

# Sun shines through window of opportunity

Households have until April to enjoy government incentives to install solar panels, writes Gene Goff



Go out on the tiles: installing a £12,500 scheme could translate into an annual profit of around £770

Getty Images

## NEW SYSTEMS

### Suitable for everything under the sun

Some widely-held beliefs about solar power – that, for example, it might require glorious sunshine and acres of space – are largely misplaced. Most houses would be suitable for solar panels and they can even be set up on some apartment blocks. The average household could expect to generate about half of the energy it uses from a solar system, but the bigger the house, the more panels can

be installed and the more energy created.

Panels can be installed by some of the big utility companies or a number of specialist providers, such as Solarcentury.

A south-facing roof will create more energy but providers say many of the newer systems are driven more by daylight than direct sunlight. Installing the panels should only take a few days and should not be too

disruptive. Customers can choose from large, cheaper panels or more expensive smaller panels designed to look similar to roof tiles.

People looking to take advantage of the new feed-in tariff will need a meter installed in their home, typically next to their fusebox, which will link up to the grid. Once in place, energy that is not used to power the home will be fed back to the grid.

Energy is not generally stored in the property so homeowners will have to rely on their utility provider for the electricity they use after dark.

Homeowners can install timers on appliances such as washing machines and dishwashers so they run when the solar power system is at its most efficient.

More information at: [www.cleanenergycashback.org](http://www.cleanenergycashback.org)

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Demand for solar energy has grown gradually in the UK but still accounts for a very small proportion of the market compared with other European countries.

Newman says the total amount of solar energy produced in the UK only amounts to 0.5 per cent of that produced by Germany. However, the growth targets

are ambitious. By 2020, the UK government wants at least 30 per cent of energy used in the UK to come from renewable sources, compared with 5 per cent now. The new tariff scheme is designed to help hit these targets.

At present, households with solar power systems can generate renewable electricity for their own home, helping to lower fuel bills and combat climate

change. Some energy providers will pay customers for energy they do not use themselves. "Green" providers, such as Good Energy and Ecotricity, might buy back electricity from solar panel systems at around 10p-12p per unit, while the price offered by the larger providers varies. British Gas and Scottish Power offer around 5p per unit, while Scottish & Southern pays up to 28p per unit.

However, homeowners are not typically paid for any solar energy they use themselves.

This is set to change in April, when the new feed-in tariff comes in. Through this scheme, people with their own source of renewable energy will be paid a guaranteed fixed price for each unit of electricity they generate, even if they use it to power their own home.

Rob Lewis at the Energy

## turns – and fast

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be less reliant on the grid."

Green qualified for the government grant towards installation costs, although the set-up still cost him around £8,000.

He has had some financial benefit already – his electricity bill has fallen by around 30 per cent – and he is extending his power system in time for the new feed-in tariff.

"Solar energy is becoming a great investment. The

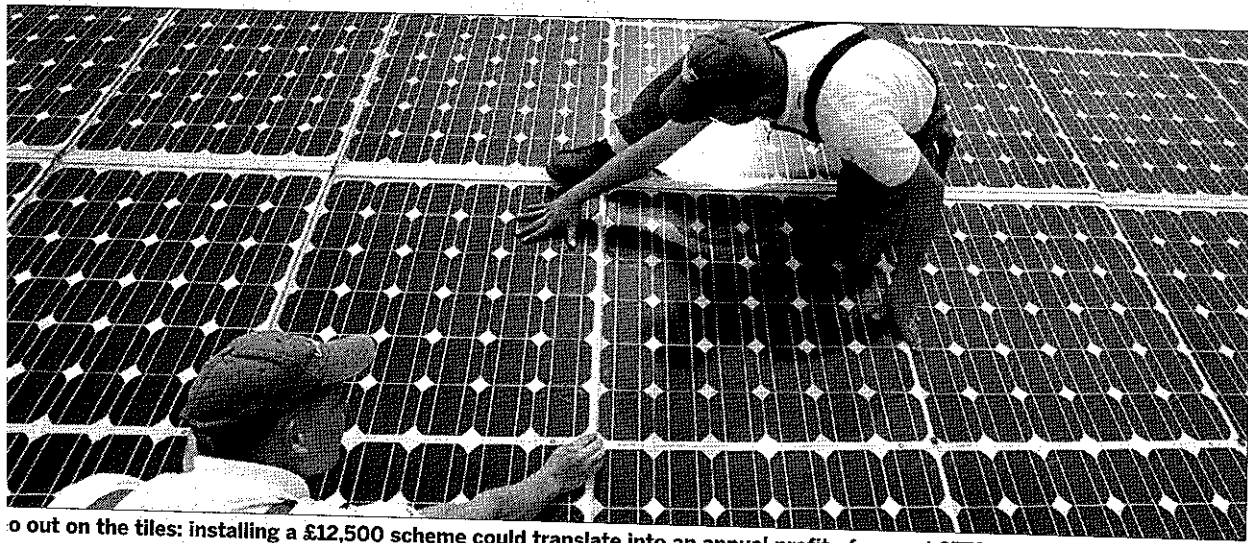


much better than in a bank these days."

The second lot of solar panels should be cheap. He will receive another government grant and technology has fallen in price. The additional cash should mean that Green generate 50-60 per cent of the energy needed to

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Saving Trust points out that the tariff will be open to households that generate energy through other renewable means, such as wind power, as well as solar. However, wind power is suitable for far fewer households.

Newman says that while uptake of the government grants for solar installation has so far been weak, the new tariff should be a catalyst for a rise in demand.

The details of the tariff are still being set by the government but the proposed price is 36.5p per kilowatt hour (kWh) of electricity generated, fixed for 25 years. This is around three times the amount most households pay through their regular energy bills, but still lower than the price paid in other countries. Households are also likely to be able to sell surplus electricity back to the grid for an extra 5p per unit.

The amount of solar energy that can be generated by a residential property will depend on its size and location. A typical terraced or semi-detached house might hold a 2kW system, according to the Energy Saving Trust. Detached properties, farmhouses and barns could generate double that.

Lewis estimates that a 2kW system is likely to cost around £12,500 to install and could generate around 1,700 units of electricity per year. This would translate into an annual profit of around £770 taking into account the income for generation and export and the benefit of cheaper electricity bills. Based on these figures, it would take a household around 15 years to recoup its investment; while those that take advantage of the £2,500 grant would see this reduced to around 12 years.

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