The Story

Low-grade pasture could be well-screened from housing and the landowner is keen to accommodate a community-owned solar farm: The landowner would receive an annual land lease; the Community Benefit Society (CBS) will own the asset; Community will invest to build the solar farm, via a share issue into the CBS they will get ~3% return on their investment; A private cable could be run to the local chemical factory delivering discounted, renewable electricity for 25 years – this would be on a Power Purchase Agreement offering stable, secure electricity insulated from price volatility; The CBS is asset locked and all surplus profit goes to a community benefit fund.

Challenges & Risks

Unfortunately, after showing initial interest, the factory stopped responding to emails and we could not progress with a private wire option. A local grid connection of 1MW could be secured, but at the time of this work, selling to the grid at 5-6p/kWh would not offer a viable business model. A larger scheme would need cabling back to the primary substation which would have been prohibitively expensive for a 1.5MW scheme and although we tried to get other land owners on board to increase the scheme to a viable 5MWs, one landowner was hoping that his land could be sold for a more profitable housing plot.

Lessons Learned

The recent energy price hikes mean that this scheme could be viable, however, there is so much volatility in the market, a long term business case still offers considerable risk.