

The background image shows a construction site for a hydroelectric dam. In the foreground, a man in a blue jacket and a bright yellow-green high-visibility vest is working on a stone wall. He is using a tool to secure a wire mesh cage filled with stones. In the background, another worker in a pink shirt is visible near a large, grey, rectangular metal structure, possibly a generator or control room, situated on a concrete platform. The structure is partially submerged in water. The surrounding area is lush with green trees and vegetation.

# ABERDEEN COMMUNITY ENERGY DONSIDE HYDRO 2021 REPORT

[ACENERGY.ORG.UK](http://ACENERGY.ORG.UK)

44 Papermill Avenue, Aberdeen AB24 2PB  
T. +44 (0)1743 835 242  
E. [info@acenergy.org.uk](mailto:info@acenergy.org.uk)  
W. [acenergy.org.uk](http://acenergy.org.uk)



Aberdeen Community Energy is the trading name for Donside Community Hydro Limited, a Community Benefit Society Registered with the Financial Conduct Authority on 30th November 2015, number 7251.

# ABERDEEN COMMUNITY ENERGY: 2021 REPORT

Welcome to our sixth Annual Report. This Report is not a comprehensive account of our activities but rather a high-level overview of our work and achievements for the year and our early achievements and ambitions for the year ahead. Given the unexpected and extraordinary events of the past 2 years, we are continuing to adapt and respond to the changing situation. The health and safety of all volunteers has remained of paramount importance over the past year, and keeping people safe has been a major focus.

## 1. MANAGEMENT

6 DIRECTORS // 12+ MEETINGS // 1,000+ VOL HOURS



<2021

We held our fifth AGM online due to Covid-19 restrictions and guidance.

Despite the unusual circumstances, the event was well attended with the added benefit of having attendees from far flung places. Something that would not have happened if we had held our usual 'face to face' AGM, so an unexpected bonus and something we will consider for future AGM's when restrictions are fully lifted.

We started the year with six Directors, and followed up the notes of interest from members and bondholders interested in joining the board. Our co-opted places on

the Board are now full, having reached the maximum of two.

Directors held one, three-hour Board meeting each month, with many informal meetings and activities in between. All Board meetings from March 2020 took place virtually, in line with Covid-19 restrictions and guidance, and we continued with this throughout the whole of 2021.

Collectively, ACE Directors again volunteered over a thousand hours to ensure continued development of the organisation and facility.

Our memberships of Co-ops UK & Aberdeen Council of Voluntary Organisations were renewed.

2022 >

- We continue monthly meetings to ensure a well-run, organisation and facility.
- We continue to focus on strengthening the management of risk across our organisation, property and people.



CHAIR  
JANE FULLERTON



DIRECTOR  
SINCLAIR LAING



SECRETARY  
JIM CURRIE



FINANCE  
RICK VAUGHAN



SAFETY  
SARAH-JANE CHRISTIE



TECHNICAL  
CLIVE POTTER



## 2. FINANCE

	TURNOVER	EXPENSES	BOND INTEREST	PROFIT /LOSS	CURRENT ASSETS
2021	£161,679	£80,697	£22,249	£34,279	£395,205
2020	£104,970	£78,350	£23,709	£10,486	£308,809
2019	£141,604	£92,908	£23,996	£23,677	£256,959

### <2021

2021 was our fifth full year in operation, and on 21st September 2021 we celebrated our 5th anniversary of production. On 17th October 2021, we achieved 2,000,000 kWh.

ACE now finds itself in the healthiest financial position to date thanks to a record years production, very few days of zero production and prudent financial management. The 2021 surplus of £34,279 was >3 times 2020 and 39% above our previous average. Efforts continue to control costs but ACE's financial performance will always be largely dependent on the ability to generate electricity driven by seasonal and local rainfall patterns.

Our surplus is stated after charging (non-cash) depreciation hence the increase in current assets (cash & debtors) from £308,959 to £395,205. The Board decided to continue the offer to repay bondholders who wish to access their funds early. In 2021, a further £35,000 of bondholder funds was repaid, in total reducing interest payments by £2,024 every year. We see this as prudent use of our funds both in the short and longer term. Surplus funds of £255,000 are now deposited in fixed term interest bearing deposit accounts (an increase of £85,000) and additional cash is in an instant access interest bearing account.

