



Minutes of the Annual General Meeting of Brixton Energy Solar 1

Held at 6pm on Monday 27th June 2016 at Photofusion, 17A Electric Lane, Brixton, London SW9 8LA

Attendees

BES1 Directors

Will Anderson (WA), (*Chair*)
Agamemnon Otero (AO)
Andre Pinho (AP)
Jesse Scharf (JS)

Acting Treasurer

Brigid Clarke (BC)

Secretary

Becky Payne (BP) (*Minutes*)

BES1 Shareholders

Afsheen Rashid (AR)
Jason Neylon (JN)
Taylor Roark (TR)
Tony Emerson (TE)
Sue Bell (SB)

Guests

Luke Jones, Project Officer, Repowering

Apologies

William Walker

1. Welcome and Introductions

WA welcomed everyone to the fourth AGM of Brixton Energy Solar 1.

WA apologised for having to change the venue at the last minute which had been due to a double booking and also the problems gaining entry to the Photofusion studio which was largely due to the Market Row arcade being closed early due to a PR event.

Everyone introduced themselves.

2. Minutes of the previous BES1 AGM held on 18th May 2015

Minutes for previous AGM held on 18th May 2015 were approved by all those who had been present at that meeting.

3. Directors' Report

JS introduced the Directors' Report which had been made available to all BES1 Shareholders in advance of the meeting and explained the key points.

JS emphasised that the BES1 panels had performed in line with our expectations for the year, but that the total income for 2015 was slightly less than in 2014.

AR explained in more detail the reference to the funding secured from **Power to Change**

but that the total income for 2015 was slightly less than in 2014.

AR explained in more detail the reference to the funding secured from **Power to Change**. This was secured on the back of the success of the Brixton Energy Solar 1, Solar 2 and Solar 3 projects. The funding will enable Repowering London to set up a further 5 community-owned projects in Brixton based on our award winning model including looking at diversified technologies. This could involve a range of projects eg: street lighting, an anaerobic digestion project based around food waste from Brixton market. She asked anyone who would like to get involved in the project to email info@repowering.org.uk

BP reported that **Loughborough Farm** has just been awarded over £1.6m from the Major of London's London Regeneration Fund. Lambeth Council are providing the land at a peppercorn rent for 20 years. The project hopes to create around 1,000sqm of employment space and already has backing from a wide range of local partners. The project hopes to include a solar energy project as part of the scheme and have requested consultancy advice from Repowering. Discussions are currently taking place. Loughborough Farm is adjacent to BES2 (Style Gardens) and round the corner from the Marcus Lipton Youth Centre.

<http://www.loughboroughjunction.org/projects/loughborough-farm-a-patchwork-of-community-growing-spaces>

<http://love.lambeth.gov.uk/funding-boost-for-loughborough-farm/>

WA explained the relationship between the Brixton Energy Solar Co-operatives and Repowering and that the latter was set up to support the development of other renewable energy co-operatives based on the BES model across London. Unlike, the co-operatives which are set up and managed by volunteers, Repowering does have paid full-time staff. You can find out more from the Repowering website <http://www.repowering.org.uk/>

AO announced that Repowering, following a couple of years of discussion and negotiations, has now been formally appointed as **Lambeth Council's preferred community energy partner**. This will mean working with the Council to develop renewable energy projects across the Borough. The funds awarded by Power to Change will enable part of this and will help lever in further funding.

A copy of the Directors' Report is attached in Appendix 1.

Questions and comments:

Q. SB said she had seen that in their Borough-wide plan, Lambeth had made a commitment to creating renewable energy project so she was very pleased to hear the news of the Power to Change funding and the partnership between Repowering and Lambeth Council. She asked how local people could get involved.

A. AO confirmed that the involvement of local people is intrinsic to the Repowering Co-operative model. He confirmed that opportunities to become involved will be advertised and promoted especially around inviting young people to take up training programmes.

SB offered to help with community PR if needed. This offer was accepted and a meeting will be arranged so that SB can advise on strategy with Repowering.

Q. SB asked about progress on supplying renewable energy direct to residents.

A. WA confirmed that the some of the energy being generated was going directly to power communal lighting and one lift at Elmore House. He also referred to the fact that as explained in the 2014 Directors' Report, a survey undertaken of residents had shown that residents were interested in buying electricity direct from Brixton Energy.

