

Why is the payback period on my Easy PV project different from an identical design produced on a different software?

There is a variety of reasons the payback period could have come out differently. Even with identical kit and system cost, there are a few differences that can lead to significant differences in the payback period. The first things to check are:

- **Performance task:** Is the generation figure the same? If not, are the proposals using the same shading factors?
- **Consumption/Financial task:** Is the total consumption the same? Are the tariffs the same? Is the self-consumption calculation method the same?
- **Financial task:** Is the inflation, degradation and discount rate the same?

The most common reason for significant differences in payback time is that most other software calculates a standard payback period, whereas we use a *discounted* payback period. In short, a discount rate helps reflect the fact that £100 now is worth more than £100 earned in 10 years. Translating future earnings into terms of today's money has a negative impact on the total income and savings values and leads to a higher, but more accurate figure. The discount rate can be adjusted down to 0 in the financial settings of a project to make Easy PV also calculate a standard payback period.

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