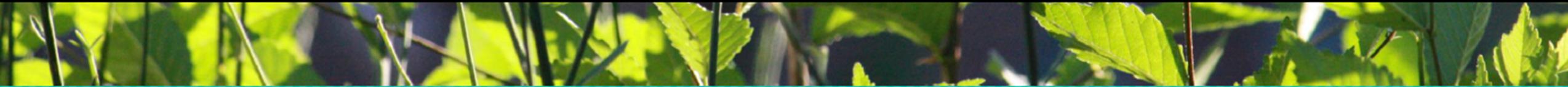




# SE24 Presentation for Southwark Council Environment Scrutiny Commission

14<sup>th</sup> October 2021



# This evening's agenda

- Introduction to SE24/Community Energy and its contribution to low carbon Southwark
- How can Community Energy contribute to Southwark's Climate Action agenda?
- What can the Council do to help facilitate that?

# SE24: Who we are.

- Started in 2014
- Registered as Community Benefit Society in 2015
- Focused initially on community PV projects in SE London, mainly in Southwark.
- Now also delivering LED energy efficiency projects.
- Surplus revenue put into community fund to tackle fuel poverty.



# SE24: What we've done...

## PV PROJECTS:

2016: Herne Hill Methodist Church Hall (10kWp)



2016: Herne Hill United Church (10 kWp)



2018: St Christopher's Hospice (50kWp)



2018: Dulwich College Lord George (60kWp)



2018: Dulwich College Sports Centre (60 kWp)



2019: Walworth Methodist Church (25 kWp)



# SE24: 2021 Projects...

## PV PROJECT:

- The Charter School, North Dulwich (117kWp)

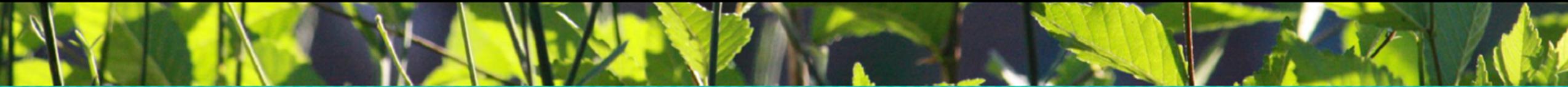


## LED PROJECTS:

- The Charter School, North Dulwich
- Charles Dickens Primary School, Borough

## SE24: PV Funding Model

- Early PV projects funded through combination of community share offer and UCEF grants. Investors paid back over 20 years with income from FIT generation and export payments and energy sales to sites.
- Now, post-FITs, PV projects funded through combination of community share offers and London Community Energy Fund grant. Investors paid back over 16 years with income from energy sales to site and exports to grid. Projects need to be larger in scale with high levels of site consumption to be viable.
- Sites benefit from a) capital savings b) low energy costs and c) maintenance over concession period.
- Agreement underpinned by 16-year rooftop lease and power purchase agreement.



## SE24: LED Funding Model

- Projects funded through combination of community share offer and London Community Energy Fund grant. Investors paid back over 10 years with income from sharing electricity savings with the site
- Agreement with site underpinned by 10-year Lighting Services Agreement.
- Site benefits from capital savings and a share of the electricity savings.
- After initial 3-month warranty period, no further maintenance responsibility for SE24.

# The impact of SE24 on community and climate



6 rooftop solar projects producing renewable electricity in South London

Around 185 MWh/a produced, equivalent to  $\approx$  60 households



More than 20 local fuel poor households supported via our Community Fund

c. £ 6,000 in funds disbursed



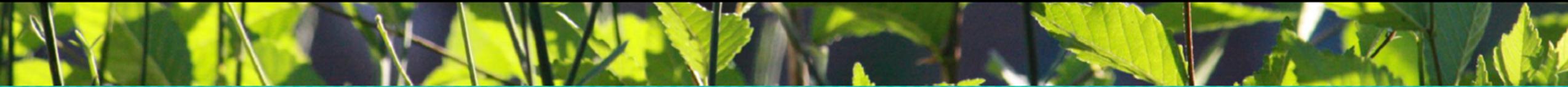
CO<sub>2</sub> emissions avoided, helping to combat global warming

Some 74 tonnes of CO<sub>2</sub> avoided per year, equivalent to taking 41 vehicles off the road



Lifetime Energy Cost Savings delivered for local residents, schools, churches and hospitals

