

Delta Energy & Environment Ltd
Registered in Scotland: No SC259964
Registered Office: Floor F, 3 Lady Lawson Street, Edinburgh, EH3 9DR



UK market potential for energy storage

Energy Storage Showcase Event

Contact:

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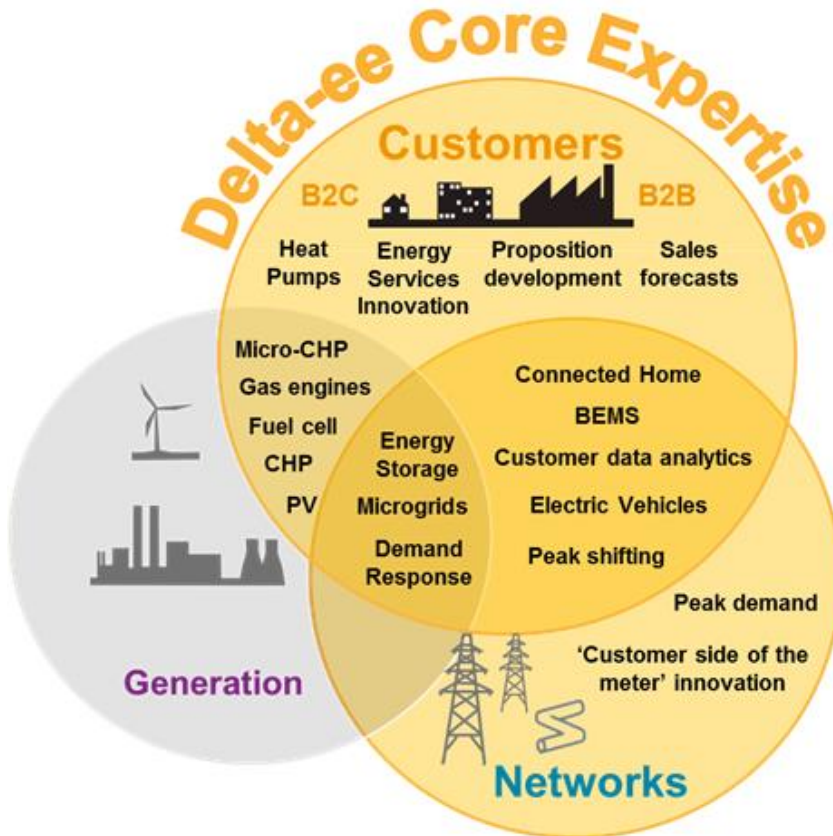
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- ▶ **About Delta Energy & Environment**
- ▶ **Outline of today's presentation**
- ▶ **Market outlook**
 - ▶ **Current market**
 - ▶ **Future market development**
 - ▶ **Characterising the current (small scale) energy storage market**
- ▶ **Installer attitudes**
- ▶ **End-customer economics**
- ▶ **Conclusions**

Helping clients navigate the transformation of the energy system

Delta-ee helps energy companies, network operators, policy makers and product manufacturers across Europe navigate the transformation to a more distributed, customer centric, service-orientated energy future.



Delta-ee brings:

- ▶ Customer insight
- ▶ Technology expertise on the customer side of the meter
- ▶ Policy & regulation
- ▶ Detailed market insight
- ▶ Business model innovation

Delivering:

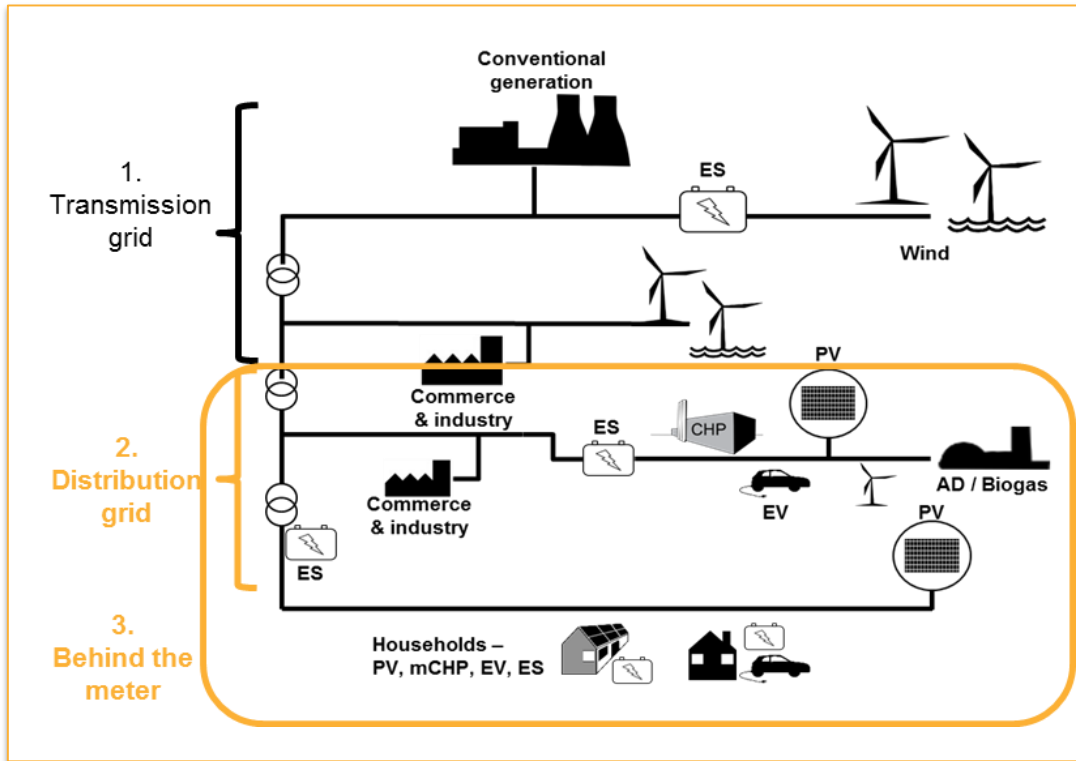
- ▶ Market analysis & scenarios
- ▶ Demand forecasts & profiles
- ▶ Technology assessment
- ▶ Strategy development & business model analysis
- ▶ Customer propositions

Selected clients:



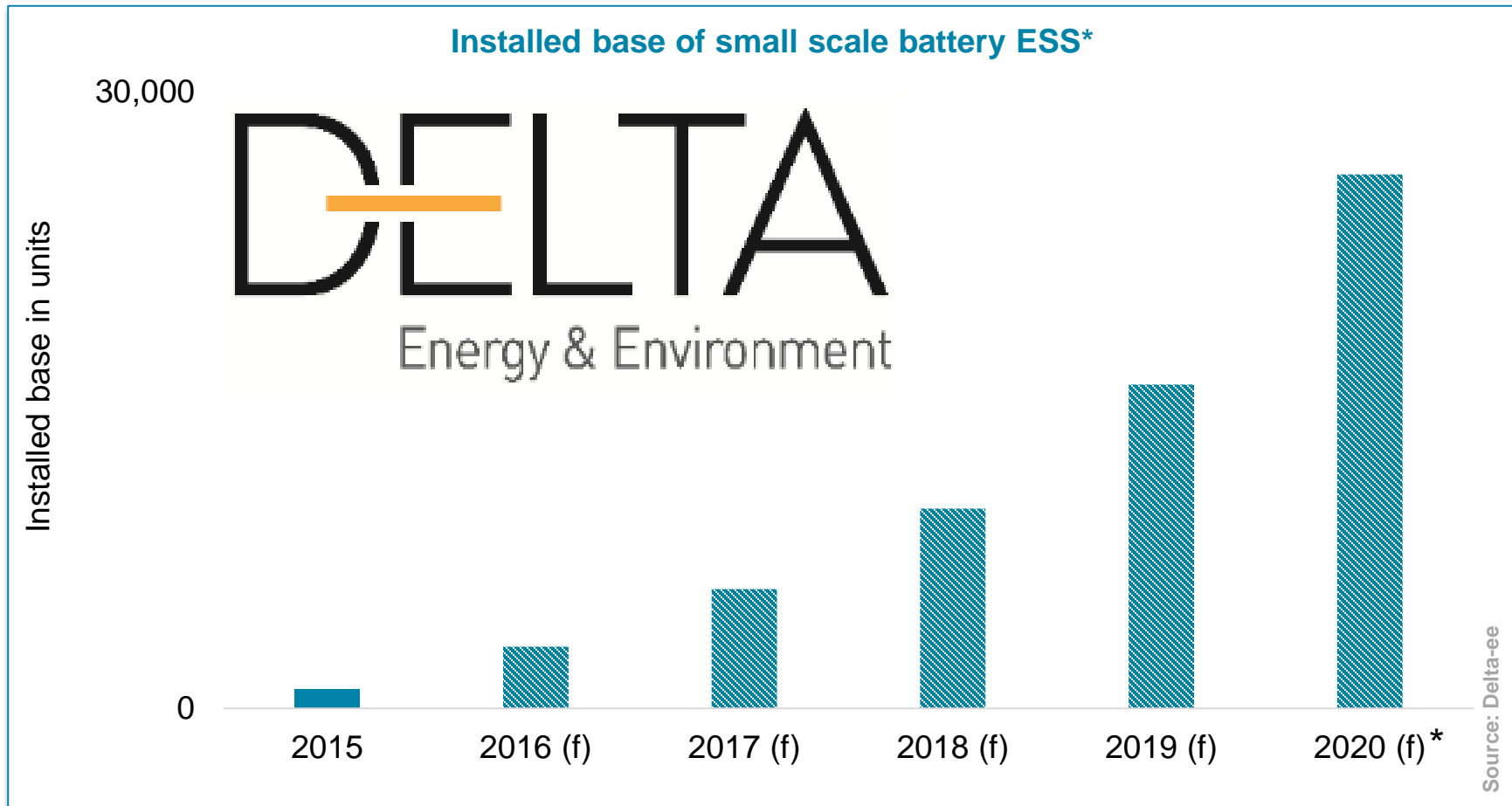
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Distributed energy storage



