

# Get on to the front foot and beware those bearing 'gifts'

FARMERS ARE ADVISED TO WORK WITH UNBIASED SPECIALISTS THEY TRUST TO EVALUATE ALL THE ALTERNATIVES AND SEE HOW RENEWABLE ENERGY COULD IMPACT ON THEIR WHOLE BUSINESS BEFORE EMBARKING ON ANY PROJECT

**G**reen farm energy opportunities seem to grow more rapidly than the most vigorous crops these days, with more installers, new technologies and developing incentives.

Considering the natural resources landowners have at their disposal, this is hardly surprising. Along with wind, water, waste, sunshine and the potential to grow crops for ethanol, diesel, combustion or digestion, they have the crucial space needed for electricity or heat generation projects, says farm adviser, Karen Williams, of Masstock Farm Consultancy.

Despite recent government reviews and revisions, the opportunities promised by Feed-In Tariffs (FITs) and the Renewable Heat Incentives (RHI) remain exciting; especially so with such uncertainty over the future of Single Farm Payments.

While the best opportunities should be seized with both hands, Ms Williams urged everyone to look long and hard at what's actually on offer and how to take maximum advantage of it before entering into lengthy commitments or large investments.

**'Above all, farmers and landowners need to establish what's in their best interests'**

"To make the most of the many green energy opportunities available, my MFC colleagues and I firmly believe landowners have to be on the front foot," she insisted.

"They need to work with unbiased specialists they trust to evaluate the assets they have and understand the alternatives open to them. Above all, they need to establish what's in their best interests, rather than merely in

the interests of those 'bearing the gifts'.

"Everyone appreciates the need to be sure of wind speeds where turbines are concerned, flow rates with hydropower schemes and sunshine hours with solar arrays. But it's at least as important to take into account the opportunity cost of any project. Could you do better or have less risk by investing elsewhere, for instance?"

"As with any farm investment, we believe it is vital landowners go into renewable energy with their eyes wide open," stresses Karen Williams. "They need to be certain whether a project is first and foremost a cost-saving exercise or a new profit centre.

"They should establish exactly what it's likely to add to their current output and they must be sure it

can be effectively integrated into their current enterprise mix without difficulties or disruptions.

"Other critical things to be clear about from the outset include the return needed on the investment, whether this is likely to outweigh any return from other opportunities, and precisely how any risks involved can be minimised."

Ms Williams was adamant that



**Farm adviser Karen Williams**  
– "look long and hard at what's actually on offer"

no-one should enter into a farm energy project without a good initial feasibility study. She also underlined the importance making a professional financial case to lenders and a thorough assessment of both technologies and installers.

"All the planning requirements, environmental implications, funding options and joint venture opportunities further need to be investigated ahead of time, as do the options available for selling any energy generated," she explained.

"It's important to remember we are at a very early stage in the green energy business, so lots of things – including critical government incentives – are changing very rapidly. Under these circumstances, it's vital to evaluate the opportunities on offer carefully in the context of the whole farming business." ■