

SOLAR FARM UPDATE - CABINET 18TH SEPTEMBER 2014

Appendix 1) - Updated Summary Financial Model

Construction of one 4MW site covering 11.7 hectares on site owned by TWC in Wheat Leasows

The financial model summarised below reflects the following:

- \* capital and operational expenditure as per the bid submitted by the preferred bidder
- \* energy generation output as per the bid submitted by the preferred bidder
- \* current PWLB borrowing rates
- \* current Feed In Tariff rates
- \* Estimated Power Purchase Agreement rates for the sale of energy based upon soft market testing
- \* Contingency of 5% of total projected income
- \* The advice of external commercial and technical advisors

NB: Income reduces after year 20 as the Feed in Tariffs are only payable for 20 years. Options for the future viability of the solar farm will be considered at this time.

	Net (Surplus)/deficit 2015/16 Year 1	Net (Surplus)/deficit Year 2	Net (Surplus)/deficit Year 3	Net (Surplus)/deficit Year 4	Net (Surplus)/deficit Year 5	Net (Surplus)/deficit Year 10	Net (Surplus)/deficit Year 15	Net (Surplus)/deficit Year 20	Net (Surplus)/deficit Year 25	Net (Surplus)/deficit Total
<b>Updated Summary Financial Modelling</b>										
Total income generated	(490,684)	(499,897)	(509,264)	(518,786)	(528,467)	(579,305)	(634,378)	(693,921)	(360,188)	(13,633,907)
Total expenditure including financing costs	341,576	340,490	343,169	345,915	344,748	359,387	375,951	394,691	411,441	9,222,742
<b>Total Annual Operating Surplus</b>	<b>(149,108)</b>	<b>(159,407)</b>	<b>(166,095)</b>	<b>(172,872)</b>	<b>(183,719)</b>	<b>(219,917)</b>	<b>(258,427)</b>	<b>(299,230)</b>	<b>51,253</b>	<b>(4,411,165)</b>

Last updated 5th Sept 2014

JAC