

PROJECT BRIEF v.1.0

Reference Number: *SCDC – PB01*

Project Title: *SCDC REFIT PHASE 1 – South Cambridgeshire Hall Site and Waterbeach Depot High Level Assessments*

Date of Issue: *24th October 2018*

Responsible Board: *Climate Change and Environment Committee*

Portfolio Manager/s: *South Cambridgeshire Hall – Phil Bird*

Project Executive/Sponsor: *Alex Colyer (Executive Director – Corporate Services)*

Project Manager: *Kevin Ledger*

1. Background

Political leaders and senior management at South Cambridgeshire District Council have identified Climate and Environment as one of the top priorities for the administration. Part of this agenda is to showcase investment in green energy generation and energy efficiency.

The Council's recently formed Climate Change and Environment Advisory Committee (CCE Committee) has agreed that Green Energy Investment will be one of the priorities within its work plan 2018-2020.

The Local Government Finance Bill provides for the retention of business rates income from new renewable energy projects in the district. This is an opportunity for the Council to reinvest funds retained from renewable energy business rates into green energy investment projects. This project brief signals the first steps of this plan to invest in green energy.

2. Project Definition

The project seeks to undertake work to ensure that the South Cambridgeshire Hall site becomes an example of best practice in the field of energy efficiency and green energy generation/storage/sharing. It aims to minimise emissions through low carbon generation and energy efficiency measures, increase energy self-sufficiency and generate income and savings for SCDC.

It will also explore opportunities for the rapid implementation of roof mounted solar panels at the Waterbeach depot site, to take advantage of Feed-in-Tariff prior to the cessation of these subsidies from April 2019.

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2.1. Project Objectives

Lower emissions through energy efficiency/renewable energy generation
Savings on energy bills
Long-term revenue stream and Return on Investment
Increased energy self-sufficiency for the organisation

2.2. Project Scope and Exclusions

In scope

- The South Cambridgeshire Hall building and the surrounding carpark and site.
- Consideration of additional opportunities that may be available as a result of site locality, including location on Cambourne Business Park and in close proximity to the Cambourne Village College site.
- Identification of any additional financing options that may be available to the Council in relation to any of the approaches outlined.
- Consideration of all technologies and approaches that may offer a reduction in environmental impact as well as savings and income generation opportunities.*
- Provision of a separate HLA identifying the opportunities for the rapid implementation of roof-mounted solar panels at the Waterbeach depot site, to take advantage of Feed-in-Tariff prior to the cessation of these subsidies from April 2019.

* Whilst remaining open to technologies and approaches, it has been requested that any investigation at the South Cambridgeshire Hall site should include an examination of the viability of solar canopies located with carpark. This should also include any complimentary approaches that may be offered through battery storage and EV charging point technologies.

Out of scope

- Examination of opportunities that may exist within any other SCDC assets, or beyond the South Cambridgeshire Hall locality.

2.3. Investment Criteria

Whilst there is a minimum requirement for any financial investment to be recovered within system lifetime, we are open-minded as to the period of time over which this takes place. The lease at the Waterbeach depot site has 15 years remaining and this will be a consideration when reviewing the financial viability of any investment on this site.

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It has initially been indicated that we may seek to achieve 7% IRR over period of 20 years (and within system lifespan). This is the average existing risk threshold although no formally-agreed threshold exists; however a decision to proceed to the IGP phase will also take into account the environmental benefits.

SCDC will fund projects from the SCDC Renewables Reserve Fund (and potentially from the Public Works Loan Board and Salix finance, depending on scale of investment needed).

2.4. Minimum Targets

There is an expectation that any projects will assist SCDC in reducing energy consumption levels and reliance on fossil-fuelled grid-supplied electricity. Specific expectations in terms of energy demand reduction, generation, carbon emissions abatement are currently unknown due to a lack of previous comparative SCDC projects. The HLA will help to shape the Council's expectations for this and future projects, and will be used to identify the most effective set of measures for the achievement of project objectives identified under section 2.1.

As referred to within the scope section, it is expected that the HLA will include exploration of additional opportunities that may be available as a result of site locality (e.g. supply to local demand centres, partnering with local building/site owners to install generation measures on neighbouring sites etc.), including location on Cambourne Business Park and in close proximity to the Cambourne Village College site.

