



# Benefits and Burdens: Exploring the Role of Community Benefits in Wind Energy Development

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1. National Renewable Energy Laboratory
2. Max Engagement
3. Black Economic Council of Massachusetts

# Webinar Logistics



*Photo by Dennis Schroeder, NREL 40484*

- This webinar will be recorded and posted to the National Renewable Energy Laboratory (NREL) YouTube channel (<https://www.youtube.com/watch?v=58EYcYbRKqk&list=PLmIn8Hncs7bHwm27irhqb-iikRurVJ8YF&pp=iAQB>) and the U.S. Department of Energy's WINDEXchange website ([WINDEXchange.energy.gov](http://WINDEXchange.energy.gov))
- Pose questions using the Q&A function during and at the end of the presentation.
  - Questions will be answered either during or after the webinar.

# What Will We Cover?

- Introduction to community benefits
- Overview of initial NREL findings on community benefits
- Land-based wind perspective
- Offshore wind perspective
- Q&A.



*Photo from Siemens AG 27847*

# Speaker Bios



**Matilda Kreider** is a researcher on the wind energy stakeholder engagement and outreach team at NREL, where she conducts research and engagement related to the social, equity, and policy and planning aspects of offshore and land-based wind energy. She holds a master's degree in environmental justice and environmental behavior from the University of Michigan and a bachelor's degree in political communication from George Washington University.

# Speaker Bios



**Max Jabrixio** has over a decade of experience in grassroots organizing, stakeholder engagement, and government relations at the state and local level. Max currently operates Max Engagement, a consulting firm providing training and strategic advice on effective community engagement to clean energy companies, advocates, and allies. Prior to founding Max Engagement, he served as Director of Public Engagement for Apex Clean Energy, where he led local engagement campaigns leading to the successful permitting of over 1 GW of wind and solar. Max holds a dual-degree in Theater Performance and Psychology from Tulane University, and lives in Minneapolis with his wife and a fast-moving toddler.

# Speaker Bios



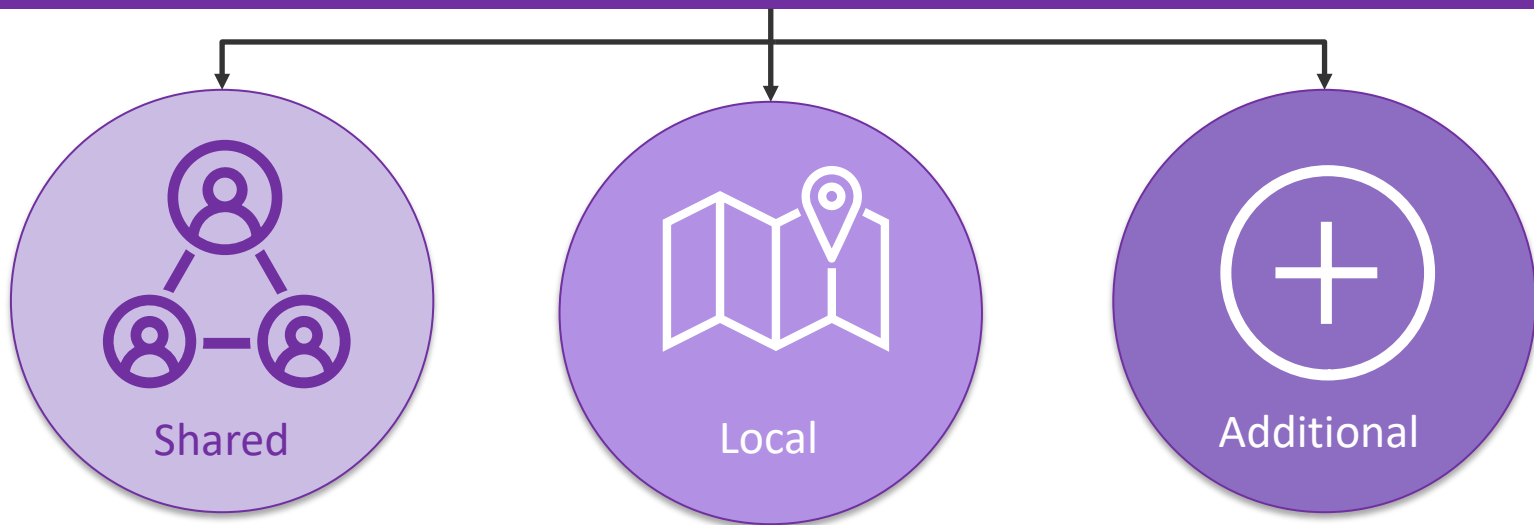
**Tristan Thomas** is the Senior Policy & Advocacy Manager at the Black Economic Council of Massachusetts (BECMA), where he helps lead governmental and external affairs and lobbies on behalf of BECMA. Prior to joining BECMA in June 2023, Tristan worked as Senior Government Affairs manager for Tremont Strategies Group where he supported federal, state, and local lobbying on behalf of a diverse range of clients in both the for and not-for-profit sector. Tristan has a B.S. in Philosophy, Politics, and Economics from Northeastern University.

