

## MEETING MINUTES

Date: 19th September 2017 @ 20:00

Present: Peter Thomas – Company Secretary  
Carol Thomas – Hydro Project Manager  
Libby Foy – Director  
Irene McLonnan – DIG Board Representative  
Andrew Swann – Finance Director – via conf call  
Michael Odomuso – Director – via conf call

Apologies: Sheila Clark - Chair  
Chrissie Sugden – Minutes Secretary  
Cath Auty – DIG Representative

Meeting Details: Board Meeting 010  
The Old School, Dalavich & via Why Pay conferencing

### MINUTES

1) **Apologies** were received from Sheila Clark, Chrissie Sugden, and Cath Auty.

2) **Approval of previous minutes** – approved by all present.

3) **Communications** as listed on Agenda:

- Newsletters issued
- Large number of Invoices – all listed on Xero and included in Finance Report
- Further exchanges with Michael Russell MSP re SSE
- Letter from Triodos Bank rejecting SIS Account Charge
  - a. Andrew explained that Triodos could not accept the request for a fixed charge over the bank account because they felt that this would mean that the account could not be operated and would have to be frozen. This is a difference of legal opinion between Triodos & SIS Lawyers, none of whom seemed concerned by it. There is no significant impact on us as our obligation is to inform Triodos that there is a charge over the account and use reasonable endeavours to get Triodos to accept this. It would not be reasonable of us to force a situation that froze the account.

It is accepted that we have done all that we can do. There is a debenture that covers this as well. Johnny Bell is working with Social Investment Scotland (SIS) & Murray Maclays Spens (MMS) to come up with an acceptable form of words.

b. Carol explained that this is holding up the issue of the Datasticks containing the full set of signed documents from Financial Close.

- HMRC further VAT queries – now all resolved
- Several Communications related to FES Legal fees – now resolved

a. Carol explained that this was due to a discrepancy in between bill and supporting documentation

- Series of exchanges with SSEN regarding Michael Russell
- Dalavich Improvement Group regarding repaying 5% contribution
- Dalavich Improvement Group regarding error in Ricardo Grant Transactions

a. Peter questioned this; Carol explained that this related to a discrepancy between the sum paid in by EST and the amount paid out to Ricardo. This was because EST overpaid the claim. This was corrected in the final claim, which was unpaid by the corresponding amount. Heather Hardstaff (DIG Treasurer) is satisfied that all is straight and EST via Iona Hodge have apologised for the error.

- FES regarding Oakwood Trail path to Barnaline Car Park

a. Peter explained where people could go and confirmed that both top path & river road track to falls. This would enable people to see the construction site from the falls and people should be encouraged.

a) Various legal documents tidying up/finalising property transactions and legal filing

#### 4) Finance report

a) Executive Summary shows that we spent just under £161k in August

b) Cash Summary – ABS pointed out that the £38k spend in August included the £35k decommissioning bond.

i) Action: ABS & CT to clarify recording protocol with Haines Watts

c) VAT refund of VAT Claim 1 & 2 received in September: total circa £60k; ABS reported that Xero still showing quarterly reporting.

- i) Action: CT to talk to Haines Watts
- d) ABS described the drawing requirements for SIS loan, we need to make a drawing before end October & another before end December. We need to decide how to split the remaining £600k as there is no doubt we need the full sum. The main question is how much is required before end December. Each £50k deferred to end December would save just under £600 in interest. ABS asked Board to approve drawing down the full amount going forward in two tranches, as either £500k & £100k or £450k & £150k.
  - i) Action: CT to issue ABS with a financial analysis at end-September.
  - ii) Action: CT to talk to Haines Watts about how to do the quarterly reports
- e) CT reported that Rob Halliday, gets bank statements, should have quarterly reports
- f) PT asked about key stages around December and importance of invoicing timing. CT reported that there is a 5% retention on DA MacDonald which will not be paid until the project is complete. CT explained the invoice payment time lag. July invoice for civils was received on 15/08 and due for payment in September. We are currently paying 5 – 10 days ahead of due date.
  - i) Action: CT to map out payment schedule and then ABS to sign off planned drawdown.

#### 5) **Review of Society Status**

- a) No change in shareholders
- b) Second Share offer – nothing back from Energy4All, CT rapidly coming to conclusion that we might as well do it ourselves with social media support. CT is meeting with some people next week in Glasgow and will have a definitive proposal issued in time to launch in October.
  - i) Action: CT to progress and report back

#### 6) **Project progress**

- a) Confirmed that all Board members are getting the weekly construction reports.
- b) Everything is on schedule apart from the intake, which is 8 – 10 days behind schedule. Donald MacDonald is confident that they will recover that time this month
- c) One risk is the water intake valve, which Hugh Campbell (HC) is now resolving. Option a) is for a local supplier to fabricate a similar design to that already proposed; option b) is to make a slider version. We are waiting on HC to confirm final solution. This is

designed to protect the water supply, simplify cleaning, and guarantee the water supply in times of low flow. The challenge is complying with SEPA's minimum flow requirements and protecting the water supply.

- d) Active Network Management (ANM) has been primary focus throughout August and into September mainly due to number of electrical companies involved. There is now clarity about who is responsible for what.
- e) SSE team (thanks to Michael Russell) now understand the complexity of our solution. We now have active involvement from SSE who are now helping us to make this happen effectively. Ricardo have been driving this with Carol to make sure that nothing drops through the gaps.
- f) Upside is ducting is now confirmed and in the right place before the floor was poured.
- g) Still need to resolve the BT question: who is laying ducting from site to BT connection and who many lines are required.
- h) SSE are moving the transformer from pipeline side of Powerhouse to the other side of the old turbine house. This futureproofs against needing satellite and saves 10 – 20 meters of high voltage expensive cabling
- i) SSE meeting addressed costs, arrogance, and lack of support. Andy Huthwaite Director of Commercial & connections has committed to finding a way to help us. Colin McNaught of Ricardo attended and was extremely helpful in reminding SSE of the reasons why they should help us.

## 7) Operational Issues

- a) As previously discussed we are still awaiting final versions of signed *legal documents* .
- 8) **Any other business –**
  - a) IM asked that DAM be reminded to drive more carefully on village roads – noticed because they are in branded. Meeting noted that high levels of traffic are not all due to DAM – PT will speak to SK
  - b) ABS not available for next meeting

**Meeting closed at 20:55**

**Next Meeting Tuesday 17/10/17 @ 19:30**

Minutes approved at meeting #010 *25/10/17* on

Signed as an accurate record by: *Shirley M. Hardy* Post: Chair