A business opportunity: Grid connected PV self consumption

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PRELIMINAR CONCEPTS CENTRALIZED, DECENTRALIZED, DISTRIBUTED

In general, the concept DECENTRALIZED and DISTRIBUITED is not the same, i.e. computer or politics world.

Centralized: From one point are taken all decision or control systems **Decentralized**: All or some decision are taken from different points **Distributed**: All or some decision are taken in multiple point, very close of final destination



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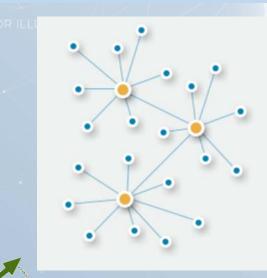
BUSINESS SKILL LABS TRAINING

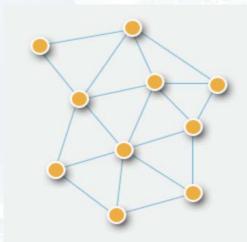
CONCEPTS CENTRALIZED, DECENTRALIZED, DISTRIBUTED IN ELECTRIC POWER SYSTEMS

Electric Power system. When we talk **decentralized or distributed electric generation**, the concepts is the same in this sector

CENTRALIZED ELECTRIC GENERATION CONCEPT

DECENTRALIZED OR DISTRIBUTED ELECTRIC GENERATION CONCEPT





POWER ELECTRIC SYSTEM CENTRALIZED vs DECENTRALIZED

- > Great power station sited very far from consumption points
- Important Electric Power Lines are required, to transport and distribute the electric energy to great distances. (critical in large countries)
- High Energy Losses in the transport and distribution power grids. Until 10-15% of the total power generated in Spain
- > Social and environmental problems when the electric infrastructures are built
- Normally, the primary energy used is not renewable. In consequence, severe environmental impacts



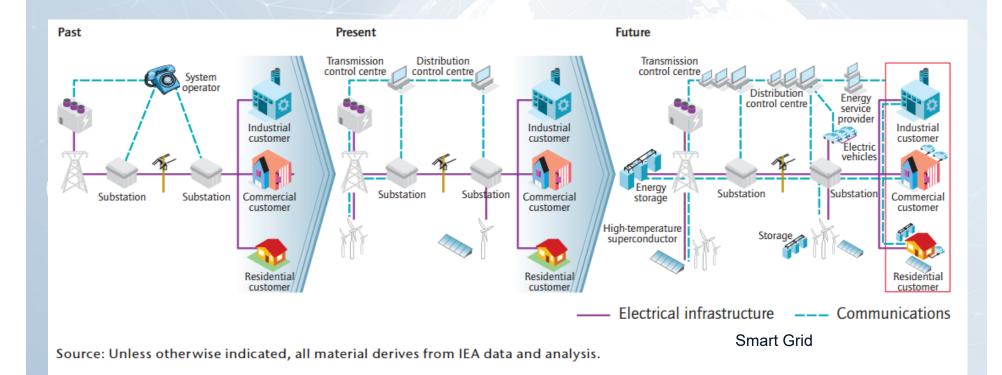
POWER ELECTRIC SYSTEM CENTRALIZED vs DECENTRALIZED

- The Electric Energy Generation is very close with the consumption point. (Normally, even in the same point)
- Reduce the overload in the Electric Power Transmission Lines, even increasing the energy consumption.
- Reduction of Energy Losses in the Power Electric System
- Great Environmental benefits. Reduce greenhouse gases emission
- The final cost of the energy supplied to the user is very competitive in comparison with the electric market
- > Normally, the primary energy used is renewable, specially PV.





POWER ELECTRIC SYSTEM EVOLUTION



The challenge: From classical electric power grid to the Smart Power Grid



POWER ELECTRIC SYSTEM REGULATION TO DEVELOP THE ENERGY DECENTRALIZATION

ELECTRIC ENERGY MARKET LIBERALIZATION

Activities separation Generation, transmission, distribution, Commercialization and Consumers

The consumer can buy the energy in a free market (multiple sellers), without regulated price of the electric energy

