

CHAIRMAN'S REPORT 3rd JULY 2021

As you will have been well aware, we have been managing the business through unprecedented times since the last AGM almost 15 months ago. We were hoping we would be beyond the restrictions of COVID-19 and meet in person by now, but felt we could not put off the AGM any longer so here we are still on Zoom – thank you all for attending in spite of that. Here is my overview of this period.

We have managed to maintain regular **Board and Management meetings** via the internet, but Covid was also disruptive to our Community Fund, as well as to our solar farm ownership ambitions.

In view of the hardship caused to families unable to access the furlough funding from the government, and within the spirit and intent of our community fund principles, we were able to address the emergency. We prioritised allocation of funds on 2 occasions to our 5 local parish **Emergency Covid Funds**. As this was our first priority, the usual anticipated date for applications and dispensing of the Community Fund was delayed. Andrew will discuss all this in more detail in a minute, including how we wish to raise our sights and be more ambitious with some of the projects we take on, to ensure we make a long-lasting difference within our communities.

The immediate priorities for YCE are twofold. Firstly, to continue to scrutinise the many different facets of potential ownership of the two solar farms, and, secondly, to ensure that the society fully understands the balance between long-term benefits and risks. As you can imagine, our **solar farm ownership ambitions were** disrupted by Covid causing a world recession, with the consequence of electricity prices going through the floor, and gloomy predictions from the Poyry wholesale energy price index discouraging lenders. So, we were caught between CORE wanting to recover the relatively high price they paid for the solar farms at Newton Downs and Creacombe, and lenders being hesitant and conservative in what they would consider advancing. Consequently, CORE at present is pursuing a refinance of its investment in Newton Downs and other solar farms it has acquired, without the involvement of YCE, or other CBSs. YCE wants to spend less time on the issues of ownership and the timing and funding of a possible acquisition of Newton Downs by YCE

will be re-considered in due course, once CORE has received senior debt financing offers from lenders. Dominic will explain all this in more detail.

There have also been some significant **technical** issues with the Newton Downs site, with a protracted argument between CORE and the original contractors as to how it should be rectified and who should pay for the structural and electrical defects. The storm damage to the frames was mentioned at the last AGM. Ray will explain how these faults have been dealt with, and the likely outcome of the dispute as to who pays the bill. Taking this into account, performance of the functioning panels has been good, as it has at the Creacombe/Marland site. The latter site has had delayed Accreditation for the FiT by WPD due to regulatory and administrative issues at their end, but has been producing electricity since last December.

Ecologically the work has progressed well, if somewhat delayed, at the Creacombe/Marland site. The new hedge bank was completed and planted up despite the spring drought, and was saved in the nick of time by the torrential rains which followed. Diverse flowering plants and grasses have been sown, trees planted around the periphery of the site, and in spite of the difficult weather conditions growth is taking place. We received quite a bit of favourable publicity when we introduced four colonies of bees, 2 standard hives, and 2 solar hives, the latter courtesy of the Nature Save Trust. These are heated by their integral solar panels to a temperature that should kill the deadly Varroa Mite but leave the bees unharmed. Meticulous records are being kept of the outcome. As you can imagine, this is a delicate balance to get right. Due to heavy plant having been on site at Newton Downs, we have been unable to progress improvement of the habitat there, though the grasses have grown well this year due to the enforced lack of grazing.

We have 2 retirements from the board this year, Alistair Macpherson early in the year and Andrew Moore at the end of it. I am honoured and proud to have been able to serve with such a remarkably strong board, containing high level skills in business, finance, renewable energy technology and law. Alistair brought to the board his experience leading Plymouth Energy Community, formed 2 years prior to YCE with strong support from Plymouth City Council. He promoted to opportunity of YCE working joint ventures with PEC, and we are maintaining a strong link with them through Tracy, who is on their board.

I don't know where to begin with Andrew! He brought business acumen and an amazing analytical number-crunching ability. He set up the process for the

structure and function of the Community Fund, and uniquely managed to extract data to reveal the social benefit outcomes of the projects we funded. This has been taken as an example of good practice by such organisations as Power to Change.

Chairman YCE

3.7.21