

Halton Lune Hydro

Hydro-electric Community Project

2020 Chairman's AGM Report

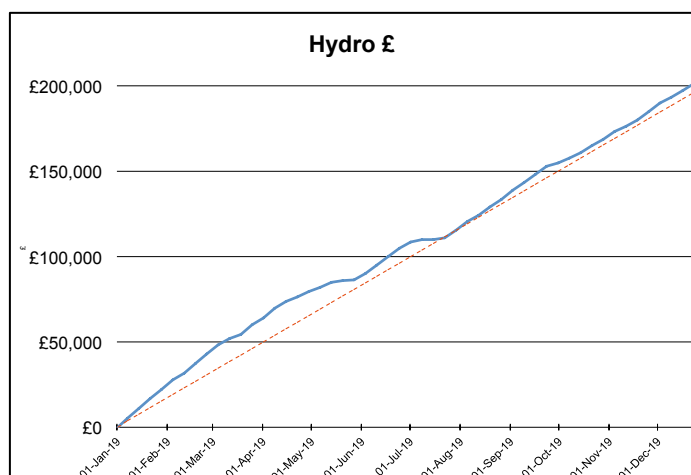
1. INTRODUCTION

Another interesting year with a few challenges through 2019, but good Hydro performance thanks to the team of daily visits and work days, alongside the fish monitoring and trapping team.

2. REVENUE

No abnormally long dry spell, and we managed to undertake maintenance during a short dry period when the turbines would have been stopped in any event. Significant rain however and turbines stop, when the water level above the weir is similar to that below the weir.

Replacement of a damaged fish protection screen and installing a turbulence reducing cowling is considered to have assisted flow efficiency – with the end result, subject to Accounts Examination, of c. £202,000 revenue compared to £189,000 in 2018 and £173,500 through 2017.



This means that we have been able to refund £81,250 of shares through January and February 2019, and a further £20,000 by the end of 2020, will keep us on track for having repaid all shareholders over 20 years.

Shareholders having been refunded all shares, retain the option of receiving a £1 no dividend paying share, so that they receive occasional updates and Hydro interests may be represented by "Owners" beyond year 20.

£11,760 has gone to the Halton Lune Trust for worthy local causes, being a target of £3,000 plus interest saved after share repayments. Worthy causes donated to, following grant applications, are listed along with photographs under the "Community Benefits" section of the web site. The annual amounts should be in the order of £60,000 pa by year twenty.

The dividend this year will again be the target 4%, based on the original share holding, before the EIS tax refunds, and paid early March, just after we receive the electricity generation money for the last part of 2019.

It's important for a similar number of shares to be repaid each year to stay on track, and the reason why its not been possible for more shares to be sold, even though there have been requests to buy into the Halton project.

One of our shareholders and supporter with electrical engineering during construction is however involved in a 4% pa dividend scheme near Congleton, so more detail is available for those that may be interested and there will be a table at the AGM to discuss further.

3. FISH – Counting and Trapping

The fish counter consists of three under water brass strips that change resistance when a fish passes over, for an electronic counter to measure fish up, down and length - that assists decide if it's a salmon or sea trout.

The numbers are on the Hydro web site for 2017/18/19, where one can see a rather disappointing trend of reducing numbers both over the counter and those trapped for health checks; 2019 in particular.

Several fishermen have queried why the river level suddenly drops during low river conditions. It's an interesting phenomenon and you can find out why at the AGM.

4. HYDRO PERFORMANCE

Electronic systems record basic parameters every minute. These are averaged to fifteen-minute intervals and compared to river flow measured by an Environment Agency (EA) device at Caton. We submit figures to the EA periodically as part of the Licence conditions, to show in particular that we not using too much river water and that during dry periods, always leave sufficient for the two fish passes. The turbines automatically back off power; hence water flow, to control this. The figures that we have also enable us to check turbine output compared to available water and consider our resulting fine-tuning to have increased output.

5. OPERATION & MAINTENANCE

There is day-to-day maintenance, such as minor repairs, greasing and cleaning, and we try to undertake annual “drain down” jobs during the warmer weather. This is with the large steel plates lowered into the inlet and stop logs across both turbine inlets. The work involves the usual large stone removal from the inlet and small stones from the fish screens – and a new cowling installation around a concrete pillar to reduce lost power and vibration caused by turbulence.



A fish screen was actually replaced during October with water still in, after finding damage in June. Our very helpful divers Adam and Graham, are certainly getting to know their way round sub terrain. Both Cowling and fish screen count as “capital expenditure” hence to be written off against HMRC corporation tax.



We also undertook a chargeable repair to the weir for landlord United Utilities, where a tree had punched a hole.

The advantage of our company undertaking the work, is that we have the subject equipment and skills, can reduce the weir level locally by opening a sluice gate.

6. AGM Friday 24th April 2019

A later AGM this year, to provide more time for Examination of the accounts and for electricity generation money to come in early 2020 for 2019.

There is a separate sheet with AGM motions covering:

1. Acceptance of March 2019 AGM Minutes
2. Approval of 2019 Financial statements
3. Approval of RFM as Account Examiners for 2021
4. Re-appointment of Kevin Frea as a Director of HLH

7. BOARD of DIRECTORS

A welcome as directors to Maria Angeles Solera (Duty Officer, data analysis and web site) and Nick Mannion (Duty Officer and Operational Maintenance); two very active members of the management group and always good to bring the director age profile down.

The complete team includes skilled Duty Officers and one person normally visiting the Hydro each day, along with keeping an eye on occurrences via CCTV and SMS text messages.

Directors

- John Blowes
- Brian Jefferson
- Alan Denham
- Kevin Frea
- Maria Angeles Solera
- Nick Mannion

+ Duty Officer Team

- Jon Sear – Management Group
- Graham Porter – Management Group
- Carl Richardson
- Steve Brant
- Chris Baxter
- Johnny Bushcraft

The fish trapping team, lead by Kevin Frea, are a further essential with a considerable number of volunteers, who come at short notice at times determined mostly by river and thus trapping suitability.


John Blowes MBE CEng