Research as a Service

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SolarAnalytics

Getting the most from the sun

Solar Analytics is a green-tech company that creates software for the $3.2 trillion electricity market to helps solar owners, solar retailers and energy utilities enhance the financial returns of installing solar systems and batteries. Founded in 2011 by a team of leading solar experts, Solar Analytics has developed a cloud based analytics platform to maximise solar owners' financial return on their solar investment. To date, Solar Analytics has raised $5.9m to develop its platform which includes patented algorithms, machine learning and Artificial Neural Networks. As at December 2016, Solar Analytics had sold 12,000 units in a market of 1.6m residential homes in Australia and 14m globally.

Background

Solar Analytics was founded in 2011 by a team of leading solar experts led by CEO Stefan Jarnason. The company was formed in response to the growth in solar power usage in Australia and the leakage that was being experienced by solar owners due to lack of actionable information about their energy options, sometimes underperforming solar systems and sub-optimal energy consumption. The Solar Analytics platform gives users live solar data on a dashboard with an aim to empower them to better understand their own production and usage, and then optimise it to be more cost-effective. The company now has offices in both Sydney and Oakland, California.

Business model and strategy

Solar Analytics sells its hardware monitoring unit and monthly subscription service for $399 and $6/month respectively. Its primary sales channel is solar resellers such as SolGen, Bradford Solar, Cool or Cosy and InStyle. Solar Analytics has also partnered with energy retailers such as AGL, which is also a shareholder, and Mercury. Solar Analytics also generates revenue from software only products and other services. The company is targeting homeowners, solar resellers and energy retailers as its customers.

Market size and Competition

According to independent research house, Global Market Insights, the global solar energy market size was estimated at over US$65 billion in 2015 and is likely to exceed US$140 billion by 2023. Residential units account for around 50% of the total market. Australia has the highest penetration of residential solar systems in the world with more than 1.6 million systems installed, equating to 16.5% of households.

In Australia, Solar Analytics' main competitors are inverter manufacturers and general energy monitoring start ups such as Carbon Track. Internationally, the company's main competitors are Locus Energy, SolarMan and Solar-Log, all of which focus on commercial scale solar rather than homeowner solar. The company's future competition could come from existing and emerging battery and energy storage companies as their technologies evolve.

Share details

Investment to date	$5.9M
Number of shareholders	5-10

Shareholders include AGL Energy Ltd, Sun Assets Pty Ltd, JCVC Metropolis Pty Ltd

Capital raising history and timetable

Seed round completed 2014 raising $1.5m

Series A completed Sept 2016 raising $4.4m

Series B currently underway to raise $11m

Upside Case

- Low penetration of a large, fast growing market with Australia one of the biggest users of solar
- Add-on revenue streams
- Backed by energy industry giants in Australia and has US presence

Downside Case

- International competitors currently focussed on commercial market but this could change
- Battery and EV companies like Tesla could become significant competitors
- Cost to consumer – there are cheaper systems on the market with less functionality

Company contacts

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