GLOUCESTERSHIRE COMMUNITY ENERGY CO-OP

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How does an Energy Co-op work?

- IPS for Benefit of the Community
- Renewable technologies owned by the community through purchase of shares by local individuals or organisations
- Technologies located locally, often (though not necessarily) on community building or land.
- FiT provides income to repay investors with interest & for further community benefit.
- Tried & tested model for renewable energy generation

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Distribution of Income

Income from FiTs used:

- to pay interest to members
- to accumulate a fund for future repayment of members' outstanding money in full
- cost of administering the project
- to provide additional community benefits
- further energy saving and generating measures.

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Gloucester Resource Centre

- Total system 44.46 kWp
- Yearly generation 38,600 kWh
- Cost of system £85,890
- Management costs 15% £12,880
- VAT @ 5% £4,295
- Interest for shareholders 5.0% currently
- Inverter Replacement £8,000 after 10 years
- Annual Insurance £420

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Gloucester Resource Centre

Community Shares:

- Aimed to raise £105,000 in 5 weeks
- Individual investment £240 to a maximum of £20,000
- Average investment £2,100 - Range £240 - £10,000
- Option of 12 monthly payments of £20
- The maximum investment for commercial organisations is also £20,000 but no limit for other co-operatives.
- 49 investors
- Almost all from Gloucestershire

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Resource Centre first year performance

- 37,474 kwh electricity generated (just under prediction)
- £12,800 in FiTs
- 23 tonnes carbon saved

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Sharing the value

- Co-operative model
- Building/land owner could get subsidised electricity/heat
- Investors become members of Co-op
  - Own the Assets
  - Make the decisions
  - Receive interest on investment
- Community benefit
  - Reduced energy costs
  - Energy generated locally
  - Potential for additional community energy saving projects
  - Social as well as financial and environmental benefits

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Shared Aims - GCC & GCEC

- Encouraging energy saving
- Installation of Energy efficient measures
- Installation of renewable technologies
- Reducing fuel poverty
- Reducing carbon emissions

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This would help GCC:

- Meet the objectives of the Climate Change strategy by reducing carbon emissions
- Meet the targets of the Affordable Warmth Action Plan especially Aim 4 "identify and help people at risk of fuel poverty"
- Contribute to national targets

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This would help GCEC:

- Identify suitable projects
- Identify key players in those projects
- Have council endorsement/commitment
- Help to identify funding
- Help to identify new investors

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Case Study –Barton & Tredworth

- Proximity to Resource Centre
- Lower Super Output Area – multiple deprivation
- High incidence of fuel poverty
- Older solid wall properties – hard to treat
- Active & Identifiable Community Groups
- Owner occupiers & private landlords
- ECO Funding available – Energy Companies Obligation

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GCEC Suggested Model

- Identify local community groups and activists
- Engage organisations working in the area – e.g. FairShares
- Identify pilot household/property
- Energy companies cold calling has had the negative effect of disengagement
- We plan to engage with locals to overcome language and cultural barriers - TRUST
- Pay a referral fee
- Partnering with Energy Saving Co-op
- Possibility of solar pv on suitable roofs

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What is now needed to move the project forward...

- Engage with interested parties - networking
- Explain the Project and Community benefits
- Engagement, assistance and endorsement of the Council
- Engagement, assistance and endorsement of the Community
- Ensure a fit with Council strategies

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