The consumer can do local energy management: consume, storage, self-consumption

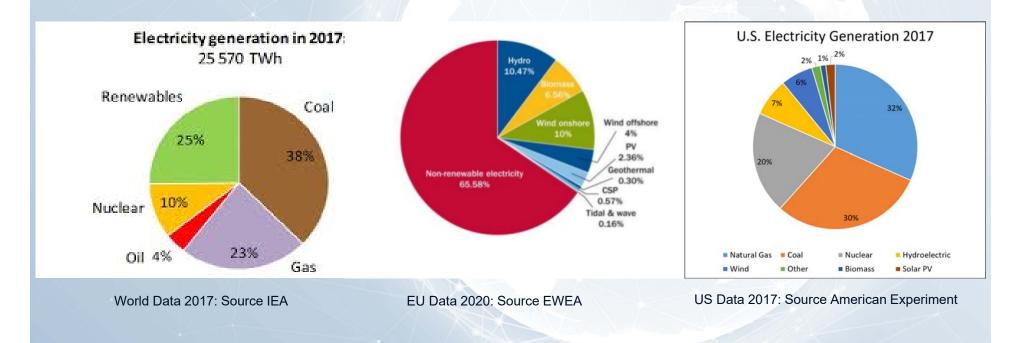
Each consumer can have a new role, producer+consumer ("PROSUMER")





ELECTRIC ENERGY MARKET LIBERALIZATION

This liberalization of the market let the free competence among different energy technologies, conventional (Non-Renewable), with Renewable, in the energy mix in each countries. Participating large and small producers.



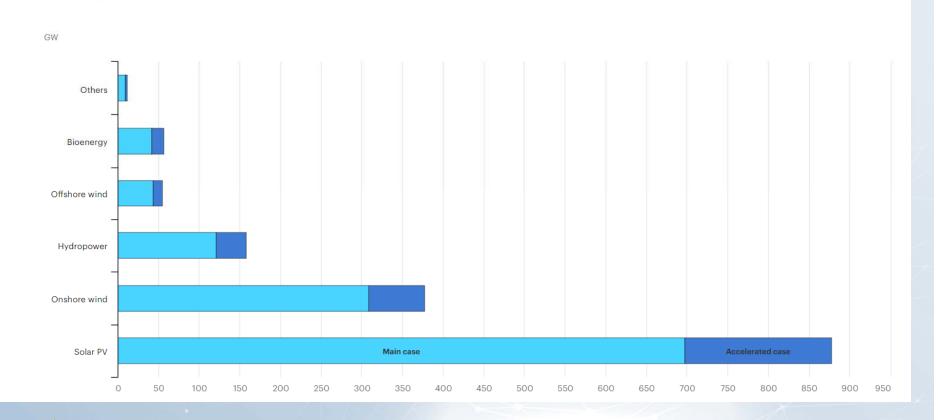


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ELECTRIC ENERGY MARKET. FORECAST PV GROWTH

The global PV market has a very good forecast for the next years, probably could be the most important.

Renewable capacity growth between 2019 and 2024 by technology

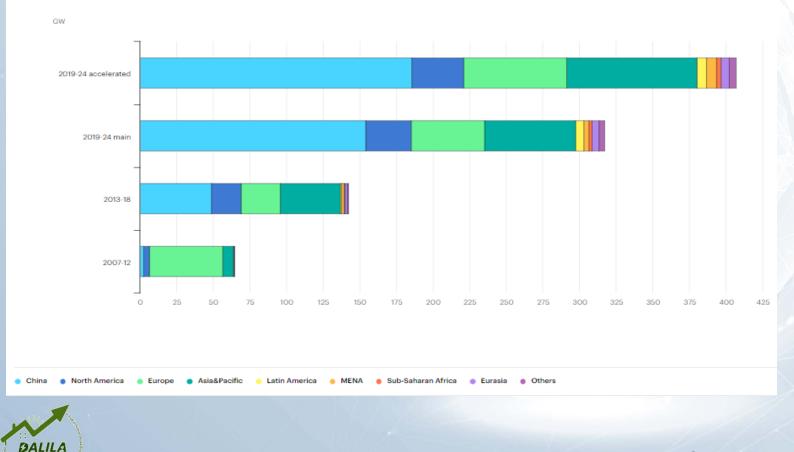


Nowadays, the winner is PV technology

ELECTRIC ENERGY MARKET. PV DISTRIBUTED GENERATION GROWTH FORECAST

The distributed PV market will have a strong growth in the world for the next years.