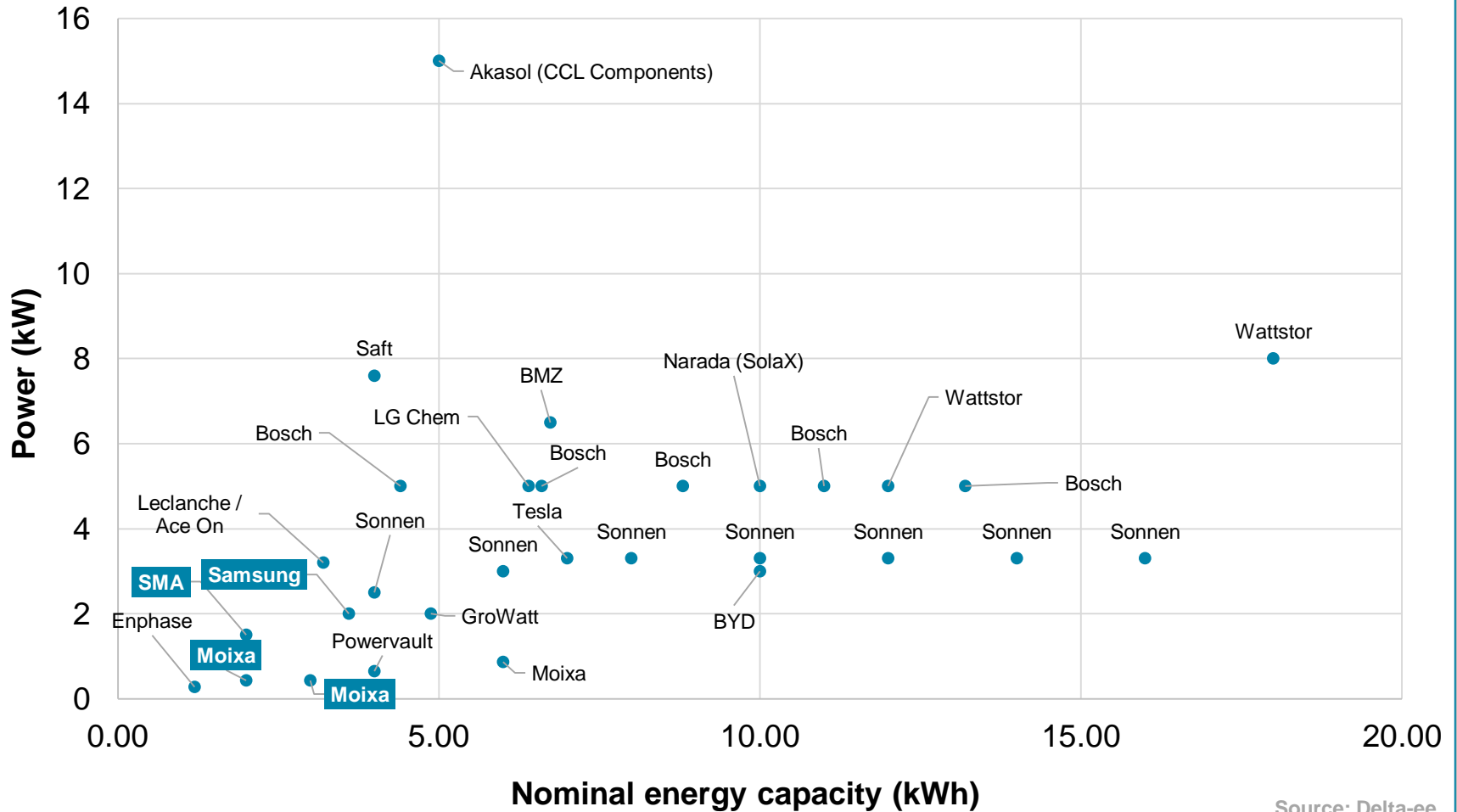
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Current and future market outlook for PV + battery storage in the residential sector*



* 2020 forecast represents central estimate based on current market conditions. Overall the market has the potential to strongly exceed this growth scenario.

