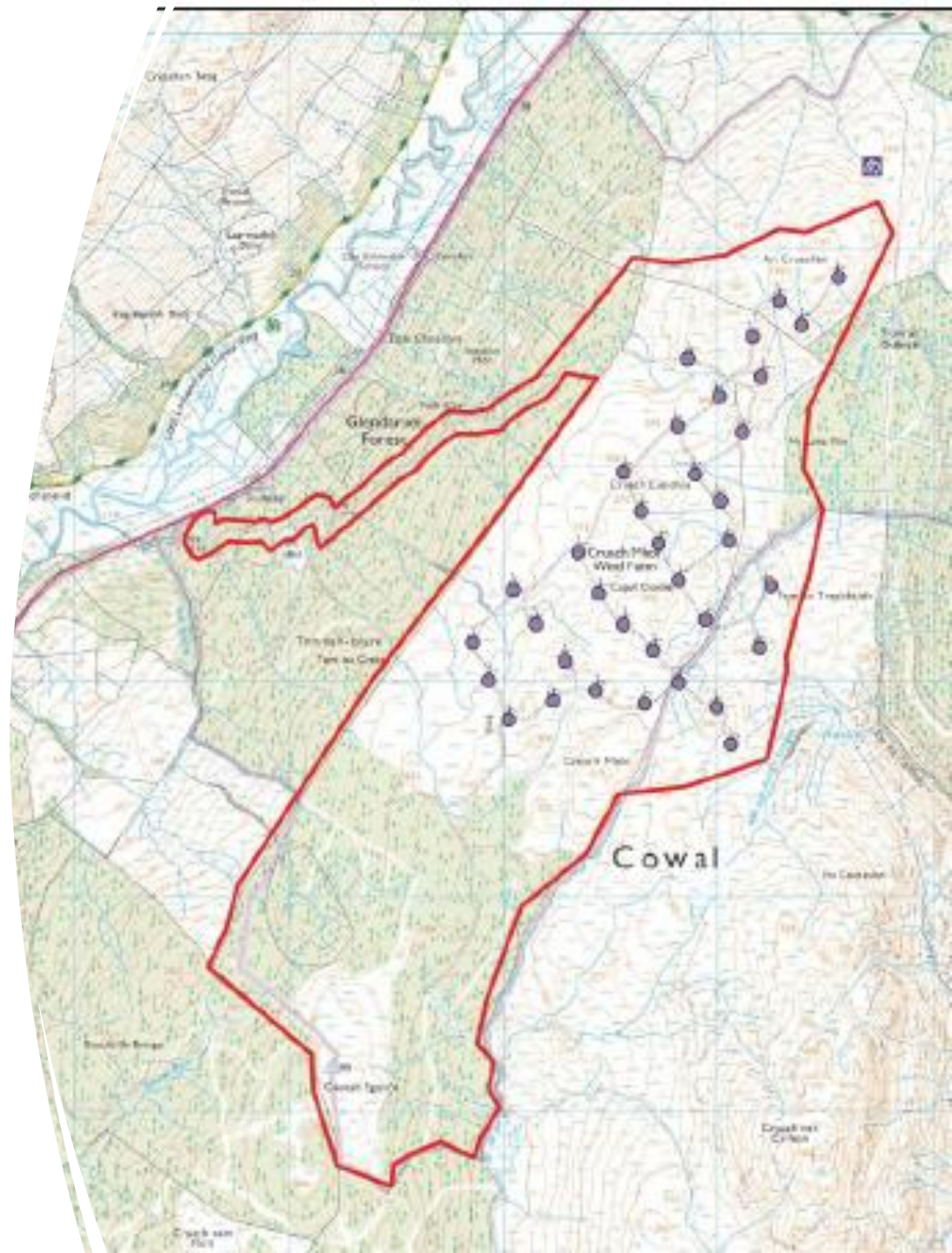


# Cruach Mhor Wind Farm Re-powering

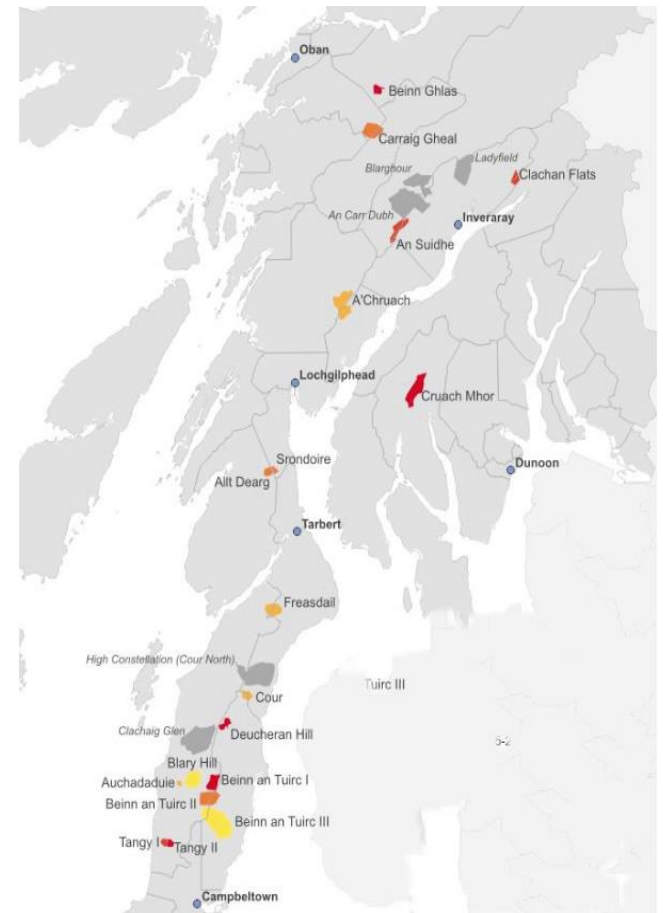
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- Community Update and Consultation
- 2.30 pm, Sunday 14<sup>th</sup> June 2026
- Glendaruel Hall



# Regional Context

- A third of currently installed onshore wind capacity in Argyll and Bute will be up for repowering by the mid 2030s - **the region could be a test case for community wealth building from repowering.**
- **There is a growing consensus that more of Scotland's energy sector should be community owned.** Today, less than 1% of Scotland's onshore wind sector is in genuine community or local authority ownership.
- **Onshore wind repowering is a once-in-a-generation opportunity** to diversify ownership
- Community or local authority ownership deliver the greatest community wealth.
- Community capacities can be strengthened through partnership.



# Local Background

- Cruach Mhor Wind Farm is being repowered under a new lease awarded to Belltown Power UK in June 2025. The new lease will take effect in 2029
- ScottishPower Renewables has operated since 2004
  - 35 turbines 70m high, 32MW total
- Belltown's stated plan is to increase capacity to
  - 11 turbines 210m high, 72MW total
- If consent is granted, construction would be no earlier than 2030 or 2031
- Belltown does not plan formal community consultation until later in 2026 or 2027
- Environmental and ecological surveys are due to begin this year



# Community Process

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- The planning decision will go through a formal statutory planning process, possibly including referral to the Scottish Government
- Local residents will be able to make representations during the process
- The Development Trust, Community Council, and Wind Farm Trust have been working together
  - A first community meeting was held last autumn
  - A short working life work group was set up to understand the implications for the community



# Belltown Offer – Community Benefit

- Belltown has offered the community the Scottish Government recommended Community Benefit level
  - Currently £5000 per MW and may soon rise to £6000/MW
- If 72MW is developed this could mean over £400,000 per year
- Current community benefit from ScottishPower Renewables is just under £50,000 a year
- Some neighbouring communities may also expect a share under current rules, especially where visual amenity is affected
- Even allowing for sharing, the community is likely to see a substantial increase in community benefit funds if consent is granted



# Belltown Offer – Equity Investment

- In addition to community benefit payments Belltown has also offered the community the chance to invest in the wind farm company
  - 1% equity free of charge
  - A further 4% at cost price
  - Up to 44% more at market value
- These arrangements would require negotiation and new community entities to manage and administer Community Benefit and equity investment income



