

Lael Community Hydro Scheme Public Meeting (23/6/15) - Report

The Hydro group were delighted to have a great turnout of people from the community to present a short progress update. For those of you who are interested and weren't able to make the meeting here is a brief report on proceedings.

The meeting was opened by Flick Hawkins UCT Chair who handed over to Andy Kaye, Secretary of the Hydro group. A brief introduction to the current members of the Hydro group was given and Paul Copestake took over to run through the background of the project. He gave a brief explanation of how hydro power works, the last 30yrs worth of collated flow data on the Allt a'Mhuilinn river (the preferred option for the proposed Hydro Scheme) was presented and an explanation of how this data could be interpreted and then used to obtain the predicted total energy generation of a Hydro Scheme on this river. He then advised the community that after lengthy consideration of all the information available it has been decided to go with a 100kW power generation option scheme on the Allt a'Mhuilinn river. The final plans were shown in map format to give an idea of the footprint of the scheme and photos of the site were shown.

Bill Badger then spoke about how the proposed Scheme will affect the environment. He gave assurances that not only is he, personally, very happy with the proposed scheme but so too are the environmental bodies involved with the extensive surveying of the land involved. In the course of these surveys being done several points of interest have been raised such as the presence of certain tree varieties, bryophytes (wee green ferns), and various small mammals such as red squirrels, foxes and bats. It is certain that the project will follow best practice for the environmental management of construction – which will include oversight by an environmental clerk of works.

The project timeline was outlined by Dave Maxwell. So far 2015 has been occupied with survey work, CAR licence and planning applications (submitted 26/6/15). We are hopeful to make the Feed In Tariff (FIT) Pre-Registration by the end of September before any changes to the FIT tariffs are made by the British Government. If this all goes to plan we aspire to raise funds, plan the construction and design and start construction in 2016 with a view to connecting to the grid (SSE permitting) in late 2017. Following this plan, the initial payments to a community fund would be projected to occur, at the earliest, in 2018.

Neil Gerrard then presented on the financing of the project. To date the pre-development phase of the project has been funded by a loan from the Scottish Government (CARES funding). After much consideration it has been decided to form a new Community Benefit Company (BenCom) called Lochbroom Community Renewable Limited. The reason for this decision is that this is the only legal structure which will allow the raising of funds through a share release (other than a PLC). It is therefore hoped that we will be able to raise a proportion of the estimated £750,000 for construction through a community share offer. These withdrawable shares will be available for anyone to purchase. We would anticipate that they would be attractive to anyone from within the local community, visitors to Ullapool, the surrounding areas and the wider community interested in community renewable energy generation. Neil made the important point that the more money we can generate through shares the less we will have to borrow through commercial loans. This would have the double advantage of both more of the money staying within the community but also importantly more money being able to be paid

back into the community fund at an earlier stage due to lower repayment costs. Current projected finance figures show that if at least 40% of the project costs are raised through the share issue then a simple payback model would suggest a return over 20yrs of £1.25million (after paying back development and capital costs) – i.e approximately £60,000/yr.

Sarah Di Rollo then talked about the benefits to the community in general. These included the community share issue, a community Information Board sited nearby to the project, an intention that various community projects could be encouraged within the educational establishments locally and other local community groups using information gathered from the numerous environmental and geo-technical surveys already carried out on the site and with the engineering and construction phase of the project. There will be anticipated employment in the construction phase and after completion of the project to oversee both maintenance of the scheme and the financial repayments. The scheme will also contribute to the Scottish renewable energy targets and help reduce our overall carbon footprint.

The main community benefit is anticipated to be the ability of the scheme to turn water into cash for the community. An annual fund will be set up to provide a regular sustainable pot of money for community projects making it easier for community projects to gain ‘match’ funding and as such double their fundraising ability and ambition. Other community renewable schemes across Scotland have already funded various projects including – community care homes, local footpath networks, funding a community co-op cycle club, a community car club (including purchasing an electric vehicle), supporting sports training and competition, funding befriending programmes.

The Hydro group would like to offer an open invitation to any member of the community who would like to get involved to contact us either in person or via the UCT office. We wish to make it clear that we are volunteers from the community who are involved in the project due to a variety of interests and that it is a community project so all are welcome! Please look out for the Lochbroom Community Renewables Ltd name and share the above information about our project with as many people as you can. You can follow our progress with monthly updates currently on the UCT website and in the future on our own, to be designed, website. Hopefully this way we can generate interest in the scheme and in the share issue when it happens in 2016. Thank you to all involved for your continued interest and enthusiasm.

Current Hydro group members include; Andrew Kaye, Bill Badger, Neil Gerrard, Paul Copestake, Rebekah Lwin, Sandy McKenzie, Dave Maxwell, Sandy Osborne, Sarah Di Rollo, Tim Gauntlett, Jason Leon.