Comparison of products currently or soon available in the UK

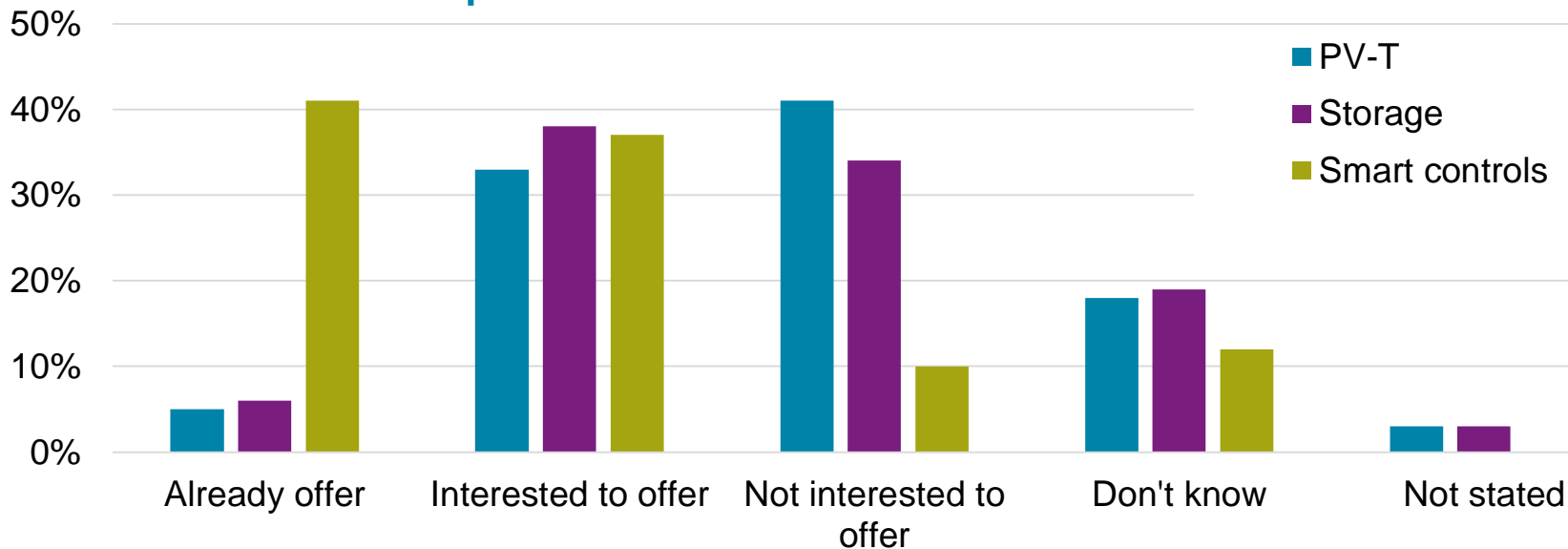


Source: Delta-ee

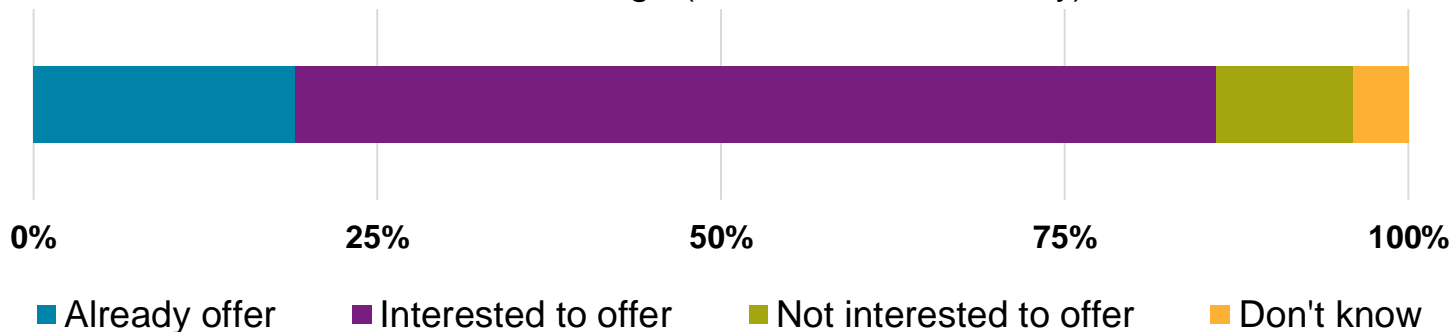
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Current level of engagement and enthusiasm for offering energy storage products