# Cowal Community Energy Offer

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- Cowal Community Energy (CCE) is an organization set up to promote community wind farm ownership in Cowal
- CCE made a bid to re-power Cruach Mhor in competition with Belltown but was unsuccessful.
- There has already been considerable publicity regarding that bid and there will continue to be external interest in the eventual decision made by the community about Cruach Mhor community investment.
- CCE has offered to help jointly handle negotiations with Belltown
- CCE propose that Community Benefit income and the 1% and 4% investment income would belong solely to ColGlen
- Any extra investment and income beyond that would be shared across the wider Cowal area
- ColGlen would have a non-controlling vote in how wider income is distributed
- ColGlen Development Trust is already a member of Cowal Community Energy
- The Trust chair is one of six Cowal Community Energy board directors



# Working Group Activity

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- Three broad options have been considered:
  - Accept Cowal Community Energy's offer,
  - Reject it and negotiate directly with Belltown, or
  - Consider any other worthwhile options
- The group has met five times and expanded membership to include more community members
- Various options have been developed with criteria to differentiate between options
- However more information is needed to make a recommendation and a community decision , in particular about:
  - The community's attitude towards investment and sharing
  - Financial information regarding investment
  - Belltown's planning application
  - More detail on CCE's offer
  - Potential interest in investment from other neighboring communities



# Community Involvement – Practical Implications

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- New entities will be needed, such as a company, to receive, manage and distribute benefit and dividends
  - Governance, legal, accounting, and statutory reporting structures would be required
- Some benefit may need to be shared with other communities if they are affected by the enlarged turbines
  - Belltown will only negotiate with one community entity
- The community will need a mandated negotiating team with oversight for transparency
- Community capability and capacity will be a limitation
  - Professional support will be needed, and Scottish Government funding may be available



# Community WF Investment #1

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- If ColGlen invests beyond the free 1% (up to 4% more), a loan would be required
- That loan would be secured against the community company's interest in the wind farm company
  - The community company would have limited control over how Belltown runs the wind farm company
  - Lenders would likely see this as higher risk
  - However, the market value of 5% should be higher than the cost of the loan for the "cost price" 4%
- There are specialist lenders and government agencies which would consider this
- **NO COMMUNITY ASSETS, ORGANISATIONS OR PEOPLE WOULD BE PUT AT RISK**



# Community WF Investment #2

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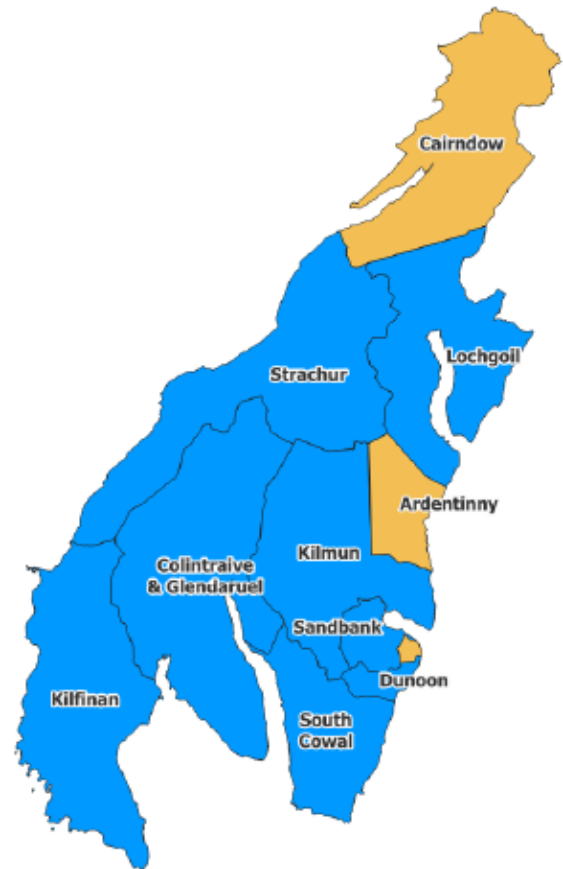
- Equity investment greater than 4% (up to additional 44%) would require market rate loans
- The vast majority of community company income would be required to pay off the loan
- Accordingly residual community income from investment in the first 10-15 years could be zero or very small
- **However the Community will ultimately have an asset that provides significant income for several decades**



