

Parc Solar Caenewydd, Swansea

Collaborative Benefits Report

Development of National Significance in the Renewable Energy Sector Application Submission



On behalf of Taiyo Power & Storage Limited

December 2023 | P21-2998

Parc Solar Caenewydd, Swansea

Collaborative Benefits Report

18 December 2023

Table of Contents

Table of Contents	2
Explanatory Note	3
Signatures	5
Stakeholder Identification	6
Engagement Process	9
Wider and Core Benefits	15
Budget Expenditure	22
Shared Ownership Due Diligence Reports	23
Shared Ownership Offer & Negotiations	27
Appendices	29

Explanatory Note

1.0 Welsh Government planning and energy policy seeks to ensure that large scale renewable energy generation delivers benefits at the local level alongside the considerable benefits delivered in respect of climate change.

1.1 Policy 17 of Future Wales (February 2021) requires applicants to describe the net benefits a proposed development will bring in terms of social, economic, environmental and cultural improvements to local communities, and the policy statement titled 'Local ownership of energy generation in Wales – benefitting Wales today and for future generations' (February 2020) seeks to retain value in Wales from these types of development. Local ownership is defined as 'energy installations, located in Wales, which are owned by one or more individuals or organisations wholly owned and based in Wales, or organisations whose principal headquarters are located in Wales'.

1.2 The Local Ownership Policy Statement sets out that:

"the Welsh Government supports renewable and low carbon energy projects developed by communities or benefit the host community or Wales as a whole. The social, environmental and economic benefits associated with any development should be fully factored into, and given weight in, the decision-making process. However, planning decisions must be based on an assessment of the impacts of the proposed development, irrespective of who the applicant is".

1.3 Given that ownership is not a material consideration in planning decisions, the report seeks to demonstrate the overall collaborative benefits the project can provide. The evidence and information contained in this report is intended to provide the Welsh Minsters and Planning and Environment Decision Wales (PEDW) with the comfort that the proposed collaborative benefits are realistic, securable and deliverable.

1.4 The Welsh Government views a CBR as a practical tool to improve transparency throughout the development process and increase the participation of all stakeholders. The CBR should detail the engagement journey and include a record of dialogue on local and shared ownership.

1.5 Welsh Government draft guidance on Local Ownership indicates that the CBR should be submitted as evidence of good practice and local support, alongside the



main planning application documents. This is line with the requirement of Planning Policy Wales (PPW) for applications to demonstrate the full benefits of development.

1.6 This Collaborative Benefits Report (CBR) has been prepared on behalf of and by the Applicant in the context of Future Wales and the local ownership policy statement and is supplementary to the Consultation Report prepared and submitted by Pegasus Group for the application. It demonstrates the social, economic, environmental and cultural benefits that the proposed development could deliver - benefits that should be weighed in the planning balance. It also provides an overview of the engagement that has taken place (and its outcomes) with local communities to try and identify opportunities for community shared ownership.

1.7 This report complements and cross-refers where appropriate to other application documents including the updated Ecological Appraisal (Ref. Report 21/3752.02rev11, dated December 2023), Consultation Report (dated December 2023), Economic Benefits Statement (Ref. P21-2998 ROOIv11), and Planning Statement (dated December 2023).

1.8 Finally, this report also demonstrates how the project meets the Welsh Government's desired outcomes from CBRs, setting out our record of stakeholder engagement and audit of potential for wider benefits, all aimed at achieving a broad range of benefits for the local community and Wales from this nationally significant investment in renewable energy technology.

1.9 The parties agree that they cannot find any example in the Welsh Planning system to date, where the Welsh Government Guidance and template for the collaborative benefits report has been met and followed in such detail and assert that this CBR therefore sets a benchmark of good practice and a significant support to the shared ownership policy objective.

Return to Table of Contents

Signatures

Signed:

rong

Developer

Blew

Ben Ferguson, Co-Executive Director, Ynni Cymunedol Cymru / Community Energy Wales

m Do

Chris Dow, Chair, Gower Power Ltd

Date: 19th December 2023

Stakeholder Identification

Community Shared Ownership

In order to meet the Welsh Government's target for renewable energy projects to have an element of local ownership, the Applicant has engaged Community Energy Wales (CEW) regarding potential for shared investment.

CEW has advised the Applicant on the Shared Ownership Policy Statement and Guidance and has delivered engagement support to the Applicant as detailed in the paragraphs below.

