

**Baywind Energy Co-operative Ltd (Registration No. 28354 R)**  
**Minutes of the Annual General Meeting**  
**The Storey Creative Industries Centre, Meeting House Lane, Lancaster, LA1 1TH**  
**10<sup>th</sup> May 2014 at 1.00 p.m.**

Present: 23 members, 7 guests, 8 Directors and 3 representatives on behalf of Energy4All Ltd.  
145 responses were received for the motions.

**1. Introductions and welcome**

The members were welcomed by the Chairman David Eastlick, especially those who had travelled a long distance and those who had not previously attended the AGM. David introduced the current Board; Derek Elsworth, Alex Hassan, Annette Heslop, Lorrie Marchington, Richard Scott, Chuck Taylor and James Wood.

Apologies were received from Majid Siadat.

**2. Chairman's Review of the year**

David outlined the following:

- A thank you to Jack Heslop for managing Harlock Hill throughout the year.
- Due to uncertainties with The Co-operative Bank, the Board opened an additional account with Handelsbanken, a Swedish ethical bank.
- Chuck Taylor will resign at the AGM and is not seeking re-election. David presented Chuck with a gift and signed card for his work and support to Baywind during his directorship and wished him well for the future.
- Output from all six turbines during 2013 amounted to 6213MWh compared with 6027MWh in 2012.
- Wind resource ~ good wind speeds during the year resulting in Harlock Hill meeting 95% of budget however only 75% at Haverigg II.
- Turbine availability was good at Harlock Hill (94%) but poorer at Haverigg II (75%).
- Reasons for not meeting budget include:
  - Harlock Hill T5 suffered a broken rotor brake wire in November 2012, which was eventually repaired and made operational in February 2013. T2 suffered a broken wind vane in December.
  - Haverigg II T3 also suffered a broken rotor brake wire and a replacement gearbox. There were many other less serious problems across the wind farm.

**3. Financial Presentation**

Annette Heslop, who is also the Co-op's Company Secretary, gave a brief report on the finances for 2013. Turnover was up by nearly £100,000 from last year due to three reasons; 1) increased output 2) lost output claimed through insurance 3) increase in electricity & ROC prices. After deducting operating costs, administration expenses and tax, the profit available for distribution amounted to £191,820, giving a return to members of 12.11% to EIS investors and 9.69% to non-EIS investors. This is the highest return to date.

The electricity output and renewable attributes at Harlock Hill are sold through a Power Purchase Agreement (PPA) with Co-op Energy. Haverigg II's PPA is with the Non Fossil Fuel Purchasing Agency and is a more onerous procedure.

Surplus funds are held in the Furness Building Society and Handelsbanken. The current account remains with the Co-operative Bank and contains only sufficient liquidity for day to day activities.

The rate of return to members is good considering the current economic climate. We will continue to maintain HH turbines until re-powering and we have a spare transformer in storage to reduce downtime in replacement, production losses and mitigation of insurance costs.

**4. Key Performance Indicator's (KPIs)**

Alex Hassan presented Baywind KPIs for the Board and members to monitor the performance of the Co-op. The pie charts included both Harlock Hill and Haverigg II data.

**Members asked the following questions:**

**Q – What else can be done to actively involve Baywind members?**

A – Encouraging members to vote and sign up to email. Support at planning meetings. Attending the AGM and voting.

**Q – Are there limitations on selling Baywind shares and can they be passed on in death?**

A – There is a hold on selling shares whilst we await the outcome of the re-powering appeal. However the Board will reconsider this restriction at the next Board meeting. The transfer/sale process takes approximately 4 – 5 weeks to complete. Yes shares can be left to beneficiaries in your will.

Derek Elsworth took charge of voting results on the motions and election of directors. Derek reminded members not to vote if they have already voted online.

**5. Motion 1 - To approve the Minutes of the AGM held on the 11<sup>th</sup> May 2013**

Proposed by Peter Nutting and seconded by Hazel Carter.

The motion was carried unanimously by members present. Postal votes totalled 98 for, 8 abstentions and the chair held 39 proxy votes in favour.

**6. Motion 2 - To approve the Annual Accounts for the year ended 31<sup>st</sup> December 2013 with the reports of the Directors and the Auditor.**

Proposed by James Slater and seconded by Brian Robinson.

The motion was carried unanimously by members present. Postal votes totalled 104 for, 2 abstentions and the chair held 39 proxy votes in favour.