# Community Income / Sharing

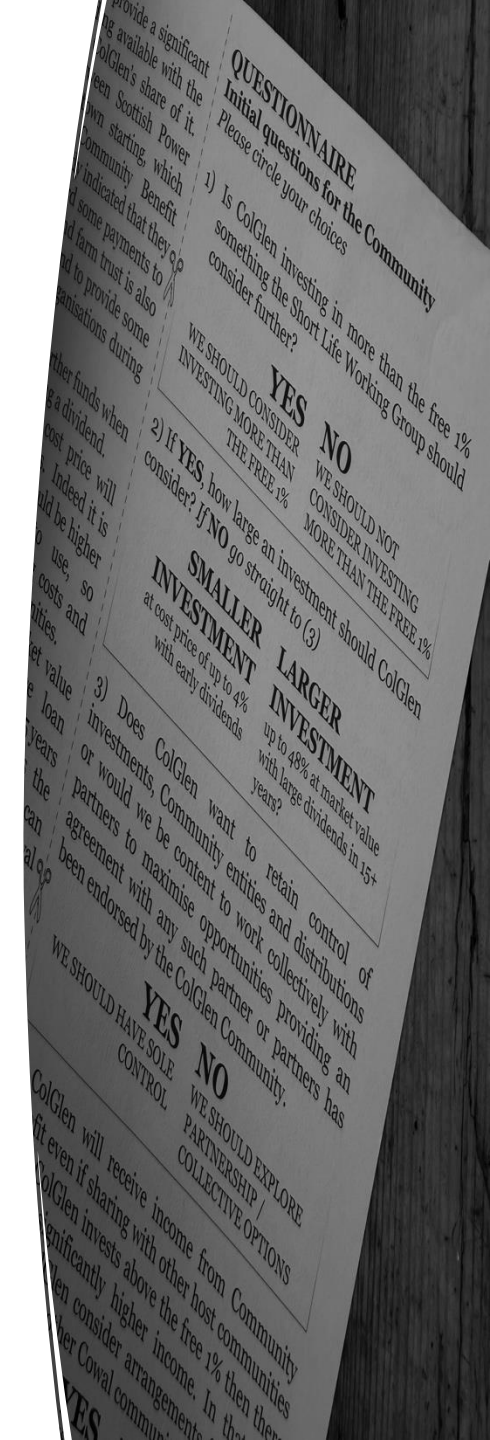
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- There will be a gap in benefit payments between ScottishPower ending generation and Belltown starting
  - Belltown has indicated it may bring forward some payments to bridge that gap
  - The current wind farm trust is also building a reserve fund for continuity
- The free 1% equity would provide income once the wind farm company starts paying dividends
- In the larger investment cases the income may be larger than ColGlen can reasonably use, so sharing this with the broader Cowal Community will be a key consideration



# Initial Community Consultation

- To enable us to move forward, the Working Group need to be guided by the answers to the following questions :
  - Is ColGlen investing in more than the free 1% something the Short Life Working Group should consider further?
  - If yes, how large an investment should ColGlen consider?
    - - Small investment at cost price of up to 4% with early dividends, or
    - - Larger investment up to 48% at market value with large dividends in 15+ years?
  - Does ColGlen want to retain control of investments, Community entities and distributions or would we be content to work collectively with partners to maximise opportunities providing an agreement with any such partner or partners has been endorsed by the ColGlen Community?
  - ColGlen will receive income from Community benefit even if sharing with other host communities and if ColGlen invests above the free 1% then there will be significantly higher income. In that case should ColGlen consider arrangements for sharing income with other Cowal communities?



# NEXT STEPS...

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- SLWG reviews community feedback and determines what options are feasible – **Autumn 2026**
  - If investment supported, gather more financial information and contract professional support
  - If collective approach supported, work with others including CCE to create an arrangement that ColGlen could support
- Maintain Belltown relationship to understand timing of their activities
- Prepare next community consultation to describe narrowed options and possible commitment decisions – **before end 2026**

