

# Community Solar Investment Options

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#### Introduction



- Community groups
- Priorities
  - Ethical investment
  - Help the environment
  - Community resilience
- Pooled investments

#### ATA's Role



- Explore options using Sunulator
- Feasibility study
- Group will need advice from others, eg:
  - Legal
  - Tax
  - Financial advice
  - Administration
  - Solar Installer

## Solar Investment Options



- 1. Consumer owned
- 2. Community Owned
- 3. Project Financing
- 4. Community Retailer

#### 1. Consumer Owned



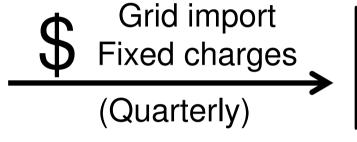
- Simple option
- "Consumer" is the organisation consuming electricity.
  - Eg community centre, household, business

#### 1. Consumer Owned



Before solar

Electricity Consumer

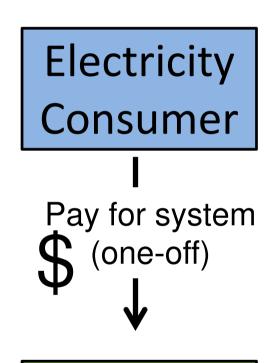


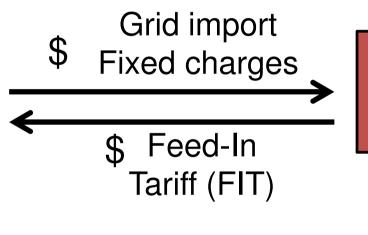
Electricity Retailer

#### 1. Consumer Owned



After solar





Electricity Retailer

Solar Installer





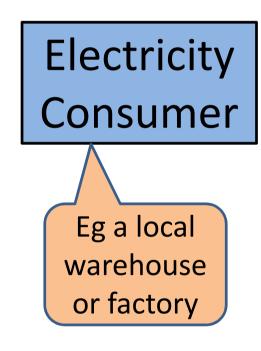
- "Host site" electricity consumer
  - Eg local warehouse or factory
  - Solar panels on the roof
  - Meter on the solar inverter

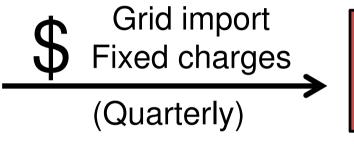
- Benefits for host site:
  - Community engagement
  - Environmental benefits
  - Hedge against future price increases