# Introduction to Community Benefits

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# What Are Community Benefits?

An agreement, fund, or other mechanism voluntarily used by a developer to provide additional financial or nonfinancial benefits to a community





# What Forms Can Community Benefits Take?

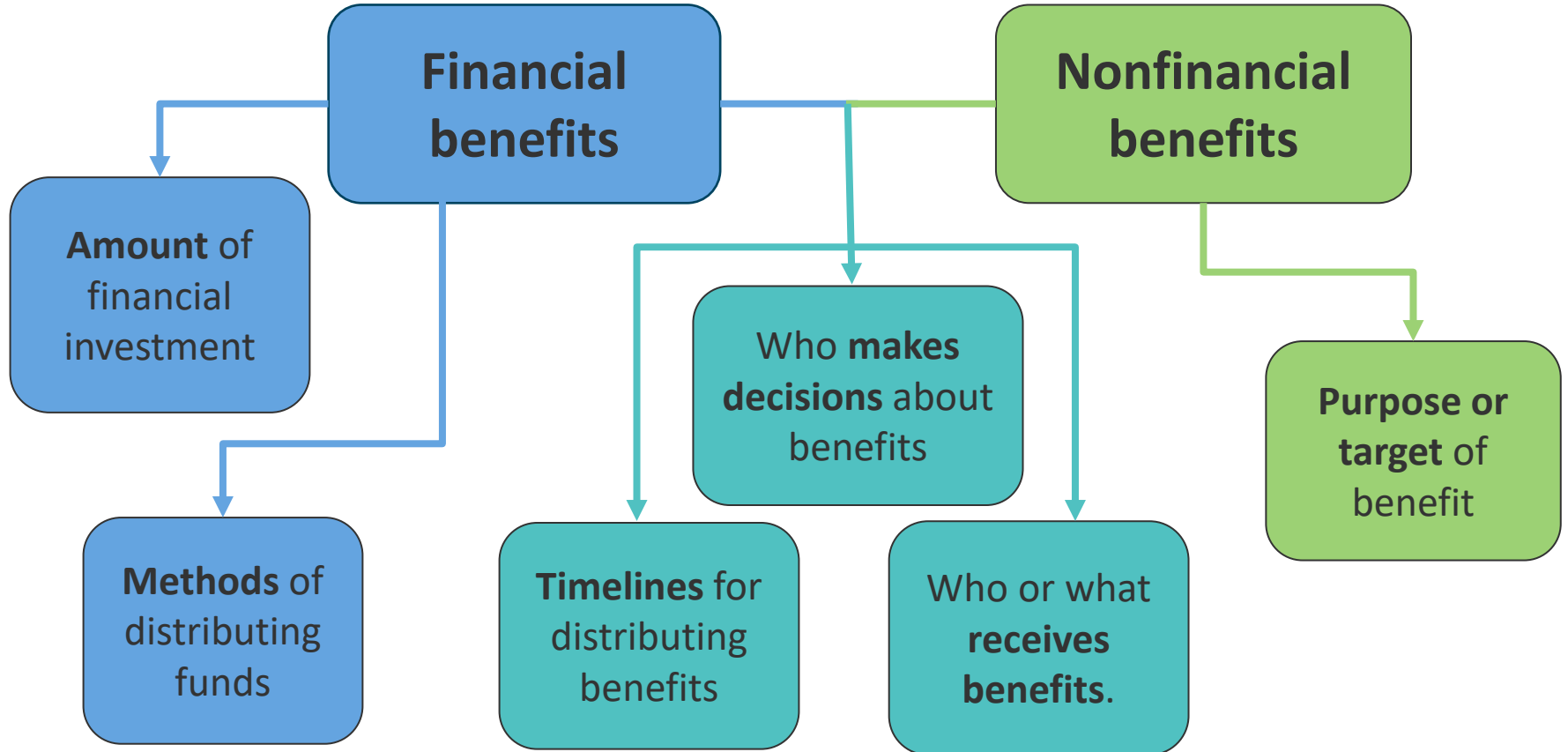
- Four of the most common forms or structures include:
  - Formal **community benefit agreements** (CBAs) between developers and local governments, tribal governments, and/or community organizations
  - **Community benefit funds** established by developers
  - **Direct investment** in local priorities or programs
  - **Nonfinancial benefits.**<sup>1</sup>



