



WORKING TOGETHER TO
MAKE A MASSIVE CHANGE
IN THE ENERGY SYSTEM

LET'S CREATE ENERGY WE
CAN FEEL GOOD ABOUT FOR
OXFORDSHIRE AND THE UK

@lowcarbonhub

Agenda



	Wednesday 4 October, 5.30pm, Andrew Wiles Building, Oxford University
6pm	Welcome and Introductions – Sam Clarke, Chair
6.10pm	Building our Renewables Portfolio – Adriano Figueiredo, Operations Director
6.20pm	Finance Reports for The Low Carbon Hub IPS Limited and The Low Carbon Hub CIC – Luke Marion, Treasurer
6.30pm	Delivering Community Benefit – Liz Reason, Communities Director
6.35pm	Future Plans – Barbara Hammond, CEO
6.45pm	Questions for the Directors
7.00pm	Annual General Meeting of The Low Carbon Hub IPS Limited
7.20pm	Annual General Meeting for Low Carbon Hub CIC Limited
7.40pm	Drinks

How is the Low Carbon Hub structured?



Our mission

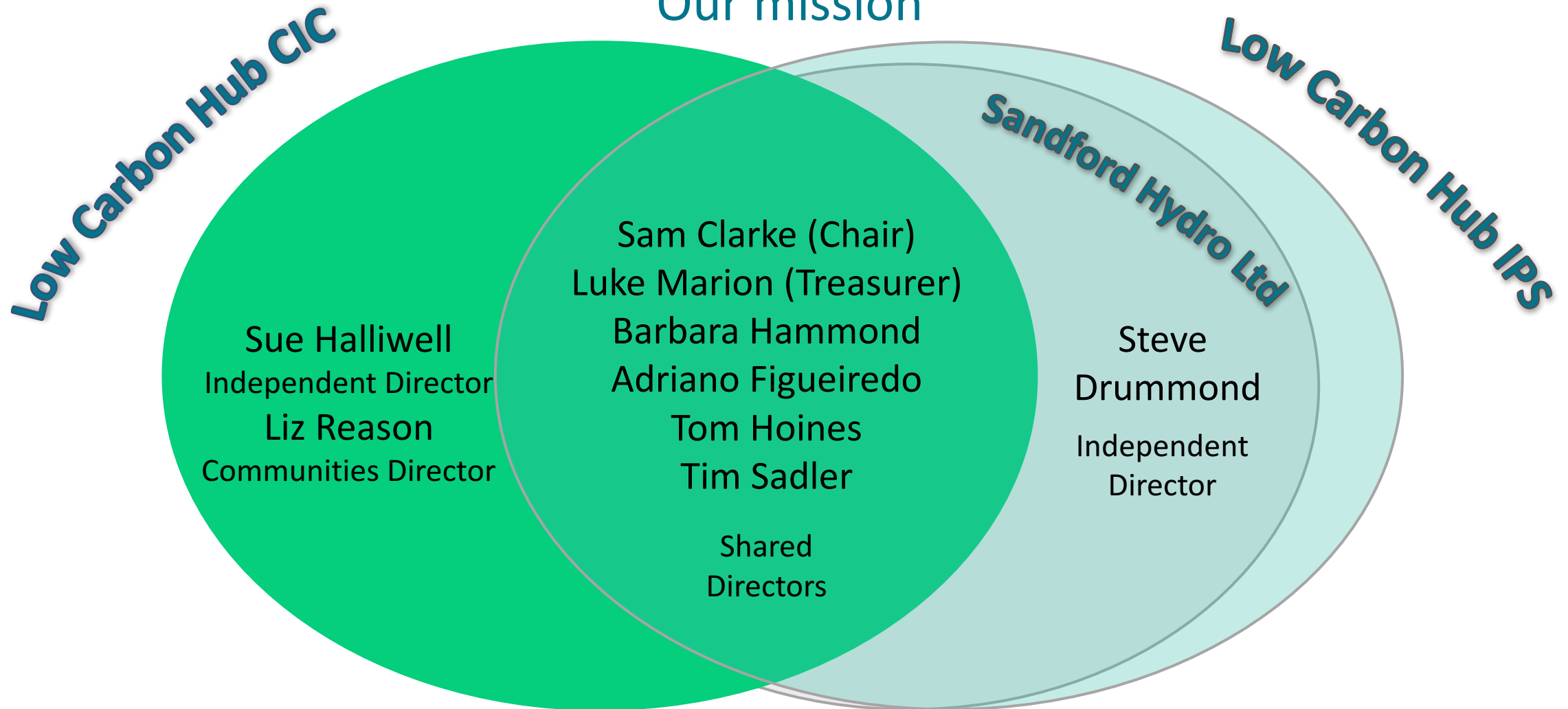


We develop community-owned renewable energy in Oxfordshire and re-invest 100% of our own surplus in our mission to create an energy system we can all feel good about.

Our structure



Our mission



IPS Investors by Share Class:

- Solar PV 2013 – 10
- Solar PV 2014 – 347
- Solar PV 2016 – 242
- Hydro 2016 – 252

- CIC Shareholders – 27



647 INVESTOR MEMBERS

Who help finance the upfront costs of our projects and whose investments bring energy into community ownership.

...of which 190 have multiple shareholdings



27 COMMUNITY SHAREHOLDERS

Low carbon community groups who share our aims and have a stake in us.

Member interest payments



Financial Year	Solar 2014	Solar 2016	Sandford Hydro
2014-15	No payment – year 0		
2015-16	Grace year – year 1		
2016-17	1 st interest calculated on the outturn of year 2	No payment – year 0	No payment – year 0
2017-18	2 nd interest calculated on the outturn of year 3	Grace year – year 1	Grace year – year 1
2018-19	3 rd interest and first capital repayment calculated on the outturn of year 4	1 st interest calculated on the outturn of year 2	1 st interest calculated on the outturn of year 2
Final year	Financial year 2034–2035	Financial year 2036–2037	Financial year 2037–2038

