

**Annual General Meeting
of Yealm Community Energy Limited (YCE)
held 3 July 2021 10:00 a.m.
online via Zoom**

Directors Present:**Peter Brown (Chairman)****Dominic Crawley****Andrew Moore****Stephen Brown****Ray Holland (Co.Sec.)****Paul Darlow****Tony Roper****Also in attendance : Tracy Ebbrell, Operations Manager****Members Present: 26****1. Welcome**

Dominic welcomed all participants and explained the etiquette for the Zoom meeting.

2. Apologies: Liz Hitchins, Duncan Macpherson, David Thrush, Colin and Rosemary Smith.

3. Minutes of the last AGM

The Minutes of the last AGM held on 20th February 2020, which had been circulated to members were approved by a show of hands.

4. Chairman's Report of the Year's Activities (See full chairman's report and presentation slides attached)

Peter Brown explained how the COVID-19 restrictions had affected YCE's operations, specifically in delaying the decision point for taking ownership of the solar farms, though the board had continued to meet regularly online. Some grants had been made to all 5 parishes on two occasions for COVID relief. The annual allocations of the Community Fund had been delayed (see report under Item 5).

Wholesale electricity prices had fallen sharply at the early stages of the COVID emergency and though they had recently recovered the long-term forecasts of prices were very uncertain. As a consequence the values of the solar farms have certainly declined since they were acquired by CORE. CORE is currently seeking to re-finance all, or a substantial proportion of their invested cost, without the involvement of the community benefit societies within the CORE consortium. We await to hear how these refinance plans have progressed and to see whether proposals for transferring ownership re-emerge in the coming few months. See Item 11 below.

Although the generation performance of the solar farms has been good there have been some intractable technical issues with the Newton Downs solar farm which means that the

site has still not had final acceptance from the constructors (Solar Century) see Item 6 below.

The Ecological work at the Creacombe/Marlands site had progressed well and some solar beehives had been installed there (solar heating to prevent varoah mite infection). Further grass and wild flower sowing is due at Newton Downs but has been delayed by groundwork that is due to take place for cable re-laying and repair of heavy machinery ruts.

We have sadly had two retirements from the board this year. Alistair Macpherson, who has increased responsibilities as CEO of Plymouth Energy Community, and Andrew Moore who 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. See full acknowledgements in the Chairman's report, attached.

5. Review of Community Fund Grants 2020 (see presentation slides attached)

Andrew Moore reported on the grant receipts into the fund and the grant allocations that the fund has been able to achieve, and on the impact of a selection of the community projects funded in 2019 and 2020. He explained that due to the slump in wholesale electricity prices caused by the COVID crisis the recent grant payment from CORE received by the fund had reduced to just £10,000 for 2021. In response to a question Andrew indicated that there was no guarantee of any higher income to the fund if YCE does not purchase the solar farms, though there was also some £11,500 going to three parish councils from the Creacombe site because of an S106 undertaking.

6. Technical Introduction (see presentation slides attached)

Ray Holland explained how the Final Acceptance for Newton Downs had still not been completed. It took until December 2020 to complete repairs to the wind damage to a small area of the panel framework from the storm in October 2019. This had been due to the protracted process of allocating responsibility between the designer, manufacturer and installer companies.

Ongoing electrical issues have still not been resolved. It has taken a complex diagnosis to identify the main problem as being under-specification of the two transformers, whose terminals are over-heating. This should be resolved in the coming months through a legal dispute resolution. The asset manager, Bright Renewables together with CORE have been diligent in ensuring that a solution can be found to ensure the electrical reliance of the system.

7. Operations Manager report

Tracy Ebbrell gave a short presentation and reflected on her 16 months involvement with the project as Operations Manager. It certainly had been a roller coaster of a start, with no one predicting within three weeks of starting the role that there would be a global pandemic, economic crash and plunging electricity prices.

Tracy gave a flavour of all the areas of the project she had been involved with and how she had supported the directors in many areas including, governance, risk, asset management, operations, CORE re-finance forecasting, biodiversity, PR, marketing and had managed the grant programme via PtC and Next Generation. The grant is currently being re-written to reflect an extension for a further twelve months and broadening the projects that YCE are involved with.

8. Financial Report 2020

Dominic Crawley reported on the financial performance for 2020. He explained that YCE remains a simple operation from a financial perspective. We receive community fund and operational grant receipts, and pay out community fund awards and cover running costs and expenses. Dominic advised the members that the 2020 annual accounts had been approved by the directors and signed by Peter Brown and Dominic Crawley. The annual accounts have also been signed off by the auditors and signed copies will be placed on the YCE web site, once received back from the auditors.

The Accounts were approved by a show of hands, with no objections or abstentions. See presentation slides attached.

9. Re-appointment of auditors

The proposal to re-appoint the auditors of the 2019 and 2020 accounts, Andorran Limited for 2021 accounts was approved by a show of hands.

10. Proposed Society Rules changes

Paul Darlow explained that in addition to those changes spoken about at the last AGM in 2.20 Increase in borrowing powers (new rule 6) and in number of directors (new rule 62)) it was proposed to make, and the membership were asked to vote on, 3 further significant changes as a result of correspondence with the FCA (2x changes) and PtC(1x change) as follows:

- Removal of the provision for a separate Community Support Organisation ((from new Rules 3 and 104). The reasons were explained, and the make-up of the preferred in-house sub-group were outlined. The membership were encouraged to put forward anyone who might be interested in participating in the selection process of projects to be supported.
- The substitution of a single class of withdrawable and transferable Share as opposed to the present 2-tier class A and B @ new Rules 21-30. The reasons were explained.
- The addition at new Rule 87 to allow Directors to claim for time spent on YCE business subject to the conditions set out therein in addition to expenses. This type of claim was sanctioned by PtC. It was explained by both PD and DC that sums so claimed remained with YCE, not paid to the directors concerned, and were an important contribution to funds.

The Proposed changes to the Rules were approved by a unanimous show of hands.

11. Prospects for Investment in the Solar Farms

Dominic Crawley provided a summary of the prospects, based on: (a) a recap of the history of when YCE and CORE first became involved; (b) a description of the difficult external market conditions experienced since the beginning of 2020, and (c) an assessment of the current status. In summary, with the medium/long-term outlook for energy prices extremely uncertain, the implied value of the solar farms in the CORE portfolio has fallen significantly, including both Newton Downs and Creacombe. Consequently, any potential acquisition of the solar farms by YCE at the present time is unlikely. CORE is now involved in seeking a refinance of its investments in the solar farms, via a debt facility. At the present time, it is not know how much of its costs it will manage to recover. Once the refinance process has been concluded, we expect to have further dialogue with CORE to understand what its intentions are. For example, will it be prepared to hold the farms in its portfolio in the expectation/hope that market conditions recover and make community ownership possible, or not.

12. Board Resignations and update on advisers

Ray Holland explained that as approved at the last AGM the following had joined the YCE board: Tony Roper, Paul Darlow, Stephen Brown and Dominic Crawley (who had been co-opted in 2019).

As two board members had resigned this last year (Alistair Macpherson and Andrew Moore), there was no requirement for other board members to step down.

The following advisers had provided valuable support to the board over the last year:

Mark Turner Peter Hinchliffe, Peggy Robinson, George Middlemiss, Michael Depledge, Judith Clark, Joshua Dunn, Alistair Macpherson, Chris Flower, Richard Holman, Peter Hall.

13. Any Other Business.

There was none

14. The meeting closed at 11.45