*Photo from Michael Okoniewski, Iberdrola Renewables 15246*


<sup>1</sup> U.S. Department of Energy Office of Energy Efficiency and Renewable Energy. 2023. "Wind Energy Community Benefits Guide." WINDEXchange. Wind Energy Technologies Office. <https://windexchange.energy.gov/community-benefits-guide>.

# Variation in Community Benefits



# Why Consider Community Benefits?

- Emerging practice in the United States with longer history in Europe
- Increasingly significant role in offshore wind energy development
- Connections to equity and energy justice
- Applicable to many energy technologies beyond wind energy
- Growing interest and support from community members and federal, state, local, and tribal governments.

 Long Island Business News

## Wind power deal yields \$170M in community benefits

The agreement enables 18 miles of real estate access for a cable to carry electricity from Sunrise Wind's planned offshore wind power...

Mar 20, 2023

NEWS

## Pattern Panhandle Wind Awards \$25,000 To Panhandle ISD In Second Grant Cycle

by: Staff  
Posted: Jul 27, 2016 / 05:03 PM CDT  
Updated: Jul 27, 2016 / 05:03 PM CDT

 Nantucket Current

## Vineyard Wind Makes Initial \$4 Million Mitigation Payment To Nantucket

As it constructs the "largest turbines in the western world" in the waters southwest of Nantucket, Vineyard Wind has made its first...

Nov 10, 2023



# Overview of Initial NREL Findings on Community Benefits

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# Community benefits for U.S. land-based wind energy

- Out of 546 examined, 205 projects have community benefits
  - **Contributions to local organizations and causes** are most common (e.g., volunteer fire departments, food banks, school programs)
  - **Establishment of funds** (e.g., community grants, scholarships)
  - Community benefit agreements with direct payments to local governments are uncommon
- Challenging to find documented benefits.



*Photo by Bryan Bechtold, NREL 84045*

# Community benefits for U.S. offshore wind energy

## Projects



Some of the turbines in the Block Island Wind Farm.  
Photo by Dennis Schroeder, NREL 40473

- Five agreements
  - Community benefit fund
  - Grid and resiliency infrastructure upgrades
  - Ratepayer relief for low-income residents
  - Expanded Internet access
  - Environmental research institute
  - Collaborative project planning.

## Cable Landings



Block Island Wind Farm cable landing site under the beach.  
Photo by Dennis Schroeder, NREL 40486

- Five agreements (more in progress)
  - Payments ranging from \$16 million - 170 million
  - Construction plans that minimize local impacts.

## Ports



Components await transport to the South Fork Wind project at State Pier in New London, Connecticut.  
Photo by Matilda Kreider, NREL

- Three agreements (more in progress)
  - Host community payments
  - Local workforce training, hiring, and business development
  - Climate adaptation fund
  - Offshore wind education center
  - Low-emissions port.

# What do communities think about community benefits?

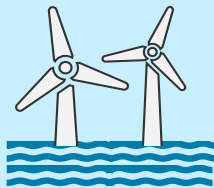


*Photo by Bryan Bechtold, NREL 84173*

- Significant **variation** in perspectives depending on stakeholder and region
  - Variety of motivations for seeking benefits (e.g., mitigating negative impacts, sharing project revenues)
- Decision-making processes are important
  - Communities may have **uncertainty** about the process and what their role is
- **Trust** is a significant factor.

