

PEC Renewables Members Technical & Financial Summary 2021



Rooftop solar

Between October 2020 and September 2021, our rooftop arrays have generated 1,591 MWh of clean energy, saving 337 tonnes of carbon emissions. £93,510 has been saved from the energy bills of local schools and community organisations.

The graph below demonstrates how our roof top installations are performing against the expectations. The graph shows total cumulative generation since installation in units of energy (kWh) against predicted generation, with predicted generation being based on lifetime average figures.

Total generation figures are lower than last year, due in most part to the exceptional levels of sunshine during summer 2020 and factoring in panel degradation. Other months were largely in line with last year's performance.

We have significantly changed our operations and maintenance (O&M) approach having signed a new contract with our O&M provider SunGift Solar. We have also partnered with Argand Solutions to develop new remote monitoring software which provides better performance data and reporting.

Covid-19 restrictions have had some impact over the past year. The strictest restrictions in place over the winter led to lower onsite consumption. Restrictions did cause some difficulties in gaining access to sites to undertake maintenance work.

Dunstone Primary School was closed at the end of August 2021 as the school is being moved to a new site at Saltram Meadow. Therefore the lease has been terminated and the solar site decommissioned.

Actual versus Forecast generation



Ernesettle solar array



Our ground-mounted array at Ernesettle has had another successful year of operation and we are thankful for the excellent support we have had from Pfalz Solar. The array generated 4,272 MWh of renewable energy this year, which is enough to power 1,220 homes and saved 907 tonnes of carbon .

There have been very few technical and operational issues linked to operating the array and it is considered to be performing very well and the site is well maintained.

Forecast generation

The graph below shows the slightly above forecast generation during the 2021 operational year to date.

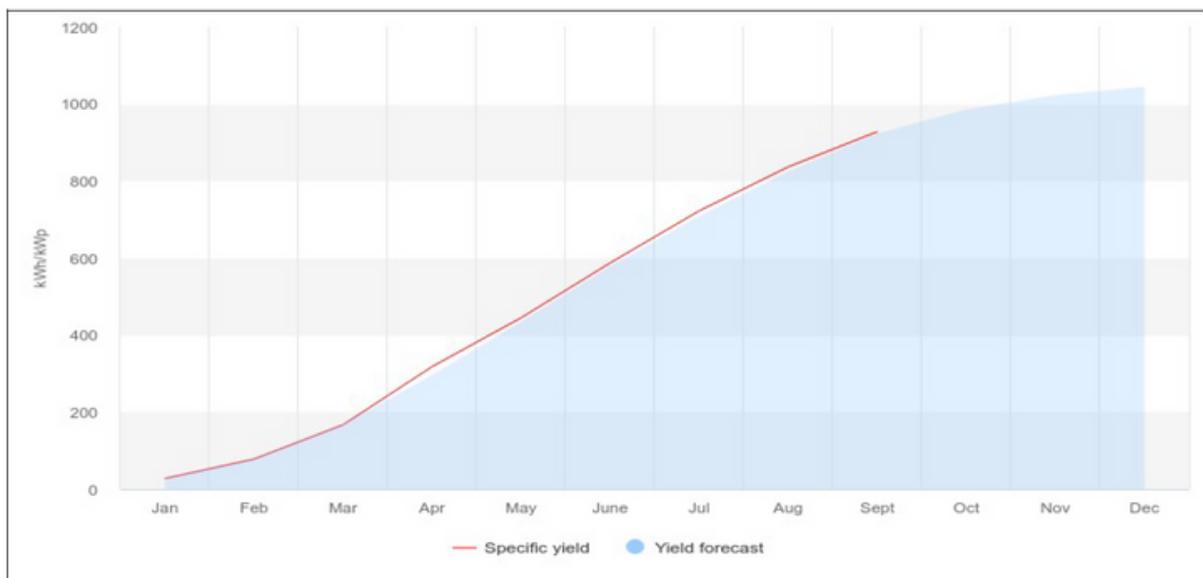


Fig. 4: Energy yield prediction – Cumulative data of current operational year

PEC Renewables Financial Position

Linked to this report ([click here](#)) are the PEC Renewables Annual Accounts and report from our Independent Auditors. These show we have fixed assets with a value of £1,449,916 and turnover of £364,871. Overall, we are reporting a profit of £36,902, compared to a profit of £37,557 in 2020.

