

26th April 2022

Dear Member,

Re: Heartland Community Wind AGM: Tuesday 10th May 2022, 6pm by Zoom

You have hopefully received the date notification for this year's Annual General Meeting, which will be held using the Zoom conferencing facility. Please find attached to this letter the papers for that meeting.

To take part in the AGM you will need to register in advance using this link:

<https://us06web.zoom.us/meeting/register/tZMtcu2rqjktG9bRVQxCNWhJFBcUrm373zYo>

After registering, you will receive a confirmation email containing information about joining the meeting.

We regret that it is only possible to attend the meeting using the Zoom app and not using the in-browser or telephone-only options.

If you are unable to attend the Zoom meeting, please use the voting form and return by email to agms@shareenergy.coop or Heartland Community Wind c/o Shareenergy, The Pump House, Shrewsbury, SY1 2DP by **9am on Monday 9th May** to ensure that your vote can be included.

We hope to see you (virtually) at the AGM.

Yours sincerely,



Jon Halle on Behalf of the Board

Encs:

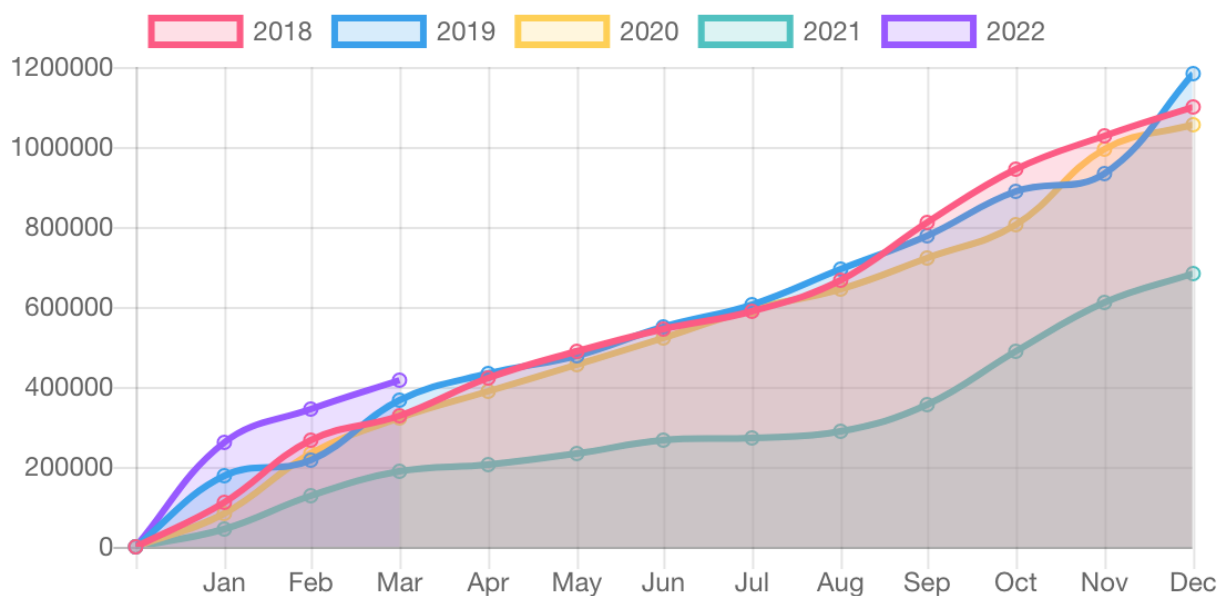
Directors' Report 2022; 2022 AGM Notice; Minutes of 2021 AGM; 2022 AGM Voting Form; Financial statements 2021

Heartland Community Wind

Directors' Report for 2022 AGM

2021 was a year of low income, due primarily to low windspeeds. However we are pleased to say that we will be able to make a member interest payment and resume community fund payments. We are also proposing a repayment of member capital this year.

Production. 2021 was our worst year so far in generation terms. The graph below shows the last 5 years combined electricity output from the two turbines:



There are two reasons for low generation in 2021. As members will be aware we had to shut T1 down in January due to a serious fault, which was finally rectified in September with a full replacement of gearbox and main bearing. However the loss of income was almost fully covered by insurance: we were able to provide output data from T2 which remained operational throughout.

This means that our income was not as heavily impacted as the production graph implies.

The main source of lower income in 2021 was the substantially lower windspeeds experienced in the year. UK Govt data show that windspeeds across the UK were around 11% lower than the 10-yr average. Some sources suggested that summer windspeeds were the lowest since 1961!

Luckily 2022 has started on a much better basis – as can be seen above windspeeds have been very good so far.

Operations. We would like to thank Realise Energy Services who worked hard to get T1 running again in the face of significant logistics difficulties. They managed to source a replacement fully refurbished gearbox for the machine from Germany and get it to the UK despite repeated delays at source and additional complexities in the customs process.

Since the turbine was restarted in September 2021 there have been no significant outages.

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Income. We are now benefitting from our new Power Purchase Agreement with SSE which started in November 2021, giving the better rate of £65.07/MWh plus embedded benefits (likely to mean a price over £70/MWh in total) . As future prices continued to be good we locked in another agreement with EDF which runs from Nov 2022-Nov 2023 and gives a slightly higher rate of £69.30/MWh. These prices are historically excellent. The recent unprecedented rises have taken the power market to even greater levels. We will look to continue the strategy of maximising income from our electricity exports over the coming years.

Community Fund. The Community Fund was suspended in 2021 due to the uncertainty over finances while we made sure that insurance would cover the T1 outage. Our agreement with Perth College UHI came to an end last year and we are now looking to Members for a steer on how we can spend the fund in future – please fill in the brief questionnaire at <https://forms.gle/E4Ubm4KjbhF6ajVo8>

Member payments. The Board proposes a 3.3% share interest payment this year. This is lower than planned in the share offer document, reflecting lower income in the year.