# How are community benefits established?

- Processes can vary widely, depending on factors like:
  - Community context (e.g., history, dynamics, access to financial resources)
  - Type of project or infrastructure
  - Developer or other stakeholder providing benefits



For offshore wind energy, we've seen:

- Extensive discussions
- Coordination and collaboration
- Facilitation, technical expertise



For land-based wind energy, we've seen:

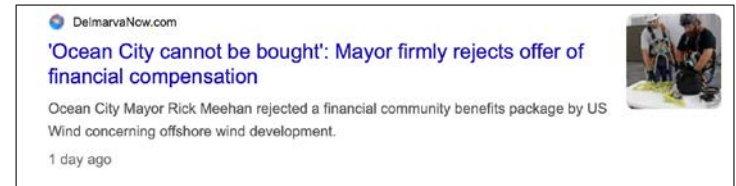
- More developer-led process
- Community has less involvement in decisions.<sup>2</sup>

<sup>2</sup> U.S. Department of Energy Office of Energy Efficiency and Renewable Energy. 2023. "Wind Energy Community Benefits Guide." WINDEXchange. Wind Energy Technologies Office. <https://windexchange.energy.gov/community-benefits-guide>.



# How do community benefits relate to project outcomes?

- Impact on social acceptance and project outcomes is **uncertain**
- Can be perceived by communities as a **bribe** from developers to buy support<sup>3</sup>
- Influential factors:
  - Structure and contents of agreements
  - Who is involved in decision-making
  - Who receives benefits
  - Timing.<sup>4</sup>



<sup>3</sup> Glasson, J. 2020. "Community Benefits and UK Offshore Wind Farms: Evolving Convergence in a Divergent Practice." *Journal of Environmental Assessment Policy and Management* Vol. 22, No. 01n02. <https://doi.org/10.1142/S1464333221500010>.

<sup>4</sup> Devine Wright, P., H.D. Devine Wright, and R. Cowell. 2016. *What do we know about overcoming barriers to siting energy infrastructure in local areas?* DOI:10.13140/RG.2.1.1997.0803 [https://orca.cardiff.ac.uk/id/eprint/93905/1/DECC\\_Infrastructure\\_PlacewiseLtd.pdf](https://orca.cardiff.ac.uk/id/eprint/93905/1/DECC_Infrastructure_PlacewiseLtd.pdf).

# How do community benefits relate to equity?



*Middelgrunden Offshore Wind Farm in Denmark is an early example of a community-owned project.  
Photo from Siemens AG 27871*

- Potential to **create equitable outcomes**
  - Sharing benefits **with** and **across** community
  - Equitable decision-making processes
  - Can be directed toward disadvantaged communities or community members<sup>5</sup>
- Potential to **create or reinforce inequities**
  - Inequitable decision-making processes
  - Some communities more able to advocate for themselves to get benefits
  - **Inequitable distribution of benefits** between and within communities.

<sup>5</sup> U.S. Department of Energy Office of Energy Efficiency and Renewable Energy. 2023. "Wind Energy Community Benefits Guide." WINDEXchange. Wind Energy Technologies Office. <https://windexchange.energy.gov/community-benefits-guide>.

## Community benefits

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graph TD; A[Community benefits] --> B[Currently have no standard or typical definition, form, or process in the United States]; A --> C[Have complicated relationships with key outcomes in wind energy deployment]; A --> D[Are of growing importance to many developers, governments, and communities.];
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Currently have **no standard or typical definition, form, or process** in the United States

Have **complicated relationships with key outcomes** in wind energy deployment

Are of **growing importance** to many developers, governments, and communities.

# Ongoing NREL Efforts

- Conducting a multi-year research project that includes:
  - Collecting data across **all land-based and offshore wind projects in U.S.**
  - Identifying relationships with social acceptance, project outcomes, and perceptions of equity
- Database of community benefit examples
- WINDEXchange Wind Energy Community Benefits Guide:  
<https://windexchange.energy.gov/community-benefits-guide>.



