



**Bath & West
Community Energy**
Generating local energy

Mr J Adler
Representing:
Freshford Parish Council

3rd March 2021

Bath and West Community Energy Community Options Appraisal Proposal

Dear John

Further to our recent meeting with you, we are very pleased to be able to offer our revised proposal for a Renewable Energy options appraisal study for your community. WE have taken into account your desire to also test whether the sites you have identified are indeed the best sites in your area.

As you know we are a not-for-profit members organisation, set up to develop projects for community ownership and generate community benefits through our community fund. We believe community energy plays a vital role in the energy transition in terms of creating local ownership and community involvement in important projects to tackle climate change.

By choosing to work with BWCE we will be able to support you in identifying projects which can become investable community energy projects, which your community will also be able to invest in as a long-term community asset. This community ownership model has a powerful effect in bringing closer ties and educational benefits as well as generating a community benefit fund for future projects in the community.

Over the next few pages you will find the following:

1. Our offer
2. Budget options
3. Next steps



1. **Our offer:**

When we have conducted this work for other communities, we have offered a solution for identifying, selecting and developing sites with us and we provide a costing based on the type of support needed from our team. The aim would normally be to create projects which are suitable for RCEF funded feasibility studies. There are also other benefits in helping clarify communities' objectives and rallying the community behind the community energy concept.

As you are coming to this from a different perspective where you have identified a site and done some early preliminary work and are looking for an options analysis, we have adapted our approach to suit.

As we stated in our meeting together, BWCE aims to create community energy projects for all the communities in our area, allowing us to use our expertise and experience and processes to fund, develop and operate projects on the community's behalf. Local residents are able to purchase shares and obtain community benefit funds from those generation projects. In addition, share ownership gives them voting rights within our organisation. We believe this offers a transparent, efficient and local method of increasing the likelihood of success and maximising the local value to the community.

In your case you wish to appraise this option versus undertaking the development yourselves. Therefore, we can carry out an options study to help you make the comparison in order to decide whether you wish to develop a project yourselves or whether to enter into a cooperation agreement with BWCE to develop it through the BWCE model. Either route results in your community owning an asset, whether it is owned by a new company or by BWCE, it is still yours, it is just a question of practical and economic factors on which route you choose.

2. **Budget options**

We have compiled a proposal to cover a scoping exercise to undertake a detailed options appraisal and to examine the potential for the site you have identified in your area. This will give you three main outcomes:

1. Whether the already identified site is indeed the best option for a more detailed review.
2. Whether the site has potential for a successful RCEF application and what is required to undertake this
3. Which route (setting up a new co or working with BWCE model) offers you the best outcome in terms of practical implementation and community benefit



To undertake this we have set out our proposal and fees below.

Freshford Budget					
Stage	Content	Ingredients	Days required	Rate	Total
1	Site search	Review of area and identification of most appropriate site for a ground mounted scheme of sufficient size to match the annual electricity demand from the parish. Comparison of this site with the site already identified and decision with Freshford PC about which site to select for a more detailed review.	3	£ 475.00	£ 1,425.00
2	Review of selected site	Grid, planning, location features, potential revenues and costs, financial modelling and sensitivities.	3	£ 475.00	£ 1,425.00
3	Options appraisal	Outline options for project delivery including working through BWCE and setting up a new community company. Outline key steps in project development, key deliverables, dependencies, approvals required and key stakeholders to involve, from feasibility to commissioning. Share examples from working with other community projects of a similar kind and compare the practical and financial considerations and pros and cons between the options outlined.	1.5	£ 475.00	£ 712.50
			1.5	£ 575.00	£ 862.50
4	RCEF appraisal	Review site and proposals versus RCEF requirements and set out gantt chart and project plan required to deliver an application	0.5	£ 575.00	£ 287.50
5	Final report	Draft report outlining analysis and conclusions from above tasks, secure feedback adapt and finalise	3	£ 475.00	£ 1,425.00
			1	£ 575.00	£ 575.00
	Staff	Alex Lockton @ £475/day and Peter Capener @ £575/day	13.5	-	£ 6,712.50

From our discussion you may need some assistance in raising funding to cover this work and we may be able to assist in identifying some opportunities for this, though we make no guarantees in this regard. However, we are keen to ensure that finance is not an insurmountable barrier and we have agreed internally that we can subsidise 50% of this work from our own internal resources, if required.

If funding still proves to be a barrier, we can undertake a very high-level options review to help you with your decision making at no cost.

3. Next Steps

We look forward to hearing from you following your next Parish Council meeting. Do let us know if there is any further information that we can provide.

Yours sincerely

Alex Lockton
Development Co-ordinator
Bath and West Community Energy