



North Kensington Community Energy

Annual Report 2021

During 2021, North Kensington Community Energy (NKCE) successfully delivered against its objectives of generating renewable energy and engaging with the local community.

1. Building our site pipeline

In 2021, we have been making connections and building relationships with several sites across Kensington & Chelsea, and received funding from the London Community Energy Fund to explore opportunities for solar panel installations:

- St. Quintin Children's Centre/Family Centre
- Saint Charles Roman Catholic Primary School
- All Saints Roman Catholic Secondary School
- Saint Francis of Assisi Roman Catholic Primary School
- Silchester Housing Estate
- Kensington Leisure Centre
- Henry Dickens Housing Estate

2. Generating renewable energy

During 2021, NKCE generated renewable electricity from phase 1 sites (Avondale Park Primary School, Thomas Jones Primary School and the Dalgarno Community Centre) throughout the year, and from the phase 2 site (Westway Sports and Fitness Centre) only for the last three months of the year. NKCE generated 172,458 kWh of electricity in 2021, enough to power 69 average London homes for 1 year. This generation resulted in 37 tonnes avoided CO₂ emissions¹ during the year. The big increase from 2020 is due to the full year of operation of the Westway Centre installation.

Below is an outline of the performance for each of the NKCE solar arrays:

The **average yield** was 790kWh/kW across all 4 sites, compared to an original forecast of 840kWh/kW. This is joint second highest across the co-ops supported by Repowering London. This figure includes the Westway 88kW system which had faults following the installation which weren't resolved until May 2021, causing an annual yield of 690kWh/kW. The 88kW system at Westway seems to particularly suffer during the winter. This is likely due to shading from the A40 and Repowering London will investigate this further to see whether any technical mitigation is possible. Excluding the 88kW Westway system, the average yield is 815kWh/kW.

¹ To calculate the tonnes of CO₂ saved from the electricity generated we have used Defra's carbon factors published in 2021. As a result, the carbon savings from the projects have reduced compared to the previous year as the UK electricity fuel mix is using less coal generation and more renewable electricity generation.

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020>

The **average on-site usage** across all sites was 78%, excluding Dalgarno. As noted in the 2021 report, Dalgarno has very low on-site usage due to changes in their demand profile. As of April 2022, an export meter has been installed which will mitigate the low levels of on-site usage through payments for export. This could also be considered for Thomas Jones if their usage remains low, which is largely driven by low consumption during the holidays that particularly affects Thomas Jones.

3. Engaging with the local community

2021 was an active year for the NKCE team, who ran and took part in workshops, local events, and political lobbying activities.

Workshops

In the first half of the year, NKCE volunteers ran a workshop on “Share offer learnings” to reflect on Westway Sports Centre share offer which closed in January 2021, where the group raised £103,000 via an all-online campaign. The group also took part in a workshop with Hope for the Future on “Engage your MP on climate change”, to learn how to build an effective relationship with MPs to lobby them on climate change.

Political advocacy

In the second half of the 2021, the NKCE team organised a visit to the Westway Sport Centre solar panels with their MP Felicity Buchan on 17 September. This was a successful first meeting with Felicity Buchan to expose her to what community energy means, and we have kept in touch with her team and are looking to organise another visit in 2022.

Local events

- In April 2021, NKCE volunteers held an online event to celebrate the close of the Westway Sports Centre share offer. The event had more than 30 attendees and included inspiring stories from volunteers, talks from leaders of the community energy sector, break-out rooms for members to meet.
- Our NKCE Community Champion Nasri Ismael has taken part in community events throughout 2021, to spread the word about NKCE and community energy at summer fairs and community meetings.
- In November 2021, NKCE held its second Greener Living Day at Dalgarno community centre, showcasing environmental groups and initiatives to encourage local climate action and bring the community together.

4. Financial accounts and shareholder payments

The financial accounts which accompany this report show that:

- NKCE generated in 2021 a total income of £26,565, including £5,684 for the electricity generated by the array via the government’s feed-in tariff and deemed export tariff, and £1,595.12 from the export PPA.
- Following some negotiation, our installer Ecolution agreed to pay compensation due to the loss of income following installation errors at Thomas Jones and Westway. The total payment was £4,438 and is included in the 2021 accounts.
- A total £15K development fees was built into our share offer for the completion of the technical and legal due diligence and community share offer raise for the Westway

Sports Centre. During 2020, £10,000 was paid to Repowering London as part of this cost and a further £5,000 was paid in 2021 on completion of the share offer.

- The operating costs of £2,674 includes provisions set aside for inverter replacements for the Phase 1 sites only.
- The management fees of £5,519 include Repowering London's service to maintain the assets, manage and administer the coop.
- The value of the solar PV arrays is depreciated over the 20-year life of the project. During 2021, we have included pro rata value for the Westway solar PV array for the 3 months of operation only.
- During the year 2021, NKCE has made a loss of £1,154 due to factors explained above. However, NKCE's cash flow is healthy, and the system performance is strong. We expect the financial position to be closer to our forecasts for 2022.
- For the year, £312 has been donated to the Community Fund by shareholders who have waived their 2021 interest payments to benefit the Community. At the end of the year, the Community Fund stands at £1,471.

On reviewing the financial performance, the Directors propose:

- That an interest rate of 3% (£5,338) is paid to investors
 - That £650 is set aside for the Community Fund
 - To repay 5% of their share capital to members (£8,897) as per share offer document
- Members share capital is to be repaid for the year

5. Our partner Repowering London

North Kensington Community Energy is proud to be part of the Repowering London family of energy co-ops. The Repowering co-ops have collectively:

- Raised £710,000 to install 707 kWp of solar panels on schools and community buildings
- Generated 654 MWh of electricity annually
- Saved 139 tonnes of Greenhouse gases from being emitted in the atmosphere annually
- Allocated £196,500 for Community Funds to benefit local causes
- Provided employment to three locally rooted community champions in Lambeth, Kensington & Chelsea and Aldgate
- Supported an empowered a network of 30 volunteers and 677 investor members
- Participated in two local electricity supply trials developing new and more democratic ways to deliver renewable electricity locally
- Distributed £5,000 of community funds to local groups to provide essential supplies of food and fuel vouchers to support residents through the pandemic

This work is only possible with your support. Thank you for investing in our vision of community energy, and for being part of the change.

Any questions?

If you have any questions about this report and the accompanying accounts, please email info@repowering.org.uk.

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