The Applicant provided an existing list of stakeholders already identified and contacted by the Developer in their standard planning consultation and engagement process, as follows:

- Councillor Rob Stewart Leader of the Council
- Councillor Andrew Stevens Environment and Infrastructure Portfolio
- Councillor Alyson Pugh Cabinet Member for Well-being
- Councillor Phil Downing Cabinet Assistant for Economy and Infrastructure
- Councillor Mie Lewis Pension Fund Committee Chair
- Swansea Cabinet office
- Adam Davis Councillor (Llwchwr)
- Kelly Roberts Councillor (Llwchwr)
- Robert Smith Councillor (Llwchwr)
- Wendy Lewis Councillor (Waunarlwydd)
- Susan Jones Councillor (Gowerton)
- Dai Jenkins Councillor (Gowerton)
- Llwchwr Town Council (Nigel Havard Clerk)
- Gowerton Community Council (Allison James Clerk)
- Luke Fletcher Assembly Member (South West Wales)
- Tom Giffard Assembly Member (South West Wales)
- (Cllr Lyndon Jones attended our Sept 22 Exhibition in Gowerton on Mr Giffard's behalf)
- Altaf Hussain Assembly Member (South West Wales)
- Sioned Williams Assembly Member (South West Wales)
- Rebecca Evans MS (Gower)
- Julie James MS (Swansea West)
- Tonia Antoniazzi MP (Gower (Labour)
- Geraint Davies MP (Swansea West) (Labour)

CEW added two key local CEW members to this list, which were:

- Awel Aman Tawe
- Gower Power Ltd (previously Gower Power Co-op CIC)

Ecological Enhancement

The Applicant identified the following key stakeholders:

- Swansea City & County Council (Local Planning Authority, Ecology Department)
- Natural Resources Wales (NRW)
- Wildlife Trust of South and West Wales
- Gowerton Community Council
- Gorseinon Town Council
- Llwchwr Town Council
- Councillor Adam Davis (Llwchwr)
- Councillor Kelly Roberts (Llwchwr)
- Councillor Robert Smith (Llwchwr)
- Councillor Wendy Lewis (Waunarlwydd)
- Councillor Susan Jones (Gowerton)
- Councillor Dai Jenkins (Gowerton)
- Councillor Mike Durke (Cockett)
- Councillor Oliver James (Cockett)
- Councillor Elliott King (Cockett)

Public Access

The Applicant identified the following key stakeholders:

- Swansea City & County Council (Local Planning Authority, Highways Department, Countryside Access Officer)
- Gowerton Community Council
- Gorseinon Town Council
- Llwchwr Town Council
- Councillor Adam Davis (Llwchwr)
- Councillor Kelly Roberts (Llwchwr)
- Councillor Robert Smith (Llwchwr)
- Councillor Wendy Lewis (Waunarlwydd)
- Councillor Susan Jones (Gowerton)
- Councillor Dai Jenkins (Gowerton)
- Councillor Mike Durke (Cockett)

Parc Solar Caenewydd, Swansea

- Councillor Oliver James (Cockett)
- Councillor Elliott King (Cockett)

To note, the accompanying Consultation Report lists all stakeholders and consultees that were engaged with as part of the pre-application consultation process.

Engagement Process

Local/shared Ownership

Low Carbon Alliance (LCA) on behalf of Taiyo Power & Storage (TPS) approached Community Energy Wales (CEW) in January 2023, asking for advice on meeting the shared ownership policy objective. An initial exploratory meeting led to an agreement by the Developer to fund CEW to deliver a package of support activities engaging local people on the shared ownership opportunity. The activities undertaken were as follows:

ACTIVITIES UNDERTAKEN:

<u>6 March 2023</u>

An initial site walkover at 11:00 a.m.- attended by a number of Gowerton Town Councillors and Llwchwr Community Councillors.

The site walkover was attended by Ben Ferguson and Izzy McCleod of CEW. Ben gave attendees an initial introduction to CEW and to the basic principles of the shared ownership policy objective.

A non-statutory community exhibition from 14:00-18:00 presented in LLwchwr Welfare Hall. Ben and Izzy set up a CEW table alongside the developer's project information exhibition with some community energy information materials and had numerous conversations with members of the public about the shared ownership opportunity. Attendees were advised that CEW would be delivering future round table and study tour events and invited to leave contact details. 8 private individuals signed up for future updates and invitations and were added to the stakeholder list detailed above.