The 2021 financial performance has also allowed repayment of capital to our shareholders. The board are proposing to return almost £40,000 for this year.

Our Power Purchase Agreement was negotiated early when a spike was seen in the market, we secured a rise of 35% from approx. 5.8 pence per kilowatt hour

to approx. 7.9 pence thanks to an auction on The Renewable Energy Exchange. This new rate was effective from 23.11.2021 so very little benefit was reflected in this year's finances, however our FIT was escalated by RPI of 1.2% with effect from 01.04.21 to 23 pence per kWh. Despite our best efforts our insurance premium remains at a high level due to withdrawal of virtually all suppliers in the market leaving us with very little choice of insurer. As a Society, we secured 100% business rates relief and paid no corporation tax.

Some progress has been made with finalising the lease, agreement has been reached on the calculation of allowable expenses and a sum agreed for rent due for years one to four. Legal teams for both parties continue to work on bringing this matter to conclusion.

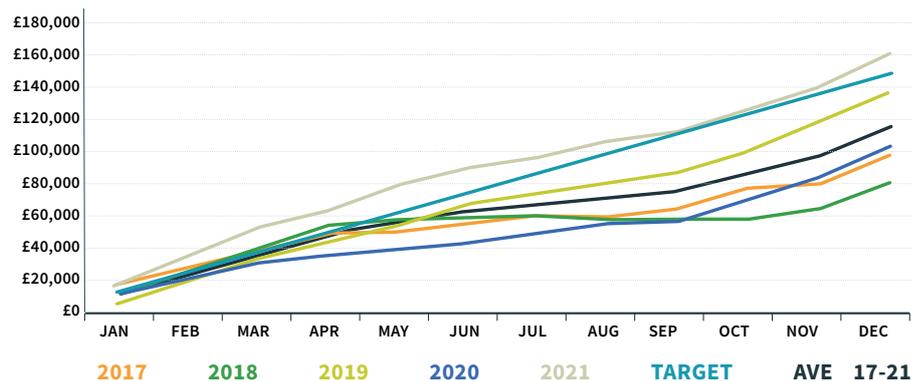
Our accounting and administration services have continued to be efficiently supplied by Sharenergy, a new contract for a further 5 years, with an option to break at 3 years has been agreed and signed.

### 2022>

During 2022, we will:

- Re-connect with new business start-up REoptimize Systems (REOS) to identify potential software improvements to deliver additional production efficiency and income.
- Continue to offer early encashment to bond holders
- Finalise our lease agreement with the developer and settle the outstanding liability
- Continually monitor movements in the wholesale electricity market to secure the best possible rate for our generated energy
- Continue to minimise costs

### CUMULATIVE £ REVENUE BY MONTH AND YEAR



### 3. CONSTRUCTION

<2021

Following the lifting of covid 19 restrictions, we were able to implement the plans we had for improvements to the landscaping around the hydro site. Significant improvements were made to the access to the turbine house, with the aid of a contractor with a digger, and a team of volunteers, who put 3 days work into filling gabion baskets and improving flood defences at the edge of the lade. We also improved safety to the island side of the spillway, and a safety fence was erected on the island next to the spillway, deterring unauthorised access



2022 >

- All works are subject to the wider Coronavirus context and accessing funding to deliver them.
- The 'otter screen' will be realigned . This does not present an issue with regard to production, but does impede the activities of our volunteer screen cleaners.



### 4. OPERATION

12 MONTHS - 551,523 kWh // CO<sub>2</sub> SAVED - 254 TONNES // HOMES POWERED - 147

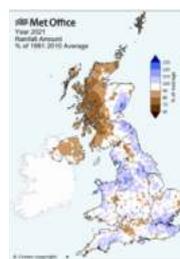
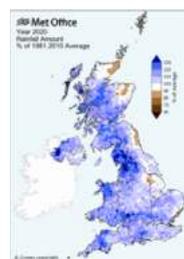
<2021

Following on from the increased rainfall at the end of 2020, our year got off to an excellent start with record production in January. This pattern continued with heavy snowfall on the hills in February contributing to a string of record months of production. In all, 11 out of 12 of the months had above average production with only April falling short by a small amount. In addition, 7 months saw us beat our highest performance to date, resulting in our best year's production by more than 96,000 kWh (almost 50% above average).

