

REPORT TO SCRUTINY - RESOURCES

Date of Meeting: 17 September 2014

Report of: Corporate Manager Property

Title: An Energy Neutral Council – A Renewables and Energy Efficiency Programme Update

Is this a Key Decision?

No

Is this an Executive or Council Function?

No

1. What is the report about?

This report provides an update on the Renewables and Energy Efficiency Programme work that has been undertaken since the previous report to Scrutiny Committee Resources on 19 March 2014.

2. Recommendations:

That Scrutiny Committee Resources note the progress made to date and delivering the Renewables and Energy Efficiency Programme.

3. Reasons for the recommendation:

This is an update report to Scrutiny Committee Resources

4. What are the resource implications including non financial resources.

The programme is delivered by the Energy Team, made up of two full-time posts and this level of resource continues to be supported.

It should be noted, however, that the speed of delivery of the programme is impeded by the fact that at present structural engineering and procurement work has to be outsourced due to the lack of in-house capacity to address these issues. It is hoped that the setting up the new Corporate Procurement function will ease some of the pressures in this area and that the Energy Team will be able to accelerate delivery of schemes as a consequence.

In terms of the financial benefits of the programme, actual performance of completed PV schemes is set out in the attached document. This demonstrates that as at the end of the last financial year (31 March 2014) energy savings and income from FIT payments and export to the grid have exceeded expectations and that the returns over the 20 year investment period are higher than projected and demonstrate an improved return. As the new schemes within the programme are rolled out it is anticipated that they will deliver similar energy savings and income generation.

5. Section 151 Officer comments:

This is a very positive result for the Council. Not only does it provide for a scheme where the total investment is paid for in less than seven years, but in terms of the budget, the savings and income generated exceed the costs of borrowing and repaying a loan by over £27,000 a year, which is a real saving to the Council's budget year on year.

6. What are the legal aspects?

There are no issues to raise on the content of this report.

7. Monitoring Officer's comments:

There are no issues to raise on the content of this report

8. Report details:

The report to Scrutiny Committee Resources on 19 March 2014 updated the Committee on progress at that time in delivering the pilot and phase one elements of the Renewables and Energy Efficiency Programme. This report is intended to provide an update on new work that is underway, a brief comment will be made on each individual project under consideration:

Verney House Roof Solar PV System

Structural investigations revealed that the roof structure required a reinforcement to take a Solar PV array. The costs of this reinforcement meant that the scheme was not viable and it is not being pursued.

RAMM Solar PV System

A Solar PV scheme has been designed for the RAMM roof, planning and listed building consent has been obtained together with an adequate Energy Performance Certificate (EPC) and Western Power Consent (WPD). A structural assessment of the six separate roof elements involved is underway and, if this proves to be satisfactory, a business case will be presented for approval by the Corporate Manager Property in consultation with the Portfolio Holder Enabling Services, Deputy Chief Executive and Assistant Director Finance.

Phoenix Art Centre Solar PV System

Scheme feasibility is being investigated in consultation with the Phoenix Art Centre and RAMM which seeks to identify the preferred end user for the generated power.

Car Port Solar PV Systems (Mary Arches CP, Cathedral & Quay CP, John Lewis CP)

Tenders for this project are in and are being evaluated. The preferred scheme will emerge as the Energy Team evaluate the tenders and this will form the basis for the requisite planning consents. Adequate EPCs have been obtained together with structural engineering assessments of the sites and a generous export generation consent from WPD. A business case and recommendations for the scheme roll-out will be presented for sign off as above.

Civic Centre Heating Load Review

The heating load review has been completed by the University of Exeter for the whole Civic Centre. It has identified that gas-fired boiler replacement of the current oil-fired heating system is feasible with a short pay-back period and significant carbon savings. Design work is currently out with a specialist contractor and cost estimates and a procurement route will be determined as part of that process. It should be noted that the new boilers can be installed alongside the existing oil-fired system and, if necessary, they can be run in conjunction until such time as the oil-fired system is made redundant and closed down

Civic Centre LED Lights Replacement Programme

The area of Phase III of the Civic Centre to be occupied by the Citizens Advice Bureau has been completed. A programme of works to the remaining areas of the Civic Centre will follow the planned office relocations as they roll out.

Civic Centre Data Centre

The University Heating Load Review included work on the proposed new data centre. The Energy Team are working with ICT to ensure efficient cooling of the relocated data centre and to effect reduced running costs.

Corn Exchange Solar PV System

A feasibility exercise is underway with a planning application and EPC to follow.

Livestock Centre Solar PV System

WPD approval has been secured for a significant Solar PV array of 1.5MW (for comparison the Civic Centre Solar PV totals 70KW). This will produce significant carbon savings and a 20 year profit in excess of £4 million. A structural roof survey has been carried out which suggests that significant roof repairs would be required for a PV scheme to go ahead. To take this forward discussions are being held with the Markets & Halls Team in conjunction with an assessment of the medium term future of the Livestock Centre as a whole.

Quay Climbing Centre Solar PV System

Early discussions with the building owner to make use of this roof space for a PV array are taking place, providing an opportunity to trial a power purchase agreement under which we would sell power to the leaseholder.

Parkwood Assets (Riverside Leisure Centre, Wonford Leisure Centre, Exeter Arena and ISCA Centre Solar PV Systems)

Discussions with Parkwood about utilising roof spaces on these properties for Solar PV arrays are underway. This will serve to reduce high energy costs borne by both Parkwood and the City Council.

EV Chargepoint Project

The installation and commissioning of the “park and plug” chargepoints around the City Council’s car parking estate has been completed. Sponsorship from BMW together with grant monies from the Department of Transport has meant that there has been no capital cost incurred by the ECC in delivering this project.

9. How does the decision contribute to the Council’s Corporate Plan?

The delivery of the programme is an essential part of the Council’s capital programme over the next few years. The energy savings and income generated will assist us in our overall efficiency and income generating agenda as well as contributing to the reduction of our carbon footprint, making the city as a whole a more pleasant live and work.

10. What risks are there and how can they be reduced?

The programme has been approved and resourced in order to secure delivery of viable schemes. There will always be challenges to viability in this area as a result of changes in energy costs, Feed in Tariff regimes, structural building condition, etc. The mechanism we have put in place to approved business cases and viability should ensure that we do not embark on schemes that will not perform in accordance with our requirements.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

No decision is sought, but it should be noted that the reduction in the City Council’s carbon footprint does go some way to improving, or at least mitigating, our adverse impacts of energy use on the environment.

12. Are there any other options?

The nature of the programme appraisal and approval arrangements are that the Energy Team is constantly considering alternative approaches and other avenues of investment in this area.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:

None

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