Photo from Michael Okoniewski, Iberdrola  
Renewables 15236

# Ongoing NREL Efforts

- Establishing a **Wind Energy Equity Community of Practice**, with community benefits as first focus area
  - Begins in summer 2024
  - Both in-person and virtual meetings
- Goals include:
  - Sharing knowledge
  - Identifying opportunities for coordination
  - Testing new approaches
  - Identifying gaps to be addressed
- Open to researchers and practitioners doing work related to equity in wind energy development



# Land-Based Wind Perspective

# Community Benefit Agreements

An experiment in third-party facilitation between communities and utility-scale renewable energy developers

Max Jabrixio



# Key topics:

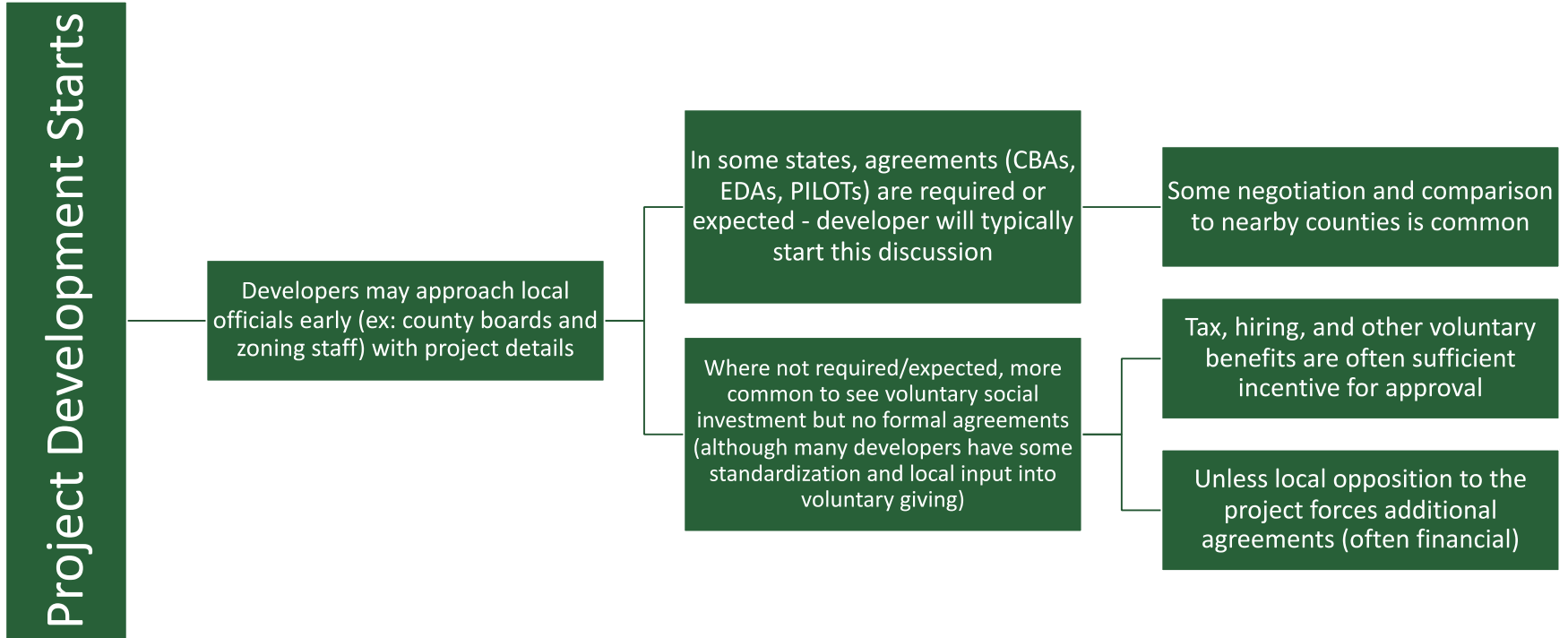
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- Common process for onshore wind
- Barriers and challenges to CBAs
- Our pilot projects: facilitated negotiation model





