

Enova Community Energy Ltd Annual General Meeting

6pm Wednesday 16 November 2016
Federal Hall, Federal

MINUTES

1. Introduction

- Introduction: from Alison Crook, Chair.
- Apologies: Robert Rosen, director. All other directors present.
- Apologies received – 8 other apologies were noted, names removed here for privacy reasons.
- Quorum: at least 15 members were present, final numbers of around 60 people.
- Photography: two members indicated that they wished not to be photographed.
- Questions: invited at the end of reports and presentations.

2. Business of the Meeting – Financial Report and Proposed Resolutions

2.1 Annual Report including Audited Financial Statements

- Alison asked members present whether they had any questions on the Annual Report including audited financial reports for the year 2015-16. A copy of the financial report was provided to members by email link. No questions were asked by members.

2.2 Appointment of Auditor

- Resolved that: the appointment of Thomas Noble Russell as company auditors be confirmed. Note: 46 proxies in favour; none against. Carried unanimously by show of hands at the meeting.

2.3 Director's remuneration

- Resolved that: the directors of the company be paid remuneration for their work as directors up to a total of \$74,000 to be distributed among the 6 directors as the board itself so determines. 46 proxies in favour; none against. Carried unanimously by show of hands at the meeting.

3. Chair's report, Alison Crook

- Alison spoke to the meeting about the evolution of Enova and its character as a social enterprise. The commitment to social benefit projects and recycling profits through the NFP arm was underlined. Alison highlighted the educational activities being carried out by volunteers, key projects and recent grants obtained by Enova.

4. CEO's report, Steve Harris

- Steve spoke to the meeting about the initial development phase for the business including obtaining a licence, establishing the operating model and hiring staff before taking on customers, whose numbers now exceed 1000, around 200 ahead of schedule. Steve also outlined the branding and advertising initiatives launched to enhance growth including the new website and the TV commercial (currently airing). Steve highlighted the risks to the business including energy prices and customer acquisition but also the opportunities of a dynamic market place as the carbon economy wanes and renewables grow.

5. Questions and Comments

- A member asked whether the board had plans to enter the Queensland market. The risks of entry were discussed. Not likely but may be possible with government assistance on risk management.
- Another question was asked about expansion outside local area. Enova's ability to supply anyone in rural NSW confirmed, as were plans to enter the Sydney market in the coming year.
- A question asked about competitor / major player response: early days; but another retailer has introduced a higher feed in tariff, echoing Enova.
- A member reported a 30pc discount offered by major retailer to retain their business after switching to Enova.
- A question was asked about hedge contracts. High price of premiums and variability of base prices and derivatives costs explained.
- A question was asked about smart meters. Reservations about smart meters amongst some in the region were explained; potential future benefits for retailers and customers discussed; standard net meters can be installed, and it is now permitted to have wiring modified.
- A question asked on cash burn. Current forecast to break even after \$2m spent; on track to meet target at around 4000 customers.
- A member enquired about commercial arrangements with solar suppliers; approach of partnership rather than commission was explained.
- A member asked about business customers and green plan take up. Already 70 businesses have been taken on. Barriers exist to competing with purchasing blocks e.g. Department of Education. Green plans taken up at a relatively high level, especially given premium in pricing for those plans.

Meeting closed at 7.10pm