



# The solar state

After a few years of uncertainty, the **UK solar PV industry** is gathering momentum again. Martin Prest believes now is the ideal time for installers to consider moving into the sector.

**A**ccording to the Department of Energy and Climate Change (DECC), more than 125,000 homes in the UK installed solar photovoltaic (PV) systems in 2014 alone. This market growth is exciting, but it also pushed the country over its current residential Feed-in Tariff (FIT) threshold.

## » As the market expands, so do the options for installer support. «

Beginning in April 2015, FIT rates will decrease by 3.5% for domestic installations under 10kW. A previously planned drop in FIT rates for commercial PV systems is also looming that will decrease these rates by 3.5% as well. To further complicate matters, DECC is preparing to close its Renewable Obligation Credits (ROC) programme at the end of March 2015.

If the UK owes the strength of its market – now poised to be the largest European solar market in 2015 – to the effectiveness of the FIT and the ROC, what does that mean for life post-subsidies?

There has already been much speculation about whether solar is still attractive enough to lure new customers in 2015 and beyond.

However, the fact is that there really isn't much cause for concern – both the FIT and the ROC schemes were introduced to help a fledgling PV market find its footing, not to carry the sector indefinitely.

So, as Government-funded support winds down, it is necessary to identify the new factors that have come along that will sustain market growth and ensure PV remains a lucrative opportunity for both potential customers and installers.

### Solar customers: home and business owners Lower price tags

All over the world, the cost of solar has dropped dramatically over the past six years, and the UK is no exception. Locally, the cost of installed solar has already fallen to the point where grid parity has been achieved. Better yet, these numbers will only continue to decrease as 'soft costs' (such as installation, operation and maintenance) gradually decline.

Combined with the increasing popularity of third-party financing such as leases and loans, the economic feasibility of solar looks more compelling all the time.

### Emergence of commercial rooftops as a revenue stream

The UK's recent shift in focus from ground-mounted solar farms to commercial rooftop PV provides a timely opportunity for business owners, installers, and

manufacturers alike. Currently, more than 250,000 hectares of south-facing commercial rooftop space is unoccupied throughout the UK, and this prime solar real estate is beginning to be seen as an untapped investment opportunity.

### Installers Market maturity and supply chain stability

Today's market looks completely different compared to just a few years ago. Considerable attrition has taken place in the upstream PV sector, leaving the stronger, more reliable players intact. This means installers can now spend less time worrying about the quality of their components and more time focused on customer acquisition and efficient service.

### New resources and hands-on training

As the market expands, so do the options for installer support. Newcomers have a plethora of resources and training opportunities at their disposal, and can earn MCS accreditation through online courses, in-person sessions and hands-on workshops. Online forums are also prevalent, helping installers network more efficiently and discuss common issues such as product reliability.

In addition, solar roadshows and seminars are emerging to help installers learn installation processes, experience new technologies and gain a better understanding of evolving policy frameworks.



### The author

**Martin Prest** is the National Sales Manager for Upsolar UK, a leading international developer and producer of high quality solar PV modules at competitive prices. He is responsible for the growth of Upsolar's UK sales division, and brings to the company more than 25 years of experience in both direct and solution-based sales. Prior to joining Upsolar UK, Martin played an instrumental role in the UK expansion of micro-inverter leader Enphase Energy and also served as the Sales Manager for the distribution arm of Solar Energy Centre (SEC).

### Conclusion

Overall, the UK's solar Feed-in Tariffs and Renewable Obligation Credit programmes have effectively accomplished exactly what they were designed to do: spur early adoption and fade away as the market matures. Sustainable, long-term growth will come instead from a combination of national renewable energy targets, support from industry associations and standards bodies, continued interest from the general public and, of course, the installers who make it happen.

The UK solar market is now equipped for success, and now is the time to get involved. ■