AO explained that an application has been made to the M&S Energy Fund for funding to install 3 storage units. If successful, these will be trialled as part of a pilot project to be undertaken in partnership with UKPN who will supply the technology and Powervault who make the units. How this will work in practice is still under discussion, but could be exciting as any findings will provide evidence on how storage units can best be used to help with supplying residents directly with the renewable energy produced on their block roofs. It is probably likely to be tested on Style Gardens (BES2).

AR explained that currently we sell the generated energy to Good Energy. From last year

supplying residents directly with the renewable energy produced on their block roofs. It is probably likely to be tested on Style Gardens (BES2).

AP explained that currently we sell the generated energy to Good Energy. From last year, they have been operating a new service that enables commercial consumers and renewable generators to trade electricity. This makes use of software called Piclo created by Open Utility. We are currently matched with and sell our generated energy to the Eden Project. (You can read more about Piclo and the service here

<http://www.goodenergy.co.uk/press/releases/2015/03/10/good-energy-open-utility-trial-uk-s-first-online-renewable-electricity-marketplace>

Q. TE asked about reduction in service charges bills for tenants.

A. AO explained that it had proved extremely complicated to provide a reduction in service charge bills based on the renewable energy being supplied to the lift and communal lighting. Instead residents of the blocks had been given a one-off payment. He confirmed that the goal was to be able to offer people reduced bills.

Action:

SB and Repowering to arrange to meet to discuss developing a PR strategy around community involvement.

4. Financial Accounts

BC presented the accounts for BES1 for the year ending 31 December 2015 which are attached as a separate Excel document. She explained that the accounts had been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008) and that the aim of the Directors had been to apply the highest standard of good practice in compiling the accounts and to provide shareholders with as much information as possible and as clearly as possible.

She clarified the following points:

- That the financial model for BES1 was built around a very good FIT which BES1 will retain for all its 25 years
- That income is slightly down from last year, but that the level of energy generation has exceeded expectation
- We have discovered that the cost of replacing the invertors, which it is likely will prove necessary in 10 or 15 years, has come down in price which means that we can reduce the provision we had been making to pay for their replacement. This means we can start building up reserves.
- We have had some expenditure from the CEEF as there have been some activities taking place this year.
- 16% of investors have opted to waive their interest payments in favour of CEEF.
- The proposal is that of the remaining surplus 20% is put in the CEEF and 80% given to shareholders.

5. Approval of the Directors' Report and accounts for the year ending 31st December 2015

Proposed by BP and seconded by SB, the meeting approved unanimously the BES1 Accounts and the Directors' Report for the year ending 31st December 2015.

Action:

The Directors to undertake the following:

- *pay 3% interest to BES1 shareholders*
- *to pay £710.00 into CEEF*

6. Appointment of Auditors

BC explained that those present should decide whether an audit of the accounts and balance sheet of the Co-operative is required in accordance with clause 20 of the Rules. This could cost £1,500.

WA proposed that this was not necessary. This was seconded by AP. No objections were received.

Action: *It was therefore agreed that there was no need to audit the BES1 accounts*

7. Election of Directors

WA explained that every year a third of the directors have to stand down in rotation and another director is elected. As BES1 has five directors, two directors have to stand down.

AO and AP agreed to stand down.

WA explained that every year a third of the directors have to stand down in rotation and another director is elected. As BES1 has five directors, two directors have to stand down. AO and AP agreed to stand down. Nominations were invited. None were received from the floor and so it was suggested that AO and AP be asked to stand again. AO was proposed by BC and seconded by BP. AP was proposed by JN and seconded by TR. There were no objections. AO and AP were duly re-elected as a Directors of BES1.

8. CEEF proposals

The report on the CEEF included in the Annual Report was noted. The Directors said that they were continuing to explore new ideas and would welcome any suggestions for activities. It was announced that a solar panel making workshop is taking place in the Woolley House Undercroft on the 9th July.

Actions:

- *The Directors will continue to develop proposals on how the CEEF could be used.*
- *All BES1 investors are invited to become more involved, suggest activities and help implement them.*

9. Q and A

The proposal was raised that we should consider the possibility of repaying the share capital back earlier to our shareholders.

It was acknowledged that it was a potential liability to hold onto the ever increasing sum until the end of the project.

We are receiving extremely low interest rates on the money held in the bank account and there are not many better options to be found in the savings market.

The alternative was to pay people back in instalments in addition to their interest payments.

AO confirmed that following the discussion held at the last AGM, we had consulted the Co-operatives UK and had received confirmation that we can make early repayments.

The risk was we needed to ensure that we retained sufficient funds to pay on-going maintenance and inverter replacement costs. It was noted that we were already separating out the costs of these in our accounts so we should be able to do this.

