

Directors Report 2015/2016

We warmly welcome you to the first AGM for Energise Barnsley. This has been a fantastic first operating year for the Society. This time last year we were in the middle of the residential solar PV installations on our 321 tenanted Berneslai Homes. We have recently just completed our 16 commercial installations, including many schools. In total, we have the largest community energy solar PV project in the UK, by the number of roofs we have installed solar PV on, and by the number of people directly impacted by our first project.

The journey, however, has not been straightforward. We have been resilient in the face of numerous different central government policy changes, and relied on the pre-launch commitment of all stakeholders, to deliver what we initially set out to achieve - community owned renewable electricity in Barnsley.

The Society has formed a strong working relationship with Barnsley Council. This started when Energise Barnsley proposed a community energy model to the Council's Senior Managers and Cabinet. The Council recognised the wider community benefits a community approach offered, as opposed to a commercial model and the fact that profits would be retained in the local area to maximise the impact from the first project.

Energise Barnsley has brought commercial expertise into this first community project to successfully scale solar PV deployment, whilst retaining all the ethos and uniqueness of a community energy project.

Due to the detailed planning and care that Energise Barnsley put into developing its business model we were able to secure a £2 million underwriting loan from Ignite social impact fund. This enabled Energise Barnsley to plan and fast-track the residential delivery programme and pre-register suitable non-domestic sites. If this loan facility had not been in place, the project would have halted, as the launch day of Energise Barnsley at the Town Hall, coincided with the release of the government Feed In Tariff consultation, which resulted in immediate market uncertainty to the future of the Feed In Tariff scheme.

Over 4 weeks last Autumn, Energise Barnsley pre-registered 90 sites with OFGEM, for the community lock in tariff. Despite the subsequent high levels of drop out due to grid connections and roof structural surveys Energise Barnsley has secured solar PV on 16 commercial buildings, including PFI funded schools and Academies.

The residential solar PV systems were completed late 2015 and have generated electricity saving of over £33,000 across 321 homes. The systems have generated over 765 MWh's of electricity. The residents all received an "Owl" solar PV monitor, which lets them know when to use the solar PV, as opposed to feeling they have 'free electricity' all the time or are uncertain as to when they can switch on appliances to benefit from solar electricity. It also gives the residents a visual indication of the savings they have made - further reinforcing good energy habits.

On visiting these homes, it is the first time that a community energy project has very accurate online data and monitoring of performance from the systems, which we can cross check with the residents own experience of interacting with the electricity generation. Some of the residents are saving more than the 30% predicted on their electricity bills, and we aim to work with the residents in 2017 to continually educate and reduce their electricity bills. Energise Barnsley will be applying to the Smartest Energy Fund to apply for grant funding to run energy advice clinics to explain the benefits of smart meters for our residents.

The Barnsley Solar Bond, which was launched in mid June 2016 and resulted in the required £800,000 community investment, in under two and a half months be raised. This was a remarkable achievement given the backdrop of terrorism and Brexit. We are pleased to announce that two charitable foundations invested into the bond, and just under 40% was from the Barnsley region.

In addition to this an investment has been agreed for £1.4m loan facility from Charity Bank. This is a strong message for community bondholders to know that the financial models, social and environmental aims of the project will result in a £ for £ matched investment by the leading ethical bank. Energise Barnsley has now taken a social impact fund, and a regulated bank through full due diligence on the economic model, legals and bound them into a community bond. This will aid other community groups with a model to scale their ambitions, and bode well for the Society for our next projects.

The project generates community benefit, through the reduced energy bills and using surpluses through a local community fund to catalyse further social impact. The fund will work in conjunction with the Council's existing fuel poverty schemes ensuring maximum impact. The community fund on this 1.5 MW project is £20,000 in the first year, and £10,000 every year thereafter.

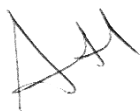
The first round of the fund has resulted in five local groups reaching the grant approval stage. These include applications from charities who provide blankets, support groups to tackle loneliness, through to community street clearing groups

Energise Barnsley has demonstrated in its' first year how professional expertise, with community leadership and strong council and energy company support can create a financially sustainable platform which is delivering meaningful social impact to a low income area.

Energise Barnsley is now working on a residential battery storage project with Barnsley Council, Northern Power Grid and Moixa, as well as a larger scale battery scheme to deliver long term financial savings to the Council.

Warmest wishes,

Signed 8 November 2016



Andy Heald
Director
On behalf of Society Directors