

Selling Your Project

Capital Release

Selling your turbine may prove more lucrative than retaining ownership

“Sell your wind turbine at the top of the curve”

In the majority of cases owners of renewable energy assets are several years into benefiting from the NIRO financial incentive. With 15-18 years of this incentive remaining and most projects now ‘de-snagged’ and operating correctly, the value of the assets are at their highest. Now is the time to consider selling for maximum value and return.

Since becoming part of the Randolph Renewables Group, FENI can introduce owners of energy assets, who may wish to sell their project, to their sister company RG Developments Ltd., and benefit from released capital and less risk and responsibility.

RG Developments is actively investing in projects to grow a portfolio that directly underpins the Group's operations and those of FENI.

RG Developments are also interested in sites that have not yet been developed, but may have the benefit of planning consent and a grid connection.

Tax and Legal Advice

When selling your turbine, it is vital to understand the tax situation. This can have a dramatic effect on the money received.

Where turbines are often operated via an SPV (Special Purpose Vehicle), a sale of the shares would realise the underlying value immediately. Based on a working model example, a Vestas V-27 operating over a period of 18 years would realise a substantial recovery of value.

You may currently extract the annual profits from the SPV as dividends and these will be subject to wealth eroding income tax rates up to 38.1%. However, a sale of the shares would mean that the value could be realised at a far lower rate of tax.



Sales of shares are, generally, taxed at a maximum of 20% and a special rate called 'entrepreneur's relief' may reduce this to 10%, subject to meeting certain criteria. You would receive the whole value of the sales proceeds at settlement.

In addition, you may personally own the land and lease it to the SPV for an agreed rent, therefore, there would be continuity of this arrangement after a sale of the shares. Where a larger turbine is installed by the new owner after the sale of the SPV, there would be an uplift in the rent agreement linked to RPI. The total rental income payable over the remainder of the 20 years ROC period would preserve an ongoing income for you.

Therefore in some cases, selling your turbine may prove more lucrative than retaining ownership. It can certainly be less stressful!

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While considering options for your finances if you are interested in an investment opportunity why not check out our partner organisation's FREE Wind ISA Bond. You can find a summary of their offering on the Insert "Helping Build a Greener Future"

For a free no obligation valuation or to discuss selling your site, please contact 028 7930 0606 or info@farmenergyni.co.uk