

Baywind Energy Co-operative Ltd (Registration No. 28354 R)

Minutes of Annual General Meeting

Riverside Hotel, Kendal 19th May 2012 at 1.00 p.m.

Present: 17 members, 9 Directors and 3 representatives on behalf of Energy4All Ltd.
176 responses were received for the motions.

1. Introductions and welcome

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

Richard summarised the following points:

2. Baywind Background

- Wind resource ~ good wind resource during May, and the 4th quarter of the year 2011 to almost achieve budget.
- T1 transformer failed in January and was not reinstalled until mid June but we made a successful claim to recover the costs of repair plus lost production. Baywind has purchased a new transformer, which is in store, to mitigate the effects of further transformer failure.
- Failure of major plant items has led to steep increases in insurance premiums and there may come a time when insurance becomes too expensive to obtain and Baywind will have to adjust its insurance requirements. The major consideration is the outcome of the planning application for repowering.
- Caledonia Renewable Energy Co-operative Ltd was dissolved in the autumn and the 30% share capital transferred to Baywind without charge. The outstanding loan to Findhorn Wind Park Ltd is expected to be repaid in September.
- Furness Wind Farm: It was reported that the planning committees have yet to meet and a more detailed account was presented later in the meeting.

3. Financial Presentation

Annette Heslop, the Co-op's Company Secretary, gave a brief report on the finances for 2011. Turnover was £543,862. After deducting operating and administration expenses, the profit available for distribution amounted to £128,549, giving a return to members of 8.09% to EIS investors and 6.47% to non-EIS investors.

Harlock Hill (HH)

The NFFO contract ended in January 2012 and the electricity generated is now trading on the ROC market. Haverigg II remains on a NFFO Contract with 1 year remaining.
Availability 97.8% (89.2% excluding insurance settlement)
Capacity Factor 24.1% (21.9% excluding insurance settlement)

Haverigg II

Various technical issues throughout 2011.

At the start of 2012, the generator failed in T4 and followed recently by the generator in T2.

To cut down on the time and costs of crane hire, T4 generator was refurbished and re-installed in T2. T2 generator was removed and sent for refurbishment.

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 and production losses.

Members asked the following questions:

Q - Is downtime covered by insurance? E.g. transformer

A - The insurance excess is 15 days so if a transformer can be replaced within 3 days the downtime is not covered by insurance but if a turbine was down for more than 15 days then the downtime would be covered by insurance.

Key Performance Indicator's (KPIs)

Alex Hassan presented Baywind KPIs, recently introduced for the Board and members to monitor the performance of the Co-op.

Derek Elsworth took charge of voting results on the motions and election of directors.

4. Motion 1 - To approve the Minutes of the AGM held on the 14th May 2011

Proposed by Alex Hassan and seconded by Peter Nutting.

The motion was carried unanimously. Postal votes totalled 167 for (including 23 chair votes), 8 abstentions and 1 no vote.

5. Motion 2 - To approve the Annual Accounts for the year ended 31st December 2011 with the reports of the Directors and the Auditor.

Proposed by James Wood and seconded by George Conchie.

The motion was carried unanimously. Postal votes totalled 174 for (including 23 chair votes), 1 abstention and 1 no vote.

6. Motion 3 - To re-appoint auditors Melville and Co to hold office until the AGM in 2013

Proposed by George Conchie and seconded by Majid Siadat.

The motion was carried unanimously. Postal votes totalled 174 for (including 23 chair votes) and 2 against.

7. 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 Peter Nutting and seconded by George Conchie.

The motion was carried unanimously. Postal votes totalled 176 for (including 23 chair votes).

8. Election of Directors

Rule 12(7)(a) requires one third of the Board of Directors to retire by rotation.

David Eastlick, Richard Scott and Charles Taylor retire by rotation and seek re-election. The Co-op received two nominations to join the Board from Keith Boxer and Mike Pickthall. Derek confirmed David, Richard and Charles were re-appointed to serve a further term on the Board.

The Board thanked Keith Boxer and Mike Pickthall for applying.

9. Repowering Harlock Hill Update

Annette Heslop provided the latest update on the planning application submitted to Barrow Borough Council (BBC) B06/2011/0662 and South Lakeland District Council (SLDC) SL/2011/0685. Annette outlined the need to convince like-minded friends and family to support the application and it would be very helpful if as many members as possible could attend the planning meeting date.

Both BBC and SLDC will decide on the application at separate meetings probably in the same month; currently expected during July. We will write to all members when the date is available.

The delay has been due to further reports required on otters and birds and the councils will need a 3rd party consultant to review the Landscape and Visual Impact Assessment (LVIA), which is standard practice.

Members asked the following questions:

Q - If 2 meetings in July and if both approve the application, is that the end?

A - No we have to wait one month for any objections. If planning consent is granted in mid July, then by mid August we will start working on the process of financing with a share offer launch in November or December 2012

Q - Are the new turbines more efficient?

A - The proposed new turbines are 2.3MW machines, which will nearly double the current output.

Q - If you currently have shares will you benefit in the Furness Wind Farm?

A - No, members will be asked to contribute to a new share issue first then £1 per share will be returned to Baywind approximately 9-12 months after the share launch. It will not be possible to use current share monies for the new share launch.

Q - Can Baywind promote itself in local papers?

A - Yes. Baywind could report back on this AGM e.g. 8% payout.

Q - How are visual impact assessments made?

Planning department specify where photos are to be taken. LVIA's will use photomontage to make visual the effects of the planned turbines from a number of different locations. Some locations are some distance away and will take into account views from locations with high population densities.

Q - Do both councils have to approve the plan?

Yes. Not sure what will happen if one says yes and the other says no. BBC is the lead council. Appeals are expensive for councils and are sometimes avoided for this reason.

Q - Ask Martin Lewis of BBC Radio Cumbria to do an interview.

A – Thank you for the information, we will make a note of the contact.

Q - Can Baywind promote the development of alternative renewable technologies?

A - It is beyond the financial resources of Baywind to develop alternative technologies.

Richard thanked the members for their questions and comments and, in particular, the need for Baywind to promote itself more locally.

10. Baywind Energy Conservation 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.

Baywind funding to BWECT is now £1k per installed MW, £2,500, per year rather than 0.5% of income.

Grants in 2011

- Dalton Drill Hall DEEP project £5k
- Top of the Form Quiz for BAE graduate apprentices £200

Applications Pending

- Drop Zone – Barrow Youth Centre
- Swarthmoor Junior Football Club

Future with Furness Wind Farm

- Rename and reconstitute the Trust
- Increase the annual income – could see up to £40k per year, which includes a contribution from the Infinergy owned turbines.
- Appoint a salaried part time officer to publicize and manage the Trust
- Raise the level of activity and profile of the Trust to improve public perception
- Engage with local groups and educational bodies to increase energy awareness

The meeting was closed at 2.40 pm

Signed as a true record of the meeting.



Richard Scott, Vice Chairman