**7. Motion 3 - To re-appoint auditors Melville and Co to hold office until the AGM in 2015**

Proposed by James Wood and seconded by Peter Nutting.

The motion was carried unanimously by members present. Postal votes totalled 99 for, 7 abstentions and the chair held 39 proxy votes in favour.

**8. Motion 4 - To approve the distribution of surplus funds for the year (the operating profit together with any other income) by way of Share Interest**

Proposed by James Slater and seconded by Hazel Carter.

The motion was carried unanimously by members present. Postal votes totalled 104 for, 2 abstentions and the chair held 39 proxy votes in favour.

**9. Election of Directors**

Rule 12(7)(a) requires one third of the Board of Directors to retire by rotation. Derek Elsworth, Annette Heslop and Lorrie Marchington retire by rotation and seek re-election. Chuck Taylor is resigning and not seeking re-election. The Co-op received one nomination to join the Board from Michael Austin.

**Motion 5 – To re-appoint Derek Elsworth as a Director.**

Proposed by Margaret Eastlick and seconded by Alex Hassan.

The motion was carried unanimously by members present. Postal votes totalled 102 for, 4 abstentions and the chair held 39 proxy votes in favour.

**Motion 6 – To re-appoint Annette Heslop as a Director.**

Proposed by Hazel Carter and seconded by June Harrison.

The motion was carried unanimously by members present. Postal votes totalled 104 for, 2 abstentions and the chair held 39 proxy votes in favour.

**Motion 7 – To re-appoint Lorrie Marchington as a Director.**

Proposed by Alex Hassan and seconded by Richard Scott.

The motion was carried unanimously by members present. Postal votes totalled 97 for, 2 against, 7 abstentions and the chair held 39 proxy votes in favour.

**Motion 8 – To appoint Michael Austin as a Director.**

Proposed by Richard Scott and seconded by James Wood.

The motion was carried unanimously by members present. Postal votes totalled 89 for, 3 against, 14 abstentions and the chair held 39 proxy votes in favour.

Close of formal business.

**Post Meeting Note:**

Please note postal and online voting results were recorded incorrectly at the meeting due to a counting error. The votes recorded above for each motion have been re-examined and are now corrected. The errors have made no difference to the overall result of each motion.

**10. Any Other Business****Baywind Energy Community Trust (BWECT)**

Richard Scott provided a brief update on the activities of the trust. The trust is independent with a duty to report to, but not controlled by, Baywind.

**Grants awarded/requested in 2013**

- Swarthmoor Sports & Community Club.
- Dalton Community Association.
- 4 Groves Allotments Barrow
- Top of the Form Quiz for BAE graduate apprentices.

Richard outlined a plan to build a new village hall at Pennington and hoped funding could be forthcoming from the new community fund when Harlock Hill is re-powered.

**Four Winds Co-op**

Annette explained the purpose of Four Winds is to raise finance for two projects, Duckmanton in Derbyshire and Shafton in Yorkshire to install and operate a single turbine at each site. Both sites have come through the Energy Prospects Portfolio. In order to meet the 2013 Feed in Tariff at Duckmanton, the turbine needs to be erected by 9 December 2014. In order to secure the turbine the manufacturer requires a substantial deposit. Four Winds Co-op do not have the funds to cover the deposit and therefore approached Baywind to borrow up to £500,000 for approximately six months. Baywind will charge interest on the loan. The Board approved the loan in January 2014. Four Winds also raised £150,000 through a Seed Enterprise Investment Scheme and £220,000 through Pure Leapfrog (charitable finance providers).

The Shafton site has not been pre-accredited for the earlier Feed in Tariff. Once Four Winds has raised the required funds through a public share offer it will repay the Baywind loan and Energy Prospects the planning costs and development fee.

**Repowering Harlock Hill Update**

David provided the latest update on the planning application. Barrow Borough Council approved the application on 21<sup>st</sup> May 2013 but it was refused by South Lakeland District Council on 28<sup>th</sup> March 2013. Infinergy submitted an appeal to the Planning Inspectorate in July 2013 with an outcome expected at the end of May 2014.

**11. Presentation by Marna McMillin on Energy4All current projects and obstacles to community energy**

Marna held a question and answer session after the presentation. The Board and members thanked Marna for a very informative presentation.

The meeting was closed at 3.25 pm.

Signed as a true record of the meeting,



**David Eastlick, Chairman**