



Dorset Community Energy Directors Report 2018-19

Summary

The directors are pleased to report a successful year, with total solar generation 10% above the original estimates used for the 2015 share offers, resulting in approximately £5,000 of additional income. However 2018 was an exceptionally sunny year and we cannot assume every year will be the same!

In addition, two major new initiatives were launched in 2018-19, a feasibility study for an innovative microgrid to supply the Bridport Co-housing Hazelmead housing development and a feasibility study for Dorset Community Energy (DCE) to install 700kW of additional solar panels on schools and hospitals. Both studies were 100% funded by the Rural Community Energy Fund, i.e. at no cost to DCE or our members

Bridport Co-Housing feasibility study

This study investigated the feasibility of supplying the 54 new houses in the Hazelmead passive housing development with solar PV through a microgrid (i.e. a private wire grid linking all houses). Each property would be fitted with a PV installation financed by the microgrid owners. The financial model is based on selling electricity to homeowners at a discount to normal grid electricity costs. The project was approved by the Bridport Co-housing group and the microgrid developers (Microgrid Foundry) successfully secured a 40% grant from the Low Carbon Dorset Fund. Each property would also have an air source heat pump allowing maximum use of on-site PV generation and making the whole development carbon positive. Building works are expected to start at the end of 2019. Dorset Community Energy managed the feasibility study but the directors agreed not to be financially involved in delivery of the microgrid at this point, partly because metering and billing individual householders and procuring back-up electricity supply is beyond our current level of expertise. However DCE director Tom Burnett has accepted a place on the Microgrid Foundry management board.

New DCE solar PV installations on schools and hospitals (PV3)

The 2nd Rural Community Energy Fund grant was used to identify potential sites for a new Dorset Community Energy share offer, which would be dependent on an application for a 40% grant from the Low Carbon Dorset Fund for project delivery, due to the government's decision to close of the Feed-in Tariff scheme in April 2019. DCE director Tom Burnett managed the feasibility study from which 10 suitable sites were identified. The application to the Low Carbon Dorset Fund was successful and therefore the directors agreed to launch

a share offer to raise the 60% balance required. As there is no longer a Feed-in Tariff income the financial model for these new installations is based on selling solar electricity used on site at an approx. 20% discount to grid electricity costs. Therefore sites with a high daytime electricity demand were prioritised such as secondary schools and hospitals. The new installations have been selected to offer a target 5.5% interest on shares and capital repaid over 17 years, the same as the 2 earlier share offers in 2015. However separate internal accounts will be kept for the PV3 installations (i.e. there is no potential impact on the interest payable to members who invested in the first 2 share offers). Full details are available in the share offer document which is downloadable from the Dorset Community Energy website <https://www.dorsetcommunityenergy.org.uk/share-offer-2019/>

Educational activities

We have continued to build on our educational activities, including installing additional energy monitoring in 3 schools funded by a grant from the People's Postcode Lottery. Solar energy presentations were given to pupils at Sunninghill School in Dorchester, Weymouth College and the South Wiltshire University Technical College in Salisbury. In addition DCE had a 'solar models for children' stand at the Dorchester One World Festival in August 2018.

Asset management

We are pleased to report there were no significant asset management problems in 2018-19, although 2 inverters at Swanage School were replaced under warranty, resulting in a small reduction in income whilst they were awaiting replacement. The solar electricity generation at all sites is monitored remotely via the Internet so any operational problems can be quickly detected. All installations are inspected and serviced once every 2 years, usually by the company that carried out the original installation.

The directors have agreed to recruit a part-time asset manager as there will potentially be up to 25 solar installations to monitor once the planned new installations are operational. A job description will be placed on the DCE website in August.

During 2018-19 our Feed-in Tariff provider was successfully switched from Good Energy to Cooperative Energy. FIT income will now be received 4 weeks sooner, which will enable DCE to make autumn interest and capital repayments to members earlier after receipt of the summer generation income.

Website and E- Newsletter

Dorset Community Energy director Emily Bullock has continued to manage the website and e-newsletter including a lot of work in April 2018 to ensure Dorset Community Energy is compliant with new GDPR data protection regulations. Our privacy policy is available for download from the members section of the website. In summary, members' data is not shared with external organisations except when there is a legal responsibility to do so (e.g. to HMRC in certain circumstances). As additional security members' personal data including financial details is stored off-line on duplicate password protected encrypted USB memory sticks.

New opportunities

The current main focus is to complete the current planned 700kW of solar PV installations by the end of March 2020.

Looking to a future without financial support for local renewable energy, the directors successfully applied to the Power to Change Big Ideas fund for a small feasibility grant based on selling renewable electricity through the grid to householders at a 20% discount to standard grid electricity costs. The feasibility will be delivered in the Bridport area working closely with an experienced partner Energy Local www.energylocal.co.uk