

Lee Mill Solar Roof Project FAQ

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1 About South Dartmoor Community Energy

1.1 What is South Dartmoor Community Energy?

South Dartmoor Community Energy is a local energy enterprise that is developing community owned renewable energy installations in and around the PL21 and PL7 postcode areas. SDCE is a community benefit society, which means it is democratically owned and run for the benefit of the local community.

Any surplus income SDCE generates will be used to support fuel poverty, energy efficiency and community energy initiatives in the area, and to provide funding for local community initiatives.

1.2 What is the basic idea of the Lee Mill Solar Roof Project?

South Dartmoor Community Energy will install community-owned solar PV panels on the roofs of commercial buildings in and around the Lee Mill Industrial Estate. The host building will not have to pay anything, and will benefit from reduced cost electricity. SDCE will fund the installations through a community share offer. The income generated from the Feed-in Tariff (FIT) and electricity sales will be used to cover running costs and pay investors in the community share offer a fair return. Surplus income will be used to support fuel poverty, energy efficiency and community energy initiatives in the area, and to provide funding for local community initiatives.

1.3 How will South Dartmoor Community Energy raise the money to install the solar roofs?

The installation costs will be funded through a community energy share offer, which will give priority to local people and organisations. Investors may receive a capped return of up to 5 or 6% per year plus their capital back over 20 years.

Individuals and organisations will be able to invest up to £100,000 each. Investors will become members of South Dartmoor Community Energy, and will have an equal say in governance decisions put to members regardless of how much they invest.

The details of the community share offer will be set out in a share offer document that will be developed once South Dartmoor Community Energy has secured a sufficient number of solar roofs to establish a viable business.

1.4 How is South Dartmoor Community Energy managed?

South Dartmoor Community Energy is a community enterprise (a community benefit society) run by a team of volunteer directors, all of whom bring a range of useful skills and experience and are committed to bringing Community Renewables to the area in the near future.

The installations will be installed and maintained by professional solar companies.

1.5 How does South Dartmoor Community Energy use the income generated by the solar roofs?

South Dartmoor Community Energy will use the income it earns to:

- Maintain the solar installations so they keep generating as much electricity as possible.
- Cover SDCE's running costs in relation to managing this project.
- Pay an annual return to people who have invested in SDCE and paying back the money they initially invested.
- The surplus income once all the other costs have been paid will be used to support SDCE's community objectives.

1.6 How can I get involved in South Dartmoor Community Energy?

As we are still a new organisation, SDCE has not yet launched a membership offer, but please contact us if you would like to support us in any way.

2 Lease arrangements

2.1 How much do I have to pay?

The business pays nothing, the costs of installing and maintaining the equipment are covered by South Dartmoor Community Energy.

2.2 Who pays for maintenance and repairs?

All maintenance and repairs will be paid for by South Dartmoor Community Energy.

2.3 Who will own the solar panels?

South Dartmoor Community Energy will own the solar panels and enter into a long-term (20 - 25 year) roof lease agreement with the building owner. The lease will have its own leasehold title but will be noted against your title to the property.

2.4 What happens after the lease expires?

Either South Dartmoor Community Energy will remove the panels, or they will be gifted to the building owner.

2.5 What if I want to sell the building and the buyers don't want to 'inherit' the South Dartmoor Community Energy roof lease arrangement?

If the South Dartmoor Community Energy roof lease agreement prevents you from selling the building either you or your buyer will be able to purchase the panels from South Dartmoor Community Energy following an initial period at a value that will be set out in the roof lease agreement.

2.6 I have a loan secured against the building, will this be affected by the installation?

The South Dartmoor Community Energy roof lease agreement will be designed to meet typical lender requirements. You will need to obtain consent from your loan company that you are planning to enter into a roof lease agreement with South Dartmoor Community Energy.

2.7 How much rent will I receive for having panels on my roof?

Typically a peppercorn rent if the host is benefiting from an on-site power supply arrangement. Otherwise, a rent based on a percentage of revenue from the installation.

2.8 Will SDCE have the right to access my property?

Yes, but only to read the generation and export meters and carry out maintenance and repairs. Site specific access considerations can be agreed between South Dartmoor Community Energy and the building owner in a schedule to the lease.