Staff team



Barbara
Hammond
CEO



Adriano Figueiredo
Operations Director



Saskya Huggins



Rachel Boyes-
Watson



Kurt Walker



James
Ochiltree



Fernando Toniolo



Alison Grunewald



Kat Luddecke



Beth McAllister

Building our Renewables Portfolio

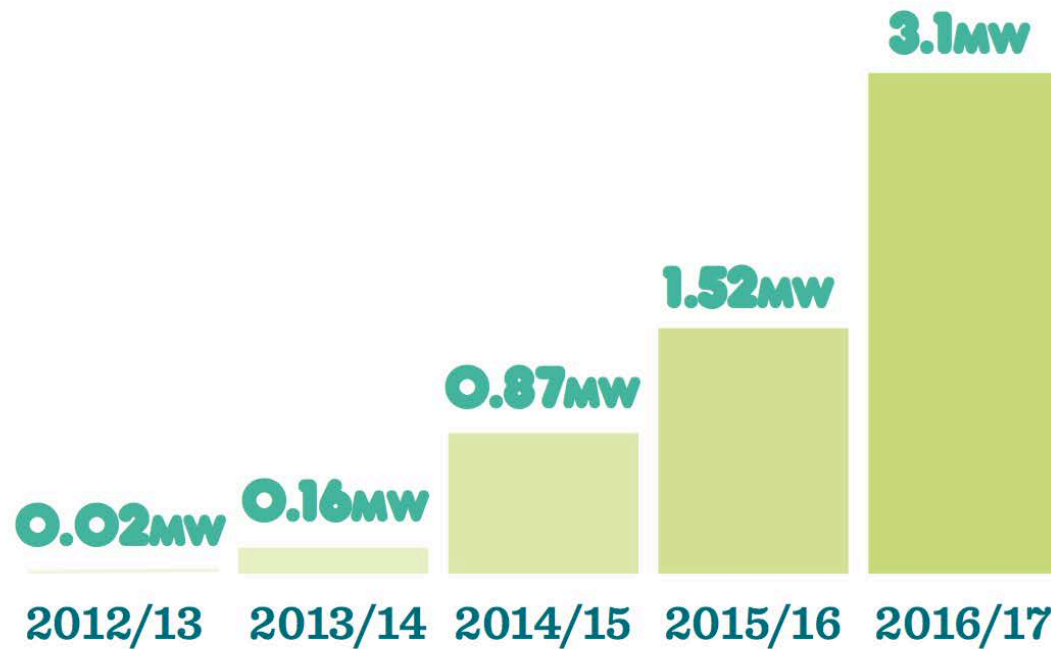
Adriano Figueiredo,
Operations Director



Building our renewables portfolio



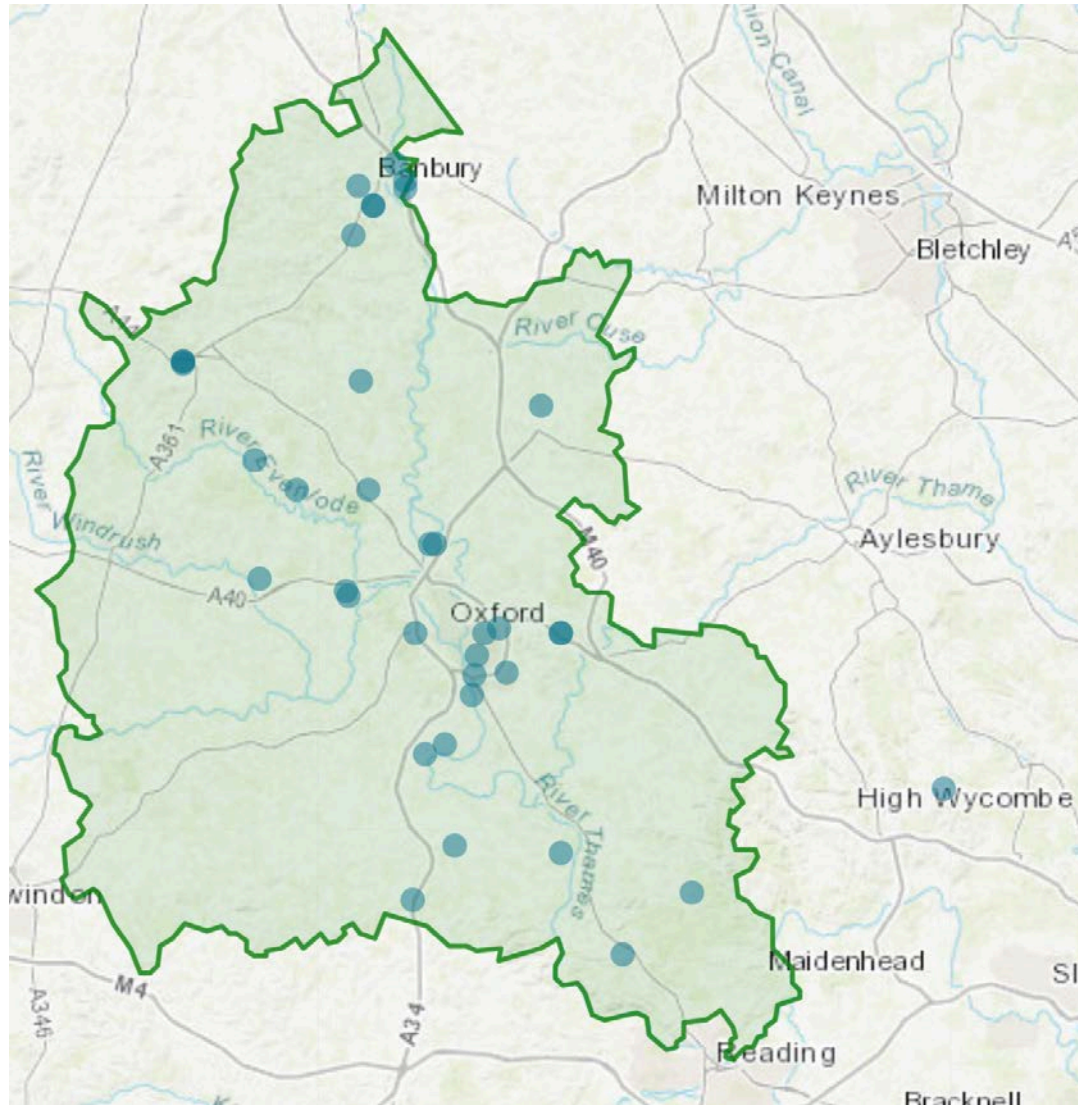
Growth in installed generation capacity:



We've been **doubling our capacity** to generate renewable electricity year on year.

Our Community Energy sites

low
carbon
hub



36
**RENEWABLE ENERGY
INSTALLATIONS**



3.1
**MW INSTALLED
CAPACITY**



POWER
853
TYPICAL HOMES²



GENERATE
2,643,140
KWH GREEN ELECTRICITY

Who we work with

- 31 host organisations
- 27 CIC community shareholders
- 3 preferred installers
- Many project partners

Our host organisations...



24
SCHOOLS



5
BUSINESSES



2
**COMMUNITY
ORGANISATIONS**

New installations 2016–17



6 Schools
2 Businesses

Turning Moment

- First installation post-FIT reduction.
- Businesses paying a premium for renewable electricity generated on their roof.

What next...



