

**Draft SEUK Response
Non-Domestic Rates for
renewable energy in Wales**

Aug 2023

About us

Solar Energy UK represents more than 350 members in the UK solar and energy storage industry, including solar installers, manufacturers, distributors, developers, investors, and technical, legal and professional advisors. Our goal is to enable the deployment of 70GW of solar energy capacity by 2035.

- Respondent Name: Simran Massey
- Email Address: smassey@solarenergyuk.org
- Contact Address: The Conduit, 6 Langley Street, London, WC2H 9JA
- Organisation Name: Solar Energy UK
- Would you like this response to remain confidential? No
- Submission date: 15 August 2023

Introduction

Solar Energy UK welcomes the opportunity to respond to the Welsh Government's consultation on 'Renewable energy rates support'. If Wales is to deliver 100% of its energy needs through renewable technologies and address the climate crisis, the solar and energy storage industry will undoubtedly play a major role.

Solar Energy UK strongly supports the decision to incentivise investment in renewable energy and, in turn, making a significant contribution to the UK Government's decarbonisation targets, including 70GW of solar deployment by 2035. However, we would recommend the inclusion of battery storage and solar thermal technologies within the list of proposed exemptions to the NDR valuations. These changes will further enable businesses across Wales to meet their carbon reduction objectives, reduce their costs of energy and contribute towards Wales' net-zero goals.

Solar Energy UK responses

Renewable plant and machinery:

Question 1 Do you agree with the proposed exemption of renewables and EVCP plant and machinery from NDR valuations?

Answer 1- Yes, Solar Energy UK broadly agrees with the proposals to exempt eligible renewable plants and machinery from inclusion in NDR valuations. However, the paragraph below the list of technologies does state that:

"The exemption for renewables plant and machinery would extend to the associated equipment... including that used for the storage, transformation, and transmission of power..."

We would welcome explicit inclusion of battery storage within this list, so as to minimise uncertainty. Adding battery storage to this list will enable businesses to make the most of the solar power generated onsite.

Key benefits of battery storage include energy security/self-consumption, reducing strain on the grid as well as cost savings, especially during the current cost of living crisis. We also recommend that the Welsh Government specifically include solar thermal in this list. Currently the list includes 'photovoltaics' (generating solar electricity) and 'solar power' – which also refers to electricity generated from solar. We recommend amending 'solar power' to 'solar thermal' (providing hot water). Solar energy of all types is a low-cost energy source able to greatly reduce running costs in business premises

We, therefore, ask that the inclusion of battery storage, when associated with onsite renewable technology, be made explicit and that solar thermal be added to this list. These changes will exempt new solar and battery schemes from non-domestic rates, thus, allowing businesses to gain the full financial benefit of onsite generation.

Heat network relief:

Question 2 Do you agree that the proposed heat network relief would help to support growth in the low-carbon sector?

Yes, we support the proposal to help growth in the low-carbon sector. However, while it is clear from the proposal that this policy is intended to “to thermal energy, not the purposes of generating electricity”, we recommend that solar thermal be included as a means of delivering this policy – to provide space heating and hot water.

Question 3 Do you think that the proposed definitions would ensure the heat network relief is targeted correctly?

Please see the above response.

Question 4 Do you have any other comments on the policy proposals or their practical application?

No comment

Question 5a The Welsh Government would like your views on the possible effects that the proposals could have on the Welsh language, specifically on: • opportunities for people to use Welsh • on treating the Welsh language no less favourably than English

No comment

Question 5b Please also explain how you think the policy could be developed so as to have: • positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language • no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language

No comment
