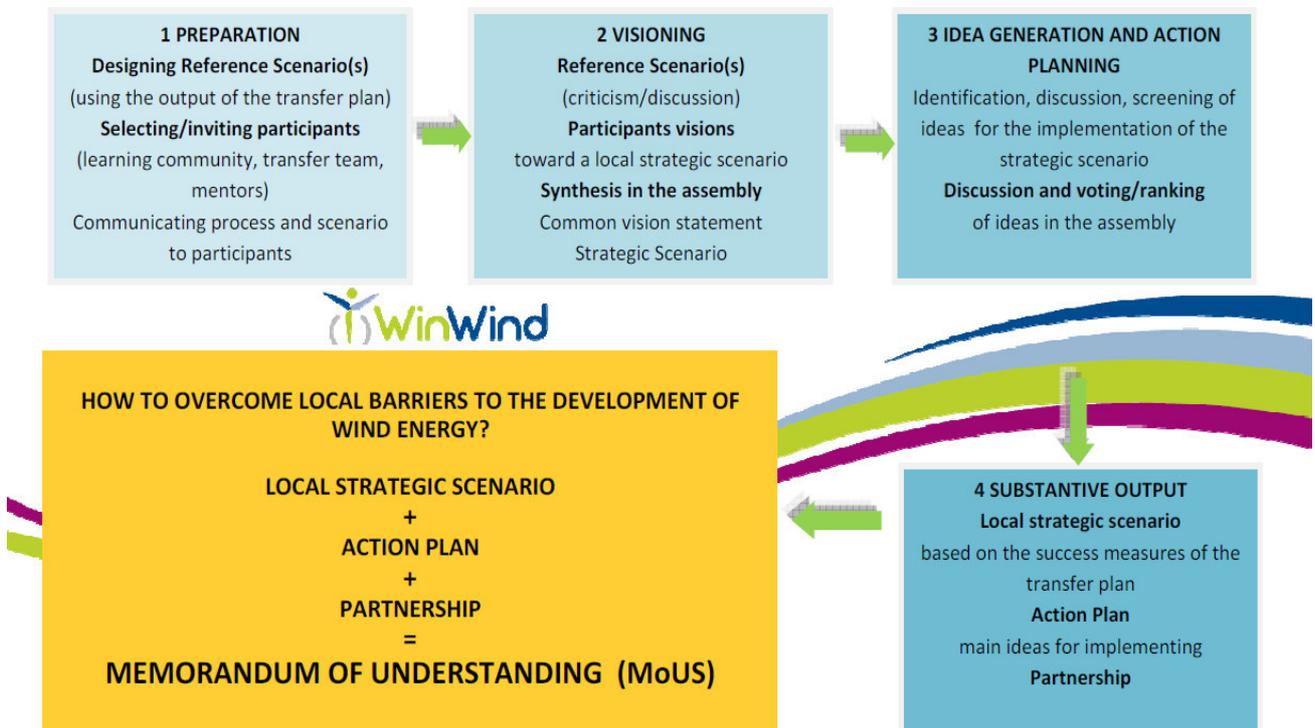


	<ul style="list-style-type: none"> - Brief introduction of the participants - Policy framework in Schleswig-Holstein, planning and designation of wind energy priority zones in Schleswig-Holstein (<i>Ulrich Tasch, Ministry of the Interior, Rural Areas and Integration</i>) - Revolving Community Energy Fund Schleswig-Holstein – a model for Latvia and Poland? (<i>Milena Schulz-Gärtner, Ministry of Energy Transition, Agriculture, Environment, Nature and Digitalization</i>) <p>Q&A</p>
13:15	Lunch
14:00-16:00	<p>Dialogue with German Wind Energy Association, regional branch of Schleswig-Holstein</p> <p>Community wind farms in Schleswig-Holstein: success factors and transferability</p> <p><i>Horst Leithoff and Nicole Knudsen (Regional branch of the German Wind Energy Association in Schleswig-Holstein)</i></p> <p>Q&A, Discussion</p> <p>Conclusions and Farewell <i>Rosaria Di Nucci, Michael Krug</i></p>



5. Methodological Framework: European Awareness Scenario Workshop (EASW)

In the WinWind project several transfer activities are carried out. These comprise transfer workshops which are organized as “Learning Labs”. The methodological approach chosen for the Learning Labs, is an adaptation of the European Awareness Scenario Workshop method (EASW). The basic structure of an EASW is usually organised around two main activities, **Vision making (Vision Development)** and **Idea generation**.