- Continue solar PV with local schools
- Large rooftop PV with local businesses
- Energy efficiency
- Smart micro-grids



Sandford Hydro update



- Construction completed Aug .2017
- Currently removing the temporary road and reinstating the meadows
- Ready to generate
- Some numbers:
 - 1.6 GWh annual generation
 - Powers the equivalent of 500 homes
- 60% increase in Low Carbon Hub total generation

Financial Performance



The Low Carbon Hub IPS Limited

Luke Marion, Treasurer

Building our scale - income

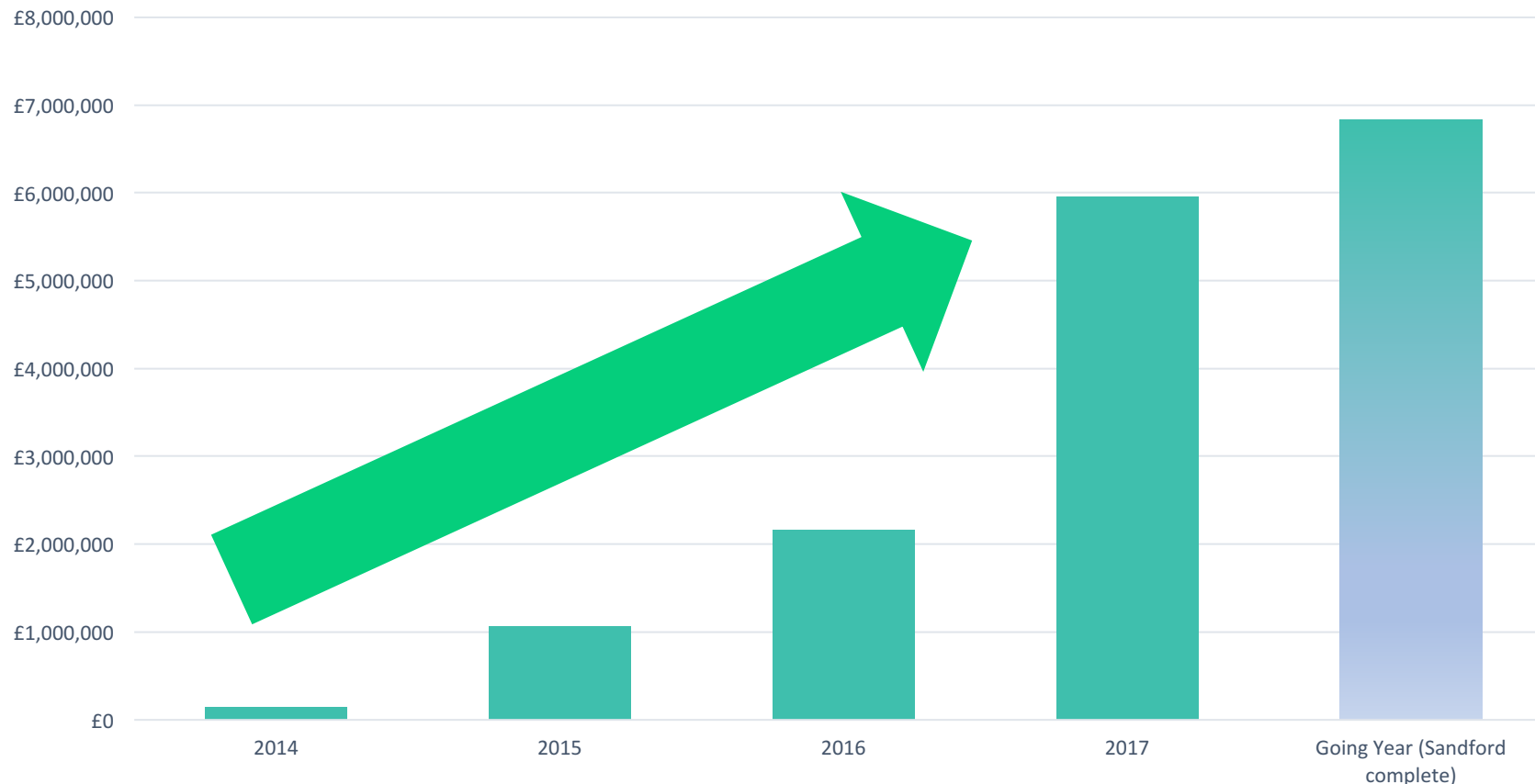


- Turnover grew 66% this year and reached £263k.
- In a going average year installations expected to produce income of £750k.
- Income from FIT and electricity sales indexes with inflation.

Building our scale – asset base



Tangible Fixed Assets

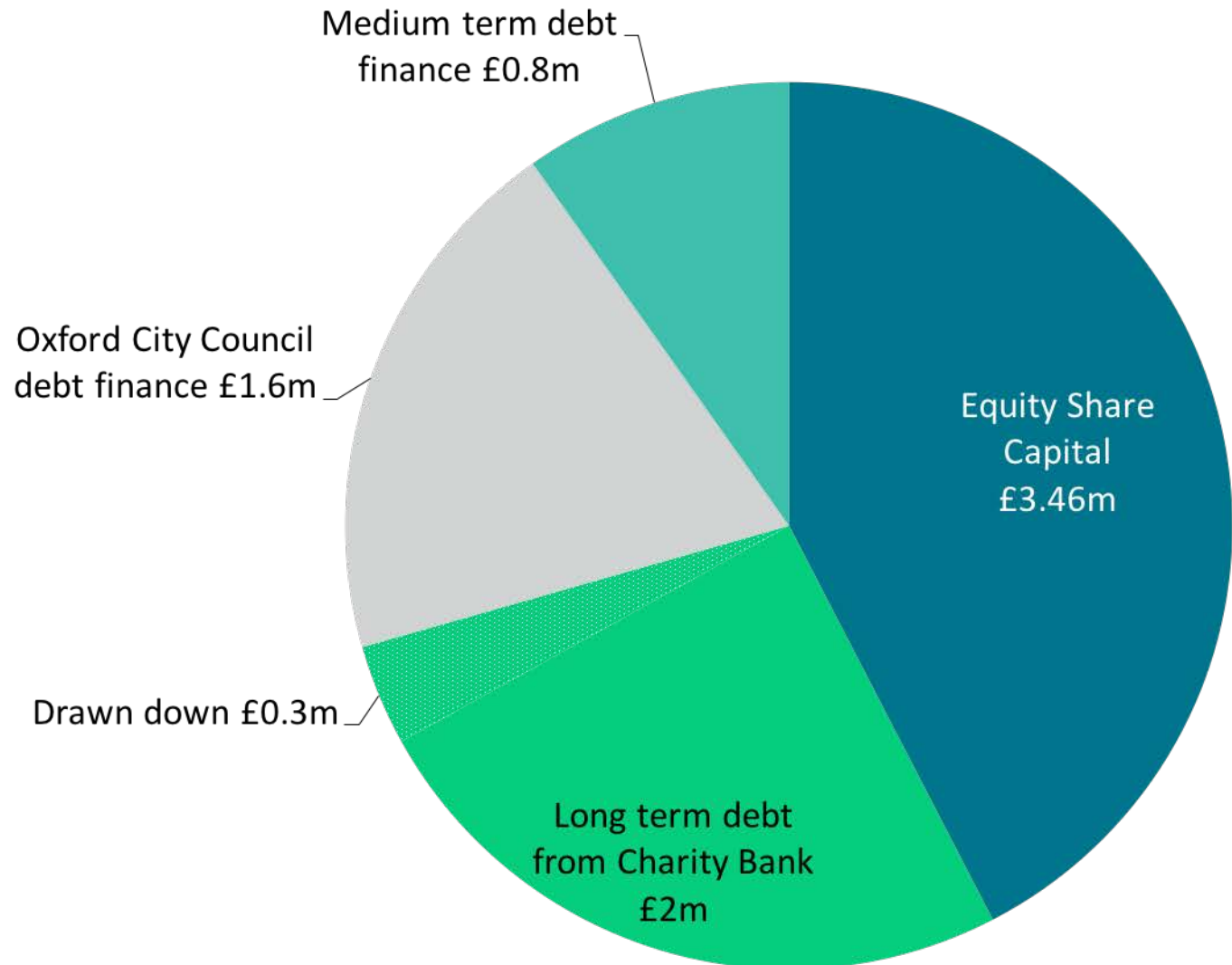


- Concerted effort to complete solar PV projects ahead of the September 2016 FIT deadline saw major activity in H1 of the year.
- Almost £4m was added to fixed assets this year – including £1.7m in PV arrays – bringing the net fixed asset value to almost £6m.
- Sandford asset (WIP at year end) was £2.5m.