A presentation to LLwchr Community Council: the community council met in the evening and had the opportunity to view the physical exhibition. The Developer's planning consultant gave a short verbal overview to the council, and Ben gave a verbal overview of the shared ownership policy objective, upcoming round table and study tour events, and CEW's availability to support the opportunity. Ben answered a number of questions put by Councillors and invited further direct engagement from anyone wishing to know more.

20 April 2023

A Round Table Discussion was held at Ty Newydd, Gorseinon. All stakeholders identified to date were invited via email with follow ups seeking RSVP. The discussion

was in the event only attended by two individuals, Ant Flanagan representing Gower Power, and Councillor Brian Edy of Gowerton Town Council.

Ben Ferguson gave a slide presentation giving a more detailed overview of the shared ownership opportunity, the development proposal, and some initial potential shared ownership models. An hour's discussion followed with the attendees interested in understanding more, and agreeing that in principle, a shared ownership stake in the project should be pursued.

Ant Flanagan of Gower Power agreed that Gower Power might be suitable (in principle) to stand as a counterparty in the shared ownership negotiation, subject to no other counterparty expressing an interest, and subject to formal agreement by the Gower Power Board.

<u>18 May 2023</u>

A study tour to the Eco- Farm at Killan Fach – including Gower Regeneration Solar Farm (<u>http://www.regengower.co.uk/</u>), Gower Electric Company (<u>https://www.gowerelectric.co.uk/</u>) and Summit Good (<u>Grow — Summit Good</u> (<u>dosummitgood.co.uk</u>)).

10 attendees (plus hosts and CEW staff) came to Killan Farm for a tour of the 1MW community owned solar farm, developed by Gower Power. The installation has catalysed a range of sustainable activities and businesses including a battery storage and local electricity tariff project, vegetable and flower growing community supported agriculture projects, numerous start-up enterprises using products grown on site, and with a busy programme of community events and activities. The tour of the solar farm was led by Ant Flanagan of Gower Power, which was instrumental in delivering two of the renewable energy projects on site and is also working on a community share offer to put a local 5MW solar farm into community ownership. Ant was joined by Roy Church of Gower Regeneration Limited, also the landowner of the site.



A tour of the community supported agriculture site was led by Josh Pike of Summit Good and ended with local refreshments at the onsite outdoor café.

After lunch, a brief summary of the shared ownership journey was given by Ben Ferguson of CEW, and Ant Flanagan confirmed Gower Power's willingness to stand as a counterparty in a shared ownership negotiation. The group were broadly supportive of pursuing the opportunity to own a local stake in the project should it succeed in obtaining development consent. The date for the next Round Table discussion (to be held online) was shared and participants in the study tour encouraged to join.



30 May 2023

A second round table discussion was hosted online by CEW and attended by:

- Izzy McLeod (Community Energy Wales)
- Ben Ferguson (CEW)
- Simon Crowe (Low Carbon Alliance/Taiyo Power and Storage)



- Brian Edy (Gowerton Community Council)
- Branwen Lloyd (Communications and Community officer, Sioned Williams MS)
- Ant Flanagan, Gower Power

Discussion at this round table opened with a review of the stakeholder engagement, as the attendance was low compared to the more than 40 people invited to join. Feedback indicates so far that those who are aware Gower Power might stand as a counterparty will be accepting of that position. The Town and Community councillor feedback indicated some feeling that they lack the capacity or funds to develop the commercial position, so Gower Power's experience with CEW's support will be beneficial.

Further discussions became quite technical, covering local supply opportunities (private wire to Dwr Cymru's Gowerton Water Treatment Works may be an option), financing options including community share offers, current opposition to the project from some local people, and different options for the commercial structure for shared ownership.

The conclusions from the meeting were that Gower Power will stand as counterparty to secure a shared ownership stake, with support from CEW. The Developer understands that they will need to provide more financial support for Gower Power, CEW and potentially for financial and legal advice to move towards a formal agreement, probably in the shape of a Memorandum of Understanding.

October 2023

An introductory meeting was held between Gower Power, CEW, Low Carbon Alliance, the Board of TPS and representatives of Kajima, exploring the commercial options and constraints. This needs to be followed by a draft Memorandum of Understanding for the parties to consider.

Ecological Enhancement and Public Access

A timeline showing the stakeholder engagement activities undertaken during the preapplication process is set out below and this is explained in detail within the accompanying Consultation Report.