TE said that he was quite content that BES1 was receiving the interest even if currently it is very little and that repaying shareholders only at the end of the project was in the original terms. He warned against making things too complex.

SB agreed and said that as an investor she wanted the money to be used for the reasons she had made the original investment.

It was agreed that we should explore this proposal as if it could be made to work, it could provide an attractive model for future energy co-operatives to use.

Actions:

- *The Directors will undertake research into the proposal to repay the share capital back earlier to our shareholders*
- *This may involve a survey of the 103 investors to find out what they think about this proposal*
- *The Directors will then use their judgement on whether or not to implement this course of action.*

10. Date of the next AGM meeting

It was agreed that the next AGM would take place in June 2017.

The meeting closed at 7pm.

BP
30th June 2016



Annual Report 2015

*"sun is shining,
the weather is sweet,
make you want to move your dancing feet"*
– Marley, B

Generating renewable energy

In 2015, the Brixton Energy Solar 1 array on Elmore House generated a total of 31,721 kWh of electricity, with 29,066 kWh exported to the grid and 2,655 kWh consumed by building for lifts and lighting.

- The total generation is equivalent to the demand to 13 of the flats in Elmore House.
- This performance was in line with our expectations for the year.
- The Brixton Energy Solar 1 renewable energy output in 2015 avoided 12 tonnes of CO₂ emissions.

Financial accounts and shareholder payments

The financial accounts which accompany this report show that:

- The co-operative received an income of £5,155 (2014: £5,278) from the electricity generated by the array from the feed-in tariff.
- In addition, deemed export income of £1,336 (2014: £1,453) was received from the sale of energy to the grid.

Including interest, the total income for the year was £6,508 slightly less than in 2014 (£6,757).

Costs have largely remained consistent with those of previous years. There is one significant change in that, as a result of a reduction in the costs of investors, and improvements in their predicted performance, we have been able to reduce this year's provision for inverter replacements by 50% from £1,000 for the year to £500. We would expect to be able to maintain this reduced level in the future.

After meeting direct operating and administrative costs, a surplus of £2,786 was generated for the year. The Directors propose that £622 of this surplus is retained as profit for the year so that the co-operative can start to build up a small cushion of reserves for the future.

It is proposed that the remaining £2,164 is split 80% to pay shareholders interest and 20% to the Community Energy Efficiency Fund (CEEF). This equates to an interest rate on share capital of 3% for the year (£1,731)

The CEEF will get a contribution of £433 from the Co-operative and a further £277 from the 16% of shareholders who have waived their interest payments in favour of CEEF. At the end of the year, including these amounts, the CEEF fund stands at £10,857.

Engaging with the local community

Alongside our sister co-operative Brixton Energy Solar 2 we co-funded a solar panel making workshop at the Marcus Lipton Youth Centre. This took place in April 2016 and was a great success with a mix of local residents and members of the

Engaging with the local community

Alongside our sister co-operative Brixton Energy Solar 2 we co-funded a solar panel making workshop at the Marcus Lipton Youth Centre. This took place in April 2016 and was a great success with a mix of local residents and members of the Loughborough City Farm attending, with people from a variety of backgrounds and age groups. In total there were 11 attendees to this event. The session was available for free to all households on the Loughborough estate and members of the Loughborough community.

The workshop lasted all day and participants soldered, glued and assembled two fully working solar powered phone chargers which they were able to take home. Over the course of the day we also had the support of Martin Abraham, who gave energy efficiency advice and supplier switching support to the participants. A second workshop has been organised on 9th July at Woolley House Undercroft from 10am to 4pm.

We are delighted to have been able to offer a place on Renewable Energy Solutions course with the European Energy Centre to Sebastien Van Parys of the Loughborough City Farm. Sebastien was recommended to us by members of the farm as a prominent member of the local community with an engineering background and a keen interest in renewables. He has already built a wind turbine and small solar panel system for the farm using his knowledge.

Following the success of the Brixton Energy Solar 1, Solar 2 and Solar 3 projects, Repowering London has secured funding from Power to Change to set up a further 5 community-owned energy projects in Brixton based on our award winning model including looking at diversified technologies. If you would like to get involved in the project please email info@repowering.org.uk

Any questions?

If you have any questions about this report and the accompanying accounts, please email info@brixtonenergy.co.uk.

Agamemnon Otero
Andre Pinho
Jesse Scharf
Will Anderson
Will Walker

Directors, Brixton Energy Solar 1