Around £150,000 of lifetime savings from current projects

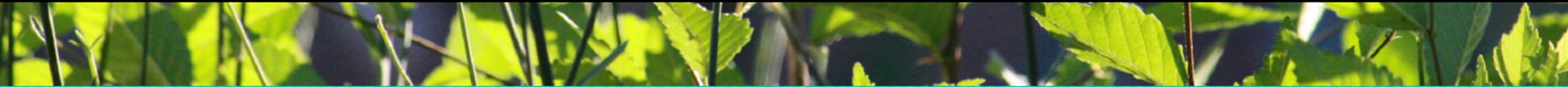


# Key priorities for effective climate action in Southwark

- Housing – including the large Social Housing portfolio held by Southwark
- Other buildings – e.g. Council offices, schools, health, leisure and other community services
- Transport – both private and public
- Most of these are areas in which Community Energy has made or can make a contribution

## Southwark will need to leverage available funding, e.g.

- The Energy Company Obligation – c. £1bn/pa financed by energy suppliers. This scheme aims to focus on the fuel poor/vulnerable and the least energy-efficient housing.
- The Social Housing Decarbonisation Fund – now expected to do the ‘heavy lifting’ in the LAHA sector. Said to be worth up to £3.8 bn over 10-year period.
- The Public Sector Decarbonisation Scheme - of which NHS has been major beneficiary.
- The Green Gas Levy – intended to support the substitution of bio-methane for natural gas.
- The Clean Heat Grant – funding for residential heat pumps. Initially proposed at £4,000/home; may now be increased to £7,000 (tbc).



# How can Community Energy best contribute?

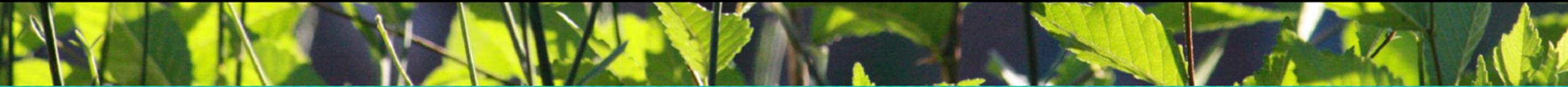
- Bring energy expertise and funding to areas/projects which commercial market would probably ignore because of size.
- Low cost of capital, based on access to grants and socially committed community investment.
- Attention to ongoing maintenance performance (e.g. solar) - not just installation.
- Engaging with our communities, which is essential for sustained decarbonisation and behaviour change. CE groups understand what types of projects are needed and viable in their local areas.
- Community Benefit Societies which re-route financial surplus into community action, with strong focus on the fuel poor and vulnerable - and these needs are increasing.
- Not just solar – Community Energy organisations in London and SE are now engaged in LED lighting, heating controls, heat pump projects, battery storage of electricity, energy efficiency advice and EV charging facilities.

# How can the Council help? (1)

- Recognise role/contribution of CE in Climate Action Plans and show clear delivery plans against actions. Only tenuous link to CE at present (pages 56 and 59)
- Provide funding support: e.g. a Borough Community Energy Fund (as in Islington, Lewisham, Merton, Wandsworth and Bromley). Could make use of the Council's Carbon Offset funds (£1.93m collected but £4.8m yet to be collected).
- Recent research shows that every £1 directed by a fund into CE project can raise £3-7 investment on top as CE groups raise finance through community shares or from external sources e.g. National Lottery, UK Power Networks etc.
- These funds used to build CE capacity and create a more sustainable business model (e.g. paid employees and less reliance on volunteers).

## How can the Council help? (2)

- There will be a real challenge to spend the lots of new money for retrofit and also in engaging residents in energy efficiency programmes. The Council could collaborate with CE groups, which could act as intermediaries for these future programmes.
- Ensure Council officers, local schools and others are well informed about contribution of CE – past, present and future - including providing legal and other briefing documentation to streamline CE project delivery.
- Encourage CE participation in low-carbon transport initiatives – e.g. solar plus battery storage at council offices, schools etc.
- Regular Council meetings with CE groups – at least quarterly.
- Appoint Council CE group liaison officer, who might be funded through partnering with another council.
- Council can make use of tools like GLA's rooftop solar potential map:  
<https://maps.london.gov.uk/lsom/>



Questions?