

### 1. Rationale

In order to deliver BWCE's Objects and locate renewable energy projects and/or manage and reduce energy demand, we will need to work with a wide range of third party organisations. We need to be sure that in working with third parties we do not inadvertently undermine our own ability deliver.

# 2. Policy Statement

UN Secretary General, Antonio Guterres, said of the IPCC's report in August 2021.... "This report **is a code red for humanity**. The alarm bells are deafening, and the evidence is irrefutable: greenhouse gas emissions from **fossil fuel burning and deforestation are choking our planet** and putting billions of people at immediate risk."

Bath & West Community Energy considers climate change an existential threat to our ecosystem's ability to sustain and nourish life on earth.

#### BWCE's Objects include:

- To carry on any business for the benefit of the community by: Promoting, facilitating, developing, and running renewable and low-carbon energy and energy efficiency projects in Bath and the surrounding areas.
- 2. The Society shall be owned and controlled by its Members on a fair and equitable basis.

As a community led social enterprise seeking to encourage

community action, it is our policy to work with anyone within our local area who genuinely wishes to take action to reduce their carbon footprint. Unless to do so would run counter to our own organisational objectives and/or ethical considerations held by the board, a significant proportion of our members and our primary provider of debt capital, Triodos Bank.

When establishing all new sites, BWCE will consider the following principles and process for decision making.

## 3. Principles and Process for Decision Making

- 1. Each case should be considered on its own terms, in relation to the aims and objectives of Bath & West Community Energy.
- 2. The principal decision making body will be the BWCE board, the majority of which is elected by the membership and seeks to represent member views.
- 3. The business activities of a potential land or building owner host for a renewable energy scheme should be considered with respect to <u>Triodos Bank's Minimum Standards</u>
- 4. Where concerns about the activities of a potential host organisation have been raised, the BWCE board should weigh up;
  - a. the commitment to carbon reduction from the potential host
  - b. the degree of compliance with Triodos's minimum standards
  - c. the implications, both financial and otherwise, of supporting or not the installation of a particular renewable energy system
- 5. For the project to proceed, it will need a unanimous vote of support across the board after the board review.
- 6. If the board has anything other than a unanimous view to proceed, the project will not go ahead.
- 7. Should a decision be made to turn down the support or involvement of a third party, BWCE should make clear its reasoning.
- 8. Each decision made by the BWCE board that has required reference to the Triodos standards should be documented and communicated to members.



## 4. Discussion

In putting solar panels on an organisation's roof, we are establishing a long-term partnership whereby we are selling electricity to the host organisation (usually at a discount) and enabling them to make progress towards their own organisational carbon reduction targets at no cost.

So even though we are not investing in the host organisation, we are offering significant benefits. In doing so we are, and will be seen to be, supporting the organisation. As a result, their business activities will inevitably come into consideration.

Triodos have made it clear that any projects that they support with debt capital will need to conform to their ethical standards. As such, these standards provide an important frame of reference for decision making.

As a membership organisation that relies on member capital, member views are also central to the board's decision making and the organisation's long-term success. Many of our members are particularly concerned with how their money is invested and BWCE is considered an ethical home for their capital.

Many of the issues involved are complex, sometimes with questions around what is in or out of scope, as reflected in the way the Triodos standards are presented. Sometimes there may also be questions of degree, for example installing solar on a gas fired power station as opposed to installing solar on a building with a gas boiler.

So, where there is uncertainty around where a particular site sits with regards the Triodos standards, the board will first consult with Triodos and if that does not quickly resolve the uncertainty, the board will only proceed with the project if it is able to demonstrate unanimous support to go ahead.