

NADDER COMMUNITY ENERGY
ANNUAL GENERAL MEETING 2022

CHAIR'S REPORT

Fortunately, the past year has seen a re-grouping after Covid, as we all get back to something like normality. Things aren't the same of course. The NHS is reeling. The economy is creaking. Inflation is roaring. And the cost of living is a real strain for many households.

Triggering much of this pain is the fact that the energy market is in turmoil and prices are sky-high. The way the market currently works is that the unit cost of electricity is geared to the price energy providers and generators pay for wholesale gas on the international market. As we all know, this has been hugely increased by the war in Ukraine. The government has said it intends to de-couple our dependence on the international market and tie in prices to UK production – North Sea gas, on-shore fracking and (hurrah!) renewables. But all this will take years, whilst the crisis is right now.

At the time writing, the government's emergency package of support for struggling households and businesses is still being worked through, and, whilst we know some of the details in terms of caps, grants and tax breaks in the short term, we don't yet know how it will affect future electricity prices for consumers and export prices for generators like Nadder Community Energy.

Encouragingly for us, we do know there's been an upsurge of interest among local property owners wanting to explore the possibility of participating in a further tranche of large-scale solar installations with NCE. The roof owners would pay less for electricity. NCE would derive an income from selling the power to them and exporting to the Grid. Our shareholders would receive an attractive rate of return on their investment. And it would all help towards Zero Carbon.

The directors are currently putting together a project portfolio for what would be our third share offer (SO3). A business model is being developed with our advisers and, whilst not having the copper-bottomed guarantee that came with the 20-year Feed-in Tariff (of blessed memory), it's intended to give a good, low-risk rate of return. However, it all depends on the electricity market settling down to something reasonably predictable, and hopefully we'll be in a position to launch the share offer early next year.

Meanwhile we've had a good summer with plenty of sunshine and our installations have performed rather better than last year. As ever, we are grateful to Richard Ecclestone, our site manager, for keeping everything in good order. Interestingly, the crazy-hot July was actually counterproductive – solar panels thrive on light but not heat which reduces their efficiency. Nevertheless, over all, our energy business income is looking promising and should be reflected in next year's accounts.

As you'll see, the 2022 accounts show only a modest increase in income compared to the previous year, and slightly higher outgoings, including (we're delighted to say) a one-off community benefit payment for solar panels for Tisbury Swimming Pool (hooray!). Even so, our net trading profit for the year was about level with 2021 at circa £15k which allows us to build up our contingency fund, spend some money on project development and put aside up to £8000 into our Community Benefit

Fund. Meanwhile, all our shareholders received their 5% annual interest plus part repayment of their capital investment back in May.

One consequence of the hike in road fuel prices has been a spike of interest in joining the Tisbury Electric Car Club (TECC – a sub-project of NCE), and making more use of our two secondhand Renault Zoes. At the last count we had 72 members (target 60) many of whom are enjoying really cheap and convenient travel whilst cutting down on fossil fuels and helping to save the planet. TECC relies on a small group of volunteers led by Gustavo Montes de Oca to induct new members, coordinate the bookings and provide advice and help to users. It's thanks to them that we're able to keep costs down to a minimum and just about able to keep the club going. Even so, we do continue to need donations and sponsorship, so any amount you can spare would be most welcome – as indeed would any time you can spare in joining the TECC volunteer team. Please contact community@nadderce.org.uk.

Last year we reported that one of the six schools in our Renewable Heating for Schools feasibility study, funded by the Renewable Community Energy Fund, would be going ahead with conversion to a much more planet-friendly heating system. This year I'm delighted to be able to report that St Gregory's primary in Marnhull, Dorset, with support of Dorset Council, completed the works back in the spring under the guidance of our project manager, Emma Worth, and this winter will enjoy a 12-bore ground-source heat pump to supplement its current mains gas boiler – a great improvement. The other five schools in the initial study are all in Wiltshire and we are hopeful that Wiltshire Council will find a way to support them in making similarly low-carbon changes to their heating systems.

Our monthly Green Drinks meetings at The Boot Inn, Tisbury, open to all with an interest in sustainability issues, have continued throughout the year, coordinated by Maggie Paul and Sue Reed, covering a range of sustainability topics, including insulation, heat-pumps, recycling and much else besides. NCE directors are also well linked in with like-minded networks – we are regular contributors to the Wiltshire Climate Alliance, the Wessex Community Energy Network, Community Energy England and a number of others, as well as attending Wiltshire Council's South West Area Board and, on occasions, local parish councils.

We've had some changes to our Board of Directors. Two long-standing directors, Kate Clark and Jamie Meldau, stepped down last autumn after years of service. Huge thanks and good wishes to them both. And in turn we're very pleased to welcome Rosie Buck and Mike Simpkins, each bringing a new set of skills and experience. You can read their brief biographies on our website (www.nadderce.org.uk).

Finally, I'd like to say a big thankyou to all our members, supporters, donors and sponsors for being such an enthusiastic and dedicated community of people who want to see Nadder Community Energy leading the charge towards a cleaner, greener, more sustainable world.

Alan Maryon-Davis

Chair, NCE Board of Directors

September 2021