6. Results Including Connecting Factors for the Upcoming Transfer Workshops in Warsaw (Poland) and Riga (Latvia)

The primary aim of the Workshop in Schleswig-Holstein was to provide detailed information about community wind farms in general, and the community wind farm in Neuenkirchen in particular, considering appropriately the political, policy and planning context. The workshop also aimed at exploring cooperation opportunities for Best practice transfers in the future. The wind farm in Neuenkirchen together with two other community wind farms in the administrative district of Northern Friesland was part of a respective Best Practice Case Study developed in the frame of WinWind. In order to get a complete understanding of the community wind farm and its context, the transfer workshop was combined with site visits and open dialogue sessions with experts and stakeholders from Neuenkirchen, but also from the neighbouring community wind farm in Süderdeich, from the regional Foundation Children of the Wind, the State Ministries of Interior and Energy of Schleswig-Holstein and finally with regional community wind farm experts from the German Wind Energy Association.

The main purpose of the transfer workshop was knowledge transfer and capacity building. However, the workshop included an interactive session with elements of the learning lab approach developed by the Work package leader (Ecoazioni). The learning lab approach will be fully deployed in the follow up workshops to be held in Warsaw and Riga in Autumn 2019. The results of the transfer workshop are shown below with the help of the vision boards used in the workshop.

As key discussion points, the following issues were selected:

- Business Model
- Roles & Responsibilities
- Financing
- Agreements and Organisations: Federal, National & Local Levels
- Support Schemes and Framework Conditions

A keynote speech was delivered by the Mayor of Neuenkirchen, Thies Wellnitz. Mr. Wellnitz delivered a passionate talk about his personal and professional journey working with the citizens of Neuenkirchen to accept the local community wind farm.



Stage 1. Vision making

To begin the vision making process, reference scenarios are used to bring the team together with a focal point. In the case of this transfer workshop, the successful case of the community wind farm of Schleswig-Holstein has been used. This was presented by the managing director of the wind farm Reimer Schoof, and the key deliverables are detailed in Section 2.1. During the Q&A session after their presentations, the following measures were identified as seen in the photograph below:

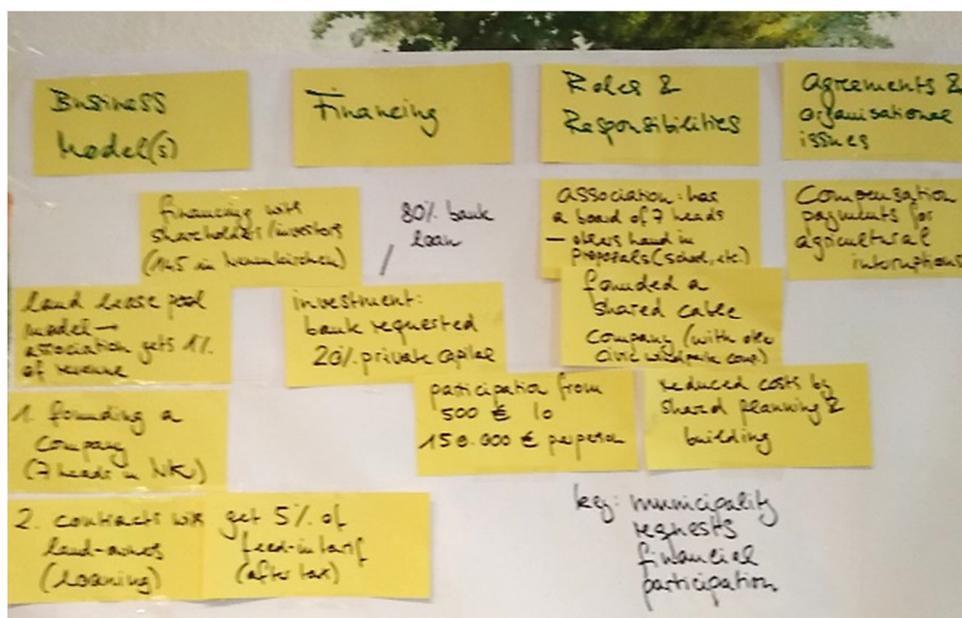


Image 1 The workshop utilised boards to identify and align on key discussion points

Using these four sections: **Business Models, Financing, Roles & Responsibilities** and **Agreements and Organisation** as a backbone for the discussion, the group analysed the framework surrounding the case of Neuenkirchen and the success factors. As seen in Image 1, the key aspects identified are the land lease pool model and the citizen association which receives annual donations of 1% of revenue. These mechanisms help to avoid envy among landowners, to achieve a fair distribution of land lease payments and to increase the financial participation of local citizens.

