

## Business



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## First wind farm to be owned by its customers

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An energy start-up is launching Britain's first "consumer-owned wind farm", offering people the chance to buy a share of a turbine in return for receiving the electricity it produces.

Ripple Energy is aiming to sign up about 2,000 households in the UK to crowdfund the £4.3million construction of the pilot, one-turbine project at Graig Fatha Farm near Coedely, north of Cardiff.

People that buy shares in the Graig Fatha co-operative will be securing the right to a proportion of the electricity it will produce. Under an arrangement with Co-op Energy, run by Octopus Energy, when the turbine starts generating in 2021 the households involved will be supplied

with that electricity at a cheap rate that covers the low running costs of the turbine.

Ripple argues that this should be substantially cheaper than if the supplier had bought electricity from other generators at commercial rates in the wholesale market.

The company says that the upfront cost for a typical household would be about £1,900 for a share of the wind farm, which should generate enough electricity to meet their needs for the estimated 25-year lifetime of the project, as well as a fee to Ripple. Households will still have to pay the network charges, levies and taxes that are on all domestic electricity bills.

Ripple estimates that in a typical year a customer could reduce their electricity bill by about 26 per cent and

says that the savings should repay the up-front investment in about 14 years.

The proposition is not for the faint-hearted: as well as the capital at risk from the unsecured investment in the co-operative's shares, Ripple admits that any savings will be "highly dependent on the wholesale price of electricity and the wind turbine's yields".

People wanting to buy shares will have to switch to Co-op Energy or be existing customers of either Co-op or Octopus. After a year they will be able to switch only to approved supply partners. Those wanting to sell their share will have to wait at least two years and until another member of the co-operative wants to increase their stake.

Ripple Energy was founded in 2017

by Sarah Merrick, a former executive at Vestas, the wind turbine maker. Ripple has been crowdfunded with £850,000 investment from a thousand individual investors and says that it has 4,500 people interested in the first wind farm.

Ms Merrick, 42, said: "You can't own a bit of a coal or nuclear power station to supply your home with electricity, but you can own a bit of a wind farm."

Ripple has reassured potential investors that their electricity supply will be secure "whether the wind is blowing or not". The electricity that the wind farm produces and that the household consumes will be balanced over a monthly period and do not have to match in real time.