

Options for Delivering PV Projects



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PV Generation Opportunity in the UK

On April 1st, 2010 the Feed-in Tariff (FiT) scheme began. Electricity suppliers pay generators for every kilowatt hour (kWh) generated, and excess electricity exported to the grid earns at least 3p/kWh.

Generators receiving FiTs will also benefit from the avoided cost of electricity that would otherwise have to be bought from the grid.

The tariffs earned by photovoltaic (PV) systems are shown in the table. The generation and export tariffs are linked to the retail price index.

These tariffs are guaranteed for 25 years for systems commissioned before March 31st, 2012.

Table of generation tariffs for first year of FiTs (2010-11)

PV System Size (kW)	FiT rate (p/kWh)
≤ 4 (retrofit)	41.3
≤ 4 (new build)	36.1
>4 - ≤ 10	36.1
>10 - ≤ 100	31.4
>100 - ≤ 5000	29.3

PV Project Delivery Process

The steps to implement a PV generation project are highlighted below. Self Energy has developed and completed many projects within the EU under FiT mechanisms, and is expert at delivering projects from the initial feasibility and design, through to installation, commissioning, and Feed-in Tariff administration.



Funding Options for PV Project Delivery

There are several funding options available for the delivery of PV projects, each with various advantages and disadvantages:

Funding Option	Advantages	Disadvantages
Self-funded	Receive all financial benefits and maximise return on investment	Accept all financial and performance risk. Ties up capital that could be used for core business activities
Shared Investment	Some of the financial and performance risk is accepted by the investor	Reduced financial benefits since revenues are shared. Exposed to some risk
Third-Party Investment	All financial risk is taken by third-party investor	Least financial benefit as investor seeks to make maximum returns. Exposed to performance risk
Energy Performance Guarantee (EPG)	No financial or performance risk. Partnership approach improves ease of project delivery	Reduced financial benefits since revenues are shared

Self Energy PV Partnership

Self Energy has an innovative business model whereby long-term (up to 25 years) *Energy Performance Guarantees* (EPG) are established with building owners to install, operate and maintain decentralised energy systems. Self Energy is focused on allowing the owners and operators of publicly and privately owned buildings to reduce energy costs, reduce carbon emissions and increase security of energy supply. Within the EPG there are several options available.

The first option is for Self Energy to arrange all of the funding and accept all the financial and performance risk of the project. The financial benefits of this option can include free supply of electricity generated by the PV system, a fixed annual roof rental payment, and/or an initial upfront payment.

Another option is for Self Energy to invest a portion of the capital required and for the client to invest the remainder. The financial benefits in this option can include free supply of electricity generated by the PV system, a fixed annual roof rental payment, and/or the revenues from the FiT scheme are shared.

Self Energy is an ideal partner for your PV projects due to its experience with both large-scale and domestic PV installations. Self energy has been investing in and delivering projects in Europe since 2007, where the Feed-in Tariff has been in place for many years.

About Self Energy

Self Energy is an Energy Services Company (ESCO) with offices in Portugal, Spain, the UK and Mozambique.

Self energy has delivered PV projects totalling over 4MW of installed capacity in Europe and we have over 10MW of PV generation scheduled for installation in 2010 and 2011. These projects consist of roof and ground mounted installations and have been delivered as both Engineering, Procurement and Construction (EPC) projects and EPG projects.

Self Energy is able to provide all or some of the financing required for PV projects through its investors, who are committed to investing in green energy opportunities. Self Energy's investors understand the EPG and renewable technologies very well so funding can be approved quickly, thus overcoming a major obstacle for energy projects.

Self Energy's projects provide excellent value for money because of the company's buying power and strong supplier relationships.

Self Energy Case Study: Gran Canaria, Canary Islands



Self Energy Group was contracted by the Municipality of Telde in the Canary Islands to install photovoltaic generation on 41 of its schools and public sector buildings. Self Energy is installing a total of 3MWp of photovoltaic technology representing savings of €2.3 million/year and 4,200tCO₂/year.

This project was delivered as an Energy Performance Guarantee (EPG) whereby Self Energy provided the capital and will recover the investment over a 25 year period with all the energy being exported and producing revenue from a feed-in tariff of 310€/MWh.

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