

SOLAR | 21

NEWS

Q2 2020

RENEWABLE
ENERGY DEVELOPMENT

- **BIOGAS PROJECT 1: MAJOR PROJECT MILESTONE ACHIEVED**
- **BIOGAS PROJECT 2: SITE WORKS UNDERWAY AT MELTON DRY AD**



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WELCOME!

We have some exciting updates to share on each of our key projects but first, I want to acknowledge the unique circumstances we find ourselves in.



Like everyone else, Solar 21 has had to adapt to the global coronavirus pandemic. Our team is distributed across Ireland, the UK and Italy so we are accustomed to remote working to a large extent but our Dublin HQ team have also made the transition to working from home and transacting electronically with our business partners to maintain normal operations. At this challenging time, the health, safety and wellbeing of our staff and contractors is of the utmost importance and I want to thank our dedicated team for keeping the Solar 21 show on the road under challenging circumstances.

Work is continuing in the development of our UK projects. The UK government classified energy and waste workers as essential, which

allows them to continue doing their vital work throughout the coronavirus pandemic. While we have experienced some disruption on the construction side due to the UK lockdown, we do not envisage a significant impact as long as progress continues in easing restrictions.

One of the highlights of 2020 has been the progress made at our Biogas 1 plant, Plaxton Bridge, where Northern Gas Networks confirmed the plant achieved the key milestone of exporting gas to grid in January. We are on schedule to exit investors in this project on their maturity dates in May and June this year.

SOLAR PLANTS THRIVE DESPITE COVID-19 CRISIS

In spite of the Covid-19 crisis, it's been another successful quarter for our portfolio of Italian solar farms. Our portfolio of solar plants produces about 14,000,000 kWh of power per annum preventing about 8,700 tonnes of carbon dioxide from being released into the atmosphere. As the country grapples with the pandemic, the demand for renewable energy remains high. We are ready to take advantage of the sunshine over the summer months, which will result in strong power output and solid returns to our investors.





Our 2.7MWe Biogas 1 project, located at Plaxton Bridge.

BIOGAS PROJECT 1: MAJOR PROJECT MILESTONE ACHIEVED

We are delighted to announce that Northern Gas Networks confirmed the plant achieved export of gas to grid on January 27th 2020 and the EA (Environment Agency) permit has also been issued. This follows an intense period of works led by Neil Wright, Solar 21's on site Project Manager, coordinating the efforts of the primary contractors BTS Biogas and the Ashcourt Group. The team will now focus on completion of remaining site works by civils contractor, Ashcourt, and on ramping up to full operation and performance over the coming months. The plant will produce 2.7MWe (2.7MW equivalent) of gas which will be exported directly into the gas grid. As well as the income from gas offtake and green gas certificates, the plant will take advantage of

the non-domestic Renewable Heat Incentive (RHI). The RHI is part of the UK government's clean energy strategy, designed to stimulate the development and growth of renewable heat technologies. Under the proposed scheme, the UK government will pay an index-linked incentive, guaranteed for a period of 20 years, for the heat and energy produced. Investors are on schedule for exit of their investment with full return after 3 years on maturity dates in May and June this year.

1: Solar 21's Neil Wright, Chris Yeadon from Ashcourt and our CEO Michael Bradley.

2: Lord Haskins and Steve Parnaby of the Humber Local Enterprise Partnership with Andrew Bradley and Colin Hammond of Solar 21





Energy from Waste plant located at Cardiff, Wales. This is one of over 50 similar sized plants Fichtner has consulted on to date

EFW PROJECT 1: SITE WORKS IN PROGRESS

Our 26MW energy from waste plant is being built at Melton near Hull in the UK. Located next to our Biogas 2 plant, it will burn 250,000 tonnes of Refuse Derived Fuel (RDF) which is derived from black bin waste after the organic and recyclable materials are removed. With planning permission and a grid connection secured for the four-acre site, we are in the process of finalising the plant's design while our preferred civil engineering contractor, Ashcourt, which worked with us on our biomass and biogas plants, is on site.

Fichtner Consulting Engineers is advising on

the process to select the primary contractor. We have engaged Fichtner to conduct a review of the proposed design to ensure that the plant is future proofed in relation to the current and projected future UK waste profile. We have also engaged legal firm Pinsent Masons, led by their highly experienced energy partner in Leeds, on the contracting strategy and construction contracts. Ashcourt, who previously worked on Solar 21's biomass and biogas plants, is the preferred civil engineering contractor. We are on schedule to exit investors from this project beginning in November 2021.

BIOGAS PROJECT 2: INITIAL SITE WORKS UNDERWAY

It has been a very busy quarter on site at our Biogas 2 project, also located in Melton. Site works are underway in preparation for an intensive period of construction. Co-located with our energy from waste (EFW) plant, Melton AD will process over 60,000 tonnes of organic fines (the organic element of black bin waste) every year producing approximately four million cubic metres of methane per annum.

The plant will use dry AD technology to process the organic fines. Solar 21's civil

engineering partner Ashcourt is providing the civil works and our technical team is currently working with Fichtner Consulting Engineers on the design process.

Similar in size to our Biogas 1 plant located at Plaxton Bridge, the Melton AD plant will produce approximately 2.7MWe (2.7 MW equivalent) of gas which will be exported directly into the gas grid. We are currently on schedule to exit investors as their investments begin to mature in December 2020.