



BOARD MEETING MINUTES

Date: Board Meeting #052 October 2021

Present: Sheila Clark, Chair
Andrew Swann, Finance Director
Peter Thomas, Operations Director
Carol Thomas, Hydro Project Manager
Cath Auty, DIG appointed Director
David Hardcastle, DIG appointed Director

Pam Stansbury, Administrator

Apologies: Sam Marshall, Company Secretary
Michael Odumosu

Meeting Details: Date Tuesday 19th October 2021, at 7:30pm
This meeting was conducted via Zoom and was Recorded

MINUTES

The Chair opened the meeting and thanked everyone for attending.

1) **Apologies**

Apologies for absence were received from Sam Marshall, and Michael Odumosu

2) **Conflicts of Interest**

No conflicts of interest.

3) **Approval of Previous Minutes**

#051 Board Meeting held Tuesday 21st September 2021, at 7:30pm

The minutes of the previous meeting were reviewed with the following amendments. The decision to sign the new contract with New Stream Renewables on pricing had been approved by interim board decision. Where TLA's have been used full description will be added.

The minutes were proposed by Carol Thomas and seconded by Cath Auty.

It was agreed that future minutes would have a bracketed explanation

of the TLA's or Acronyms that are used within the minutes, or that a glossary of terms would be attached.

4) **Matters Arising not covered by the Agenda**

Shareholder Nomination: Carol has not yet chased but will chase Johnny up next week and will also request that any invoicing due will be submitted prior to the year end.

Accelerated Loss of Mains: Carol has uncovered that additional documents were required, and the delays were administrative. This has now been actioned by following validation of our bank they have confirmed that payment would be made soon. This will be chased up for a firm payment date.

5) **Board Decisions made by Email**

There were no interim decisions made by email.

6) **Communication since last meeting**

List of communications received has been circulated to the Board. The normal communications were noted.

Carol advised that Christina has now had her dissertation approved and is in contact with Carol regarding the data and information that she requires. Carol has asked for clarification on the actual data she requires. Carol will proceed with this.

7) **Chairs Report**

- Sheila reported that she and Carol now had a meeting set up with Tom Black for Thursday afternoon to discuss uptake on the Community Benefit Fund. The uptake to date has been minimal, and they will be meeting to discuss this.

The turbine is now generating well and Sheila thanked Carol for sending out the generation data update to the Board earlier today.

8) **Company Secretary Report**

Sheila advised that as Sam was absent for health reasons Carol would

report to the board.

Carol advised that there were no significant events to report, all filings were up to date and already dealt with.

There has been a request from an existing shareholder regarding withdrawal of funds. This relates to one of the community holders who has a small holding of £250. Carol advised the board of the background and asked the Board for agreement.

The Board discussed the share withdrawal policy. It was discussed that they could set an annual limit on withdrawals so that we could protect our cashflow. It was agreed that the Board would start to review this, and a policy would be agreed. Andrew will draft a policy that can be discussed prior to the AGM.

The board unanimously agreed to allow this withdrawal.

The Chair thanked Carol for the report.

9) **Finance Report**

Sheila handed the meeting to Andrew for his report

- Andrew reported that the Management Report was as expected, we still have a substantial pool of cash, and all necessary reserves are in place. Going forward the position is looking improved with the start of the rain. Andrew intends to produce a revised cashflow that can be used ahead of the AGM, initially to justify the payment of shareholders interest, and to consider the balance between early lump sum repayments, and contributions towards the Community Benefit Fund.

Carol reminded the board that the updated forecast and cashflow projection would be required for SIS for the 31st of December.

The board will need to consider what the forecast would be based on. Carol recommended that we proceed on Low Flow Data P50.

Financially we do not have a problem going forward. Andrew is working on the assumption that we are still intending on repaying the full amount of the SIS debt by 2030 rather than refinancing.

This was discussed and agreed that there was currently no reason to change that policy. The board discussed the impacts of making early debt repayments and the impact that had over the future and current impact on the funds available for the Community Benefit Fund.

As a board we have decided that it is beneficial not to have to refinance in 2030 and that we should aim to fully repay the loan by 2030. In order to achieve this end two decisions were taken, one to maintain the levels of repayments we make and one to make early lump payments.

Andrews revised cashflow will take these into account and show the numbers and options available.

The board discussed the matter fully to consider the balance between the need to maintain early repayments to eliminate the necessity to refinance in 2030, and the need to service and make contributions towards the Community Benefit Fund.

It was agreed by the Board that we would raise the forecast on LFDp50 for the financial year 2021/22.