Consultation Phase / Event	Key Dates	Description
Request for informal pre-	21 December 2020	Advice received 29 April 2021
application advice to LPA		
Pre-application advice	6 September 2021	
conference with LPA		
Environmental Impact	29 April to 17 August	On 17 August 2022, PEDW
Assessment Screening	2022	issued their Screening
Direction		Direction, directing that the
		development is not EIA development within the
		meaning of the Regulations.
Request for further informal	27 September 2022	Advice received 22 November
pre-application advice to LPA		2022
Project website	Went live in	
	September 2022	
Two walk-in consultation	9 and 10 September	A total of 24 attendees who
events at Rechabite	2022	were a mix of members of the
Community Hall in Gowerton		public and community
		consultees.
A walk-in consultation event at	5 October 2022	A total of 5 attendees who
the Ty Newydd Community Centre in Gorseinon		were a mix of members of the public and community
Centre in Gorsemon		consultees.
Presentations to Gorseinon	5 October 2022	
Town Council and Gowerton	0 000001 2022	
Community Council		
Field walk with Swansea	6 October 2022	24 attendees
Council Landscape & Public		
Right of Way Officers		
Presentation to Llwchwr Town	7 November 2022	
Council		
Update presentation to	1 February 2023	Revised cable route and
Gowerton Community Council		proposed improvements to the PRoW footpaths traversing
		the application site.
A walk-in consultation event at	6 March 2023	
the Welfare Hall in Loughor		
Update presentation to	6 March 2023	Presented how scheme has
Llwchwr Town Council		evolved.
Field walk with Llwchwr	6 March 2023	9 Councillors attended.
Council and Gowerton		
Community Council		

Parc Solar Caenewydd, Swansea

Statutory pre-application consultation	8 June to 3 August 2023	
Walk-in public exhibition at Welfare Hall in Loughor	17 July 2023	
Statutory pre-application re- consultation	10 October to 22 November 2023	
Presentation to Gowerton Community Council	1 November 2023	Presented the details / changes forming part of the re-consultation.

A full account of the engagement activities undertaken is presented in the Consultation Report that accompanies the application.

Wider and Core Benefits

Community Shared Ownership

CEW has found the Applicant to be willing and flexible as to meeting the Shared Ownership policy objective, but the delay in Welsh Government publication of its guidance has resulted in engagement happening later than would be ideal.

Nonetheless, significant actions have been undertaken and local people have been better informed as a result, as well as a suitable counterparty being identified, agreeing and receiving local support to take a stake in the project, should it be consented.

The lateness of negotiations does mean however that no formal legally binding commitment to shared ownership is likely to be in place prior to the project planning application submission deadline. The Letter of Intent provided by Gower Power is a starting point to developing the heads for commercial negotiation and further work is under way at the time of writing, to progress towards stronger commitment from TPS to GP.

Nonetheless, engagement has resulted in the following benefits:

- A suitable counterparty, Gower Power Limited (a Community Benefit Society), has been identified and is in the process of commercial negotiation for a shared ownership stake in the project. Potential impacts and outcomes include:
 - Opportunity for Gower Power to take an ownership stake in the project, offering local people the opportunity to buy shares, and realising a greater share of the economic benefits of the project to be delivered in pursuit of Gower Power's social objectives throughout the project lifetime.
 - Opportunity for Gower Power and the landlord and tenant of the land on which the panels will be deployed to evolve and widen project benefits together – this opens the door to Gower Power negotiating added value and wider benefits on site, bringing a wealth of expertise on Community Supported Agriculture schemes, local food networks, agricultural business diversification, biodiversity and micro-enterprise start-up support.
 - Opportunity with Dwr Cymru Welsh Water to dedicate part of the generation to direct supply – enhancing project income while reducing carbon and cost to Wales' Mutually owned Water Company and its customers (the people of Wales).

Parc Solar Caenewydd, Swansea

- A number of local people, including town and community councillors have been involved in meetings around shared ownership and in study tours. Potential impacts and outcomes include:
 - Attendees are better informed about the project, the Welsh Government policy objective, and the Community Energy Sector in Wales.
 - Attendees have shown interest in the shared ownership opportunity, and support has been voiced for CEW's role and Gower Power's offer to stand as a counterparty to secure a shared ownership stake.
 - Local representatives of the relevant Town, Community and County Councils have been informed by CEW of the opportunities available and have been invited to further independent consultation with CEW should they wish to take that up.
- CEW has benefitted from delivering paid work packages to achieve all this for the Applicant, which has supported CEW's immediate financial position, and helped it to build capability and experience in this emerging area of work. This also has potential to benefit all of Wales by growing capacity to meet the Shared Ownership policy objective.

