

Water Power Enterprises (*h2o*PE)

Social Enterprise (Community Interest Company (CIC))

Mission

- Reduce Carbon Emissions through small scale hydro
- Community Involvement

Aims

- Install 5MW of capacity by 2015
- Saving 6,500 tonnes of CO2 per year
- Currently working on sites with upwards of 8MW of capacity mainly in Derbyshire, Yorkshire, Lancashire

Dual Track Business Plan

1st Track

- **Community owned hydro**
 - detailed scheme design
 - regulatory permissions
 - Power Purchase Agreement (PPA)
 - raise finance to h2oPE's social business model
 - community ownership
 - project management of construction
 - maintenance contract

Dual Track Business Plan

2nd Track

Wholly or co-own hydro sites for our own income stream.

Profits will be reinvested in development of more community sites

New Mills, Derbyshire

Scheme Details

- All permissions obtained
- 70kw Archimedean Screw
- Approx 266,000kWh/yr
- Cost approx £250,000
- Will save 116 tonnes CO₂/yr or 4,600 tonnes in lifetime (approx 13 million car miles)
- Work started 3rd March – finish end July

Artist's Impression



Site Construction



Coffer Dam



Background

- Public Exhibition Jan 2007 to help with Planning Application
- Approached by local Friends of the Earth for greater involvement
- Public Meetings
- Needed to identify best 'Legal Vehicle' by which local people could become involved
- Industrial and Provident Society for Benefit of the Community – called **Torrs Hydro New Mills Ltd**

How to raise £250,000

Our social business model...

- Grants
- Equity (social investors)
- Loan

Grants

- Grants target - 30% capex
- Peak District National Park - £15,000
- East Midlands Development Agency - £75,000
(pilot the community owned route)
- The Co-Op Group - £45,000 (THNM's status as an IPS)

TOTAL £135,000 (54% of total)

Equity

- Form THNM as a BenCom IPS - adopt model rules
- Draft Prospectus (target interest rate 7.5%) – agreed by solicitor
- Launch of Prospectus
- Promotion of Prospectus

Raised £97,800 (39% of total)

208 shareholders – majority in New mills

Share Offer worked because

- Build up of contacts (head of steam) prior to Launch
- Hire of PR person
- Enterprise Investment Scheme – tax relief
- National Publicity (helped by FoE)
- Right idea at the right time

Loan

Co-Op Bank

- Facility up to £60k
- Good 'fit' with Co-Op group – ie THNM as an IPS, Co-op grant, Co-op loan

Community Benefit

- IPS Ben Comm
- After overheads and interest on shares, remainder goes to community of New Mills for purposes of '*economic regeneration and environmental sustainability*'
- Aim to give immediate benefit to the community – 5k per year