The Chair thanked Andrew for his report.

10) **Operational Report**

The Chair handed the meeting to Peter for the report.

- Good news first, it is raining. We are currently running at approx. 220kw, the river is running at a steady rate, and this has been the case since just before the end of September. We have banked a good number of kw hours this month and it looks as if we will hit target somewhere between 180-200,000-kw hours for the month. This is above our LFDp50, this month will be a good month.
- The stop logs have been installed and tested. We have now taken delivery of the bridge we will install to enable us to control the weir gates. However, we are not proposing to turn off the weir to enable the installation of the bridge. In practical terms the bridge will be installed at the next dry spell. Steven Kennedy has visited and as a result has given a firm date for pigging next year in May. Peter is confident that with the new installations in place the probability of the pigging going ahead on the booked date is around 80 to 90%. We have therefore placed an order with DA McDonald to undertake the work.
- The team is currently down in number and therefore struggling. Unfortunately, some members were unavailable for the training date. Peter is trying to arrange an alternative date for additional training. Peter asked for expressions of interest from people to join the team.

Currently the turbine requires frequent visits because of the leaf fall to clear the intake and maintain the generation, however this will subside as the autumn fall comes to an end.

A discussion took place over the impact of freezing problems going into the winter. Peter confirmed that freezing was a small issue but that he would investigate heating for the powerhouse in the event of the turbine stopping and not providing the heat source inside the powerhouse.

There being no questions, the Chair thanked Peter for his report.

11) **Community Benefit Fund FS Contract Amendment proposal**

Sheila introduced this item and handed the meeting to Carol to report on.

Carol confirmed that the agreement, as discussed by the Board, had now been amended and dealt with.

Foundation Scotland have requested a meeting with Sheila and Carol to discuss the Fund.

AKCC now have enough members of the Community Council to be able to handle the work, and will in November start asking for applications for Micro Grants. Hopefully we will have positive news to report to the AGM on that branch of funding.

The Education Bursary has been ringfenced, however there have currently been no applications.

The reason for the discussion with FIS is that they have had no volunteers for the Open Grant Panel, and no applications for Open Grant funding. The closing date for applications was the 27th September.

Carol advised that DIG has not currently had their AGM, and therefore could not currently complete the mandatory requirement to have their business plan signed off by the Membership. DIG therefore has been unable to submit any applications for the use of the money available. This does not mean that there are no plans afoot, it simply means they have not yet been able to start the first phase for making the applications.

The more concerning aspect was the lack of volunteers to the panel. Discussion was held on the need to extend the awareness of the panel requirements, and the current criteria for panel members.

Carol and Sheila will report back to the Board after their discussion with Tom Black and Foundation Scotland. Further discussion will take place at future meetings if the Board need to consider alternative means of

promoting the fund and its availability.

Sheila thanked Carol for her report.

12) **Any Other Business**

- Forestry Commission, John Sutherland, Visitor Services Manager.

John Sutherland was put in touch with AED through Rhod Watt who had shown him around our scheme. He has been a Forestry Visitor Site Manager for several years. AED's hydro is not a Forestry Visitor Site; however he has asked several questions and raised several points. Carol suggested a site visit to meet members of the team, get a feel for the project, and ask any questions.

Currently the suggested date when both Rod and John are available is November 11th. Both Peter and Carol are available on that date, and she asked for local members who would also like to be involved. Sheila will make herself available, and David will subject to work and family commitments.

There were no other matters to discuss.

13) **Date and time of Next Meeting**

The next board meeting was confirmed to be held on Tuesday 16th November at 7:30pm.

The Chair thanked everyone for attending and closed the meeting.

Draft Minutes approved at Board Meeting #053 on 16th November 2021

A handwritten signature in black ink, appearing to read "Sheila M. Clark", with a long horizontal flourish extending to the right.

Signed by Sheila Clark, Chair.

Addendum

Glossary of TLA's (Three Letter Acronyms) and Abbreviations used.

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| AED | Awesome Energy (Dalriada) Ltd |
| AGM | Annual General Meeting |
| AKCC | Avich and Kilchrenan Community Council |
| CBF | Community Benefit Fund |
| CMS | Co-operative and Mutual Society |
| DIG | Dalavich Improvement Group |
| FIT | Feed in Tariff |
| FLS | Forestry and Land Scotland |
| LFDp** | Low Flow Data (percentage allowance) |
| NSR | New Stream Renewables |
| PPA | Power Purchase Agreement |
| SIS | Social Investment Scotland |