

Westmill Wind Farm Co-operative Ltd.

Minutes of Board Meeting at Low Carbon Hub, Oxford

Thursday 7 December 2017 at 1900 hrs

Present:

Directors: Eoin Lees (Chair), Crispin Matson, Mark Luntley, Martin Crane, Mike Pickering, Ruth Conchie (by phone)

Advisor: Mike Blanch

Apologies : Annette Heslop (Company Secretary), Stephen Andrews (advisor), Richard Lord.

Observer: Sarah Heath

<p>1. Minutes and declarations of interest</p>	<p>Apologies noted from Annette, Stephen and Richard. Welcomed Sarah Heath as observer – and future director. Mark reminded the board of his role with E4All and Westmill Solar; he was congratulated on being elected as a board member of REScoop EU. Agreed the notes of the minutes of the previous as an accurate record.</p>	
<p>2. Matters arising not on the agenda</p>	<p>Noted that cooperative bank loan was being steadily repaid and as it enters last years of the fixed loan term, is now mostly capital being repaid. This means a reducing (beneficial for WWF) effect on P&L. Coop Bank refused our offer to pay off the outstanding loan with reduced penalties. We will continue on existing loan schedule. Noted that Cooperative bank position appears to have stabilised. E4All would keep a watching brief on this area.</p>	<p>E4All</p>
<p>3.1 Operational information</p>	<p>Noted that no H&S events in last period. However:</p> <ul style="list-style-type: none"> • Paths across the site are deteriorating, and will need repairs (item 4) • Rabbit ingress in the solar park remains an ongoing issue. 	
<p>3.2 Production</p>	<p>Noted variable output, with November output particularly disappointing. Noted significant wind from north west (as opposed to expected prevailing south west) which affects output performance as well. Turbine reliability issues are getting more important as equipment ages and since June 2017 is now an increasing issue. In our FY ending October 2017, we lost 12% of our electricity production and in November 2017, 18%. Our approach to date has been to increase the annual budget, to have a financial reserve and to stock spares of key equipment, but we need to consider if we should be doing more. Faults appear to be random. Martin reported that he had met Jacobs earlier that week, and they were aware of the issues. He believed they were working hard to address problems as they arose and that they had good knowledge of the turbines. Jacobs have been working through a sequence of faults addressing one problem after another. We noted Richard's written report on the issue. Noted that contract for operational maintenance is coming up for renewal in March 2018 and that best practice is to retender. We noted the advice that Jacobs have been doing a good job, in spite of problems. On balance</p>	

	<p>the Board, felt the contract should be retendered.</p> <p>We felt it would be helpful to find out about whether similar experiences had occurred at other sites using our turbines. E4Alland REScoop might provide names and experiences for Martin and Richard to consider with Jacobs. Mike B would try to find out who are the main companies that service the many Bonus wind turbines like ours in GB.</p> <p>Noted the potential to claim for some of the lost production from turbine 4 [N.B. not turbine 2 as written in Annette’s report]. If successful this might recoup £35,852, but still not near actual losses to us. Annette to review if the claim should go wider than this and advise EL accordingly.</p>	<p>ML</p> <p>MB</p> <p>AH</p>
4. Financial information	<p>Noted results and balance sheet, noted that timing of insurance claim and any payments under this policy will need to be reviewed and agreed with auditors.</p> <p>Considered budget for 2017-8. Noted that</p> <ul style="list-style-type: none"> • Paths need more funds, and that we should be approaching Adam as landowner and Westmill Solar (Mark noted his conflict) to agree on what is needed and how any bill should be divided; historically the 3 parties had shared the costs and this would be our preferred approach. • Turbine maintenance costs are likely going to have to increase and that £30k should be added to the draft budget. • We should allocate a budget for upgrading communications – amount to be decided in discussion between EL, SH and AH. <p>EL highlighted the work E4All had done to review and reduce costs, with contract inflation indices reset, business rates renegotiated, metering costs and turbine insurance reduced. Board thanked EL, AH and E4All for their work.</p> <p>Noted E4All contract was also coming up to its end. Agreed Directors would discuss outside meeting given Mark’s material conflict of interest.</p>	<p>AH</p> <p>AH</p> <p>AH</p> <p>EL</p>
4.2 longer-term plans to raise income	<p>Mike B updated the board on the work on potential blade extensions. Jacobs are somewhat more positive in their assessment of the technology. However it would be a significant undertaking (with substantial financial, planning, engineering issues). We were watching to see how others (SSE, Innogy, EON) were taking this forward, and in any case we don’t have the funds to do this in the immediate future.</p> <p>Martin updated the board on the idea of a private wire to supply nearby businesses – including potentially the nearby defence academy. Again this is a complex undertaking affecting our PPA, and again with substantial planning, financial and procurement issues. Again there are not funds to do this immediately.</p> <p>Mark updated the board on the ideas in E4All of linking members more closely with their electricity purchases – via Coop Energy. A pilot is being</p>	

	<p>developed in West Solent and we could see how this progresses later this year. It could also address some of the FCA reservations about cooperatives.</p> <p>Eoin drew the discussion together. There are a series of options we could consider. We need more information on each of them, and to understand what Adam's plans are in terms of energy storage. These are good ideas – but we should take a longer session to consider them, not least as some are mutually exclusive and several have significant budget implications.</p>	EL
5. Cooperative principles	<p>The board considered the report from E4All which summarised the results of a survey of WWF members. An impressive 521 responses. 57% currently sourcing their electricity from renewable energy suppliers promoting renewables; 47% interested in having electricity sourced from us with 78% wanting to find out more about receiving their household electricity from us in some form.</p> <p>Coop Energy offer an affinity scheme – which <i>might</i> be developed into a loyalty scheme.</p> <p>Concluded there was potential to take this forward – but noted earlier discussion (that needs to be considered with other options). Mark and Mike P to talk further.</p> <p>Board pleased to see that the photograph of the WWF launch in 2008 had won the CEE Community Energy Award for 2017.</p>	ML & MP
6. Innovate project	<p>Would want to support this project to improve performance from wind turbines and fault prediction if we can. Board felt the people involved may not have sufficient renewables experience. Agreed to support project by providing WWF historical SCADA data at no cost to ourselves.</p>	EL & RL
7. AGM	<p>Agreed 19th May in Swindon for joint AGM with Westmill Solar. Draft agenda looks sensible. Agreed idea of two boards meeting day before and an evening meal. Tammy, Eoin and Sarah to work together with team from Westmill Solar.</p>	EL/SH
8. Dates of future meetings	<p>No changes in 2018 planned dates. Next is Thursday 15th March 2018.</p>	
9. AOB	<ul style="list-style-type: none"> • Coop Energy will fund new sign at site entrance – thanks to Midcounties Coop for covering the costs • WeSET open day 16 June 2018 • Noted and welcomed state of the sector report by CEE. • Low Carbon Hub funding opportunities – deadline for application to hub is 15th January. New election for community director. • We will be 10 years old in spring 2018 – Sarah noted this is a good hook on which to hang a relaunch of communications. • The Board agreed to co-opt Sarah Heath as a director of WWF and she agreed. 	MB SH