2.9 Who has the rights to the income generated from the solar panels?

All income from the Feed-in Tariff, electricity export and levy exemption certificates will belong to South Dartmoor Community Energy.

2.10 Will South Dartmoor Community Energy cover the running costs of the solar panels?

Yes, we will pay all ongoing costs of the installation including taxes, business rates chargeable on the panels, insurance covering the equipment and for public liability, installation maintenance including repairing any damage caused by ourselves as well as agreeing to remove and replace the equipment once in their life (at our own cost) to enable you to carry out roof repairs.

2.11 What if I need to repair my roof

South Dartmoor Community Energy will be responsible for any roof damage caused by the installation. If you need to carry out a repair to the roof which requires the panels to be removed, South Dartmoor Community Energy will cover the cost of removal and replacement once in the lifetime of the lease.

2.12 What obligations do I have?

You will need to insure your building and maintain your roof in good repair.

3 What happens to the electricity and income generated

3.1 How much electricity can I use and how much will I pay for it?

All electricity generated by the solar panels that can be used on-site as it is generated will be sold to the building occupier under a power purchase agreement. The price charged by South Dartmoor Community Energy will typically be around 3p/kWh less than the price of buying electricity under normal supply arrangements. The amount of electricity that can be used on-site will depend on the size of the installation and the consumption profile of the building occupier. This will be investigated during the feasibility study.

3.2 What happens if I do not use all of the electricity generated during the day?

Any surplus electricity will be exported to the electricity grid.

3.3 What are the payment terms for the electricity that I use from the new installation?

Typically bills will be issued quarterly and have a 28-day payment deadline.

3.4 How will the amount of electricity I use be measured?

Where an export meter is provided, the amount of electricity consumed is determined by calculating the difference between electricity recorded by the Generation Meter and electricity exported to the grid, which is recorded by the export meter.

In the event that an export meter is not installed, the amount of electricity generated by the PV system that is used by the occupier of the building, will be recorded using a sub-meter.

4 Practicalities

4.1 How will South Dartmoor Community Energy know if my roof is suitable?

We'll arrange a convenient date and time with you for a local solar installer (Sungift Energy) to visit your building to see if it is suitable.

4.2 Who will install the equipment?

We will use a local solar installer that holds the necessary insurances and accreditations and has experience of your roof type. Installers will be selected by South Dartmoor Community Energy through a competitive tender process. The installation dates will be arranged with you to minimise disruption.

4.3 What if something goes wrong with the panels?

We will remotely monitor the solar panels every day so if there is a problem we can arrange for the installer to fix the problem.

4.4 Will you require frequent access for maintenance work?

No, since solar PV systems are designed to require very little maintenance. If it were necessary to perform some maintenance work, then we would contact you to arrange a suitable date and time for access by one of our approved installers except in the case of emergency.

4.5 Will I have to change my electricity supplier?

No, you will retain the right to change your electricity supplier at your convenience. If you were planning to change supplier, then you will simply need to inform us about your planned change to a new supplier.

4.6 Will I need to read the meter?

Maybe, where possible we will install meters that can be read remotely but where this isn't possible you may need to take a reading once a month from the meter. We'll provide guidance on how to do this.

4.7 Do solar panels make any noise when they are generating electricity?

No, the panels will be silent.

4.8 Will the panels still work during a power cut?

No, if there is a power cut your system is automatically switched off. This is a safety measure designed to stop electricity leaking on to the national grid to protect people who may be working to restore the power supply.

4.9 Do I need to switch the solar panels on each day?

No, because it will be working all of the time. When there is no daylight, the system will be effectively on 'standby'. You do not have to switch the system on or off.

4.10 Will our roof covering be damaged during the installation?

The installers we will use will have extensive previous experience in working on roofs with a variety of coverings. In the unlikely event that the roof covering on your property is damaged in the fitting process, then the installer will repair any damage at no cost to you.

4.11 Will my roof be able to withstand the additional weight?

The installers will ensure that your roof structure has sufficient load-bearing capacity to support the weight of the solar PV installation.

4.12 I've heard that solar panels take more energy to make than they generate in their lifetime, is that true?

No. The National Renewable Energy Laboratory in the US, have researched this and the average panel will pay back the energy used to manufacture it in less than 4 years and the rest of the installation lifetime will generate pollution free electricity.