

Press Release: 3 May 2019

Resilient Energy Alvington Court Renewables adds a second wind turbine to its community owned renewables portfolio through the acquisition of Resilient Energy Great Dunkilns (St Briavels). Both turbines generate clean, green electricity to help meet local demand, whilst also benefitting the local community.

REGD was founded by community minded St Briavels farmer Anthony Cooke and The Resilience Centre, a Woolaston based social purpose business focused on responding to the climate emergency we are facing & helping to build resilience in society. REGD was TRC's first community renewable energy project and was the impetus for TRC's replicable UK and European award winning 'Resilient Energy' community model.

REGD developed a 500kW wind turbine near St Briavels, Forest of Dean, in late 2012. The project was the UK's first crowd-funded wind turbine, which gave ordinary people the opportunity to invest in the project via debentures issued through the London based Abundance platform. In order to achieve this, however, the project was required to become a public limited company (plc) structure; which over time has resulted in additional administrative costs for the project, the majority leaving the local area.

REACR, which was developed in 2016, and two other 500kW turbines in Stroud District also follow the Resilient Energy community model, but as a result of the introduction of the Cooperatives and Community Benefit Societies Act (2014), a Community Benefit Society structure (CBS) was the preferred structure for each project's development. A CBS is a more democratic structure administered locally; individuals subscribe to equity shares and become owners and members of the society which operates according to registered society rules. It is also a more cost-effective structure for a community project, which over time will create additional surplus for the society.

Both REACR and REGD are committed to helping to build community resilience in their respective host communities (Alvington, Aylburton and St Briavels, and environs). Through the Alvington Turbine Community Resilience Fund and the St Briavels Turbine Community Resilience Fund, 4% of turnover, from the Alvington and St Briavels turbines respectively, is distributed to help address current community needs and future community challenges. A wide range of projects have been supported to date, already making a positive difference and creating a lasting legacy. This is in addition to the environmental benefits of local energy generation from a renewable resource. **(See update of REACR and REGD Community Resilience Fund awards with photos).**

Following the first few years of operation, the additional surplus as a result of REACR's CBS structure, means that the Alvington turbine plans to deliver a second community fund, to help tackle fuel poverty, as well as supporting further environmental initiatives in the GL15 area. The St Briavels turbine would not have been able to achieve this as a plc structure. But, as part of the Society, in addition to adding a new income stream, it will also now generate surplus for the society. This significantly strengthens the society's financial position which will benefit both society members and the community going forwards.

The acquisition itself involved no cash, with the shareholders of REGD keen to remain involved in the project long term, and instead being issued with shares in REACR based on an independent valuation. The change of control of REGD allowed the society to pay back the original REGD debenture holders their investment capital with a fair mark-up based on an independent valuation. Social and Sustainable Capital's (SASC's) Community Investment Fund provided a term loan of £1 million and a bridge loan of £440,000 to REACR to fund the acquisition of REGD and convert the organisation into a wholly owned subsidiary of the CBS.

Completion of the acquisition creates a new opportunity for existing REACR members, previous REGD debenture holders and others interested in investing in the combined community energy project portfolio via a new REACR share offer which will open shortly. Further details at www.resilientenergy.co.uk/REACR, or preregister interest by emailing REACR@theresiliencecentre.co.uk

Existing REACR members will also be asked to vote on whether a change of society name, to reflect an extended Forest remit, is also now appropriate.

Sue Clarke, Director of REACR (and TRC), said, "It makes sense to bring REGD into an established community benefit society structure with similar aims and the REACR board were delighted to secure SASC support for the society to enable the acquisition.

"Combining the two projects, with the help of the SASC loan to buy back the debentures, results in a number of cost efficiencies and will generate a significant increase in the society's surplus over the life of the two projects, increasing the community benefits achievable.

Ben Rick, Managing Director of SASC said, "We're delighted to invest in another community energy project that will benefit individuals and families in fuel poverty. Community energy projects are on the increase in the UK as communities look to provide greener energy solutions and surpluses for the benefit of their local area.

"Since legislation defining Community Benefit Societies changed in 2014, the way projects are funded has become more flexible and more community energy projects are being funded by

social investment. We expect this will continue to grow as more community groups recognise that social investment can provide the much-needed finance to get them started.”

For more information on TRC and its Resilient Energy community model, visit www.theresiliencecentre.co.uk

For more information on SASC visit www.socialandsustainable.com/.