Distributed solar PV capacity growth by country/region

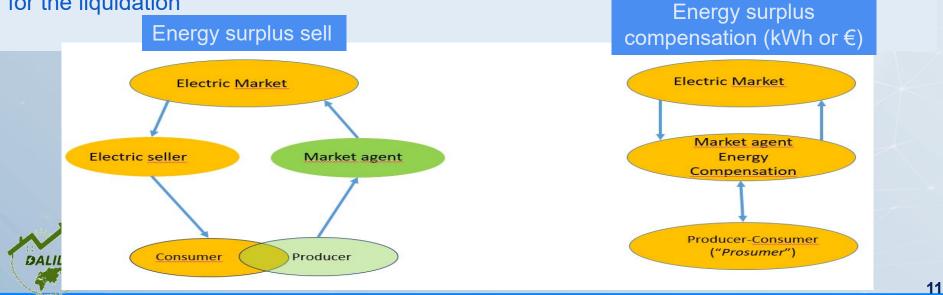


PV SELF-CONSUMPTION CONCEPTS

INSTANT SELF-CONSUMPTION: This mean the instant compensation of the energy between energy generated and consumption, in the same moment. If it be have surplus generation this is injected in the grid but without any compensation. (a gift for the grid). Other possibility is install devices to don't let energy surplus to the grid (mandatory in Spain for system without energy surplus)

NET METERING: The surplus generation of energy PV generated over the consumption, can be **compensated (kWh)** to get a reduction in the net energy consumption at the final of the period established in the country regulation for the liquidation.

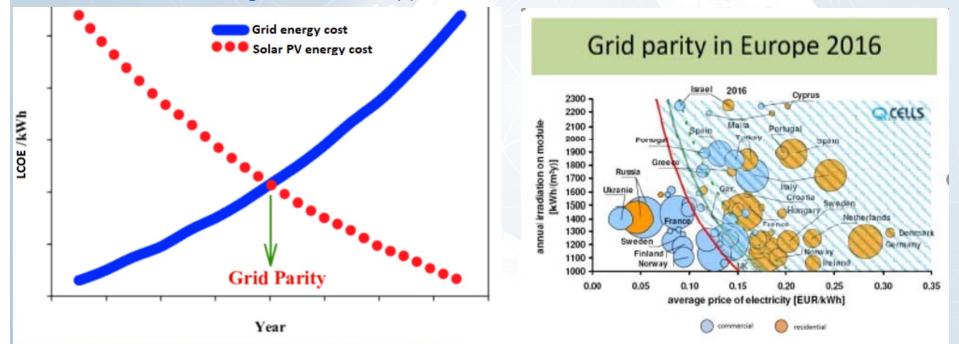
NET BILLING: The surplus generation of energy PV generated over the consumption, can be sold or compensated (Credit in monetary value) producing an economical discount in the energy invoice (in the compensation case) applied at the final of the period established for the liquidation



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BUSINESS SKILL LABS TRAINING PV SELF-CONSUMPTION CONCEPTS

GRID PARITY: Is the point where the analyzed alternative energy source (PV in this case), can generate electricity with levelized cost (LCOE)1 equal to the end consumer's retail price. This is the point to let a quick widespread development of the technology without subsidies or government support.



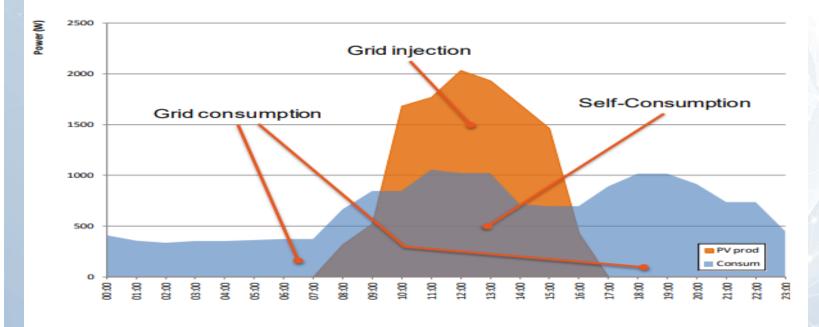
(1) LCOE (Levelized Cost of Electricity): Is the average revenue per unit of electricity generated required to recover the costs of building and operating a generating plant during all lifetime. Including capital cost, operations and maintenance cost, financing cost, etc



