

LED Streetlighting - replacement of 10,600 units

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	Totals
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Total Cost	2,700,000													2,700,000
Less TfL fundings	(50,000)													(50,000)
Less loan (SEELS)	(1,400,000)													(1,400,000)
Initial Cost to Council	1,250,000													1,250,000
Loan repayment		350,000	350,000	350,000	350,000									1,400,000
Capital Cost to Council	1,250,000	350,000	350,000	350,000	350,000									2,650,000
Revenue Savings														
Energy	(139,000)	(300,685)	(312,712)	(325,221)	(325,221)	(325,221)	(325,221)	(325,221)	(325,221)	(325,221)	(325,221)	(325,221)	(325,221)	(4,004,604)
Component Replacement			(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(581,000)
Total revenue savings	(139,000)	(300,685)	(395,712)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(4,917,604)
Net flow in year	1,111,000	49,315	(45,712)	(58,221)	(58,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(408,221)	(2,267,604)
Net flow cumulative	1,111,000	1,160,315	1,114,603	1,056,382	998,162	589,941	181,720	(226,500)	(634,721)	(1,042,942)	(1,451,162)	(1,859,383)	(2,267,604)	
Payback yr 8														
NPV at 4%	1	0.962	0.925	0.889	0.855	0.822	0.790	0.760	0.731	0.703	0.676	0.650	0.625	
NPV of net flow in year	1,111,000	47,441	(42,284)	(51,758)	(49,779)	(335,557)	(322,494)	(310,248)	(298,409)	(286,979)	(275,957)	(265,343)	(255,138)	
Net NPV flow cumulative	1,111,000	1,158,441	1,116,157	1,064,399	1,014,621	679,063	356,569	46,321	(252,088)	(539,067)	(815,025)	(1,080,368)	(1,335,506)	
Payback Yr 9														

Notes

1. Assumed start 1 April 2015, finish December 2015
2. Unit cost of capital investment - £2.7m, by 10,600 units gives £254k per unit. Up by 17% from first roll out
3. SEELS loan repayable in 6 monthly tranches over 4 years; planned finish Dec 15, 1st repayment July 16
4. Energy - savings pa of £278k at current prices. Per Ofgem, assumed energy 4% rise year on year to 18/19 - thereafter assumed to stabilise