We have significant cash reserves. These proved very useful when we needed to get T1 working again, as the insurance payout only came once works were complete. However there is no benefit to the Society in holding more than is needed. The Board therefore proposes to make a 10% capital repayment to all members.

Outlook. The overall outlook remains good for the Society. With average windspeeds and good turbine performance we can expect to return to our planned interest payments schedule next year while making community fund payments locally. Some forecasters are predicting that high wholesale energy prices are here to stay for several years to come. This would be positive for project incomes but there is clearly a severe impact for those in (or soon to be in) fuel poverty. The impact on carbon emissions is not yet clear, and will depend heavily on Government policy.

NOTICE OF ANNUAL GENERAL MEETING

TO BE HELD AT 6PM ON TUESDAY 10TH MAY 2022 USING ZOOM

NOTICE is given that the Annual General Meeting of Members will be held at 6pm on Tuesday 10th May 2022 via the Zoom conferencing facility, for the following purposes:

AGENDA

- Welcome and introductions

Motions:

1. To agree the minutes from the previous meeting.
 2. In accordance with Section 84 of the Co-operative and Community Benefit Societies Act 2014, a resolution not to undertake a full professional audit of the Society for the year.
 3. To receive and adopt the Report of the Directors and the Annual Accounts for the year ended 31st December 2021.
 4. To make a share interest payment to Members of 3.3% of retained capital for the year ended 31st December 2021
 5. An equal proportion of each Member's shares to be bought back by the Society at a rate of £1 per share, reducing each shareholding by a factor of 10% of remaining shareholding (rounded down to the nearest whole share)
 6. To re-elect Jerry Evans as a Director of the Society.
- Any Other Business

By order of the Board

Jon Halle

Secretary

26th April 2022

NOMINATIONS TO THE BOARD

The Rules allow for a maximum number of seven Board members of which one third of those who are elected into post must retire each year in rotation and may seek re-election. Jerry Evans will retire and will seek re-election.

Biographical Notes for Retiring Director Standing for Re-election:

Jerry Evans



I'm Jerry Evans and I've been a director of Heartland Community Wind for 5 years. In that time we have managed to keep to the terms of the original agreement with members in broad terms. This is despite both turbines having to have replacement gearboxes, a major job with long periods of down time. We very much hope this won't be a recurring problem and we can look forward to some easier and even more profitable years ahead.

I live in Crediton Devon and spend my time volunteering for a community centre we've built in West Wales where I am finance director, I also run my own small business and I'm a Borough Councillor. I promote renewable energy in every setting I can.

I enjoy monitoring the output of our 2 turbines online and I get involved with making sure we get good value for money on our purchases and sale of electricity.

Heartland Community Wind

MINUTES OF ANNUAL GENERAL MEETING

HELD AT 7.30PM ON TUESDAY 29TH JUNE 2021 VIA ZOOM

Members Attending: Shamsheer Dharsani, Sarah Cooke, Martin Roger, Jock Ramsay, Mick Patrick, Norman Pasley, Dave Passingham, Jerry Evans, Jem Taylor, David Crippin, Jon Halle, Patricia Crippin, Stephen Pittam, Mike Pedley, Martin Parkes, Donall Garvin, Ronald Hummelink, Viv Henderson, Peter Henderson, Dan Hammond, Elizabeth Leighton

Attendance in person was 21. Postal or electronic votes were received from 15 Members. The quorum is 12 and the meeting was therefore quorate.

Apologies were received from 29 Members: David Ripley, Peter Fairweather Rule, Kelman Taylor, Jan Maskell, Richard Wildash, Phil Parkyn, Deborah Hamilton, Trevor Anderson, Fern Hodges, Caroline McManus, Andrew Matheson, Philip Blake, Alan Pittam, Robert Palgrave, Ian Caldwell, John David Ripley, Sarah Ford, Martin Parkes, Robert McCarthy, Roger Pemberton, Crispin Hayes, Alan Dickson, Janet Roberts, Andreas Heinemeyer, Rachel Hamilton, Deborah Crane, Allan Thomson, Roland Zinzius, John Peak.

Proxy nominations: One Member (Andrew Matheson) nominated the Chair to vote on their behalf as their Proxy.

Motion	Proposer	Seconder	Motion passed Y/N?
1. To agree the minutes from the previous meeting.	Stephen Pittam	Sarah Cooke	Y
2. In accordance with Section 84 of the Co-operative and Community Benefit Societies Act 2014, a resolution not to undertake a full professional audit of the Society for the year.	Martin Roger	Jerry Evans	Y
3. To receive and adopt the Report of the Directors and the Annual Accounts for the year ended 31st December 2020.	Elizabeth Leighton	Shamsheer Dharsani	Y
4. To pay interest to shareholding members at the rate of 4.3% on share capital retained in respect of the financial year ending 31 December 2020.	Jon Hallé	Sarah Cooke	Y
5. To re-elect Jon Hallé as a Director of the Society.	Elizabeth Leighton	Stephen Pittam	Y

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AOB:

- Two members with relevant experience offered help in dealing with the current and future insurance claims
- A member asked for more frequent member communications. The Board agreed but explained that limited time had been spent on dealing with the most critical issues. It was agreed that as a minimum the Board will send members an update once the current turbine breakdown situation is resolved.
- A discussion on community funds was held. Potential future recipients were discussed. The community fund is suspended pending resolution of the current technical issues. On resumption members will be polled to establish their main priorities for spending of the community fund and on that basis the fund will be advertised locally.

By order of the Board,



Jon Hallé

Company Secretary

29th June 2021