Instruments for Benefit Sharing – Establishing a civic association (*Bürgerverein*)

The discussion focused on the **benefits to the community**, primarily the financial benefits, due to the founding of a local civic association. Annually 1% of the revenues are disbursed as donations to



the civic association. The money is used to support social and cultural projects in specific institutions like the school (e.g. PC equipment, technology upgrades), kindergarten, other local associations/clubs, etc. The association is led by 7 persons from the community and chaired by the mayor. The association receives applications from organizations and institutions and decides about how to spend the money. The official nature of the organisation is important to avoid accusations of corruption. A key lesson was that some investments are mandatory tasks of the municipality (e.g. facilities of the fire department, roads, etc.) and the association cannot step in here.

Instruments for Benefit Sharing - Land Lease Pool Model

The transfer teams from Latvia and Poland agreed that the land lease pool model is a key measure which might be replicated rather easily in their own countries.

Instruments for Benefit Sharing – Financial participation of citizens as limited partners

Financing of the community wind farm in Neuenkirchen was ensured by a bank loan, which covered 80% of the investment. 20% were secured by equity (citizens and landowners of the local community were eligible to participate as limited partners. Minimum payment was 500 Euro, maximum 150,000 EUR (later this amount was reduced to 124,000 EUR due to oversubscription). In the end, 145 citizens financially participated as limited partners (*Kommanditisten*).

Due to the involvement of the bank, the community wind farm is not completely autonomous in its decisions. The bank must be informed every time a wind turbine is turned off or maintenance works are scheduled for the farm. The bank must be informed and sign off on the decision. The profits of the wind farm therefore go first to paying off the bank loans but are also partly used for maintaining the site with 5% going to upkeep the roads and pavements. In this way, the local community must not pay extra money into the site.

Need to Align Policy and Planning Frameworks at National, Regional and Local Levels

The Latvian delegates raised concerns regarding the national and regional legislation of Latvia that is not designed to aid the building of community wind farms. The Latvian delegates noticed that there is no experience with this model and only poor knowledge. Also, it should be considered that in Latvia financing is a problem. It is difficult to obtain bank loans for wind farms. In Germany the legislative structure supports wind energy (the feed-in tariff which is guaranteed for 20 years created investment security also for banks), which is not the case for Latvia. Furthermore, in Germany there



is the possibility that the federal government or the state (*Länder*) governments may impose on investors a duty to offer a certain number of shares to the host municipalities and/or local citizens.

Therefore, the transfer teams concluded that **support schemes and incentives were necessary to enable citizens** to found their own associations and/or companies to replicate the best practices from Neuenkirchen and other community wind farms. Michael Krug and the other mentoring experts from Germany pointed out that the transition to the new auctioning system turned out to be detrimental to the development of community wind farms, as it reduces investment security and jeopardizes the development of community/citizen projects for the benefit of large players, like commercial project developers and traditional energy supply companies. The feed-in tariffs were considered a great success, as they ensured long-term investment security. Without this investment security, the dynamic development of citizen energy projects in Germany would likely not have been possible.

Key requirements for the development of a community wind farm and accompanying civic association as in Neuenkirchen are community cooperation and financial assistance. The latter **often depends on national or regional legislation** providing financial benefits such as feed-in tariffs or feed in premiums. It is also true that strong, committed, trustworthy and convincing individuals are important, like supportive mayors or persons who manage to unite the voices of landowners.

Communication

The Polish delegation raised the question how initiators of a community/citizen wind farm should talk with local people and local authorities who are opposing wind energy. What would be helpful communication strategies? Reimer Schoof and other mentors recommended to talk openly to people, to initiate transparent and open dialogues and to take scepticism and concerns always seriously. Rosaria Di Nucci referred to the results of WinWind highlighting that financial and procedural fairness are key for local acceptance and establishing a foundation might be a good way to involve citizens who are not interested in investing their money as shareholders.