Expectation that lack of FiT and grid connection issues are addressed through the exploration of options for local consumption of generated energy (e.g. EV charging points, LED lighting and sale of energy to neighbouring demand centres).

HLAs should consider future proofing, in terms of outlining opportunities for the potential addition of future green energy measures.

2.5. Base Parameters

Anticipated annual consumption figures at South Cambs Hall:

<u>Electricity</u>	Unit rate 1: 562,892 kwh @15.235 per kwh Unit rate 2: 114,018 kwh @ 10.591 per kwh Current service provider E-ON contract from 01:10:18 – 30:09:19
<u>Gas</u>	To be provided by Michael Turner (Facilities Manager) at a later date.

Anticipated annual consumption figures at Waterbeach depot:

<u>Electricity</u>	To be provided by Michael Turner (Facilities Manager) at a later date.
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Annual inflationary increase to be taken account at 4%.

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2.6. Constraints

A previous exploration, undertaken in 2015, found that insufficient grid capacity existed for electricity generated at the South Cambridgeshire Hall site to be connected to the network. At the time it was anticipated that this situation could change once work is undertaken to upgrade grid capacity to account for development at the Cambourne West site. Whilst planning permission has been granted for this development, no work has started on site to date. It is also unknown whether new approaches for connecting to the grid have been developed in the interim (e.g. flexible connection).

Any work would need to ensure that appropriate planning consent is granted for the commencement of work on site.

Car parking is currently at a premium at South Cambridgeshire Hall. Any significant reduction in parking spaces occurring as a result of proposed measures would need to be included as a consideration within the review of the HLA.

Any measures at South Cambs Hall will not be completed within parameters for FiT eligibility.

2.7. Interdependencies

Phase 1 of the South Cambridgeshire Re:fit Programme will also include an HLA to investigate opportunities for adding value to the Council's stock of 1800 footway lights, which are already undergoing a programmed upgrade to LED.

Climate and Environment has been identified as a key area of focus, and within this investment in green energy as a key action for inclusion within the Council's emerging Corporate Plan. As such it is possible that identification of additional SCDC Re:fit phases and subsequent commissioning of HLAs could take place depending on the success of projects within Phase 1.

'South Cambridgeshire District Council: Open to Opportunity' (currently in development) identifies investment in environmental income generation opportunities as a key area of focus.

At present a Server Consolidation Project is underway, which will have the effect of reducing our baseline electricity consumption. However other activities (e.g. if we identify any additional building tenants for the building) could have the effect of increasing consumption.

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The Council are planning to build a new external storage unit on site within the car park during the current financial year, and to resurface the car park in the next financial year.

2.8. Assumptions

At this stage we do not wish to restrict investigations based on cost.

3. Customer Expectations

3.1. Electrical Specifications

All electrical installation works must comply with the following:

- IEE Wiring regulations
- Electrical regulations 18th edition
- Electricity at work regulations 1989
- Management regulations
- Consideration should be given to the BREEAM regulations to ensure any alterations do not adversely affect our rating

3.2. Mechanical Specifications

All mechanical works must conform to the PUWER regulations 1998

3.3. Health & Safety Standards and Procedures

Health and Safety at work act 1974

3.4. Management regulations

None.

3.5. Specific Materials and Contractors

None.

4. Approvals Process

Each decision will need to pass through a governance procedure to gain senior management approval through our Executive Management Team (EMT) and Member approval.

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4.1. High Level Assessment

Cabinet provided approval for the commissioning of an HLA in relation to the South Cambridgeshire Hall site in February 2018. Support for this has been reiterated by the Climate and Environment Advisory Committee at its first meeting in September 2018.

This HLA briefing has been developed in consultation with representatives from EMT and the Climate and Environment Advisory Committee.

Once completed HLA will be presented to senior management and Members.

4.2. Investment Grade Proposal

The HLA will be used by key project personnel to identify, present and seek EMT, and Climate and Environment Committee recommendations, Scrutiny and Cabinet approval for measures to progress to the IGP stage.

4.3. Delivery

Key points from the IGP will be presented to Climate Change and Environment Committee and EMT, Scrutiny and Cabinet Lead Member approval sought to progress to the delivery stage.

5. Outline Development Programme

Waterbeach Depot HLA to be provided by end of 5th November 2018 to allow circulation for informal Cabinet meeting on 7th November 2018. Review at this meeting is key to ensuring that implementation can take place in time to benefit from FiTs.

6. Key Project Personnel

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