

# The compelling business case for solar

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For many years we've worked hard to demonstrate to farmers that solar is the key to cost-effective, reliable energy for businesses - but events over the last twelve months have done a better job than we ever could.

Wholesale energy costs have increased four-fold in 2021<sup>1</sup>. As a result, many businesses face dramatically increasing bills and lack of certainty around these constantly rising costs. With further price-fluctuations predicted over the next year, there's plenty to talk about but I think there's a more positive story to tell here.

You see; I think we've passed a **tipping point**.

Even though energy from the National Grid is becoming increasingly unaffordable and an unreliable option for many, 'alternative' energy solutions, like solar, now clearly offer businesses greater certainty and significantly lower bills.

I think we are entering a transition period where solar (and other renewables) will become the 'new normal' for business energy in the UK.

## Changing of the guards?

The state of the UK energy industry would suggest as much.

In the last decade, the cost of installing business solar power has plummeted, while the cost of energy from the National Grid has grown and grown. Our tables below show how these changes have played out for UK farms since 2011 – showing how the **cost-savings offered by solar have more than doubled in the last decade**.

This trend is set to continue in future – so that energy from the National Grid will become more expensive and **businesses' savings from solar will grow even further**.

## Shelter from the storm

By generating their own solar power, farms and other businesses can do three things that are no longer possible by relying on the National Grid:

- First, save money on their energy bills
- Second, shield themselves against price rises
- Third, protect themselves from unpredictable energy price spikes

The longer businesses take to switch away from the Grid, the more money they could lose.

## Cost and saving comparison: 2011 vs. 2021

Cost and saving comparison 2011 vs 2021		
Example: small mixed farm - 12kW solar array		
	2011	2021
Cost (approx)	£38,400	£13,200
Number of solar panels	50	34
Cost of electricity per unit	9p	24p
Bill saving per annum <sup>2</sup>	£894	£2,304
CO <sub>2</sub> savings per annum	2.8 tonnes	2.8 tonnes

Cost and saving comparison 2011 vs 2021		
Example: dairy farm - 50kW solar array		
	2011	2021
Cost (approx)	£150,000	£40,000
Number of solar panels	200	130
Cost of electricity per unit	9p	24p
Bill saving per annum <sup>2</sup>	£3,600	£9,600
CO <sub>2</sub> savings per annum	12 tonnes	12 tonnes

**"We saved £30,000 on our energy bills<sup>3</sup>."**

Chris Jeffery: Director - Cofton Holidays, Dawlish

**"We saved over £600 per month on our energy bills<sup>4</sup>."**

Mr R: Dairy Farmer

**"We have cut our energy bills by approximately £8,000 in a year<sup>5</sup>."**

Greg Morgan: Financial Director - Ben's Farm

**"Our Grid electricity consumption has nearly halved since having solar."**

Alex Tucker: Farmer - Springfield Farm

1. <https://www.bbc.co.uk/news/business-59760331>

2. Based on 80% self-consumption of solar energy generated

3. Based on 80% self-consumption of solar energy generated, at 19p/unit

4. Months of June, July, August

5. When comparing 2019/20 and 2020/21 bills

To find out how much you could save, with cost-effective business solar, call our experts today



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