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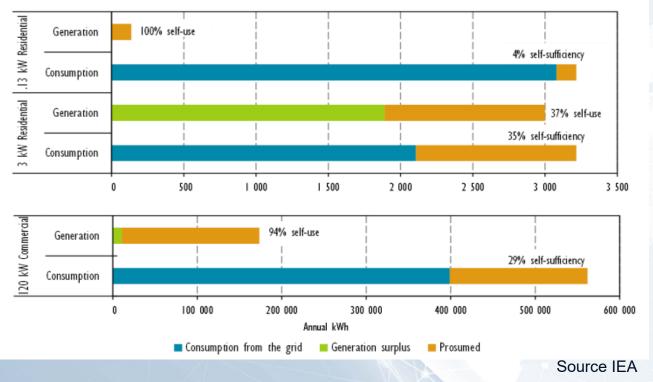
BUSINESS SKILL LABS TRAINING PV SELF-CONSUMPTION CONCEPTS

- Production and consumption daily profiles has an important role in the profitability of PV self-consumption installations
- Synchronization between both profiles are very important to get the maximum efficacy in PV self-consumption.
- The ideal situation is the maximum coincidence of the PV daily production hourly curve with the daily consume hourly profile !





Examples of Residential and Commercial consumers



Example Residential two different scenarios with the same annual consumption: -Small PV installation 0.13 kW

-Big PV installation 3 kW

Example Commercial consumer with more high PV power installed, 120 kW

Example to learn that **selfconsumption** (self-use) is not equal to **self-sufficiency**

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PV SELF-CONSUMPTION LEGAL FRAME IN THE WORLD

Is clear, the PV self-consumption objective: Use the electric energy generated to reduce the electric invoice.

1° Energy buy reduction

2° Discount from monetary value of possible energy surplus, done in the electric invoice.

(depend of the electric contract done)

 ₽	Right to self- consume	Self-consumption is legally permitted	Key: The same normally Main differences
Onsite Self- Consumption	Revenues for self- consumed PV electricity	Savings on the variable price of electricity from the grid	
0 č	Charges to finance T&D costs	 Additional costs associated to self-consumption such as fees or taxes may exist 	
	Value of excess	Net metering: energetic compensation (credit in kWh)	
PV ity	electricity	 Net billing: monetary compensation (credit in monetary unit) 	
ess ctric		Self-consumption: real time (e.g 15 minutes)	
Excess PV Electricity	Maximum timeframe for compensation	 Net metering and net billing: time frame is typically one year although there are some exceptions (from credits that can be rolled over to the following billing cycle to quarterly compensation) 	
		Source IE/	A

These topics, shown in the table, must be applied in each countries according of the **local regulations**

Please, FIRST of all, review the applicable national local regulation for PV selfconsumption. Continuously is in evolution and change !



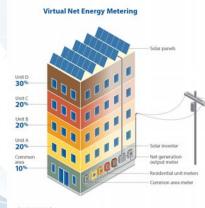
We need analyze these parameters in each country to define the PV self-consumption scheme, according with the local regulations.

	1	Right to self-consume
PV Self-	2	Revenues from self-consumed PV
consumption	3	Charges to finance T&D
	4	Revenues from excess electricity
Excess PV electricity	5	Maximum timeframe for
Excess PV electricity	5	compensation
	6	Geographical compensation
	7	Regulatory scheme duration
	8	Third party ownership accepted
	9	Grid codes and additional
Other system	9	taxes/fees
characteristics	10	Other enablers of self-consumption
	11	PV System Size Limitations
	12	Electricity System Limitations
	13	Additional features

1.- Has the consumer legal frame to do PV-selfconsumption?

2.- What are the extra benefits can be obtained further of saving on the electricity invoice? Like green certificates, fiscal benefit, etc...

3.- Must the customer pay specific taxes or electric tolls, for the use of T&D grids in selfconsumption?





Source: Center for Sustainable Energy Source: Renewable Technologies Inc.



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4.- How the local regulation give value to the energy surplus, same or less than retail electricity price, to apply a discount in the electric invoice? or some payment can receive for the energy surplus, as feed-in tariff or other?

5.-Time period to apply the compensation for surplus? (daily, monthly, yearly, indefinitely)

possible apply self-consumption 6.-ls it mechanism as: Virtual Net Metering, Meter Aggregation or Peer to Peer?





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7.- The compensation mechanism, could have time limits in years?, or, is it unlimited?