# How community benefits are often determined



# Why is that common?

- Many host communities have no experience with utility-scale wind
  - Developers are expected to know the process
  - Developers are both experts sharing information... and a negotiating party
- Lack of context
  - What's reasonable to ask for?
  - Limited examples of non-financial community benefits
- Taxes, lease payments, and hiring are large financial commitments
- Anti-wind opposition doesn't negotiate – they want *no* project
  - This disincentivizes and undermines any good-faith negotiations

# Community Benefit Agreements Pilot

## Theory:

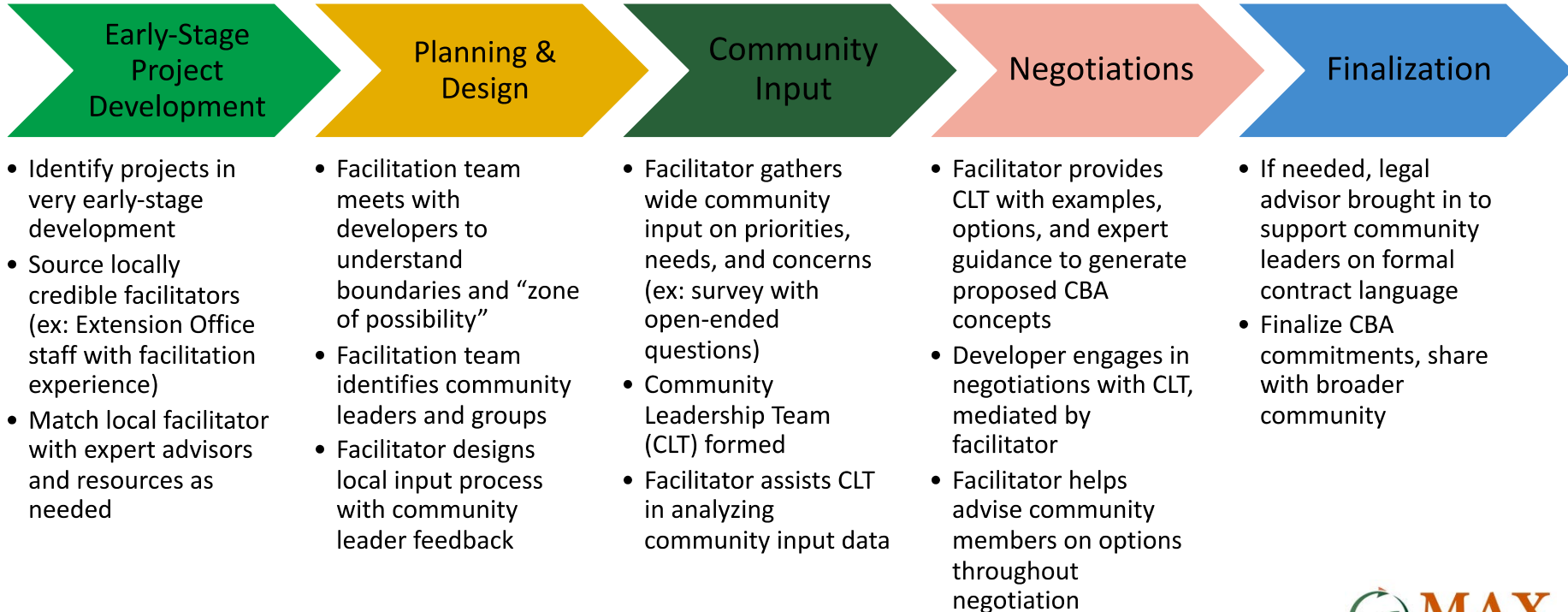
- A holistic CBA process - run by an independent facilitator - can increase trust and support
- Non-developer experts can provide advice and options to guide requests that address community priorities
- A more inclusive, earlier process can generate more community acceptance and improve project outcomes
- CBAs negotiated with community needs in mind can ensure projects provide communities benefits that matter most to them



# Barriers and Challenges

- Lack of trust
  - Anti-wind opponents can undermine negotiations from community side
- State policy *can* incentivize or require CBAs (but most don't)
- Developers are most incentivized to negotiate with local officials who control project regulations and approvals
  - This may leave some community groups feeling underrepresented

# Our facilitated negotiation experiment



# Possible non-monetary CBA components



# Learning Objectives

Our pilots will evaluate:

1. Does this process improve community acceptance of renewable projects?
2. Does this process increase community members' perceptions of fairness?
3. What non-monetary terms in CBAs have the largest impact on #1 and #2?
4. How does communication about the process and eventual CBA impact #1 and #2?



