

# Bristol Energy Cooperative Chair's Report 2019

## Project performance

Our portfolio of approximately 9MW of solar capacity continues to perform satisfactorily. Both Puriton and Lawrence Weston solar farms are performing slightly above expectations. Our solar roofs continue to perform as expected. The problem with the transformer at the Puriton solar farm has been resolved satisfactorily (in fact we are now in possession of a spare transformer!), and our insurance claim for the fire at South Bristol Sports Centre has been resolved.

## Lovedon Fields HAB housing

Income streams from our exploratory grid-connected battery are still below what we were expecting and are very complicated! Limejump, the company managing our battery income, have been bought out by Shell, which is problematic, given their continued heavy investment in new fossil fuel extraction. So far, however, we have not been able to find a suitable alternative operator.

## New projects

We have continued to pursue new renewable energy opportunities to complement our existing portfolio of solar farms and community solar roofs, including an innovative approach to mass domestic solar. The challenge, as ever, is to find ones that stack up financially!

## More solar roofs

Our efforts to find more roofs for solar panels produced one success - John Sheppard Butchers. Despite the cessation of FiTs we now have the prospect of another large roof, which is viable following an impressively low installation quote.

## Netham Weir hydro

After a tremendous effort, we obtained all the necessary approvals in time to apply for FiT subsidy, only to find we were too far down in the queue of applicants in that FiT category, so our application was not successful. This was a heavy blow, but rather than abandon the project we decided to take the bold step of carrying on without subsidy! To make this work we will need finance at a much cheaper rate than we have used so far. We have started the process with a 'crowdfund', which has been very successful

## Foundry

This is a joint venture with Wolverton Community Energy, Chelwood Community Energy Ltd and CEPRO, an innovative Bristol company whom we have worked with for several years. The purpose is to develop microgrids on newbuild housing sites. The microgrid and assets would remain in community ownership, rather than being transferred to the national grid as is traditionally the case. This will maximise the on-site use of on-site generation, only drawing on the grid when there is a shortfall.

## Community benefit disbursement

Our Megawatt fund has been such a success that Low Carbon Gordano have joined in to create a joint fund. This year BEC put in £25,000 and LCG added £12,000. BEC also paid £8,605 to Ambition Lawrence Weston, our community partner for the Lawrence Weston solar farm. We received 30 applications, being 2.5 times over-subscribed for the fund.

## Zero West

Zero West has now 'gone public' with a website and a membership scheme, and is actively pursuing a range of initiatives, with ongoing BEC support.

## Operations and management

In the last few years we received considerable assistance from Mongoose, a company established specifically to aid community energy organisations such as ourselves. Unfortunately, Mongoose ran into financial difficulties and had to close down. However, the part of the business providing asset management support was rescued and transferred to a wholly community-owned vehicle called Community Owned Asset Management (COAM), of which BEC became a founding shareholder. This business has now been branded 'Bright Renewables' and is providing an excellent service to BEC and other community energy groups.

## Finances

Notwithstanding this improvement, the BEC board had already made the decision to bring our bookkeeping and accountancy services in-house by employing Hugh Prentice, a qualified accountant who had been made redundant by Mongoose (Hugh has also shouldered the duties of Company Secretary). This has resulted in much improved visibility to the board of the company's financial position, which is helping with strategic decisions.

We also took the opportunity afforded by the conclusion of the three-year contract with our auditor to appoint a new one. After a thorough selection process, we chose Albert Goodman, based in Taunton, who have done an excellent job of auditing the latest accounts, providing helpful suggestions to further improve our financial reporting.

The refinancing of the Puriton Solar Farm turned out to be much more involved than we had expected and, as a result, has taken an extra year to complete! However, the eventual deal is more favourable as a result, and this both frees up funds for immediate use as well as reducing finance costs in the long term.

Our second set of bonds reached their term, and the large majority of bond-holders elected to keep their bonds rather than have their capital returned. We ran a share offer to raise further funds to finance new projects and repay other liabilities, which raised over £500,000.

## Marketing intern

In February we took on Hannah Watson through the University of Bristol Skillsbridge scheme as an intern to help develop marketing materials, in particular:

1. A physical portfolio of publicity materials for use at events;
2. A short video of ACTA.

working 2 days a week for 10 weeks It worked well and we are keen to employ another intern as funding / capacity allows.