New products installers want to offer in future

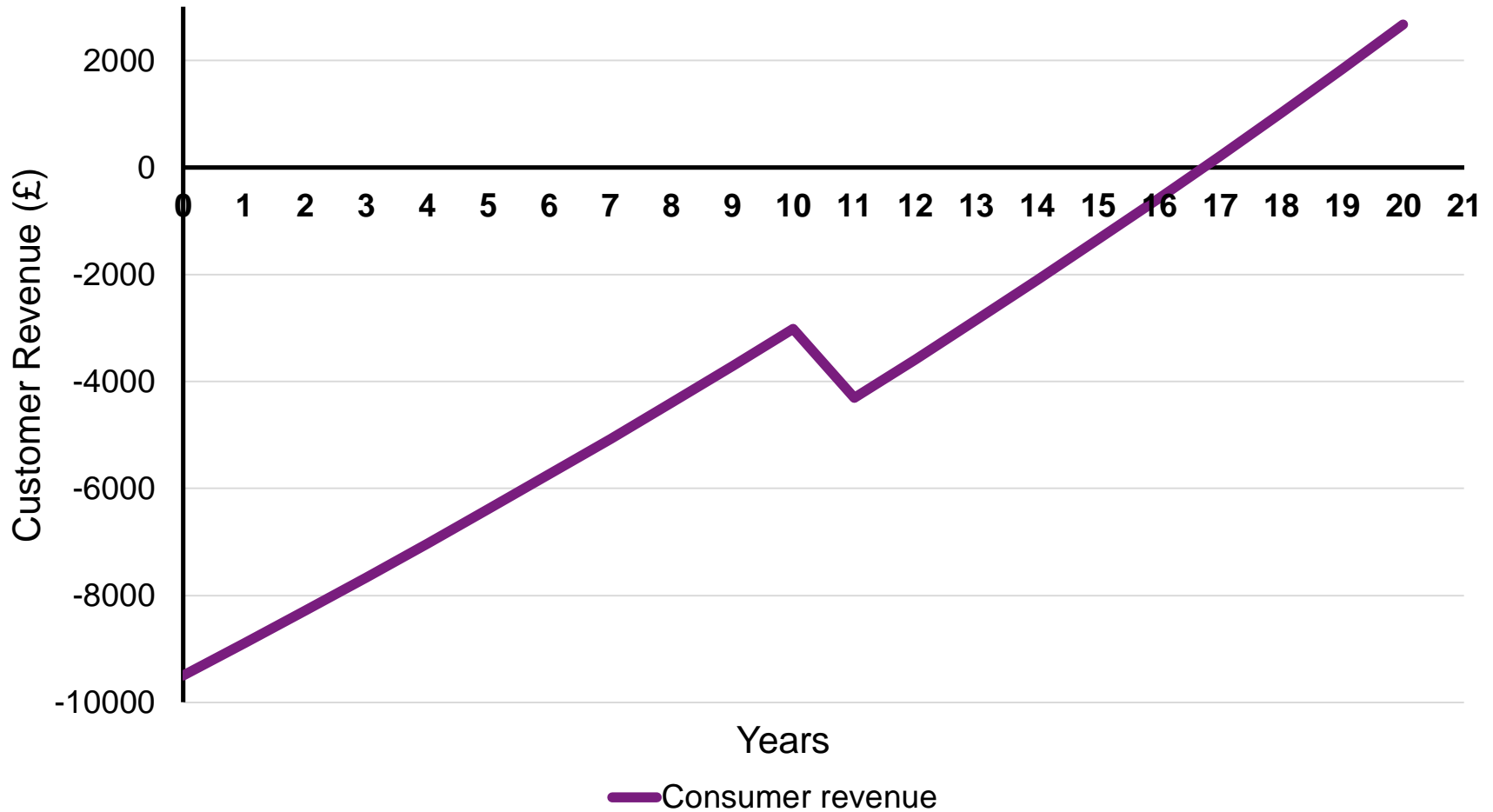


Interest in storage (MCS PV installers only)



