# Project Outline

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Title :** | Archway House | | |
| ***Sponsor :*** | *Denise Marsdon* | **Date :** | Jun 2016 |

## Background

Archway House came to our attention following discussions with the owner at the Business EXPO in April. This was followed by an e-mail indicating that a quote had been provided for a PV installation by a local installer. Alec had indicated that although they would be comfortable with a self-financed model, they also liked the idea of supporting the community and therefore wished to explore the option of a community share issue to fund it.

## Project Synopsis

The proposed installation is relatively small and it will therefore be most appropriate to consider a combined share offer, perhaps with the more straightforward PV proposal at Robert Smyth.

The project will install 16kW PV with an estimated output of 14.927kWh/a, sell electricity to the business at a favourable rate in return for use of their roof, and run the project as a community share offer developing a community benefit pot, a return on investment for shareholders.

## Outline financials

|  |  |  |
| --- | --- | --- |
| **Description** | **Income** | **Expenditure** |
| Installation of PV array |  | £16,500 |
| Share offer administration |  | TBC |
| Rate of return to investors |  | TBC |
| Power Purchase Agreement | TBC |  |
| FiT | £1748@11.71p |  |
| Export Tariff | £362 |  |

## SWOT analysis

|  |  |
| --- | --- |
| **Strengths** | **Weakness** |
| One business, owns building.  Potentially quick decision making.  Grid connectivity secured  Potential to market directly to their client base  . | Business –they don’t have an ‘obligation’ to work for community benefit.  Not many examples of Commercial COE partnerships  Ideally needs to partner another/other projects to achieve suitable scale for a community share offer |
| **Oportunities** | **Threats** |
| Good business demo project  Involvement from business in HE going forward and community benefit pot.  Good public profile  Opportunity to directly target their clients for investment or further roof hosts | Business case proves too tempting!  Project takes too long to materialise and they install the system without HE  FiT rates falling |

## Sustainability rating

|  |  |  |
| --- | --- | --- |
|  | **Comments** | **Score**  **-5 to 5** |
| **Social** | Community benefit, involvement of business with local communities | 4 |
| **Economic** | Good business case for all involved (although business case to be developed) – this should offer reduced rates for business, community benefit and return to investors | 5 |
| **Environmental** | Reduced carbon footprint as a benefit to the business. | 4 |

## Summary

Whilst the full business case is still to be developed for this and is largely dependent on finding partner hosts, PV is tried and tested and a scheme of this size will be straightforward in management terms. The owner is very keen for the project to proceed as quickly as possible. Archway House operates as an alternative health centre with significant attendance by locals people. As a project it will therefore be visible to the public. A link between the local community and a business has great PR opportunities.

Given the enthusiasm of the owner and the potential for him to self install if HE share offer timelines are too long there is an option to go early by utilising loan finance. This has the added benefit of securing a higher FiT rate whilst we seek additional hosts for a full community share offer.

## Project Status

|  |  |  |  |
| --- | --- | --- | --- |
| **Accepted/Rejected** |  | **Date :** |  |
| **Reason** | | | |
| [A statement from the board as to why the project proposal was accepted/rejected] | | | |