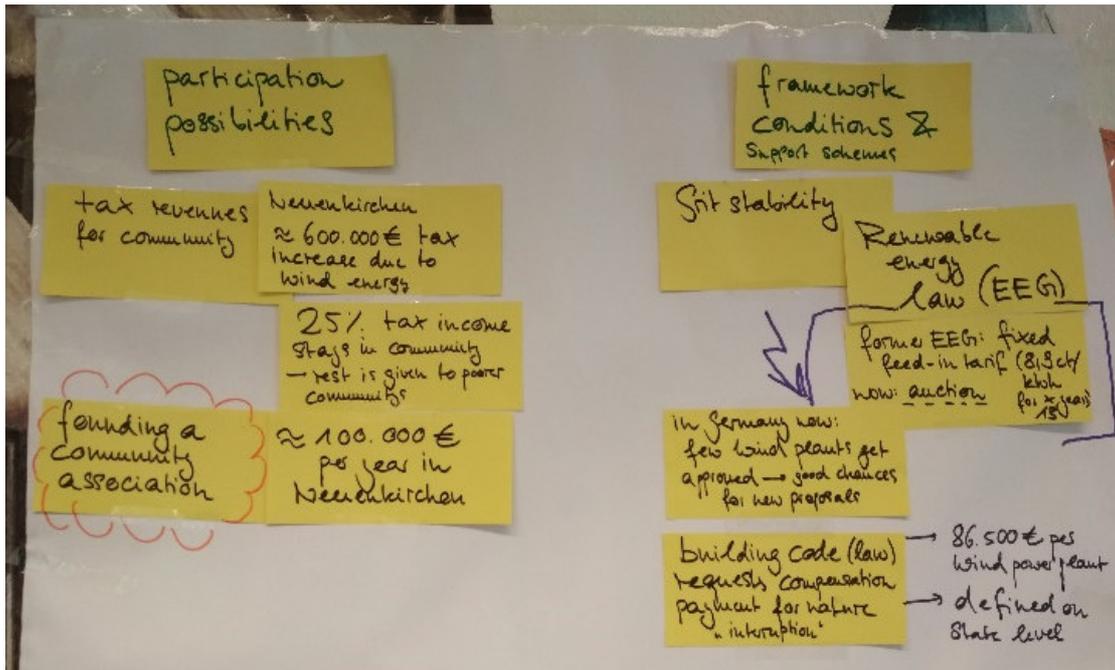


Image 2 shows the discussion around participation benefits and framework conditions for these benefits.



Stage 2. Idea Generation – How to Ensure Fair Share of Benefits

The discussion among the delegates highlighted the differences between the countries. It was found that there are substantial differences between the legislation of these countries which causes problems for the replication of the successes in Poland and Latvia.