Routine debris cleaning from the screen continued to be more efficient thanks to the inclusion of a new volunteer bond holder to our small and dedicated squad who turn out whatever the weather to keep the screen clear.

Our system performed well and uptime was excellent; it continues to be remotely monitored by TLS Renewables (formerly MannPower Hydro) with regular maintenance and occasional minor repairs taking place.

A number of early interventions during the year has enabled us to continue to produce



more effectively with good working relations continuing with TLS Renewables. A new 5 year contract has been negotiated to build on this and to strengthen the knowledge base of our support organisation.

The improved access and raising of the lade wall has made the ongoing tasks easier and safer to execute, and prevented further erosion when flooding occurs.

Despite COVID 19 restrictions our volunteers - Directors and 'Village People' - again put in hundreds of hours of their time doing the day-to-day monitoring and maintenance, including screen clearing and general improvements.

2022 >

- A Post Commissioning Assessment has been finalised by MannPower Hydro. Recommendations continue to be reviewed and, where desirable and feasible, implemented in 2021 and beyond.
- Revisit and progress our collaboration with new business start-up REOptimize Systems (REOS) with the aim of identifying software improvements which have the potential to deliver additional production efficiency.





## 5. PROJECTS



10S VOLUNTEERS // 100S HOURS // £1,000S IN KIND

<2021

Three local volunteers are qualified in control of invasive non-native plant species, which affect the site and have continued to control and treat affected areas. Partnership work has been ongoing with Aberdeen City Council to ensure areas up and down the river are controlled. This work is ongoing and will continue for many years.

Over 400 trees and shrubs were planted by volunteers with donations from the Woodland Trust's Community Trees programme and Aberdeen City Council's Community Food Growing Fund. These provide natural structure to the land while providing food for people and wildlife.

The 'Village People' volunteers continue to assist with day-to-day operations and additional enhancement projects, such as litter picking and path clearing.

Of particular note is the work undertaken to the access to the turbine house and the improved flood defences, with a team of 10 volunteers spending 3 days filling gabion baskets, and working with the contractor in effecting the repairs and improvements. Our volunteers have contributed hundreds of hours in kind and their input is essential to the smooth running of operations.

2022>

- The landscape architect commission will be completed to provide a final landscape plan.
- Adjacent community projects will continue, e.g., Bee Lane & DVC Honey, Kids Faerie Trail, etc.
- Habitat improvements will be ongoing with more tree planting and invasive species management



## 6. AWARENESS & EDUCATION



ONE VIRTUAL EDUCATIONAL SEMINAR // ONE TOUR UNDERTAKEN FOR AN MP // TWO SCHOOL TOURS UNDERTAKEN ON SITE // ONE TOUR FOR A LOCAL WALKING GROUP // ARTICLE IN LOCAL NEWSPAPER IN ACKNOWLEDGEMENT OF OUR 5 YEARS PRODUCTION, AND 2M KWH OF PRODUCTION // SHORT FILM ABOUT THE HYDRO SCHEME HAS BEEN PRODUCED (COMPLETED MARCH 2022)

<2021

In March 2021, we delivered our second virtual seminar for University of Aberdeen Masters students. This, what has now become an annual event, was very successful, despite it not being on site.

Due to the lifting of Coronavirus restrictions and guidance in the second part of the year, our 'tours' schedule and planned visits to the hydro scheme were resumed, although we ensured that precautionary measures were in place to ensure the safety of all on site.

We carried out 2 tours for an Aberdeen school, a local walking group and an MSP visit.



We also continued working on a short film of the hydro, to allow a 'virtual tour' to be available. This became even more necessary with the pandemic preventing actual tours. With the support of a local amateur film maker, this film was completed in spring 2022, and will be launched at our AGM on June 1st 2022.

2022>

- Hopefully, with the easing of Coronavirus restrictions, we will be able to resume delivering onsite paid seminars for University students and public tours
- All activities, including volunteering opportunities, may continue to be impacted due to Coronavirus restrictions that may be in place.
- A 'virtual tour' in the shape of a short film, is now available online on our [YouTube channel](#) along with other film footage over the past few years, including a timelapse of the hydro being built. [www.shorturl.at/eiU16](http://www.shorturl.at/eiU16)

## PARTNERS // FUNDERS