The timeframe so far has excluded any significant sharing of the Applicant's financial projections for the project, and therefore these have not been tested by Gower Power. Welsh Government Energy Service are engaged on the project and will be able to support financial review and the development of metric output potentials as negotiations progress.

The shared assumption between CEW and GP is that the project will yield appreciable returns, and that a local share of the project will therefore secure an increase in retained economic benefits for the local area once a shared ownership stake is secured.

Other Benefits

There is potential to maximise economic benefit if a direct PPA can be negotiated with Dwr Cymru, and such a deal is also beneficial to Dwr Cymru and its customer owners (the people of Wales). Negotiations here are also dependent on securing more binding commercial terms with the Applicant in the first instance.

Other benefits that might be achieved as a result of shared ownership and the relationship with Gower Power are envisaged as:



- Development of a local supply tariff to benefit householders living in the close environs of the project.
- Working with the landlord and tenant farmer to share the learning from Gower Power's other local projects, to maximise use of all parts of the estate not occupied by the solar array to support diverse local land-based businesses including the existing market garden / farm shop.

Working to develop and maximise any community education and engagement activities that can be secured from the project.

Carbon Saving, Energy Generation and Addressing Climate Change

As the proposed development is a type of renewable energy development, it will help the UK and Welsh Governments reach their legally binding targets, whilst also avoiding the generation of carbon dioxide (CO_2) levels during the operational phases.

The proposed development has a potential generating capacity of 44.45MWp, enough to power approximately 11,500 homes and offset around 18,000 tonnes of carbon emissions each year. This is the equivalent of taking approximately 13,534 cars off the road each year.

The proposed Battery Energy Storage System (BESS) is designed to smooth over the troughs in electricity supply, providing a critical service to the grid by being able to respond at short notice to requests from National Grid to supply electricity, such as periods when renewable sources are not generating, or fossil fuel plants are unexpectedly offline.

Furthermore, the BESS will add more flexibility to the National Grid, which will contribute towards the reduction of greenhouse gas emissions. By introducing more flexibility, the proposal will help integrate more solar, wind and distributed energy resources. BESS can also improve the efficiency of the grid by increasing the capacity factor of existing resources and offset the need for building new pollution-emitting power plants. Therefore, the proposed development will help integrate clean energy into the grid and reduce energy fluctuation, stabilizing the supply during peak electric usage.

Parc Solar Caenewydd, Swansea

Ecological Enhancement

The green infrastructure proposals, comprising 51.54ha, include 6.24ha of lowland meadows, 6.8ha of rhos pasture restoration and enhancement, 5.51ha of floodplain habitats, 3.56ha of targeted mitigation for species, approximately 1.9ha of tree planting, approximately 3km of hedgerow creation and an access and maintenance bridge and track.

Furthermore, the proposals include significant enhancements to the current limited diversity of the extensive grasslands once the land has recovered from the pressure from cattle grazing. A significant area of farmland bird mitigation on fields adjacent to the river will also be retained and enhanced.

In compliance with criteria 5 of Future Wales Policy 18, the proposals will meet the requirements for onsite biodiversity net gain, with a predicted gain of at least 26.25%. It is furthermore considered that the creation of habitat corridor linkages and the restoration of grassland to priority habitat standard, with benefits to wildlife associated with these habitats, will provide ecological benefit additional to that indicated by the calculations. New and enhanced habitat corridors will be provided across the site for badgers, bats, birds, dormice and reptiles. Planting of native hedge and scrub species, and creation of wild bird cover plots will aim to extend the habitat mosaic and enhance habitat value for a range of species including bats and farmland bird species. Enhancement of rhos pasture and creation of butterfly banks will enhance habitat and connectivity for butterfly species.

Public Access

Any Public Rights of Way (PRoWs) crossing the site will be retained for public use and enhanced, where possible, through the provision of an identified lumpsum of money to the Local Planning Authority, secured via a legal agreement.

Furthermore, a permissive path from the public highway (Swansea Road) to an existing PRoW, running along the river Afon Llan, will be created in order to increase connectivity.

Appropriate offset will be provided between the development and any PRoW crossing the site.

In addition, the existing farm shop will remain open, alongside the yard and buildings, in order to thrive as a community asset and continue serving the local community. The tenant farmer and family will continue to operate the farm and live in and use the farmstead.