Missing Support Schemes/Legislation Identified

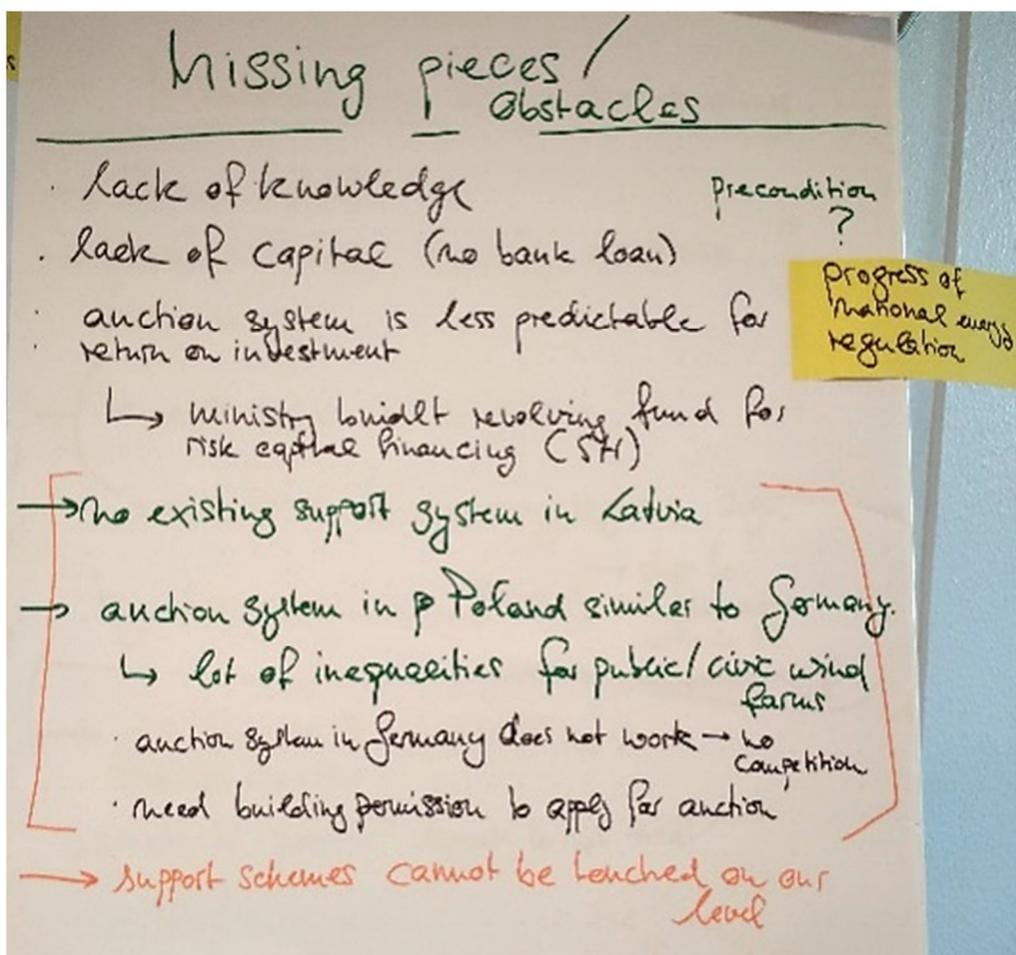


Image 3 shows the missing pieces and obstacles as identified during the transfer workshop.

In Latvia, only wealthy investors have been able to develop wind farms with no known example of community wind farms. These tend to be external investors and there is a **lack of knowledge and financial capital** from the banks and the people. The legislative framework must be changed to ensure people could have a chance at applying for capital from banks or receive funds from support schemes.



In Germany, the policy framework has so far been rather **supportive of building community wind farms** and the banks supported the projects due to the attractive **feed in tariff system**. The current **auction system** also causes problems for the German community wind farms as due to the high upfront costs initiators of community wind farms have problems to compete with commercial project developers and traditional energy supply companies and face therefore disadvantages in auctions. For that reason, the MELUND established a **revolving fund** (see 2.3).

In Poland, there is currently a rather hostile political climate for wind energy, but on the other hand there is a **financial support scheme** in place (auction system), so banks have a certain reassurance when financing such projects. An appropriate framework at national level is required because currently there is only talk of building new wind farms. It would be better to **institutionalise these changes and build a legal framework that supports and enables not only the communities, but also the manufacturers**.

Acceptance Increasing Measures and Benefit Sharing Schemes

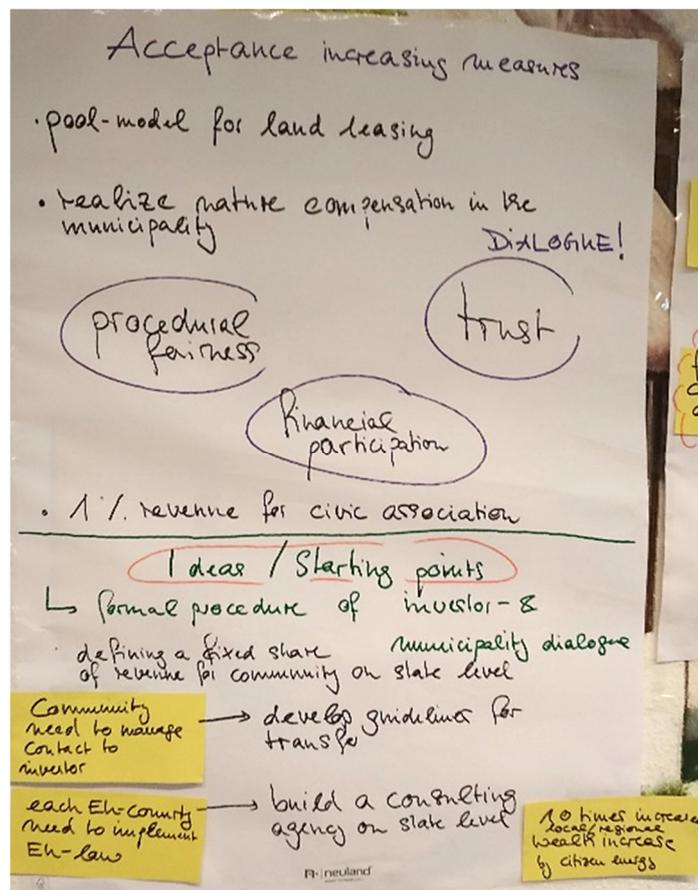


Image 4 shows the acceptance increasing measures and the on-going discussion from the workshop



