

Chair's Annual Report 2017/18



Highs and lows are inherent in any long term investment – look at any financial report and this will become clear. 2017-2018 has been a mixed year for CEC.

Solar PV generation at Murley Moss (the HQ of the Lake District National Park) has been above average and above target, with 25448 kWhs of generation in 2017/18 against our original forecast of 20159kWh. Whilst this is obviously good news, the solar PV project only represents approximately 15% of our total CEC annual income.

Meanwhile, hydroelectric schemes up and down the UK have suffered tremendous declines in power generation this year as a result of one of the driest winters for 50 years, followed by one of the driest and warmest summers on record. Pictures of dried out reservoirs and threats of hose pipe bans populated the newspapers.

Our community hydro at Killington Reservoir has, in one sense, benefitted from the dry weather – as low water levels provided CEC with the ideal opportunity to install a new debris screen on the outflow of the reservoir. In the first year of generation (2016-2017), we were experiencing regular problems with deep level reservoir debris reaching the screen at the hydro end of the pipe. This required us to call out our maintenance contract team on plenty of occasions. We also reduced the power of the turbine so that it reduced the draw into the pipe. The installation of the screen was an unanticipated expense and together with maintenance costs amounted to just under £10,000. The good news is that since the screen has been installed, power output has been adjusted to full capacity with no debris being drawn down into the pipe.

Coupled with unprecedented low water levels, we hope 2017-2018 represents an 'anomaly' in long term income for CEC.

Thus, the Directors have recommended that for 2017-2018 we do not pay out the full 5% interest payment forecasted for this 2017-2018 year, but instead reduce this to an interest payment of 2.5%. In future years, we expect hydro generation to be back up to full power without so much demand for ongoing maintenance, and subsequently we hope that CEC will be able to increase annual interest payments.

The reduced interest payment allows the Directors to recommend that £2,500 is put aside for community benefit funds. They are proposing to Members at the AGM that a community benefit fund would be set up that:

- I) Delivers in a geographical radius of 20miles from Killington
- II) supports projects that are linked to energy saving /generation
- III) supports Cumbria Action for Sustainability (CAfS) to deliver energy projects

As winter 2018 draws in, it is worth remembering that when it rains (in moderation), it's not always a bad thing – but something we should expect and something we all need!

And finally, we are on the lookout for new Directors after the stepping down this year of two founder Directors, Mark Cropper and David Horn. We are a friendly bunch and only meet a few times a year – mostly by phone. Please do consider getting more involved in your Society.