

What is Renewable Energy?

Put simply, renewable energy is energy that is generated from natural processes that are continuously replenished. From these processes, and supporting technologies, we can extract electrical power and heat. Some of the more popular processes and technologies include: Sunlight & Solar PV; Wind & Wind Turbines; Water & Hydro Power (e.g. Archimedes Screw) and Biomass.

Another form of renewable energy particularly relevant to the farming community is Anaerobic Digestion, a highly effective waste management tool that also produces a combination of heat and power. Working in much the same way as a compost bin, water is added to bio-degradable waste (slurry, manure etc.) and macerated. Following a digestion, mixing and heating process, a bio-gas is produced that, when fed through a combined heat and power gas engine, produces electricity.

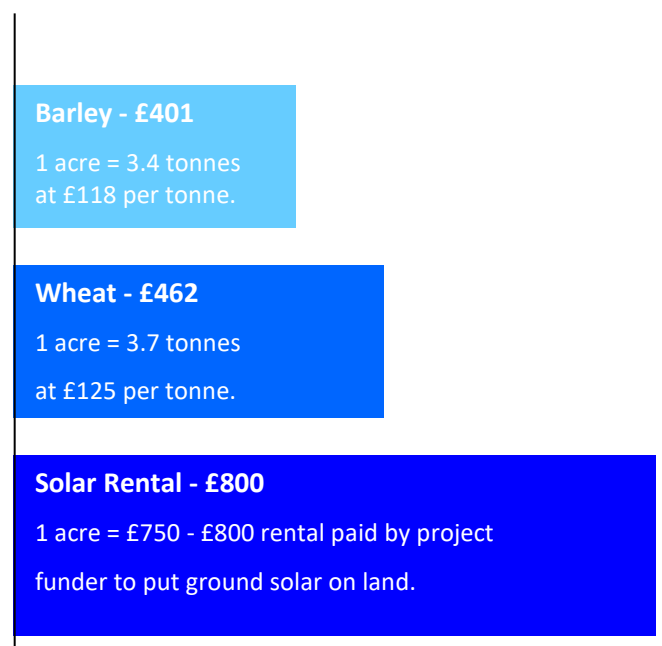
Why Should Farms Consider Renewable Energy?

Determining whether renewable energy is a viable and profitable option should be explored on a case-by-case basis. However, a number of factors can be taken into consideration when comparing the returns from renewable energy against traditional farming methods:

- ✓ Government backed, index-linked revenue streams guaranteed for 20 years.
- ✓ Funding support available, meaning no capital outlay for the farmer / farm to install renewable projects.
- ✓ In many cases, the return from land used for renewable purposes is higher than returns from traditional farming (see chart to the right).
- ✓ The installation of renewable technology does not mean the land will lose its agricultural use.
- ✓ Enhanced Capital Allowances, with 100% first year tax relief of qualifying capital expenditure.



Yield - Solar vs Arable



£0 £200 £400 £600 £800

Which Technology?

Which renewable technology is right for your farm depends on various factors. Any farm considering renewable applications should carry out a review process to consider the options available and the benefits they might bring from both a revenue generation perspective and operations support.

Solar PV is often considered one of the most attractive options for a number of reasons, including generous government subsidies (Feed in Tariff), the continued use of land where solar is cited to graze small livestock and perhaps most importantly access to funds, meaning the farmer has no capital outlay.

In this last scenario, funding parties pay rents of up to £750-£800 an acre per year for 20 years.

Would your Land Attract Funding?

- Is the land near a substation (within 5km) with a capacity greater than 30%?
- Is the available land up to 25 acres? (smaller projects considered on a case-by-case basis).
- Is the land relatively flat, with no archaeological, historic or environmental history attached?

Solar PV - Project Planning

- Topographical and glare surveys and introductory discussions with the council planners and relevant power companies to assess suitability of the solar project.
- Distribution Network Operator (DNO) application to the relevant power company and screening survey for pre-planning to the council planning department.

Timescales

Installing a solar park takes around 8 weeks to build (25 acre site), with a total timeframe from start to finish of around 6 months on a good connection.



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