How is the IPS funded?



**As at year end – total
£7.86m capital, of
which £6.16m drawn
down**



Our funding policy

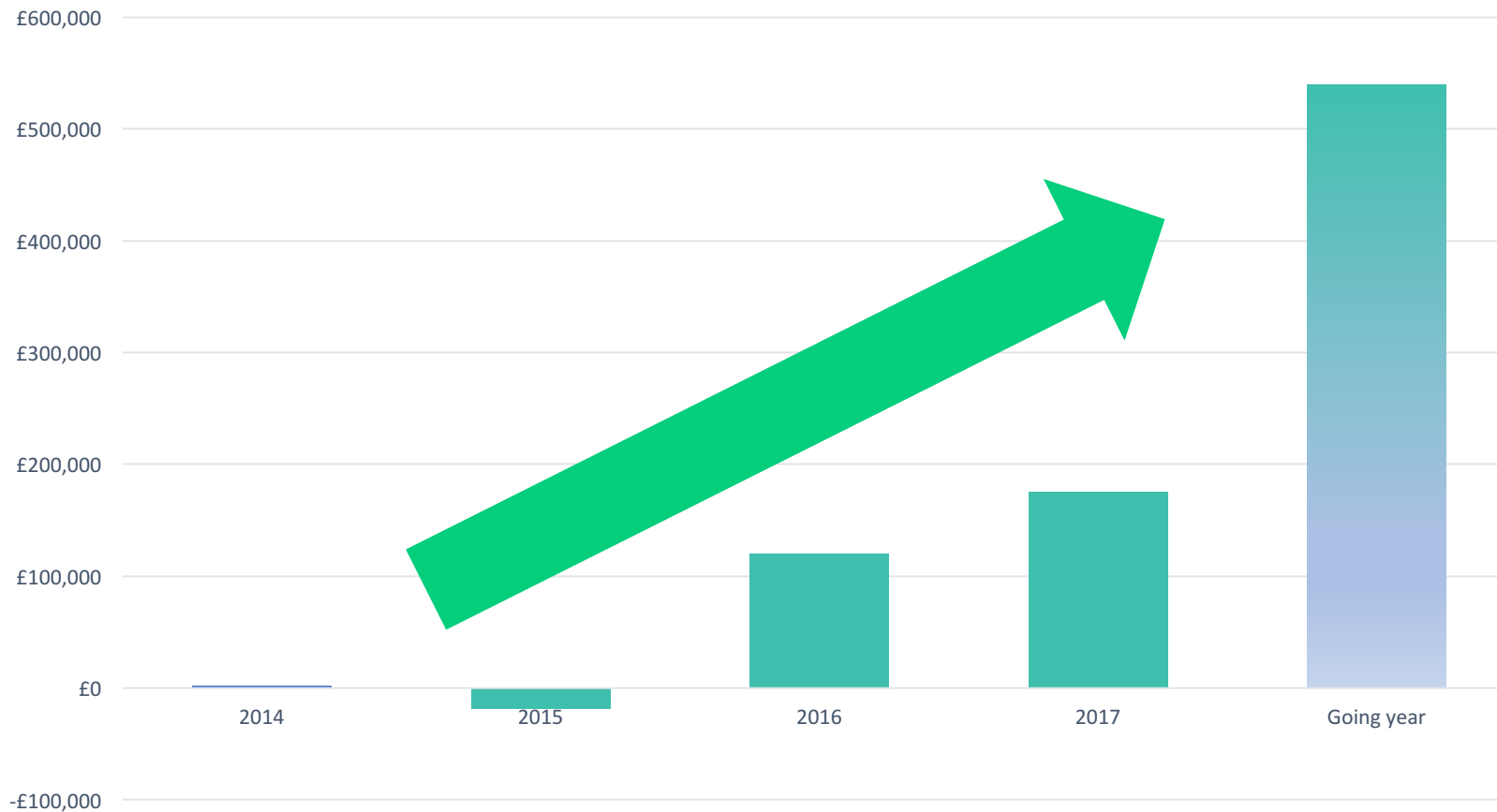


- Aim to eliminate all debt (other than Charity Bank debt in Sandford Hydro)
- New debt or bonds if required should be at less than 5%
- The debt:equity ratio should not be more than 50:50

