



## **IRENA - Renewable Energy Applications for Island Tourism:** The Business Case for PV Systems -Fiji

### Presenter: Bruce Clay Clay Energy Fiji



#### The Pacific







# Off-Grid Island RE Power 01/ PV/Diesel Hybrid systems without energy storage

Simple grid connect PV systems

May have PV power control to increase penetration on diesel grids

Limited to <20% of diesel substitution

Levelised cost of energy well below diesel generation





PV/Diesel Hybrid systems withoutenergy storageCost of generation

	Capital Cost Range \$/kWp	LCOE Range \$/kWh
Roof Mount	\$1,300 - \$1,500	\$0.08 - \$0.13
Ground Mount	\$2,000 - \$2,500	\$0.12 - \$0.21

#### Avoided Cost of Diesel \$/kWh \$0.30 - \$0.55





# Off-Grid Island RE Power 02/ PV/Diesel Hybrid systems with energy storage

Financial optimum system;

Solar Contribution: 85-95%

Battery Capacity: 1.5 - 2 days (of consumption)

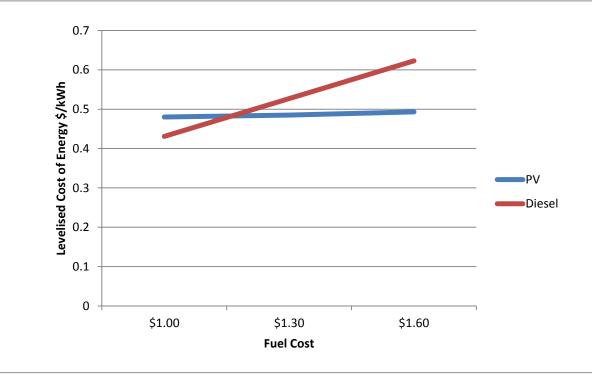
LCOE: \$0.45 - \$0.55

At fuel costs < \$1.20 diesel generation may be the best financial option





### 02/ PV/Diesel Hybrid systems with energy storage Diesel Price Sensitivity







# Large PV Diesel Hybrid Turtle Island Fiji

Private island premium resort with 14 villas

Situated on the Blue Lagoon in the Yasawa Island Group

100km NW of Nadi





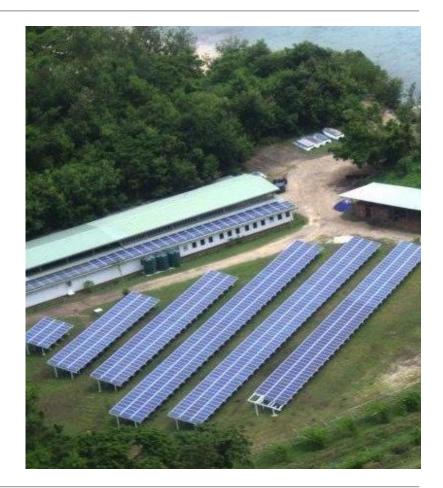


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## Large PV Diesel Hybrid Turtle Island Fiji

#### Selected PV/Diesel Hybrid Solution:

SMA Multicluster solution 228kWp PV 120kW Battery inverter/chargers 1.1 MWh storage 120kW diesel

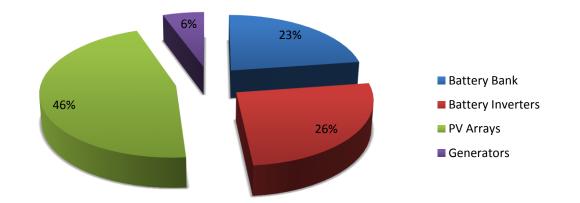




Large PV Diesel Hybrid Turtle Island Fiji



#### System Capital Cost \$1,065,000





## Large PV Diesel Hybrid Turtle Island Fiji







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## Large PV Diesel Hybrid Turtle Island Fiji



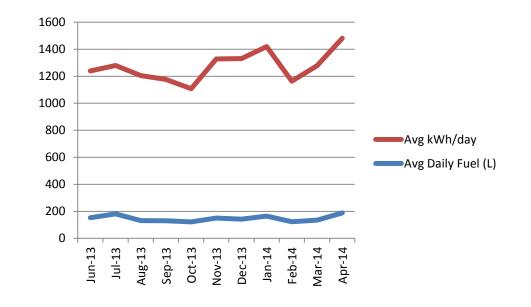
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### Large PV Hybrid - Turtle Island Fiji Actual System Performance

Island electricity consumption increased 29% from original design Average daily energy use: 1126 kWh Annual Fuel use: 53,735 L





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#### Large PV Hybrid - Turtle Island Fiji Actual Financial Performance

	Actual	Design
Daily Energy Use (kWh/day)	1126	870
Diesel Price (\$/L)	\$1.60	\$1.60
System Capital Cost (\$)	\$1,065,000	\$1,065,000
Annual Fuel Use (L)	53,735	22,300
Annual Generator Hours	~2600	~1000
Solar fraction of generation	56%	77%
Levelised Cost of Energy (\$/kWh)	\$0.578	\$0.548

#### 24/7 Diesel Generation Comparison

Annual Fuel Use (L)	131,140	104,620	
Levelised Cost of Energy (\$/kWh)	\$0.623	\$0.672	

\* Discount Rate 6%

\* Project Life 15 years



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#### Grid Connect PV Lease/PPA Model for Commercial & Tourism Properties

Grid Connected Solar PV costs have reduced significantly and are below utility tariffs

	Capital Cost	LCOE Range
	Range \$/kWp	\$/kWh
Roof Mount	\$1,300 - \$1,500	\$0.08 - \$0.13
Ground Mount	\$2,000 - \$2,500	\$0.12 - \$0.21

Utility Tariff \$0.22

Solar power system capital costs though are still significant How to overcome the capital cost issue for businesses?



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### Grid Connect PV Lease/PPA Model for Commercial & Tourism Properties

- 1. Lease Finance Fixed repayments per period for a contracted number of years. Customer owns the plant and would be responsible for maintenance and insurance.
- PPA (Power Purchase Agreement) Payments per period are based on a fixed \$/kWh for solar power produced.
   Contract periods are 10+ years.
  - Customer doesn't own the PV plant but may have an
  - option to purchase at the end of the contract.
  - Provider is responsible for maintenance and insurance



### Case Study Port Denarau PVGC 190kW





Sunergise PPA Solution
Reduced the Marina's carbon footprint
No capital outlay
Fixed tariff for 15 years
No technical, maintenance or insurance risk
Guaranteed Production





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#### Vinaka Vakalevu - Thank you!





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