

Appendix B – Summary of the options appraisal

	Work stream	Evaluation	Key risks	Recommendation/reason
1	Developing more solar on Council property	<p><b>VIABLE PROJECT</b></p> <p>The project is technical feasible and predicted to deliver a viable rate of return as well as benefitting tenants with cheaper electricity.</p> <p>Subject to approval the work would be programmed for completion by March 2015.</p> <p>Sites proposed:</p> <ul style="list-style-type: none"> <li>• The Apex, Bury St Edmunds</li> <li>• Hollands Road Business Units, Haverhill</li> </ul> <p>In addition, there is an invest-to-save opportunity by improving water efficiency at Haverhill Depot</p>	<p>Failure to gain political support</p> <p>Poor performance of system</p> <p>Failure to complete all permissions and approvals</p> <p>Feed-In Tariffs not secured/or delayed</p> <p>Financial returns not achieved</p>	<p><b>Recommendation:</b> Cabinet seeks Council approval to invest £104,500 to improve energy efficiency and install the next phase of solar schemes on Council property.</p> <p><b>Reason:</b> To generate an investment return and deliver energy savings</p>
2	Developing a "rent-a-roof" solar scheme for homes	<p><b>VIABLE PROJECT TO BE DETERMINED</b></p> <p>Further research required. Initial findings indicate that new build development could be potentially viable but existing homes not.</p> <p>Discussions with a housing developer and utilities infrastructure provider suggest that a viable model could be developed which would generate acceptable investment returns for the Council while giving households the generated electricity at no cost.</p>	<p>No market demand.</p> <p>Failure to negotiate legal permissions</p> <p>Financial model does not stand up following market testing.</p> <p>Failure to gain political support</p>	<p><b>Recommendation:</b> A further report be considered by Cabinet following further research and market testing by your officers</p> <p><b>Reason:</b> To fully understand the approach and its merits</p>
3	Developing a "rent-a-roof" solar scheme for local	<p><b>VIABLE PROJECT</b></p> <p>Potential market would be owner occupiers of larger sized industrial buildings in the</p>	<p>Failure to gain political support</p> <p>Not gaining permission to</p>	<p><b>Recommendation</b> Cabinet seeks approval to invest £1.62 million over three years to install solar on eligible local</p>

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	business	<p>Borough.</p> <p>Feasibility and soft market testing has been undertaken completion. A small potential market exists in the Borough based around free installation of solar PV by the Councils offering either a rental payment or discounted electricity for the building owner.</p> <p>Initial interest has been shown by three third parties with large scale opportunities.</p>	<p>lease the roof</p> <p>Capital costs above target price for PV</p> <p>Poor performance of system</p>	<p>businesses</p> <p><b>Reason</b> To generate an investment return and support local economic growth</p>
4	Brokering investment in renewable energy on behalf of local communities	<p><b>VIABILITY TO BE DETERMINED</b> Initial investigation has shown that the principle opportunity centres on selling electricity to a licensed electricity company.</p> <p>The Council would need to develop a portfolio of generating sites for it to be worthwhile progressing this opportunity.</p> <p>Further investigation is still required to confirm or understanding across the market.</p>	<p>No market demand.</p> <p>Financial model does not stand up following market testing.</p> <p>Failure to gain political support</p>	<p><b>Recommendation:</b> A further report be considered by Cabinet following further research and market testing by your officers</p> <p><b>Reason:</b> To fully understand the approach and its merits</p>
6	Other renewable technology opportunities	<p><b>VIABILITY TO BE DETERMINED</b></p> <p>Biomass heating/Anaerobic Digestion: Further investigation is still required to confirm opportunities and understanding across the market. Further investigation is still required to confirm or understanding across the market.</p> <p>Renewable Heating and Power: The Public Service Village 2 (PSV2) project has been identified as a major significant opportunity to invest with partners in renewable energy to develop a site which is</p>	<p>No market demand or viable feedstock</p> <p>Financial model does not stand up following market testing.</p> <p>Failure to gain political support</p>	<p><b>Recommendation:</b> <b>a)</b> A further report on the opportunities be considered by Cabinet following further research and market testing by your officers <b>b)</b> A bid be submitted to the Government's Heat Networks Delivery Unit and any findings be incorporated into the business case for the PSV2 project</p> <p><b>Reason:</b> To fully understand the approach</p>

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	<p>both self-sustaining in energy and generates a viable rate of return using the Feed-In Tariff and Renewable Heat Incentive.</p> <p>Further feasibility is required. The Government is currently offering support funding for feasibility studies via its Heat Networks Delivery Unit. The latest tranche of funding is available based on competitive applications</p>		<p>and the merits of Renewable Heat</p>
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