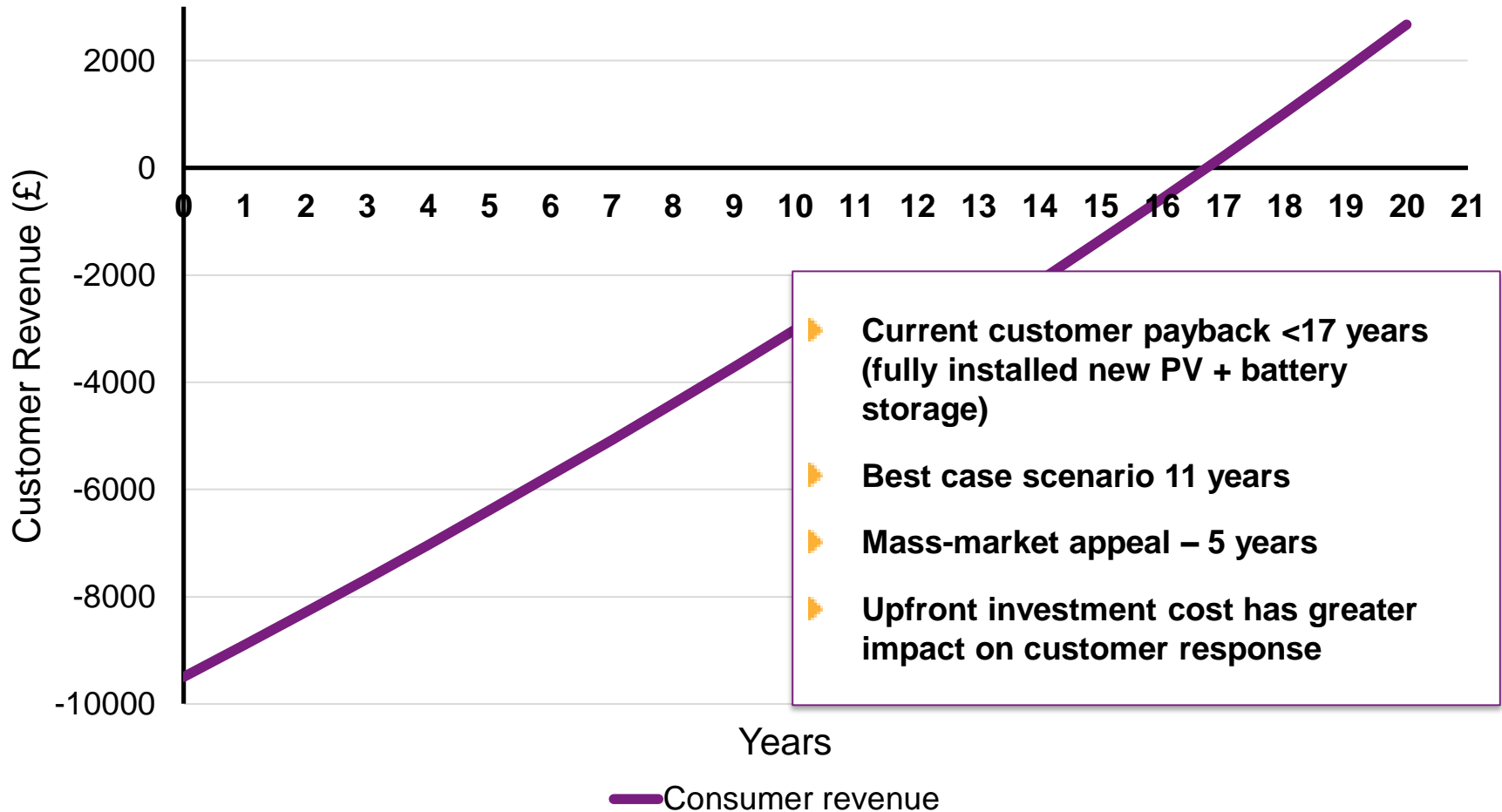
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PV + Battery storage payback period*



*Basic assumptions: Battery cost (£1,333 / kWh); PV (£1,250 / kWp); PV cap. (4 kWp); Battery cap. (3 kWh); PV lifetime (25 years); Battery lifetime (10 years); Annual household electricity demand (4,000 kWh); Autarky factor (51%); Annual electricity price increase (3%); Current UK FITs.

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The lack of subsidy will not stop the residential PV + battery storage market from growing – but growth, driven by early innovators and pilot projects, will at first remain modest.



Upfront costs are the key barrier to the widespread adoption of storage. Nonetheless, as battery prices decrease, PV + battery storage will become an increasingly common solution in the UK.



The winning applications will capture a number of primary and secondary values – these will be the applications that breakthrough beyond self-consumption and define the future market.



- Growing customer awareness and education is crucial.
- Correct installations and openness about what battery storage solutions can provide, are important for gaining trust.

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