Building our scale – operating surplus

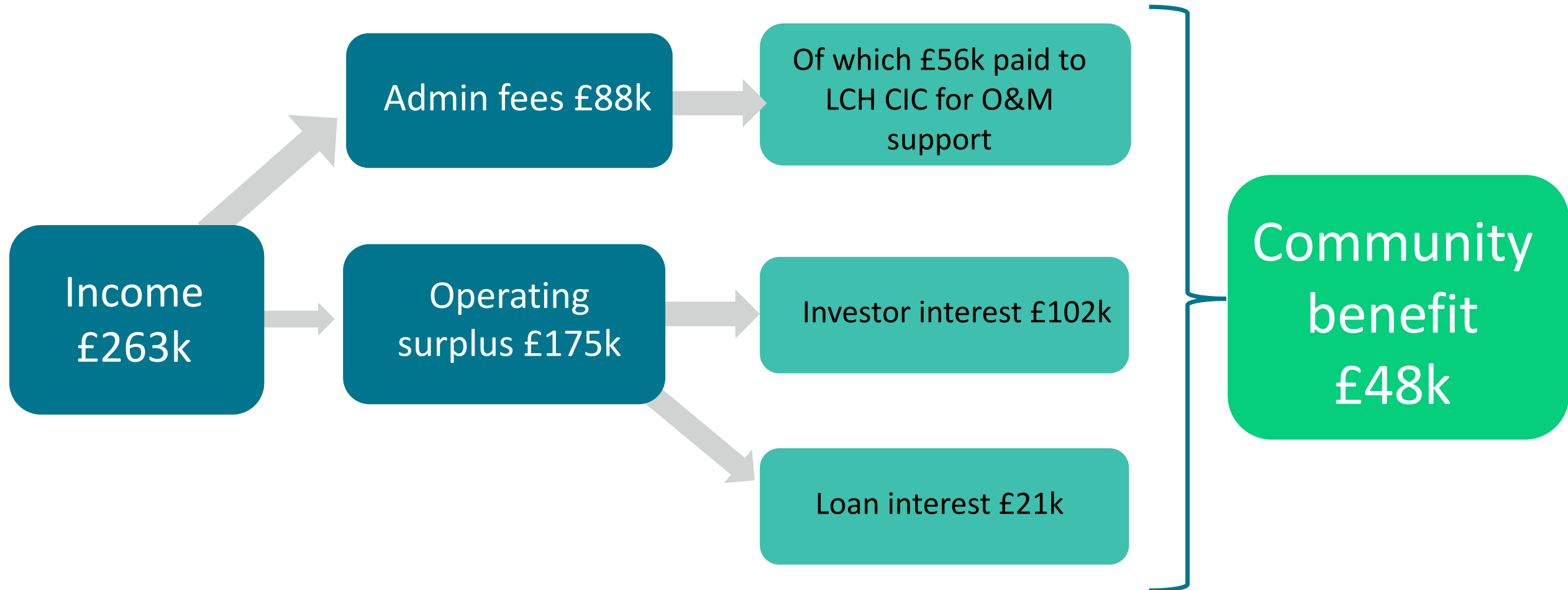


Operating Surplus



- Operating surplus grew 46% this year to £175k.
- In a going average year installations expected to produce cash surpluses of c.£540k.
- Surpluses used to pay interest to debt providers and investors and to fund community benefit.
- We record accounting losses due to depreciation on our installations – this is based on the accounting principle of businesses needing to replace assets.

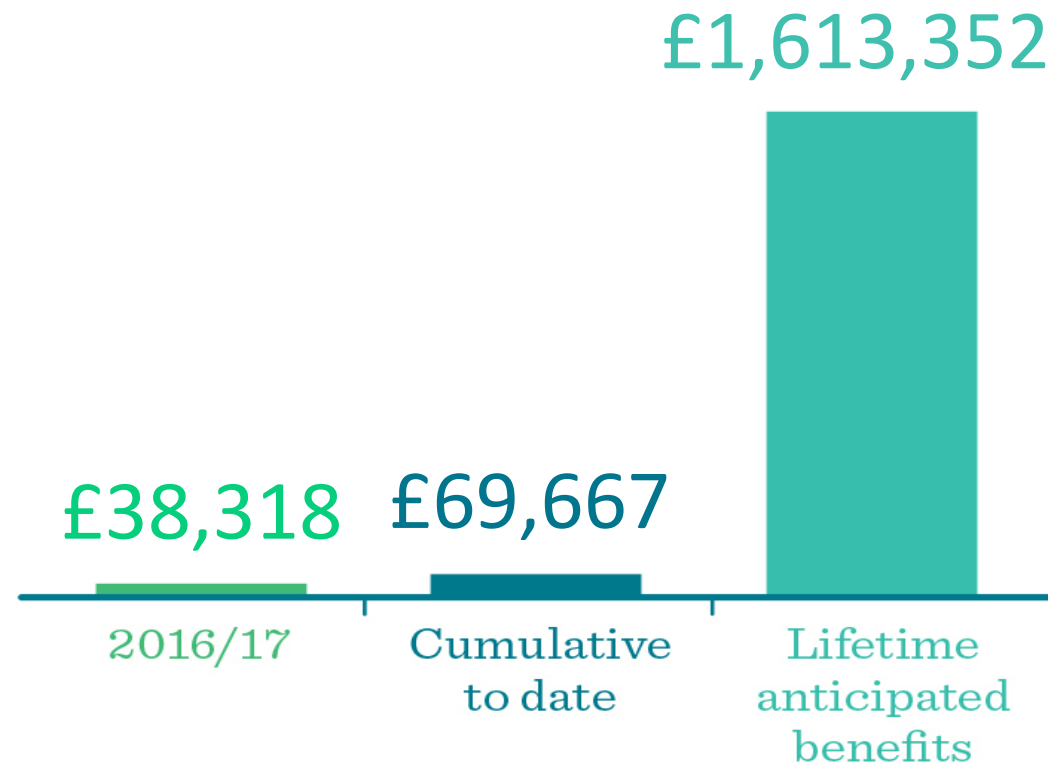
How we use our income...



...to deliver benefits for our hosts...



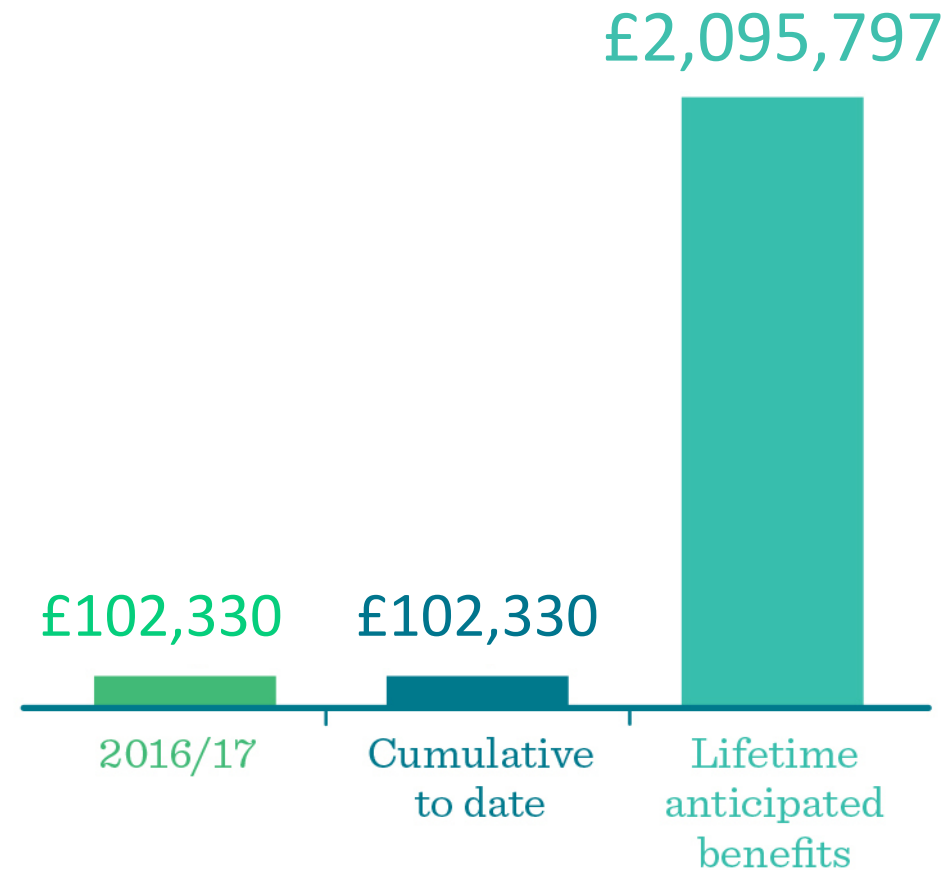
SAVINGS ON ELECTRICITY BILLS BY HOSTS



...our investors...