In Germany, an **environmental impact assessment (EIA) is mandatory** if a wind farm project comprises 20 or more wind turbines. If the number of turbines ranges between 3 and 20, a **pre-assessment** is necessary which then indicates whether a full assessment is required. This must be carried out **before a project can apply for financing**. The state government of Schleswig Holstein established **a fund to provide risk capital** for groups of citizens planning to develop renewable energy projects. This fund is used to cover upfront costs, e.g. for impact assessments and other planning costs, but the money must only be paid back if the project is successfully realized. This model can be very useful for other regions and countries. The scheme is designed as a revolving fund to finance a cycle of operations to which reimbursements are returned for reuse. Since 2018, renewable energy communities including citizens who wish to develop community wind farms can apply for a minimum of 50,000 EUR to cover all pre-financing costs. This is a huge incentive for communities and is aligned with local energy consulting companies who offer advice for the communities, the advice is free depending on the region.

Founding a limited society, local cooperative or civic association

One of the core questions of WinWind is how wind farms can be beneficial for the local communities. In the case of Neuenkirchen, a key factor was the civic association which **receives 1% of the annual revenues of the wind farm as donations to enable the community to financially benefit from the wind farm** (use of money for infrastructure, cultural, educational and social projects).

One conclusion reached by the transfer teams is that founding a civic association is important to **improve distributional fairness and community relationships**. Furthermore, it was considered essential that such associations or similar organizations need to be founded before the wind farms are built as the acceptance of the local community is, or should be, a critical factor in negotiating a beneficial contract for the local community and the municipality.

An appropriate national framework is required to ensure that investors and host municipalities act on a level playing field. Furthermore, citizens should have an opportunity to influence decision-making. This would help to increase wind farm acceptance. The Polish delegation emphasized the need of guidelines/criteria for e.g. how to found a company based on the community model. Core questions for them were how to finance such projects, which legal structures and business models are possible, who should participate, etc.? Those questions should be addressed in the transfer workshop in Warsaw.



In Latvia, there are many private investors who want to build wind parks but there is no precedent in law that they must involve the community, the municipality or the region. In Latvia, no agreements are possible before the decision is taken because it could be considered a form of corruption.

In Germany, there is currently discussion at the federal (national) level of how investors can develop and invest in projects with community approval and involvement and still avoid corruption. The risk of bias and corruption can be reduced if the measures are not dependent on the voluntary commitment of the developers, but if they are based on a legally binding regulation. Several federal state governments have enacted legally binding regulations, whereas the federal government examines possibilities to introduce a national regulation. In April 2016, the state parliament of Mecklenburg-Western Pomerania passed the Citizens' and Municipal Participation Act which obliges project developers in Mecklenburg-Western Pomerania to offer citizens and host municipalities the possibility to financially participate in the project³. In June 2019, the state parliament of Brandenburg passed the Wind Energy Levy Act which establishes a special levy for wind turbine operators in the state of Brandenburg. The special levy amounts to 10,000 EUR per wind turbine per year. Municipalities whose territory extends in whole or in part within a 3-kilometre radius around the respective plant location are eligible. The levy is paid in proportion to the area in question.

Policy Advice & Procedural Fairness

The delegates from Poland and Latvia highlighted the need for **guidelines how to found a cooperative, limited society or civic association** including the question who should be involved (e.g. local authority, mayor, other key stakeholders who could initiate this association or maintain transparency and aid the negotiations such as with the consulting services and financial aid for planning). The dialogue should be intensified, e.g. regarding the question whether a limited society or cooperative would be easier and/or better for the local communities in Poland and Latvia where support schemes, financial and legal frameworks are not adequately developed. This point will be further discussed in the Transfer Workshop in Warsaw, Poland.