Economic Impact

The proposed development could support up to 163 temporary jobs, both direct jobs on-site and in the wider supply chain, during the nine-month construction period (and similar levels of employment during decommissioning of the project).

The gross value added (GVA) generated by jobs supported during the construction phase could be up to £7.2 million.

It is estimated that the proposed development will support up to five full-time equivalent jobs (FTE) in Swansea and the wider economy once it is operational. The GVA associated with the five FTEs is estimated to be £5.77 million (present value) over the 40-year operational life span. Business rates generated by the proposed development could be in excess of £200,000 per annum.

Budget Expenditure

Community Shared Ownership

An initial funding package of £5,250 was agreed for the Developer to pay for CEW's time and for Gower Power and Summit Good to host the study tour. This work has all been completed.

A second work package was agreed for attendance at the public consultation event in Loughor Welfare Hall on 17 July 2023, and for further engagement with local people and with the tenant farmer on site. This was a budget of £2,325.

The Letter of Intent provided by Gower Power refers to the need for the Applicant to provide budget for independent legal and financial advice in negotiating terms and formalising agreements.

Gower Power has also requested support from the Welsh Government Energy Service (WGES) and has had an initial meeting to brief the relevant WGES Development Manager.

Budgets are limited this year, but some contribution towards legal and financial advice may be achievable. The Energy Service is currently supporting a procurement exercise to appoint legal advisors, alongside work to be undertaken by WGES on testing the financial model and supporting Gower Power with community share offer and potential supplementary finance from the Development Bank of Wales / other finance sources in the event of a shared ownership deal being realised.

Entire Scheme

The budget costs for the whole scheme (including Grid) are £82.5 million.

Ecological Enhancement

The budget costs for ecological enhancements/habitat creation are approx. £94k.

Public Access

The budget costs for PRoW and public access improvements are £100k.

Shared Ownership Due Diligence Reports

CEW has undertaken a mutual due diligence exercise on the Applicant and on Gower Power as counterparty. The details are included below:

Developer Organisation Details:

Name:	Taiyo Power and Storage Ltd
Legal form:	Private Limited Company
Regulatory Body:	Companies House
Registration number:	13358548
Date of Incorporation:	26 April 2021
Registered Address:	10 St Giles Square, London, United Kingdom WC2H 8AP
Nature of business:	35110 – Production of electricity 42220 – Construction of utility projects for electricity and telecommunications 68100 – Buying and selling of own real estate
Operational Contact Name:	Simon Crowe
Contact Role:	Director
Contact email:	sjcrowe@lowcarbonalliance.co.uk
Contact 'Phone	07771960715
Company secretary	Jayne Cheadle
Persons with Significant Control	Kajima Partnerships Limited

Summary Description of Developer Organisation:

TPS (Taiyo Power and Storage) is a joint venture between KP (Kajima Partnerships) and LCA (Low Carbon Alliance). KP is the senior and controlling partner in the JV.

KP is the European arm of Kajima Corporation. Kajima Corporation is a construction company registered on the Tokyo stock exchange and involved globally in significant public infrastructure development and investment activities. In the UK, this includes several Public / Private Partnership projects for new schools and hospitals, and now moving into decarbonisation and energy markets. KP's key role in the PSC (Parc Solar Caenewydd) Project is as the funding and investing partner.

LCA is described as "a specialist consultancy supporting clients and partners in the identification of net zero strategies...working with landowners, property and business investors, commercial energy consumers and public bodies". LCA acts as the

developer and project management function on TPS projects including Parc Solar Caenewydd.

Developer Organisation – Persons with Significant Control:

Name:	Kajima Partnerships Limited
Legal form:	Private Company Limited by Shares
Regulatory Body:	Companies House
Registration number:	03841821
Date of Incorporation:	15 September 1999
Registered Address:	10 St Giles Square, London, United
	Kingdom WC2H 8AP
Nature of Control:	Ownership of Shares – 75% or more
	Ownership of Voting Rights – 75% or
	more
	Right to appoint and remove Directors
Control Notified on:	26 April 2021
Company secretary	Jayne Cheadle

Summary of Developer findings:

Both LCA and KP were found to be up to date with all filing at Companies House with no adverse indications.

KP's most recent accounts (31 December 2022) report net assets at £63.5m.

LCA's most recent (unaudited micro-company) accounts up to 31 March 2023 record net assets of £428,977.