Profit and loss statement

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
TURNOVER	£284,621	£303,864	£265,409	£276,254	£295,627	£364,871
OPERATING PROFIT/ DEFICIT	(£33,208)	(£4,079)	(£66,856)	(£34,563)	(£18,953)	(£5365)
PROFIT/DEFICIT BEFORE TAXATION	(£35,305)	(£6,598)	(£25,138)	£12,073	£37,557	£36,902
NET PROFIT/ DEFICIT	(£28,158)	(£2,498)	(£21,654)	£9,270	£31,272	£30,332

There was an overall increase in turnover of £69,244 on last year. The operating profit shows a deficit because this takes account of the interest payment to Share Offer 3 (2016/2017) investors, before the interest from the shareholder loan to Ernesettle Community Solar is included.

Share capital has reduced this year as capital repayments have been made to members of £134,865 from Share Offers 1 (2014), 2 (2015) and 3 (2016/2017).

Ernesettle Community Solar Financial Position

Ernesettle Community Solar is a wholly owned subsidiary of PEC Renewables. The Annual Accounts are linked to this report ([click here](#)). These show we have fixed assets with a value of £3,022,818 and annual turnover of £505,064. The accounts show an overall net surplus of £19,398, against a surplus of £13,904 in the previous year.

Profit and loss statement

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
TURNOVER	£210,940	£435,732	£482,303	£502,710	£539,846	£505,064
OPERATING PROFIT/ DEFICIT	£108,352	£105,448	£147,800	£170,033	£225,690	£194,968
PROFIT/ DEFICIT BEFORE TAXATION	£44,829	(£89,452)	(£62,187)	(£39,957)	£15,703	£25,496
NET PROFIT/ DEFICIT	£36,418	(£77,071)	(£50,349)	(£34,286)	£13,904	£19,398

Member interest repayments

Whilst the performance of both PEC Renewables and Ernesettle Community Solar portfolios can be regarded as currently satisfactory, the Board of Directors must consider member interest payments in the light of the organisation's community benefit objectives.

Last year members voted to in favour of interest payments of 4% for Share offers 1 (2014) and 2 (2015) and 5% for share offer 3 (2016/2017).

The Directors have considered the following factors in coming to this year's recommendation to members;

- Interest rates in the wider marketplace remain low. Recent community share raises for solar projects are offering in the region of 4%.
- There is ongoing global power price volatility. Whilst prices are currently high, medium to long-term forecasts are very variable and the long term trajectory is not clear.
- Member voting demonstrated significant support for last year's interest rate reductions and for the reasons given.
- Rising fuel poverty and the climate emergency. Tackling these issues are central to PEC Renewables community purpose. The urgency for action is clear and Plymouth Energy Community needs to have the capacity to scale up local action. Plymouth needs more zero-carbon housing projects, more solar farms and rooftops and more retrofit projects. Reducing interest payments to members in favour of having more funds for community benefit projects can help build this capacity.

As a result, this year the Board are recommending that the 2020/2021 interest payments, remain at 4% for shareholdings in the 2014 and 2015 share offers, and 5% for share holdings in the 2016/2017 (Ernesettle) share offer. It is the Board's current intention to apply these same rates to shareholdings in the upcoming years.

The Directors remain hopeful that members will accept and understand the rationale for these interest rate changes relative to original proposal and again vote in favour.

To ensure the widest spectrum of members have an opportunity to on this resolution the ballot will be run online. There will be no voting at the AGM and so members receiving this Annual Report and Formal Notice of AGM are encouraged to come forward to ask any questions or express any concerns in advance of the voting deadline by emailing support@plymouthenergycommunity.com or calling 01752 477117.

Subject to interest payment resolutions being approved at the AGM, Members interest payments (and where appropriate capital repayments) will be processed during December.

If you would like to donate your Member interest payment to support Plymouth Energy Community's work on fuel poverty and the climate emergency then please email support@plymouthenergycommunity.com or call 01752 477117.

Please ensure your bank details are current via your online investor portal found on www.ethex.org.uk/.

Share withdrawal

This year, investors with shares in the 1st (2014), 2nd (2015) and 3rd (2016/2017) share offers were invited to apply for full or partial withdrawal.

A total of £21,750 was requested across nine investors from the 2014 share offer, £56,950 across 19 investors from 2015 and £56,165 across 21 investors from 2016/2017. The total request of £134,865 is close enough to the forecasted repayments of 1/15th of the capital each year, therefore, all requests have been accepted. Members are reminded that the model is based upon repayment of 1/15th per year to ensure maximum community benefit. All payments will be made after the AGM at the same time as interest repayments.