

The Highland Council

2 April 2025

Glen Earrach Energy – Community Benefits

This letter sets out the principal terms on and subject to which Glen Earrach Energy Limited (**GEE**) intends to deliver a Community Benefit Fund as part of its Pumped Storage Hydro project located at Balmacaan Estate, Scotland. The delivery of the Community Benefit Fund is subject to ongoing consultation with the community, the development of the project, and the agreement of all relevant stakeholders.

As both the landowner and developer, GEE is committed to ensuring that local communities directly benefit from the project. The Community Benefit Fund will reflect the scale of the proposed project, which has the potential to store 30GWh of clean energy and could provide benefit equivalent to over £20 million annually. This letter is not exhaustive and sets out GEE's current intentions and commitment to ensuring meaningful and lasting benefit for local communities and the wider region.

GEE has committed to delivering a community benefit fund based on the following principles, subject to consultation and stakeholder agreement:

- **Scale and proportionality:** The fund will reflect the scale of the project and the long-term nature of its operation.
- **Local prioritisation:** The fund will be shaped by local priorities and input, gathered through ongoing consultation.
- **Transparency and accountability:** The structure and management of the fund will be developed in line with best practice for community governance.
- **Flexibility and longevity:** The fund should be able to adapt over time to meet changing local needs, and consider various models such as grants and strategic investments.

The above principles are based on the following assumptions:

- The project will deliver up to 30GWh of energy storage capacity.
- Installed capacity of up to 2GW.
- Project lifespan expected to exceed 100 years, with long-term potential for community benefit to evolve accordingly.
- Community Benefit Fund to be structured in a way that can support both near-term priorities and longer-term projects.

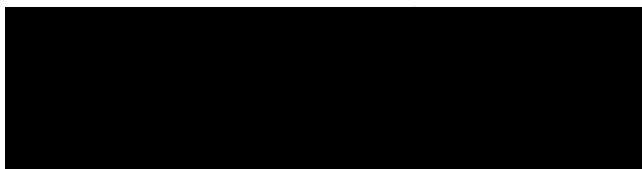
GEE has already carried out extensive community consultation on the delivery of the Community Benefit Fund. This is summarised in Appendix A.

GEE will continue to engage with the community and all relevant stakeholders in good faith with a view to agreeing a framework for the delivery of the community benefit fund as soon as reasonably possible.

GEE has aligned its consultation with Scotland's National Performance Framework, ensuring that funding themes support broader national priorities for wellbeing, sustainability, and economic prosperity. More detail on the consultation is provided in Appendix B.

GEE is committed to ensuring the Community Benefit Fund fully reflects the views expressed by communities and stakeholders in the ongoing consultation.

Please contact info@glenearrach.energy for any further information on the proposed Community Benefit Fund. Alternatively, visit www.glenearrach.energy.



Roderick MacLeod, Director

Glen Earrach Energy Limited

APPENDIX A

Since submission of the project scoping report to the Scottish Government's Energy Consents Unit in 2024, Glen Earrach Energy (GEE) has carried out a wide-ranging programme of early and ongoing engagement to ensure local communities and key stakeholders have the opportunity to influence the development of the Community Benefit Fund (CBF) from the outset. This engagement has included both formal and informal activity, across multiple channels.

1. Local Community Engagement

GEE has proactively sought to build early relationships with communities most affected by the proposed project. Activity to date includes:

Community Drop-In Events: Held in November 2024 across Drumnadrochit, Invermoriston, Glenurquhart and Fort Augustus, these events provided residents with information on the project's early design and an opportunity to share views and ask questions. Feedback was documented and has informed subsequent design changes.

Community Roundtables: GEE has hosted two roundtable sessions since January 2025, with a further session planned for April:

- *Roundtable 1:* Joined by local MP, Angus MacDonald and attended by community councils, focusing on early proposals for the Community Benefit Fund and community expectations.
- *Roundtable 2:* Brought together representatives from national fund distribution bodies and policy teams, including Foundation Scotland and the Scottish Land Commission, to discuss governance and best practice.
- *Roundtable 3 (April 2025):* Focusing on the fund's potential to support long-term environmental stewardship, conservation, and enjoyment of the Highland landscape.

Written Feedback Responses: GEE has responded directly to community questions and concerns raised by residents and organisations.

2. Stakeholder Engagement

GEE has engaged with MPs, MSPs and public bodies to discuss the Community Benefit Fund

- **Parliamentarians:** Briefings and correspondence with MSPs and MPs have covered project updates, the scope of the CBF, and local engagement feedback.
- **Highland Council:** Meetings held with officers and councillors to understand local development priorities, ensure alignment with the Highland Council's Social Value Charter, and share information about engagement activities.
- **Scottish Government:** Introductory meetings with officials to brief them on the project and GEE's approach to community benefit. GEE will also submit a formal response to the Scottish Government's consultation on community benefit in due course.

3. Digital and Media Communications

To ensure broad awareness of the project and consultation:

- **Website** – www.glenearrach.energy: The project website includes detailed information, FAQs, contact details, and access to the public consultation survey.
- **Community Newsletter**: Distributed to those who have signed up to the newsletter – predominantly those residing in the area, outlining project progress, key dates, and opportunities to get involved.
- **Press Releases**: Issued to local and national outlets to publicise key moments, - including the launch of the consultation - in the engagement timeline and raise awareness of the consultation process.
- **Social Media and Online Updates**: Regular posts shared across platforms (Facebook, LinkedIn, X/Twitter) to provide accessible updates and direct people to engagement materials.

APPENDIX B

Glen Earrach Energy launched a formal consultation process in March 2025 to ensure the structure, governance and delivery of its proposed Community Benefit Fund is shaped by meaningful community and stakeholder input. This consultation is the first step in building a long-term fund that reflects local priorities and delivers benefit at scale. The consultation includes the following components:

The consultation process has been designed to meet the following objectives:

- Understand community priorities across a range of thematic areas.
- Develop governance options for the fund, including who manages it, how decisions are made, and how transparency is maintained.
- Explore fund models and distribution mechanisms, including the potential for long-term strategic investments and capacity-building support.
- Ensure alignment with national frameworks, including Scotland's National Performance Framework and principles of a just transition.

Engagement activities related to the consultation launch:

To support the survey, the consultation is supported by multiple engagement channels:

- **Public drop-In event:** *Craigmonie Centre, Glenurquhart High School, Drumnadrochit, Thursday 3 April, 16:00–20:00.* A face-to-face opportunity for local residents and stakeholders to discuss the project and the fund with members of the GEE team.
- **Digital and print communications:** A detailed leaflet and a series of social and print communications have been issued to explain the consultation process, the scale of the project, and the opportunity for local benefit.
- **Roundtables:** As outlined in APPENDIX A.
- **Online access:** The survey and background available at www.glenearrach.energy, ensuring accessibility for participants unable to attend in person.