

Duchess dude mculty
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Dear dude,

LED Lighting Savings - Energy, Maintenance & Carbon Reduction Solutions

Following our previous discussions, we are pleased to provide you with an illustration of the financial benefits that could be afforded to Hairy through the installation of 8point3 LED lighting.

The attached business illustration is based on our initial understanding of your current lighting, the hours of operation and the assumptions in the summary below. This illustration sets out to identify the potential energy savings, maintenance savings and carbon avoidance achievable as well as showing budgetary projects costs and return on investment.

Where applicable, we have also shown the benefit available through ECA (Enhanced Capital Allowances for White Light LED) as well as savings achievable through the CRC Energy Efficiency Scheme.

To provide further clarity on the savings for specific areas within your business, we have segregated the proposed project into one bespoke spaces, each space having a breakdown of the lighting types to be replaced, the energy savings available, the hours of usage and the cost of the project.

Business Illustration Assumptions

We have based our calculations for the business illustration upon a number of assumptions as detailed below:

- Hours of operation of lighting as shown in business illustration
- Energy price per kWh of £0.12
- Inflation (RPI) predicted at 3.5% p.a.
- Energy Price Inflation (EPI) predicted at 10% p.a.
- Average annual maintenance cost of current lighting system of £1,000.

Summary of Benefits

- **Return on investment (ROI) in year five**
- Average per luminaire power consumption reduction of **76%** (47,424 kW per year)
- **Zero maintenance costs** for the full guarantee period - negates current spend of £1,000 per annum
- Carbon emissions reduction of **21.13 tonnes** per year
- Net cash saving in year one from installing 8point3 LED lighting of **£6,690.88**
- A total five year profit of **£19,014.86**

THE COST TO YOUR BUSINESS IN ELECTRICITY ALONE BY NOT MOVING TO LED IS £5,691 P.A.

A full breakdown of the benefits, calculations and projected savings over the next five years is shown in the schedules attached. Please note that all costs are exclusive of delivery, installation, setup & commissioning of sensor & lighting controls, and VAT unless itemised on the attached Business Illustration.

Our Guarantee

Our products come with a five year full product repair or replacement guarantee. If in the rare event one of our lights fails during this time, we will repair or replace it at our cost.

Next Steps

Following on from this business illustration, we would be pleased to provide you with a fully costed business proposal that will provide a definitive business case for Hairy. In order to prepare a full proposal, it is necessary to undertake a full and detailed survey of your existing lighting scheme so that we can gain an accurate inventory of your current lighting, the lighting type/s, energy ratings, fixing methods and accessibility and any associated maintenance costs. The standard lead time for product delivery is 4-8 weeks from date of order.

Should you wish to proceed with a technical survey, please complete the attached Survey Request Form and return to either myself or our Survey Team. Please note that the charge for the survey will be reimbursed^{*}

when you proceed with a full project.

We look forward to hearing from you with feedback relating to this business illustration but in the meantime, please feel free to contact us if you have any questions at all.

Yours sincerely

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