## 2. Community Owned



Before solar



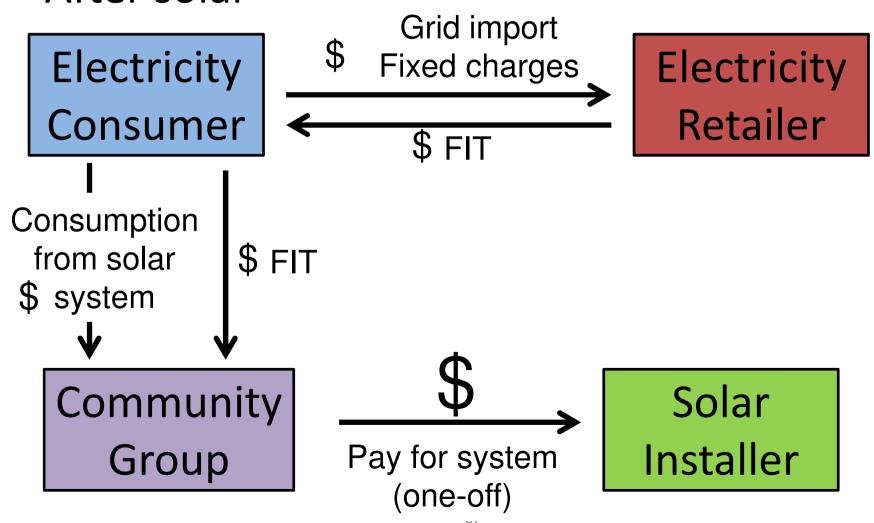


Electricity Retailer

### 2. Community Owned



After solar



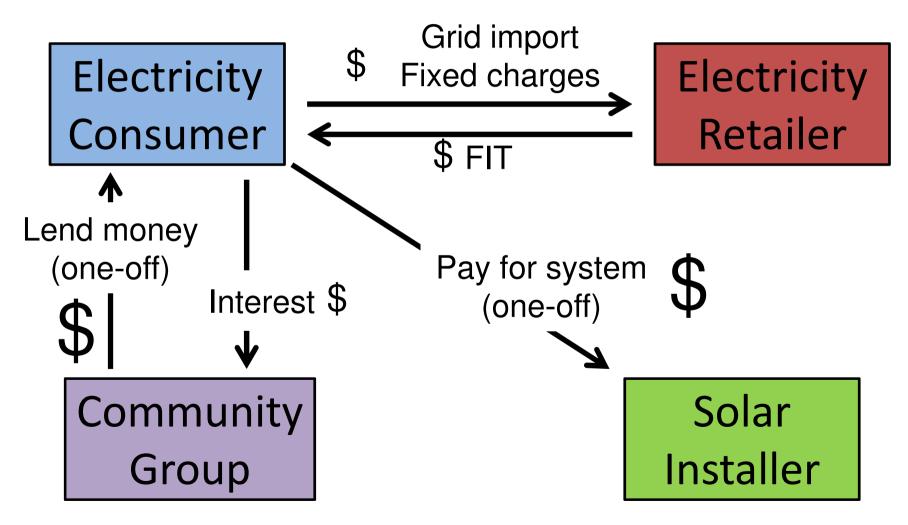




- Community group lends money to the consumer
- Consumer installs a solar system

### 3. Project Financing





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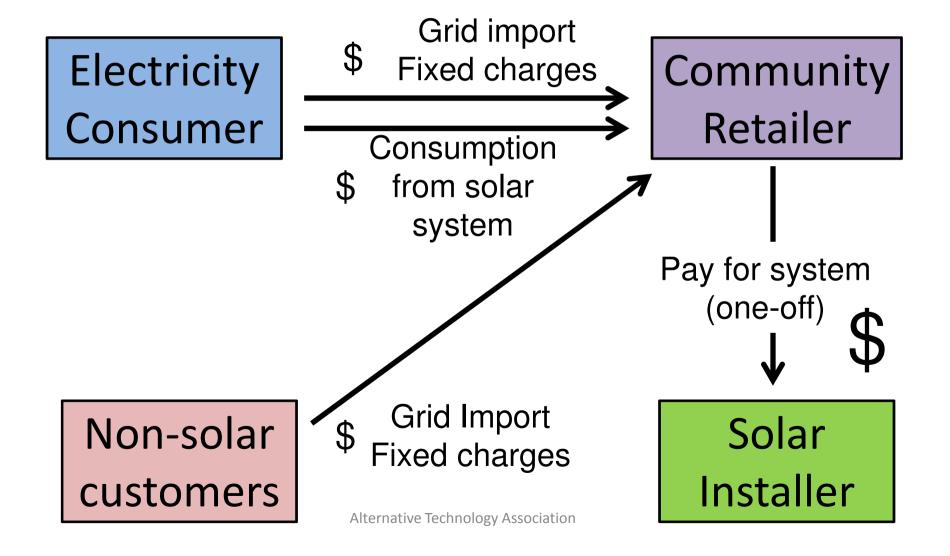




- Community group becomes a retailer
  - Pays for solar install
  - Host site gets a single bill
- Sign up other consumers with retailer
  - Eg community members
- High setup costs, need economies of scale

## 4. Community Retailer









- Wants to help community and environment
- Expects an annual dividend
- Depreciation reduces taxable income
- May receive other benefits eg tax situation.

## Project Risks



Who wears the risk?

Risk	1. Consumer Owned	2. Comm'ty Owned	3. Project Finance	4. Comm'ty Retailer
System breakdown	• •	• •	• •	• •
FiT reduction	•	*	•	-
Consumer walk-off	-	•	•	•
Less consumption	•	*	•	•
Consumption tariff changes				-

<sup>■ =</sup> Consumer, ■ = Community Group, ■ = Installer

<sup>\*</sup> Depending on individual arrangements





- Assess economic feasibility for:
  - Community group (investors)
  - Host site
- Compare different scenarios
  - Select good host site
  - Minimise exports at a low FIT
  - Select system size to optimise goals
- For more info, see our presentation
   "Solar Payback the Devil is in the Detail"





- 1. Several options to invest in solar
- 2. Communities can gain benefits
- 3. ATA's Sunulator helps with feasibility
- Specialist advice required
  - Legal, tax, financial advice, admin, installation

## Questions?





