Seventeenth Meeting of the Council – Thematic meeting

25 June 2019, 13.15 – 14.15
Sheraton Hotel, Corniche, Abu Dhabi
Oasis Room

Renewable Power Generation Cost Trends in 2018

IRENA has released its latest authoritative summary of renewable power generation costs in 2018, after an extensive update of the IRENA Renewable Cost Database. As the cost of renewable power generation continues to fall, particularly for solar Photovoltaics (PV), Concentrated Solar Power (CSP) and onshore and offshore wind, market dynamics are changing. Renewable power generation projects are now increasingly undercutting alternatives for new power generation, without subsidies, and new projects in areas of excellent wind or solar resource are even beginning to undercut the marginal costs of existing fossil generators.

Costs from all commercially available renewable power generation technologies declined in 2018. The global weighted-average cost of electricity declined 26% year-on-year for CSP, followed by bioenergy (-18%), solar PV and onshore wind (both -13%), hydropower (-12%), geothermal and offshore wind (both -1%). New bioenergy, hydropower, onshore wind and solar PV projects now commonly undercut new fossil fuel-fired power generation.

Onshore wind and solar PV will soon, on average, offer less expensive new electricity than any fossil-fuel option, without financial assistance. Over three-quarters of the onshore wind and four-fifths of the utility-scale solar PV projects in the IRENA Renewable Cost Database that are to be commissioned next year show lower prices than the cheapest new coal-fired, oil or natural gas option. Crucially, the outlook for costs to 2020, currently signaled by auction results around the world, is for even lower costs than were anticipated just a year ago.

The presentation/thematic event is an opportunity for IRENA to provide an overview of the main findings of the renewable power generation cost trends in 2018. It is also an opportunity to go into more detail about:

- Latest 2018 renewable cost trends for bioenergy, CSP, geothermal, hydropower, solar PV and onshore and offshore wind.
- Deep dives into more technology and country/region specific issues, such as installed cost differences by technology and evidence of convergence.
- Highlights from recent auction trends and how expectations for cost reductions to 2020 and beyond have accelerated over the last year as more data has become available.

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Associated Publications
Renewable Power Generation Costs in 2018 (the link will be activated on 29 May 2019)