³ One option is the establishment of a limited liability company, of which 20 per cent must be offered to municipalities and citizens within a radius of 5 kilometres. A second option includes the payment of an annual compensatory levy to the municipalities. In this case, citizens must be offered a savings product. As a third option, voluntary agreements between developers, communities and citizens are possible.



As all European Member states have to transpose and implement the new European Renewable Energy Directive with Article 22⁴, which means that clear **policy advice and guidance are needed at the national level for community involvement** in all new energy projects with **legal conditions for renewable energy companies**.

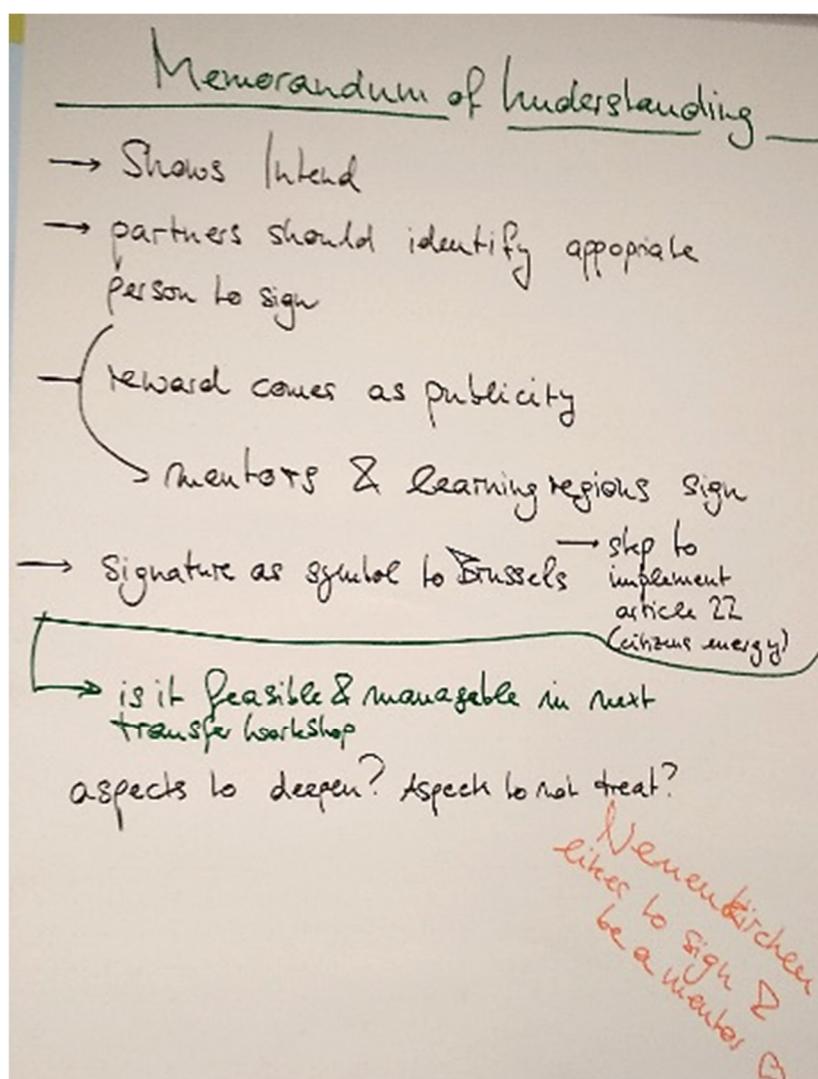
The discussion ended with a clear message for the transfer workshops in Poland and Latvia: appropriate policy frameworks and support schemes for building community wind farms should be developed which needs the support of local, regional and national authorities in light of the revised Renewable Energy Directive and Article 22 on renewable energy communities.

⁴ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast) Article 22



Stage 3. Memorandum of Understanding (MoU) & Next Steps

Rosaria Di Nucci introduced shortly the goals of a MoU and highlighted that this would go beyond a typical research project. Questions were raised like who would be the best actor/stakeholder to sign a MoU? Di Nucci emphasized that the choice of the WinWind partners of who should sign the MoU depends on the transfer case and who the partners think is the best entity to sign the MoU. But there can also be five different stakeholders signing the same MoU. After further clarifications the mentoring experts from Schleswig-Holstein agreed to continue to act as mentors, and the Polish and Latvian delegates agreed to discuss the Memoranda of Understanding at the Country Desk, to re-align within the transfer teams and to then sign the final documents in Rome.



7. Impressions



