

# M&S ENERGY SOCIETY

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Dear Member

Our financial year has just ended, so we're writing to update you on the progress of M&S Energy Society since my report to you of 28<sup>th</sup> February and our Annual General Meeting held at the end of March earlier this year.

## Performance in 2018/9, our third full year

In our 2018/9 financial year, ending on 30<sup>th</sup> September 2019, we have generated about 692,664kWh of renewable electricity in this year, all of which has been used by the host Marks & Spencer stores. This has reduced carbon emissions by about 339 tonnes (using the grid average for carbon saved through reducing gas fired electricity generation – which is what our solar panels do).

Generation in 2018/9 has been very similar to the previous year. Most of our solar systems performed satisfactorily during the year. Overall generation in the past 12 months has been a little behind target, however, primarily due to faults at part of our solar system at Cheshunt and an intermittent (and difficult to identify) fault at part of our solar system at Torbay. The complexity of these busy buildings, their need for operations to be unaffected and the rightly comprehensive safety procedures applicable there, can make access for repairs slower than ideally we would like. We are continuing to work with Joju Solar and M&S to improve this. Cheshunt is now fully repaired and is working satisfactorily. Torbay has recently been repaired but it is too early to tell whether that has resolved all the generation issues there.

Details of generation by store are set out in the table below. Now we have three years of generation history we intend to recalculate the budgets rather than rely solely on the original estimates.

Site	2018/9 budget in kWh	2018/9 actual in kWh	2017/8 actual in kWh	% of budget achieved
Banbury	43,850	<b>41,114</b>	<b>43,758</b>	93.7%
Cheshire Oaks	45,350	<b>45,929</b>	<b>47,328</b>	101.3%
Cheshunt	131,380	<b>99,898</b>	<b>131,207</b>	76.0%
Hayle	212,000	<b>207,037</b>	<b>199,802</b>	97.7%
Hempstead Valley	95,872	<b>95,907</b>	<b>79,252</b>	100%
Longbridge	40,650	<b>41,592</b>	<b>27,276</b>	100.2%
Torbay	89,000	<b>78,036</b>	<b>84,806</b>	87.7%
Truro	91,800	<b>83,152</b>	<b>84,927</b>	90.6%
Total	749,902	<b>692,664</b>	<b>698,356</b>	92.3%

This has been a complicated project and we have had more than our fair share of issues to resolve, as described in our newsletters to you. But despite that our financial performance remains strong and we have delivered to members the target interest payments and will be repaying members their investment in the Society in accordance with the original plans. We have also generated a lot of renewable electricity from otherwise unused roofs. An effect of repaying members their capital will be to reduce the amount we pay out in interest, and this will then enable us to commence building up and distributing our community benefit fund, delivering on the next aspect of our mission.

### **Payment of share interest to members**

Financial performance for the year has been very similar to last year. We intend to pay interest to our members at the rate of 5% for the year, in accordance with our original target. We anticipate paying interest in December or January. Interest paid will be paid on members current shareholdings before the effect of redeeming share described in the next paragraph.

### **First redemption of shares**

We are pleased to report that we will now be able to commence returning capital to members, as described in the share offer. Members will receive a separate letter or email from us about this describing the procedure. We intend to redeem about 15% of our share capital and return that money to members, giving priority to those who wish to redeem some or all of their shares and redeeming the balance of shares in proportion to members' shareholdings.

### **Annual General Meeting – 24<sup>th</sup> March 2020: keep the date free**

We are planning to hold our annual general meeting on 24<sup>th</sup> March 2020 in the evening, probably in London. Formal notice and confirmation of the arrangements will be sent out early next year.

Finally, thank you for your support during the year. We are always pleased to hear from members so do please contact us if you would like more information or wish to discuss any issue relating to your Society.

Yours sincerely

Mariana Spater

Chair, M&S Energy Society

14<sup>th</sup> October 2019