

# Power Plant Rental

October 11, 2024

**The cost of electricity for enterprises is constantly rising and it is becoming increasingly difficult for enterprises to cover these costs. The electricity tariff for companies will rise again in 2025, which makes it necessary to find efficient solutions. In this context, renting a power plant or generating electricity in-house become extremely profitable options. For example, you can consider installing a gas piston power plant, which significantly reduces the cost of electricity for businesses.**

## **How much does electricity cost for businesses and how to reduce it?**

If you are reading this article, it means that one way or another you have been looking for information about electricity generating plants and are considering options to save electricity in your manufacturing facility. Natural gas-fueled gas piston power plants (GPP) and gas turbine plants (GTU) can reduce the cost per square kilowatt of electricity for businesses due to lower fuel costs and more efficient methods of generating electricity. Additionally, along with the installation of a mini-CHP, you get industrial heating and cooling. These are related technologies that are used to generate electricity, and they are called trigeneration (produces electricity, heat and cold) and cogeneration (produces electricity and heat).

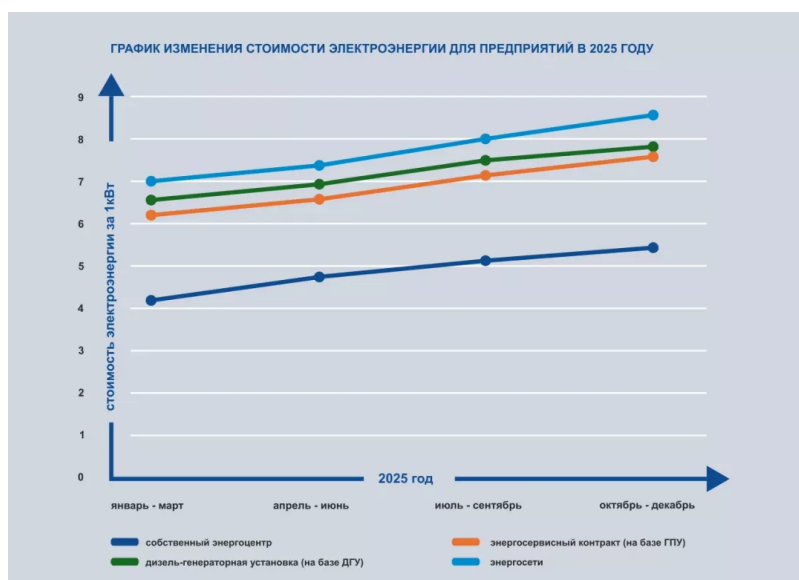
## **Electricity Tariff for Enterprises 2025: What to Expect?**

The electricity tariff for enterprises in 2025 may reach historical highs. This makes the introduction of autonomous generation more attractive. Because the cost of 1kW of electricity for enterprises when using their own generators is much lower than when buying electricity from power grids. We recommend that you consider switching to gas piston or gas turbine plants to reduce your electricity costs. You can buy a gas piston power plant (GPP), lease a diesel generator set (DGU) or conclude an energy service contract, under which the MKS Group of Companies will provide you with a mini-CHP free of charge. These solutions give you independence from the growth of tariffs on the cost of electricity for enterprises.

## Why renting a power plant - may not be profitable?

At first glance, renting power equipment may seem like a profitable solution for businesses. On the internet, it is common to see offers to lease diesel generator sets (DGU) where you have to pay for the unit on a daily or monthly basis. However, these leases do not take into account the higher costs of diesel fuel and operation, which can ultimately make renting a diesel generator less profitable than gas-powered generator sets (GPUs). The price of electricity for companies based on DGU operation is often higher due to the high cost of diesel fuel and the need for regular deliveries.

In contrast to a classic lease, our power plant lease is an [energy service contract](#), where you do not have to pay for the equipment. We provide you with gas piston power plants (GPP) on a free-of-charge basis, and you pay only for the actual electricity consumed at a reduced tariff. This not only reduces energy consumption costs, but also eliminates the need to organize fuel supplies.



schedule of changes in the cost of electricity for enterprises in 2025

Leasing a power plant: optimizing energy costs

Renting a power plant in the context of an energy service contract is not a classic lease with a monthly fee for the equipment, but a cooperation in which you pay only for the actual consumption of electricity at a reduced price.

Renting a power plant through an energy service contract allows you to reduce costs and avoids capital expenditures for the purchase of equipment. A natural or mains gas generator will allow you to produce electricity at a lower price than the current tariffs of the power grid.

How does it work?

MKS Group installs the gas-powered generator sets (GPU) at your facility at your own expense. You no longer buy electricity from power grids, but get it directly from us at a more favorable cost. For example, you pay 8 rubles per kilowatt to the power grid, while with us 1kW will cost 6 rubles. Savings of 2 rubles for each kilowatt is your direct financial gain. At the same time, we cover all fuel costs for the equipment, and our profit is the difference between the cost of gas and the price at which we sell you electricity. The more you use electricity, the bigger the difference in savings in your payment will be. For example, if you used to pay 8,000,000 rubles for electricity, then after signing an energy service contract with us, you will pay 6,000,000 rubles for the same amount of electricity consumed without investing in the energy complex. You do not bear any risks at all, because the guaranteed lower cost of electricity will be fixed in the energy service contract. To accurately calculate the cost of 1 kW in cooperation with us and as a consequence your further benefit, contact us at the contacts listed at the end of the article.

### Own power generation in a company

Electricity generation companies are becoming more and more important players in the market every year. Enterprises generating electricity with their own generators will be relevant for many years to come. Every year in Russia the price of energy and consequently the price of electricity is rising.

### Why choose a gas piston power plant?

A gas piston power plant (GPP) is a reliable and economical solution for business. It reduces the cost of electricity for businesses while not requiring constant fuel supplies like diesel generators. A natural gas-fired power plant will provide you with stable power generation with minimal operating costs.

### What is necessary to conclude an energy service contract?

In order to conclude an energy service contract with our company, we need to select the right equipment for your needs as accurately as possible. For this purpose, it is important to know what your average monthly electricity consumption is, as well as to provide information about peak loads and other specifics, which our specialist will clarify during further communication. In addition, we need to understand what your current electricity tariff is in order to assess the benefits and feasibility of cooperation under an energy service contract.

It is important to note that in Russia electricity tariffs for enterprises vary significantly from region to region and even within the same region can differ from one enterprise to another. Calculating the efficiency of an energy service contract is a complex task involving many factors. After providing all the necessary data, we will perform a

detailed calculation and prepare a proposal for you.

The proposal will include the total cost per kilowatt of electricity when using our gas piston units. After agreeing with you all the details of the work, we will proceed with the design and construction of the CHP plant. It is important to determine the power consumption of your company at the very first stage in order to choose the best solution for its generation.

[Contact our specialist](#) for a consultation and we will make cost calculations free of charge.