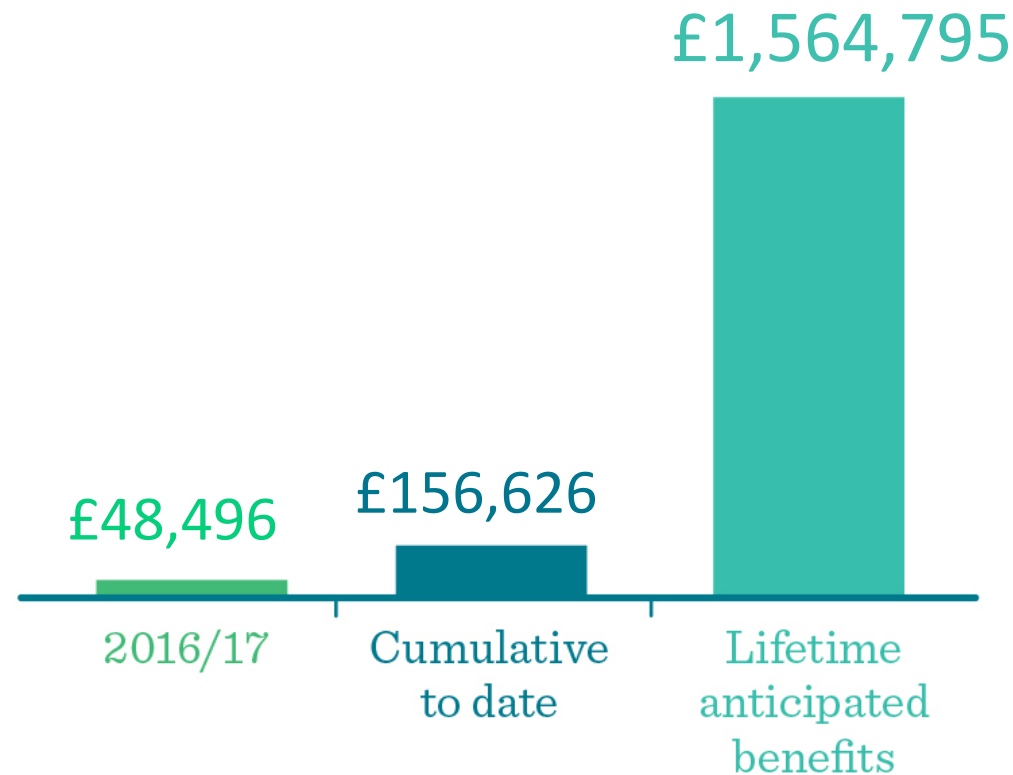
INTEREST TO INVESTORS



...and our community



COMMUNITY BENEFIT INCOME⁵

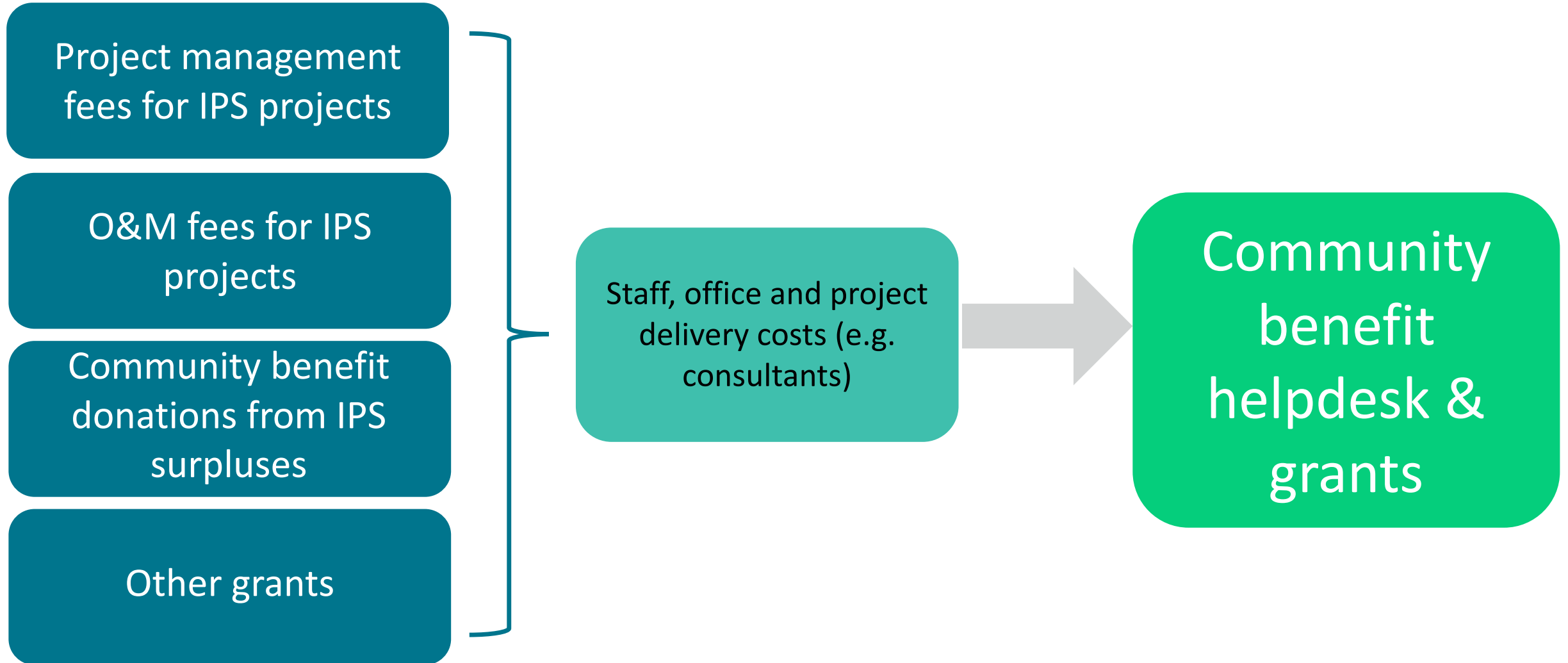


⁵ Community benefit donation from Low Carbon Hub IPS Ltd to Low Carbon Hub CIC

The Low Carbon Hub CIC

Luke Marion, Treasurer

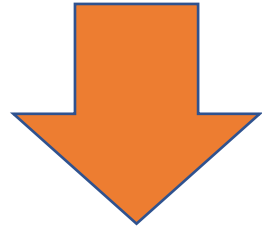
How is the CIC funded?



CIC financial results 2016/17



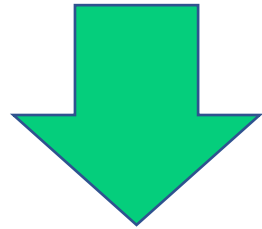
Turnover £491k



(3%)

- £432k IPS project related
- £59k grants

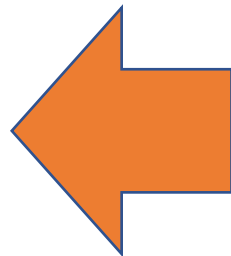
Costs £511k



(2.5%)

- Staff right-sizing necessary post-FiTs
- Community grants funding £155k

Loss (£20k)