Community Counterparty Organisation:

Name:	Gower Power Limited
Legal form:	Community Benefit Society
Regulatory Body:	Financial Conduct Authority
Registration number:	9100
Date of Incorporation:	20 th September 2023
Registered Address:	Sunnyside, Phillips Field, Parkmill,
	Swansea SA3 2EP
Nature of business:	35110 – Production of electricity
Operational Contact Name:	Anthony Flanagan
Contact Role:	Founder Member / Director / Secretary

Contact email:	ant@gowerpower.coop
Contact 'Phone	0782 4860803
Company secretary	Anthony Flanagan
Persons with Significant Control	None

Summary Description of Developer Organisation:

Gower Power Limited (<u>RS9100</u>), trading under the names 'Gower Power' and 'Gower Power Co-op', now a Community Benefit Society, was originally set up as a Company Limited by Guarantee in June 2013 named Gower Power Community Co-operative (company number <u>08586218</u>).

The Company converted to a Community Interest Company in March 2015 and renamed as Gower Power Co-op CIC.

The Company then converted into a Community Benefit Society in September 2023 renaming to Gower Power Limited (<u>RS9100</u>).

The conversion to a Community Benefit Society took place in order to raise funds through a community share offer to purchase the operational 5MW Brynwhilach solar farm in Llangefelach, Swansea. The share offer successfully raised £595,105 in two months, overshooting its £385,000 target. Funds have been drawn down to complete the purchase of the solar farm. More details about the share offer can be found here - <u>https://www.ethex.org.uk/invest/gower2023</u>.

In 2017, Gower Power set up Gower Electric Community Interest Company (<u>11054346</u>, previously Gower Power Solar Storage CIC) as a joint venture to sell electricity directly to up to 300 local consumers from a 1MW solar farm Gower Power had developed and put into community ownership earlier that year by founding the entity Gower Regeneration Limited (<u>RS7546</u>). Gower Electric Co was spun off in May 2023 in order that Gower Power could proceed with its community share offer for Brynwhilach and not expose its prospective investors to risks associated with an energy supply business.

Gower Power's plan going forward is to continue to put renewable energy assets in the Swansea Bay area into community or shared ownership, and to ensure that profits from those schemes maximise their social and environmental impact.

Summary of Community Counterparty findings:

At the time of writing, GP was found to be up to date with all filing at Companies House with no adverse indications.

GP's most recent published accounts, year end March 2022, report £36,058 in net assets.

Shared Ownership Offer & Negotiations

LETTER OF INTENT

Gower Power provided a Letter of Intent to the Developer, attached as an appendix to this document (Appendix 1), including the following key commitments:

1. Stand as a shared ownership counterparty representing the local community, with an interest in the entire scheme proposed at Solar Caenewydd.

2. If the entire solar farm is broken down as subsets (for example arrays supplying local commercial customers and supplying the grid), Gower Power will consider part ownership of all or some of the subset schemes.

3. Gower Power is confident in its capability to raise finance to own a significant stake in the project, subject to further discussions with TPS, including outright purchase of the project should TPS decide they wish to sell the project at any point.

4. Notwithstanding point 3, Gower Power values the presence of LCA/TPS and invites LCA/TPS to formulate the shared ownership of the scheme as a long-term working partnership, maximising the project benefits for all parties and the local community by levering the different skills and capabilities of Gower Power and LCA/TPS and our mutual partners across the lifetime of the project.

5. Specifically with regard to point 4, Gower Power sees future wider benefits that might be levered including (for example and non-exclusively):

a. Development of a local supply tariff to benefit householders living in the close environs of the project.

b. Building on the proposed co-location of sheep grazing within the ground mounted arrays to maximise every opportunity for biodiversity and sustainable food production across the land taken up by the project.

c. Working with the landlord and tenant farmer to share the learning from Gower Power's other local projects, to maximise use of all parts of the estate not occupied by the solar array to support diverse local land-based businesses including the existing market garden / farm shop.

d. Working to develop and maximise any community education and engagement activities that can be secured from the project.

e. Supporting LCA/TPS with its proposals to deliver community benefit funding as a programme of retrofit and micro-renewables on community assets in the area.

6. In summary of all the above, Gower Power commits to participating (subject to consideration at a day rate of £500 per diem) in community information and engagement sessions throughout the project development

phases, specifically focussing on engaging local people in the shared ownership opportunity.

7. Gower Power will also require funding for specialist legal and financial advice to support our negotiations of the legal agreements that will necessarily follow.

