Fully-funded onsite renewables

Save money on your energy bills

Carter Jonas

What's in it for me or my business?

- Saving on energy costs from day one
- No up-front cost
- Guarantee electricity prices for the next 10-25 years through a PPA
- No maintenance or administrative responsibilities
- Harness unusable space such as roof, airspace above carpark, surplus land
- Help your business become Net Zero and improve ESG performance
- Option to own the solar panels after the PPA term has ended

Who is this suitable for?

Any high energy user who is either an owner-occupier or a long-term tenant with large roof area, or land. It's relevant to all property types, including but not limited to commercial, industrial, agricultural, education and healthcare.

Want to know more?

For more details, please contact:
Stuart Campbell (07890 300094 stuart.campbell@carterjonas.co.uk)
or **Jamie Baxter (07598 580511 jamie.baxter@carterjonas.co.uk)**

Carter Jonas Energy Team

The Carter Jonas Energy team provides non-residential property owners with consultancy for onsite renewable energy projects including solar PV, battery storage, onshore wind and electric vehicle charging. We provide a range of services including feasibility studies for technical solutions and commercial returns, grid connections, planning, energy transactional services, project delivery and support for power purchase agreement (PPA)/heads of terms (HOTs) negotiation.

What is a PPA?

In this context, it is where a third-party funder will pay for solar panels to be installed on your building or land, you will then sign a contract (PPA) with the funder to buy all of the electricity generated from those solar panels and use it onsite.

The price for the electricity is likely to be substantially less than what you would pay for importing electricity from your normal electricity supplier. In some cases, the cost can be as little as 30% of current electricity prices. PPAs can range in duration from 10-25 years, the longer the duration the cheaper the electricity pricing will be.

We have developed a partnership with the funder. They ensure that property owners and long-term tenants who do not want to commit to the upfront capital can install solar and consume the energy generated at a below market rate through a PPA.

What types of property is this suitable for?

This concept applies to all sorts of building types and ownership structures; however, the preferred target is owner occupiers. It also works well with any building where the landlord is responsible for communal areas such as shopping centres, or buildings where utilities are covered by the landlord and charged under a service charge such as serviced offices or student accommodation.

It can work for tenants as well, however normally this would only be where there is a long tenancy (10 years plus). The tenant will also need the landlord's consent to do this. While the tangible benefits will be to the tenant rather than the landlord, the advantage to the landlord is making the space more attractive, which should have a longer-term benefit. Installing solar panels can help improve a building's EPC rating.

It can also be delivered off-site on third party neighbouring land.

Why could this work for you?

- Saving on energy costs from day one
- No up-front cost (all CapEx covered by the funder)
- Guarantee your electricity price for the next 10-25 years through a PPA
- No maintenance or administrative responsibilities
- Harness unusable space such as roof, airspace above carpark, surplus land
- Help your business become Net Zero and improve ESG performance
- Option to own the solar panels after the PPA term has ended

Buildings with high energy requirements (>300kVA demand) with around 1,400 square metres in roofspace:

- Commercial buildings
- Shopping centres
- Student accommodation
- Warehouses
- Factories
- Cold storage
- Manufacturing facilities
- Data centres
- Agricultural such as chicken sheds, grain drying
- Stadiums
- Hotels
- Leisure centres
- Schools
- Care homes
- Universities
- Hospitals
- Service stations
- Supermarkets

How does this work in practice?

In each instance, relating to the below examples, it will start with you contacting us to set out the basic background information and to explore the opportunity further. You provide us with title information, current electricity price and half hourly electricity usage data, which informs us of what you are currently paying per kWh and your annual electricity use profile.

Worked examples

Leisure Centre

You own and operate a large leisure centre. You are currently paying £0.25/kWh for your electricity and have an annual electricity bill of £250,000.
We undertake technical feasibility and profiling to assess what size solar array would be appropriate.

We calculate that a 600kW roof mounted solar system would deliver the best value to you. We introduce you to the funder, who appoints one of their delivery partners to undertake due diligence including a roof survey and equipment review.

Based on that information, the funder agrees to fund the installation and propose a 25-year PPA at a price of £0.12/kWh (index linked). The electricity produced from the solar panels covers 50% of your total electricity consumption, which delivers you a **first year saving of £65,000.**

Agricultural building

You are a dairy farmer with 500 milking cows with a total annual electricity bill of £105,000. You import from the grid at a rate of 23p/kWh. The dairy sheds offer significant areas for solar panels to be installed.

The appropriate size system is 350kW and will provide electricity to the entire holding including the milking parlour during milking hours and will cover 80% of the holding's overall electricity usage.

The funder and their channel partners will install the solar arrays in exchange for a PPA at 13p/kWh **resulting in a saving of £36,000.**

Worked example

Cold storage factory tenant

You own a 10,000 square metre cold storage factory. The facility is leased out to a tenant under a 16-year lease.

You inform us that the tenant pays £0.275/kWh for their electricity and that they have an annual energy bill of £400,000. It is calculated that the roof can accommodate a 1MW solar system which will provide 60% of the total required power. We would then introduce the funder to you who would appoint a delivery partner to undertake the development.

After all necessary due diligence, the funder agrees to fund the installation and proposes a 20-year PPA with a break option at the end of the lease period at a price of £0.15/kWh (index linked). This installation results in a first year saving to the tenant of £90,000. The benefit to you as the landlord is the building has become far more attractive to your existing tenant / future tenants.

Worked example

University (off-site solution)

You are a university with a total annual electricity bill of £1,000,000. You import from the grid at a rate of 22p/kWh. There is no onsite land available to accommodate a solar installation, however a neighbour has land available to install the development in return for market rent of the solar installation.

The appropriate system size is 4MW. This will provide 75% of the university's electricity need. The funder and the channel partner will undertake planning and will secure land agreements.

The agreed price for energy with the funder is 14p/kWh resulting in a saving of £280,000 in year 1.

Want to know more?

For more details, please contact:
Stuart Campbell (07890 300094 stuart.campbell@carterjonas.co.uk)
or **Jamie Baxter (07598 580511 jamie.baxter@carterjonas.co.uk)**

33 offices across the country, including 8 infrastructure hubs

Birmingham
2 Snow Hill Queensway,
Birmingham B4 6GA

Bristol
St. Catherines Court, Berkeley Place,
Bristol BS8 1BQ

Cambridge
One Station Square, Cambridge CB1 2GA

Cardiff
Regus House, Falcon Drive,
Cardiff CF10 4RU

Leeds
9 Bond Court, Leeds LS1 2JZ

London
One Chapel Place, London W1G 0DJ

Winchester
9-10 Jewry Street, Winchester SO23 8RZ

Warrington
The White House, Greenhalls Avenue,
Warrington WA4 6HL

About Carter Jonas

Carter Jonas is a leading UK property consultancy, working across commercial property, residential sales and lettings, rural, planning, development and national infrastructure.

The Energy team operates across the UK, working closely with the national network of offices to provide a nationwide service. Our team is renowned for their quality of service, expertise and the simply better advice they offer their clients.

Contact us

Find out more about our Energy services by getting in touch with the team or visiting our website. See the inside back cover for details of individual members of the team.

0113 242 5155 | energy@carterjonas.co.uk
carterjonas.co.uk/energy

Receive our energy bulletin

Scan the QR code to sign up to receive a monthly update on the energy market and the latest news, plus insight and opinion on the sector.