PY loss £17k

- Retained profit funds £127k at year end

Delivering Community Benefit

Liz Reason

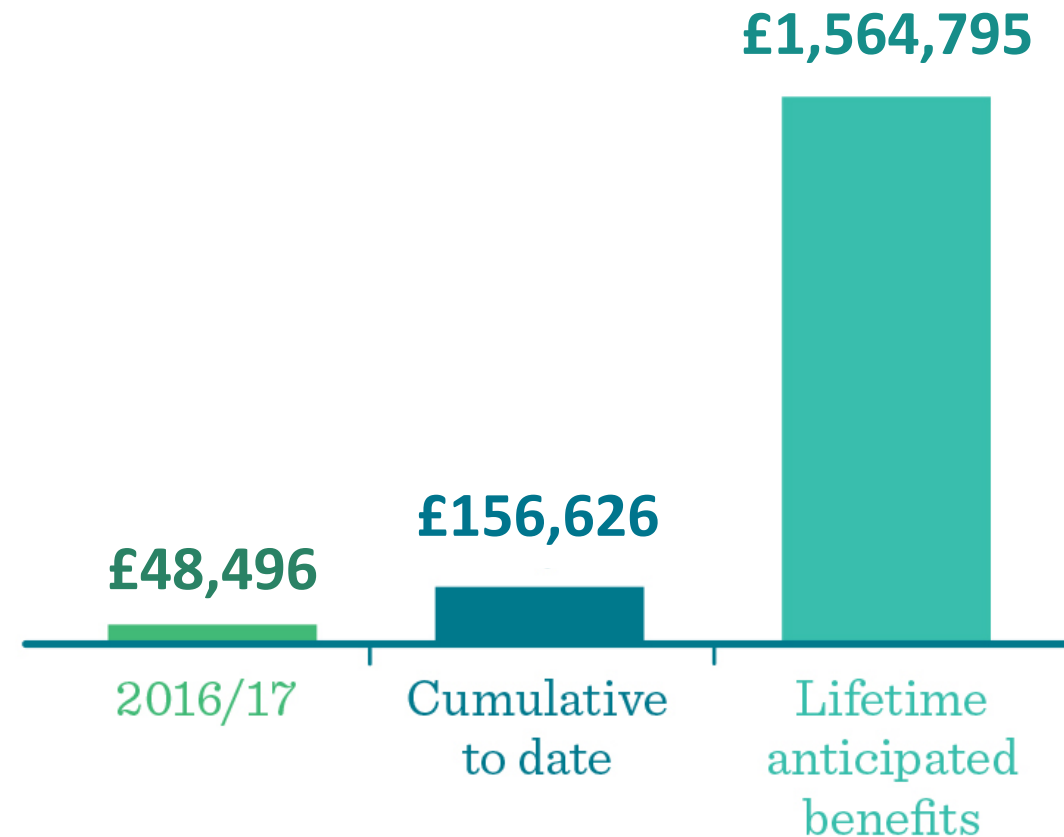


Delivering Community Benefit

£48,497 donation from IPS to CIC in 2016/17

To support low carbon community energy activity that:

- cuts Oxfordshire's carbon footprint
- contributes to the creation of a decentralised and locally owned renewable energy system.



Delivering Community Benefit

Community Grants

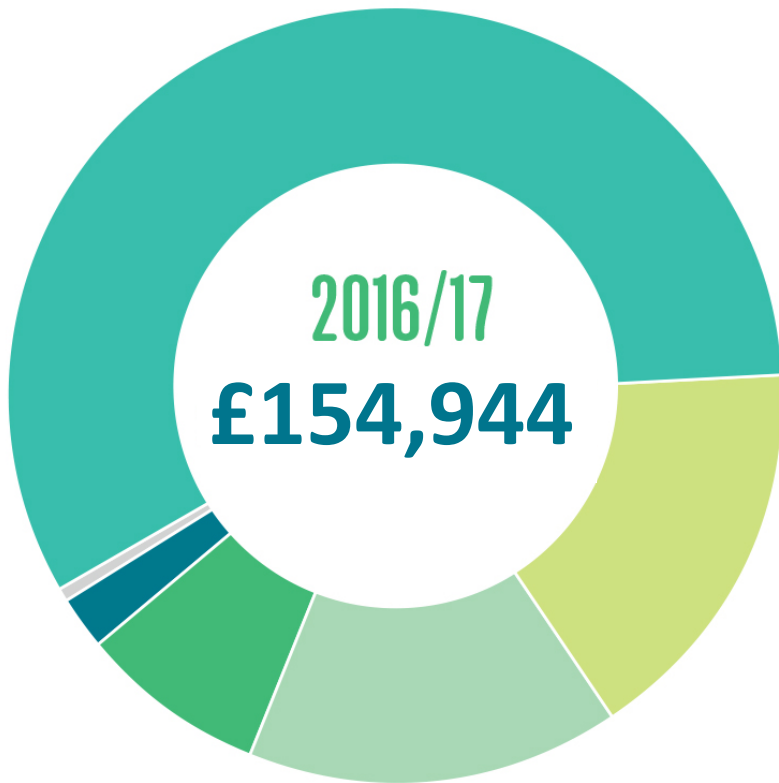
11 small grants of £500

2 large grants supporting
community-led domestic energy
efficiency projects

Helpdesk



Delivering Community Benefit



£89,167

Grants and loans supporting social enterprises



£25,577

Innovation, investing in new ideas



£23,965

Grants to low carbon community groups



£12,268

Helpdesk support, advice and information



£ 3,163

Strategy development



£ 804

Shared surplus with GreenTEA
(arising from two PV arrays in Eynsham)

Delivering Community Benefit



A night photograph of a historic stone building, likely a university hall, with a prominent corner tower. A blue banner with white text is stretched across the front of the building. In the foreground, a row of bicycles is parked along the street. The scene is illuminated by streetlights and building lights, creating a warm, golden glow.

Looking Forward Barbara Hammond, CEO

CHANGE STARTS WITH PEOPLE —
IS THERE ENERGY IN YOUR NETWORK?

Business Plan 2017–20: Looking forward



PLANET

	As of March 2017	Target by March 2020
Number of installations	36	51
Installed Capacity	3.1 MW	6.1MW plus 440 kW _e
Annual generation	2,643 MWh	6,800 MWh
Annual CO ₂ savings	1188 tonnes	3,000 tonnes
Enough to power	853 homes	2,200 homes
Or provide	166 people's share	425 people's share

Business Plan 2017–20: Looking forward



PROSPERITY

	As of March 2017	Target by March 2020
Investment raised	£ 3.459 million	£ 8 million
Interest to investors (lifetime)	£ 2.096 million	£ 6 million
Discount to hosts (lifetime)	£ 1.613 million	£ 2 million
Community benefit (lifetime)	£ 1.565 million	£ 3.5 million

Business Plan 2017–20: Looking forward



PEOPLE

	As of March 2017	Target by March 2020
Investor Members	647	1600
Community shareholders	27	35
Host organisations	31	46
Project partners	72	100
Facebook followers	317	600
Twitter followers	2275	3000
Newsletter recipients	2953	5000

'How are we doing?' survey



PERCEPTION

I don't have much idea of the performance of my investments or the projects they are funding

A good flow of projects please!