At the time of drafting this report, work is under way to procure suitable legal advice for Gower Power to draft a proposed Memorandum of Understanding with a range of shared ownership options for the Developer to consider.

Appendices

Appendix 1 - GP Letter of Intent

Gower Power Co-op CIC Sunnyside Phillips Field Parkmill Swansea SA3 2EP



Simon Crowe, Taiyo Power & Storage, C/O Low Carbon Alliance 4th Floor, Hamilton House, London WC1H 9BD

RE: SHARED OWNERSHIP OF PARC SOLAR CAENEWYDD

Dear Simon,

This letter confirms Gower Power's intent to negotiate a shared ownership arrangement with Taiyo Power & Storage in your Parc Solar Caenewydd project, in line with the Welsh Government's shared ownership policy objective.

Specifically, Gower Power's Board have agreed to:

- Stand as a shared ownership counterparty representing the local community, with an interest in the entire scheme proposed at Solar Caenewydd
- If the entire solar farm is broken down as subsets (for example arrays supplying local commercial customers and supplying the grid), Gower Power will consider part ownership of all or some of the subset schemes
- Support the developer to maximise the uptake of local products and services throughout the project development, construction and operation
- 4. Gower Power is confident in its capability to raise finance to own a significant stake in the project, subject to further discussions with Taiyo Power & Storage or a future funder, including outright purchase of the project should Taiyo Power & Storage or a future funder decide they wish to sell the project at any point
- Specifically with regard to point 4, Gower Power sees future wider benefits that might be levered including (for example and non-exclusively):
 - Development of a local supply tariff to benefit householders living in the close environs of the project
 - b. Building on the proposed co-location of sheep grazing within the ground mounted arrays to maximise every opportunity for biodiversity and sustainable food production across the land taken up by the project
 - c. Working with the landlord and tenant farmer to share the learning from Gower Power's other local projects and partnerships, to maximise use of all parts of the estate not occupied by the solar array to support diverse local land-based businesses including the existing market garden / farm shop
 - d. Working to develop and maximise any community education and engagement activities that can be secured from the project

www.gowerpower.coop



- 6. In summary of all the above, Gower Power commits to participating (at a day rate of £500 per diem subject to a cap to be agreed between parties) in community information and engagement sessions throughout the project development phases, specifically focussing on engaging local people in the shared ownership opportunity
- Gower Power will also require funding for specialist legal and financial advice to support our negotiations of the legal agreements that will necessarily follow (subject to a cap to be agreed between parties).

If the above is satisfactory to you, Gower Power agrees for this letter of intent to be used by Taiyo Power & Storage in the Collaborative Benefits Report process to be submitted with the full planning application.

We also look forward to negotiating a more detailed Memorandum of Understanding with you following acceptance of the principles outlined above, as soon as is practicable.

Yours Sincerely, CHRIS DOW

Chris Dow Chairman, Gower Power

Appendix 2 - TPS Letter of Intent



Gower Power Limited FAO Chairman Chris Dow Sunnyside Phillips Field Parkmill, Swansea SA3 2EP

By Email to: ant@gowerpower.coop

15/12/2023

Dear Chris,

RE: Shared Ownership of Parc Solar Caenewydd, Gowerton

Thank you for your Letter of Intent, which was received in July 2023.

We can confirm that Taiyo Power & Storage are fully supportive of the Welsh Government's Local Ownership Policy Statement (February 2020) that seeks to retain value from renewable energy generation projects located in Wales, which are owned by one or more individuals or organisations wholly owned and based in Wales, or organisations whose principal headquarters are located in Wales.

We can also confirm that we intent to meet the minimum statutory requirement of community shared ownership, as set out in the October 2023 Report from the National Infrastructure Commission for Wales (NICW) 'Preparing Wales for a Renewable Energy 2050'.

We look forward to working with you on progressing this project and agreeing a structure on community shared ownership, together with a Memorandum of Understanding.

We understand you requested support from the Welsh Government Energy Service to secure funding for legal support/advice. We will further support any shortfall of funding you encounter up to a reasonable cap.

Kind regards,

(ring

Simon Crowe MRICS Managing Director

Talya Power & Storage Limited 10 St. Giles Square London WC2H BAP T 020 30751800 • F 020 30751879 • E enquirtes@kajima.co.uk • www.kajima.co.uk



Registered in England No 13358548 + Registered office address: 10 St. Offes Square London WC2H 8AP

Return to Table of Contents