



## **Secretary's Report for SSCES AGM, 21<sup>st</sup> June 2018**

When I reported to you in June last year, we had just achieved full accreditation of our second batch of installations at Holyrood Academy (Chard) and Stanchester Academy (Stoke sub Hamdon) at the original high Feed In Tariff rates, despite some hairy moments along the way.

We have been earning Feed In Tariffs from these installations and from the original large installation at Westfield Academy, and a small installation at Abbey Manor Community Hall over the past year. We have struggled with the complexity of export meters at Westfield due to technical problems and have installed export meters at the other installations. This allows us to earn 'Export Tariffs' as well as 'Feed-In Tariffs' and to work out exactly how many units to charge the host buildings (which is the difference between the units generated and the units exported to the grid). We can report that all the right meters are now in place and working.

Another issue has been the reliability of the online monitoring from solar web. This is a 'nice to have' in that we can still claim the income due from our reading of the meters, but the solar web provides a valuable on-line check that everything is working OK and a quick warning if intervention is needed for example in the event of an inverter failure. We have also been studying the performance of the systems against prediction and looking for ways to tweak them to enhance that. One success is that Western Power Distribution, the so-called "Distribution Network Operator", has now lifted the export limit for Holyrood Academy, so more electricity can be exported when it is surplus to requirements.

So this year has been one of consolidation and technical and financial refinement and as we consider further investments, we can assure shareholders that the initial risks of their enterprise have now largely been mitigated. We can recommend again that the target 6% interest may be paid, although we have not yet got to the point when we can allocate money to the community fund for environmental and ethical projects. Hopefully we will be able to do that soon.

Solarsense have continued to be our valuable partner in system supply and ongoing consultancy service, and we believe have continued to deliver value for money as one of the UK's most successful and reliable installers.

### **Future Business**

We have been investigating some new schemes and these are at various stages of discussion.

#### **Crewkerne Aqua Centre and George Reynolds Building**

We have invested considerable time in this scheme, which would appear to be economic and beneficial. We could also afford to install the system from reserves (which would be a sound way of using them). However, regrettably, Crewkerne Town Council has been unable to understand the legals sufficiently to have the confidence to proceed, so it looks as if this will not go ahead.

#### **Yeovil Town Football Club**

The delay due to the FA having a monopoly on solar systems fitted to football clubs was resolved, but the Yeovil Town Board did not wish to proceed.



### **New Westfield Community Centre**

This is a new and positive project of about 20kW. St Peter's Church and the Westfield Community Association in Yeovil have put together a project team to build a new Community Centre behind the Church and on Church land. This project will cost an estimated £950k, but nearly £800k has already been raised, including a £500k award from the Big Lottery. It is due to start demolition/build in October and be completed by next September. A proposal for SSCES and Solarsense to fit solar PV has been well received by the project team, and it is hoped that the system can be fitted next summer when the scaffolding is still up. The scheme has been technically designed in accordance with the roof plans, but the commercial return has to be worked out, particularly with the decline of the Feed In Tariff scheme.

### **Crewkerne Solar Farm**

You will recall that we made an informal partnership with Bath & West Community Energy (BWCE) who are the owners of 5MW solar farm to the Northeast of Crewkerne. The arrangement was that, as their 'local partner', we would assist them in marketing their share and bond offer to finance the scheme, with the prospect that we could make a substantial investment when the two-year bonds matured at around this time. We would also be able to advise and possibly administer the Community Fund which would be disbursed to projects in South Somerset that contributed to environmental benefit or the relief of fuel poverty. The scheme was fully invested and installed, and after some teething problems is now fully up and running. We discussed this in detail with BWCE two weeks ago, and BWCE are still open to SSCES buying into the project with a substantial investment, but this possibility will not now be until 2019. However, if the two parties went ahead, SSCES would need to commence agreements and the investment process before the end of this year. We have confirmed our interest and BWCE will now have preliminary talks with Triodos with an aim to making an outline proposal to us in the coming months. We continue to regard this as an excellent investment opportunity as the Feed-In Tariffs were secured at a high level and now the project may be regarded as very low risk. We have also continued discussion with BWCE on helping with the disbursement of their Community Fund, although due to the teething problems, the first sum will probably be modest.

### **The Future**

The future of your Society looks very bright, with our set of projects providing secure income for years to come, and some interesting and profitable projects in view.

We have one main issue that we need to put before you however, and that is we are short of directors, particularly young or female or both! Under the constitution, directors have to be drawn from members and for practical reasons from local members. However, our first share offer was issued through a national platform Ethex, which resulted in not very many local members, and subsequent share offers have centred on those who subscribed to the first offer. Although we have invited members to offer to be directors, this has not been successful to date. In fact, there is a wider problem in that the work we do is not sufficiently publicised, again due to the small number on the Board and the other calls on their time. We have therefore concluded that we need to recruit more local members and hopefully directors, and this is why we have the extra Resolution on the agenda to authorise the Board to issue a limited number of ordinary £1 shares in share quantities less than the £50 minimum previously applied. Because this will dilute the voting power of other members, we felt we should put this on the agenda and seek your approval.



**Conclusion**

I would like to thank David, Chris, and Niall, my co-directors for their support and common sense through another year, to Judith for managing our accounts so well and to Melissa Hancock who has been an excellent administrator for us for the last 12 months.

Thank you!

**John Clark**  
**Secretary**  
**SSCES**