Powering down for households

An annual reminder of the state of our individual investments

Clear infographics and reports on the difference made by Low Carbon Hub

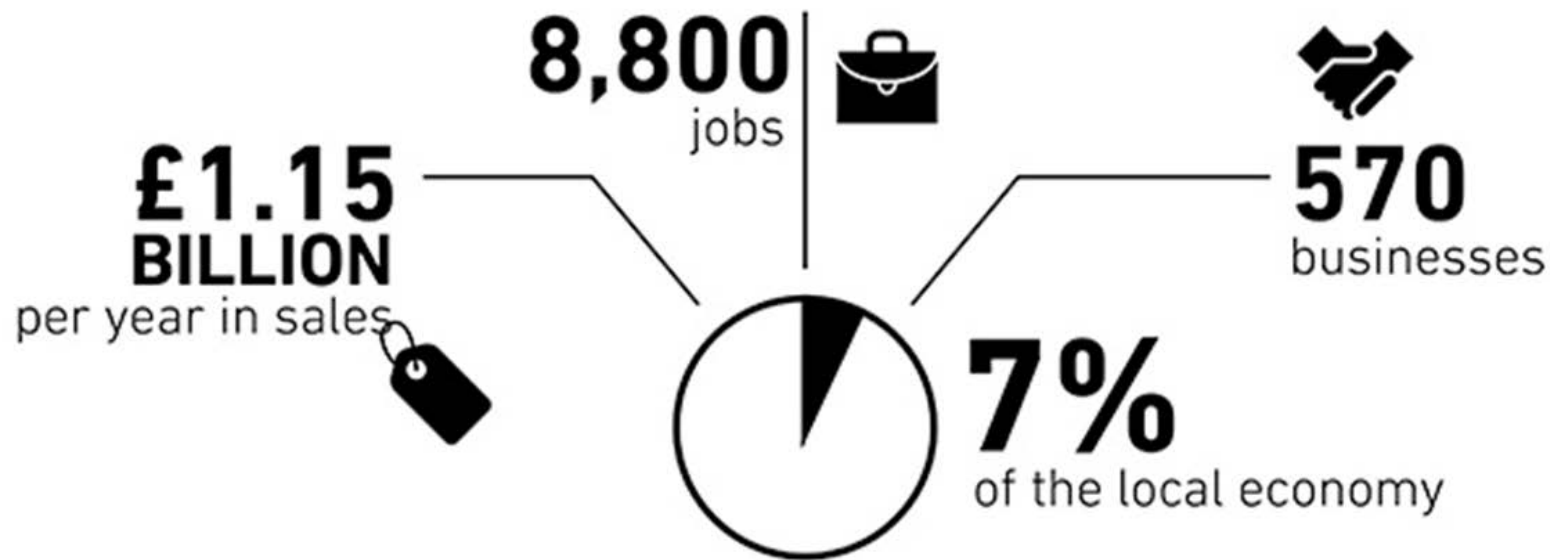
Listen

Congratulations!
Keep up the good work!

Business Plan 2017–20: Looking forward



Catalysing innovation



COMMUNITY ENERGY MANIFESTO

An energy system you can feel good about,
for Oxfordshire and the UK

Catalysing innovation: OxFutures

- OxFutures: Growing Oxfordshire's Low Carbon Economy
- £3.2m over 3 years
- GreenLab: describing the new energy system
- GreenTech: networking low carbon businesses
- GreenFund: supporting the development of new business ideas

Business Plan 2017–20: Looking forward



ERDF Partners:



European Union
European Regional
Development Fund

OxFutures >>



www.oxford.gov.uk

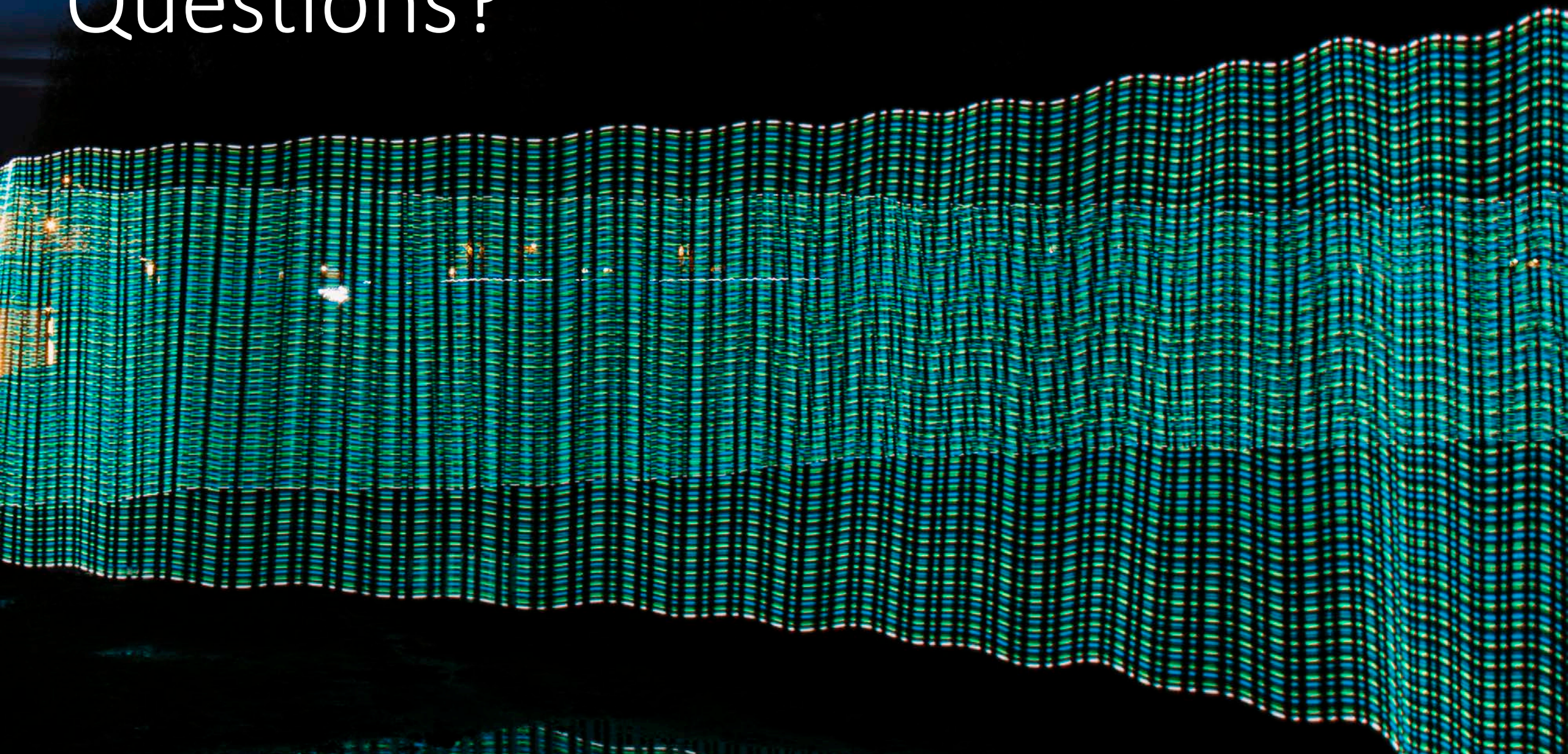


OXFORD
BROOKES
UNIVERSITY

Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE



Questions?



Annual General Meeting of The
Low Carbon Hub IPS Limited

Annual General Meeting for Low
Carbon Hub CIC Limited