# Offshore Wind Perspective





# BLACK ECONOMIC COUNCIL OF MA

Tristan Thomas  
Wed, Feb 28, 2024

# OUR MISSION

BECMA's mission is to drive economic equity and prosperity for Massachusetts to achieve inclusive growth through advocacy, programming, and strategic partnerships that enable Black-owned businesses and Black communities to thrive.



# BECMA'S FOUR PILLARS

**BECMA**  
BLACK ECONOMIC COUNCIL  
of MASSACHUSETTS



## ENTREPRENEURSHIP

Nurture startups and support existing entrepreneurs by providing them with access to affordable and adequate capital to launch and scale their firms.



## COMMERCE

Support Black business owners in selling their goods and services while helping ally buyers to meet.



## OWNERSHIP

Increase homeowners' and business owners' equity stake in their enterprises.



## PLACEMENT

Focus on workforce development, particularly in Massachusetts' high-growth industries, and placing Black professionals in decision-making roles in management and board positions.

# OUR PROGRAMMING



## BACK OFFICE SUPPORT SERVICES

Addresses a fundamental lack of working capital and operational capabilities needed to launch and scale small firms in an effective and compliant manner.

KPI: % change in operational capacity.



## VENDOR ADVISORY COUNCIL

Shifts from a reactive to a proactive, collaborative model for realizing substantial gains in driving improved contracting outcomes for Mass.-based Black providers of goods and services.

KPI: %change in revenue.



## ELECTRIC VEHICLE KICKSTARTER & SUPPORT

Raises awareness and guides experienced entrepreneurs' expansion into the Mass. Electric Vehicle charging industry as resellers, owner-operators, installers or maintenance providers.

KPI: % increase entry in EV charging markets.



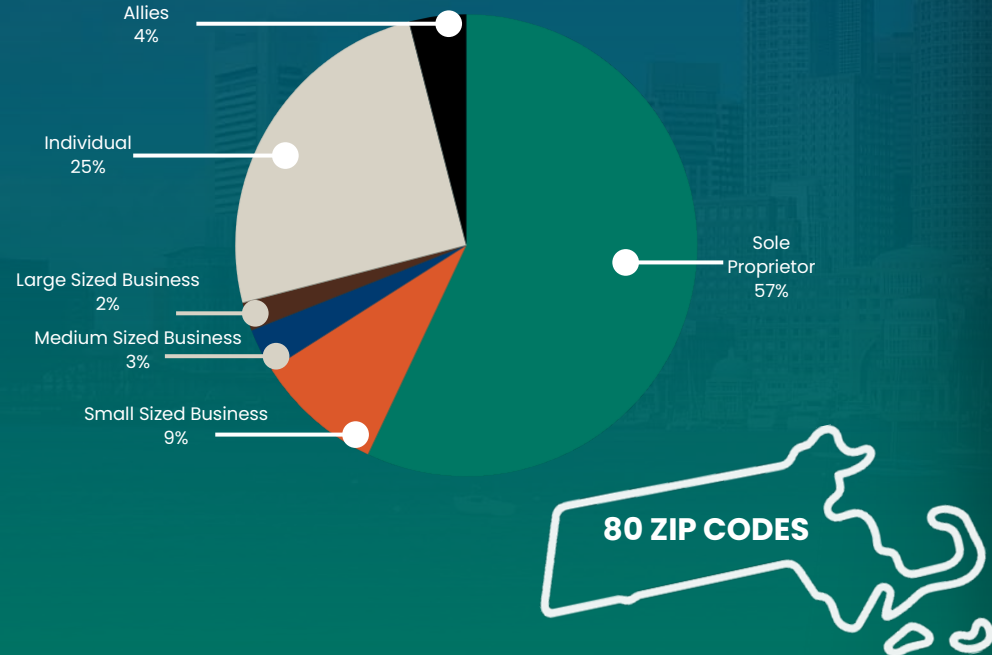
## BOARDS & COMMISSIONS

Places BECMA staff & members in decision-making roles on state and local boards and commissions to exert influence on matters affecting Black communities.

