

Hagshaw Energy Cluster Western Expansion | Phase 1

Project Benefits

Community Fund

We are keen to engage with the local communities surrounding the project about community benefits and the potential to establish a new Community Trust Fund mechanism (or similar) which would receive the community benefit payments from the project that would yield the financial resources to deliver a Community-Led Investment Strategy for the communities closest to the site.

The overarching objective of the new Trust would be to deliver real improvement to the socio-economic environment in nearby communities over the project's 40-year operational life. In order to achieve this, the Proposed Development would make contributions of up to £668,000 each year* to the newly established Community Trust. This equates to a total of £26.7 million of investment in the local area over the life of the project*. Future discussions will be held with the closest communities to agree a proportionate split of community benefit funding relative to the impacts of the finalised project on surrounding communities.

The new **Community Fund** could be used to deliver some of the following ideas:

- Local Energy Discount Scheme for closest communities;
- Local training and employability programme;
- Strategic Investment Plan to maximise Community Wealth Building opportunity over 40 year period;
- New community assets in the closest villages – do you have any suggestions?

The deployment of a community benefit fund of this scale is expected to support up to 9 jobs yearly, create local supply chain building and opportunities for local employment, capital investment and skills development.



Other Associated Benefits

The project's development and construction activity is estimated to generate:

- £19.4 million Gross Value Added (GVA) and support c.217 job years in South Lanarkshire and East Ayrshire (with peak employment of 115 jobs); and
- £54.6 million GVA and c.646 job years across Scotland (with peak employment of 297 jobs).

The expenditure required for the operations and maintenance of the Proposed Development is estimated to generate each year:

- £2.0 million GVA and support c.14 jobs in South Lanarkshire and East Ayrshire; and
- £4.5 million GVA and support c.36 jobs across Scotland.

The Applicant has committed to prioritising local companies for contracts where possible, and promoting such opportunities to local suppliers with the aim of achieving high local content.

The Proposed Development is expected to support the provision of local public services and the investment priorities of local communities. During its operations, it is expected to generate approximately £4.7 million in non-domestic rates yearly.

The Proposed Development will generate enough green electricity to:

- Supply around 93,000 homes; and
- Save approximately 180,000 tonnes of CO₂ every year.

Economic Investment & Employment

- The Proposed Development would see significant local investment and the creation of local business opportunities during both the construction and operation.
- As part of the wider Hagshaw Energy Cluster initiative, the project intends to build upon the success of the Development Framework, including establishing links with local schools and colleges to develop training initiatives to enhance opportunities for local people to embark on a career within the renewable energy industry. 3R Energy has already committed funding for local school visits to the Hagshaw Energy Cluster in 2025.
- The Applicant is committed to using suppliers as close to the project as possible and to delivering a high percentage of construction values and training opportunities to local companies and local people (subject to complying with procurement regulations).

** Community benefit fund figures are based on a project including 129.6 MWs of wind generating capacity, a community benefit contribution of £5,000/MW of wind energy, and £20,000 per year from the 200MW long duration energy storage, and an operational life of 40 years.*

We would like the community to shape the community benefit package so that it best meets local needs and aspirations: the split of funding will be agreed with the local community groups and organisations.

Do you have ideas for how you'd like to see the community benefit fund used locally?

3R Energy