



Directors' Report 2020-21

Summary

The directors are pleased to report another successful year, with total installed solar capacity now standing at 1,120kW, a large increase from the original 420kW installed in 2015-16. Following a successful £194,000 share offer in May, which was oversubscribed within 10 days, an additional 463kW of solar installations across 3 sites is planned for this summer. Total solar generation to 1st January 2021 for the 2015-16 installations (PV1 and PV2) was 10% above the original estimates in the 2015 share offers. This has resulted in an additional £5,000 of income and enabled the directors to set up a community benefit fund earlier than originally planned. Not-for-profit organisations based in Dorset, Bournemouth, Christchurch and Poole can apply for funding for projects that aim to reduce carbon emissions and or address fuel poverty. There is further information on the Dorset Community Energy (DCE) website.

The recent 2019-21 solar installations on schools and hospitals (PV3) also generated more electricity than estimated due to the sunny weather in spring 2020, therefore the directors are recommending 3.6% interest for 2020-21 to members who invested in PV3. The target 5.5% interest rate is not possible for the PV3 installations due to extended delays in installations (particularly on roofs of 3 hospitals) due to the Covid pandemic restrictions. However the directors anticipate the PV3 interest rate will be 5.5% for the current financial year 2021-22. The directors are also pleased to report that the sites with DCE solar PV installations benefitted from a total of £56,000 of free or lower cost solar electricity compared to grid electricity costs, up from £35,000 in savings during the previous financial year 2019-20.

Timetable for interest and capital repayments in 2021

As mentioned in the Directors' Report accompanying the 2020 AGM, due to the complexity of making interest and capital repayments to the increasing number of DCE members (currently over 230), following a tender in late 2020 Sharenergy has been appointed as from 1st January 2021 to manage capital and interest payments to members on behalf of the directors. Sharenergy provide similar financial administration services to over 20 community benefit societies similar to Dorset Community Energy and have the necessary software and IT security in place.

The Financial Conduct Authority and DCE registered rules require interest rates payable to members to be approved at the AGM before payments are made.

For the financial year 2020-21 the directors are recommending 5.5% interest payments to members who invested in PV1 and PV2 and 3.6% interest to members with shares in PV3. If approved by members at the AGM the PV3 interest will be paid in August and the PV1 and PV2 interest and capital repayments in November (after the Feed-in- Tariff income from the summer solar generation has been received).

DCE solar PV installations on schools and hospitals (PV3)

The final PV3 solar PV installations were completed in March 2021 within the Low Carbon Dorset grant funding timeframe, therefore 40% grant funding was secured to match the 60% funding raised through the 2019 share offer. All sites are now generating well and the more recent solar modules are slightly more efficient than the modules installed in 2015-16.

Final breakdown of 700KWp Portfolio			
Site Name	Size kW	kWh/Year	Tonnes CO₂ Saved
Wey Valley School	97	96,634	50
Blandford School	86	82,510	43
All Saints School, Weymouth	61	67,190	35
Beaminster School	112	116,691	60
Bridport Hospital	99	101,117	52
Blandford Community Hospital	50	54,278	28
Alderney Hospital	97	102,520	53
Weymouth College (2 buildings)	98	101,500	52
TOTALS	700	722,440	374

DCE director Tom Burnett will give an update at the AGM on the latest 463 kW of PV sites due to be installed this summer financed through the recent share offer (PV4)

Energy Local Bridport

This innovative project, the first of its kind in England, was originally based on supplying lower cost electricity to 60 households in the Bridport area from the 50kW wind turbine near Salway Ash. Due to the high level of interest Dorset Community Energy successfully applied for a Rural Community Energy Fund feasibility study grant to identify sites to add 2 separate 200kW ground-mounted solar PV arrays, each requiring an acre of land. This would allow local businesses to be supplied with lower cost solar electricity or additional households to join the scheme

The feasibility study was completed in March 2021 and a copy is available on the Dorset Community Energy website on the Projects page/ Energy Local Bridport/Phase 2. Also on the same page we have uploaded a video of an Energy Local Bridport community presentation by DCE director Derek Moss.

Unfortunately the project has been delayed because of the coronavirus lockdown, as participating households need to switch to Octopus Energy and have smart meters fitted to enable the real - time local renewable generation to be metered and supplied @9.5p/ kWh. During 2020 smart meter installations were put on hold due to Covid-19 restrictions. Also there has been a delay in Octopus Energy developing and piloting the bespoke metering and billing system.

However we anticipate an initial pilot phase with 16 households supplied from the Salway Ash wind turbine to be operational in late July or early August. The DCE directors have agreed to seek grant funding for a planning application to add an acre of ground mounted community-financed

solar panels. The feasibility study consultant's report indicated the ground-mounted solar project would be financially viable and generate significant savings to participating households or businesses, in addition to the environmental benefit of reducing CO2 emissions. Six other towns in Dorset have expressed interest in replication projects once Energy Local Bridport is operating successfully.

There will be a brief update on Energy Local Bridport and opportunity to ask questions at the AGM.

Newsletter and communications with members

DCE director Emily Bullock will give a short presentation at the 2021 AGM on the newsletter and website and together with DCE Chair Tim Crabtree will lead a discussion on ideas for how members could be more actively engaged in Dorset Community Energy activities.

Appointment of external contractors/ service providers

Due to expansion (soon to be 27 solar PV installations) and the increasing workload the DCE directors issued a tender to appoint a part-time Asset Manager and John Scott was appointed in January. John, who is based just outside Dorchester, has extensive previous direct experience of solar PV installations and checking solar installation faults on behalf of insurance companies.

The directors also agreed to tender for companies and consultants to be included on a framework for future project development and project management. Four companies have been selected to be included on this framework. One of these companies will be chosen to develop and manage new projects as opportunities are identified by the directors. This form of service provider framework is commonly used by local authorities as it avoids the need to tender separately for each development project as it arises. However the framework contractors are required to seek at least 3 competitive quotations for the solar installation work which they are managing on behalf of DCE.