KPI: % increase in placements.

# RECAP OF 2023

## MEMBERSHIP TYPE



We provided support to a broad set of small firms across the Commonwealth, while leveraging Black-led providers for goods and services to compound our impact



**\$607K**

GRANTS TO BUSINESSES



**\$153K**

TA & PROFESSIONAL SERVICES



**429**

BUSINESSES SUPPORTED



**\$28K**

DIGITAL TOOLS

# BECMA's Climate Focus

## EJ + Environ Justice

- BECMA is committed to help transition existing firms into the clean energy space, as well as create new employer firms and expand existing ones.
- Complementing the work of BECMA's state-wide Electric Vehicle Kickstarter program and Electric Vehicle Supply Equipment (EVSE) initiatives, the BECMA policy team advocates for the inclusion of Black businesses in the emerging climate economy.
- Inclusion in the green transition is not just about economic justice, it is also about environmental justice. The Massachusetts Clean Energy Center (MassCEC)'s Clean Energy Workforce Needs Assessment found that "to meet our 2030 greenhouse gas emission reduction targets, the Massachusetts clean energy workforce will need to grow by an additional 29,700 full-time equivalent workers, which will require 38,100 workers to be trained and ready to deploy some or all of their time on climate-critical work."
- Transitioning Black firms and workers is critical to meeting our climate goals.
- BECMA is committed to advocating to ensure that the burdens and benefits of green transitions are equitably distributed.

# SUPPLIER DIVERSITY AS A SERVICE

## Identif y

BECMA works with procurement officers to understand the demand for what they are actually willing to buy and then to remove the barriers that have prevented them from realizing their supplier diversity goals.

## Asses s

BECMA assesses our member organizations and categorize them into 3 groups, Level 1, Level 2, and Level 3 businesses, based upon their potential for growth and contract readiness

## Suppo rt

Grants, certification, capital investment, upskilling, technical assistance, professional services, etc.

# Supplier Diversity as a Service

- BECMA offers a turnkey type solution for identifying, assessing, and supporting Black-led firms to meet the procurement contracting needs of ally organizations, including supplier diversity, and DEI goals.
- Our offering synergizes with our Vendor Advisory Council (VAC) and our Back Office Support Services (BOSS).
  - What are buyers willing to buy
  - How can we address barriers
- Example: Better Together Braintrust (BT2)



# External Engagement

- **New England for Offshore Wind**
- **Avangrid, Vineyard Wind, Beacon Wind, Ørsted, Equinor, Crowley etc.**
- **Business Network for Offshore Wind**
- **Massachusetts Clean Energy Center (MassCEC)**
- **Metropolitan Area Planning Council (MAPC)**
- **Massachusetts Department of Energy Resources (DOER)**
- **Labor Groups**
  - **Blue Green Alliance**
- **Massachusetts Executive Office of Energy and Environmental Affairs**
- **NREL**
- **Lt. Gov Driscoll**
- **Attorney General's Office**
- **Senator Markey**
- **Northeast Clean Energy Council (NECEC)**
- **City of Salem**
- **Salem Alliance For the Environment (S.A.F.E.)**
- **BECMA has signed an MOU with an offshore wind developer to provide supplier diversity as a service**

# LESSONS LEARNED

- Little to no standards on what constitutes a community benefit
  - Who is the community?
  - How much? For how long?
- Negotiations are isolated
- Stakeholders are incentivized to be selfish
- Macroeconomic forces will define the scope of community benefits
- Every level of government has input
- Bargaining power comes from permits and \$\$\$



# FUTURE OPPORTUNITIES

- **Coalition building**

- Municipalities, State agencies, federal regulators, developers, businesses, advocates etc.

- **Community benefit standards**

- What is the right \$\$ amount?
- Who counts as community?
- How can we enable and empower communities to negotiate?

- **Accountability and transparency**

- **Regional collaboration**

- **Focus on economic development**

Contact Us:

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**QUESTIONS &**  
**Thank you!**

# Thanks and Q&A!

[www.nrel.gov](http://www.nrel.gov)

NREL/PR-5000-88603



Photo from Michael Okoniewski, Iberdrola Renewables 15244

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