

SOLAR COSTS COMPARISON

Comparing the costs of a Power Purchase Agreement (PPA) versus the cash purchase of a solar system.

FIRST YEAR COST ESTIMATES

SYSTEM SIZE	YIELD	ANNUAL PRODUCTION
200kWp (in Gauteng)	1750kWh/kWp	± 350,000kWh

CAPITAL COSTS

RISK	POWER PURCHASE AGREEMENT	CASH PURCHASE
Purchase price	No cost	R1 900 000 - R2 100 000
Lightning risk assessment (over 100kWp)	Included	R6 500 (assessment) R100 000 (equipment)
TOTAL	R0	R2 006 500 - R2 206 500

ANNUAL COSTS

RISK	POWER PURCHASE AGREEMENT	CASH PURCHASE
Energy cost (solar) (only on energy consumed)	R0.9/kWh	R0
Insurance	Included	R12 500
Annual maintenance	Included	R30 000
Solar panel cleaning	Included	R36 000
Performance monitoring + Asset management	Included	R10 000 (Hosting & server fees, platform monitoring, reporting, managing contractors)
TOTAL	R315 000	R88 500

ADDITIONAL COSTS

RISK	POWER PURCHASE AGREEMENT	CASH PURCHASE
Fire / hail damage repair	Included Replace & manage claims or repairs	R30 000 (excess) or, R1 500 per solar panel R550 - R850 hourly rate R4,5 per km
Broken / faulty / theft of solar panels	Included Replace & manage warranty or workmanship defects	R30 000 (excess) or, R1 500 per solar panel R550 - R850 hourly rate R4,5 per km
Call out fee	Included	R550 - R850 hourly rate R4,5 per km
Cherry picker for roof access if required	Included	R4 000 per day R1 500 operator per day R4,5 per km
TOTAL	R0	R60 000 (for up to 2 incidents)