8.- The local regulation lets one owner of PV self-consumption, different of the consumer. Using tools as leases or PPA (Power Purchase Agreement), between Producer and consumer

9.- Has the country model specific costs or taxes applied to the PV self-consumption for phase balancing, frequency-based power reduction, reactive power control, out power control, etc?, or is it the PV self-consumption free?

10.- Possible additional support. As example: storage bonus, TOU plans (Time Of Use) for demand management in off-peak, super off-peak or peak periods reducing the energy cost (specific plans for PV self-consumptions).



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	12	Electricity System Limitations
	13	Additional features

11.- If has a limits in the country selfconsumption, which are?

12.- The country electric system could have limits for self-consumption penetration, which are?

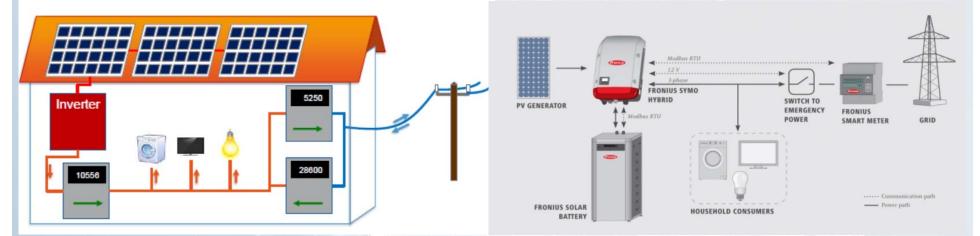
13.- Has the country other rules, circumstances or limits for self-consumption?



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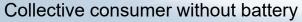
PV SELF-CONSUMPTION CONFIGURATIONS



Individual consumer without battery

Individual consumer with battery storage system





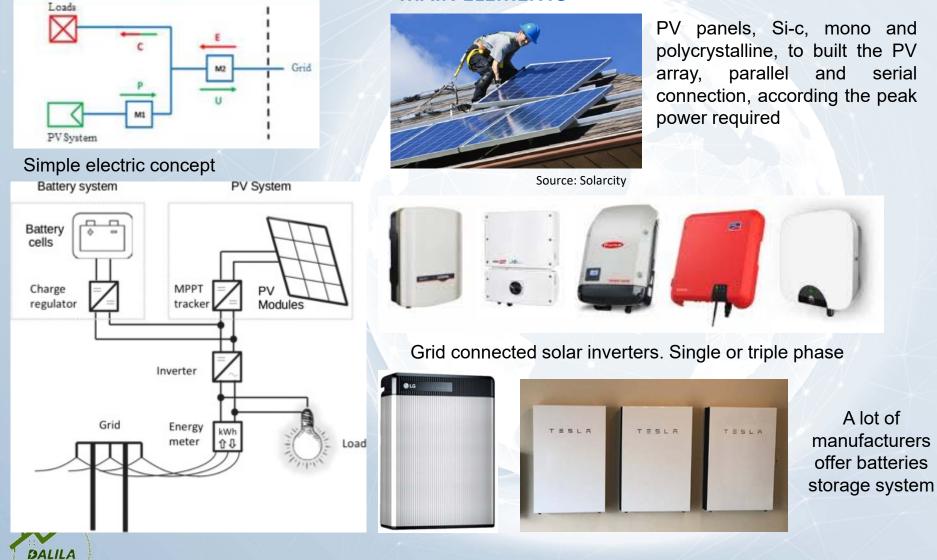


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PV SELF-CONSUMPTION ENGINEERING

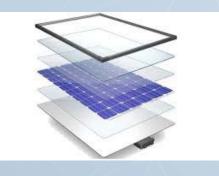
MAIN ELEMENTS



PV SELF-CONSUMPTION ENGINEERING

Design of PV array for peak power required (using CAD/CAE software)

- 1. Select PV panel model
- 2. Design array interconnection
- 3. Calculate Output values to select the inverter



Modules in series on a single string

Modules in parallel strings









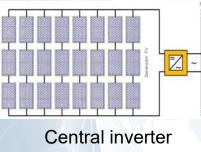
PV SELF-CONSUMPTION ENGINEERING

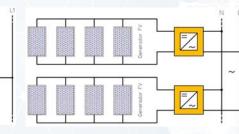
Select the Inverter

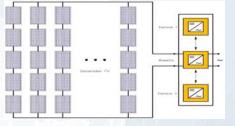
(using CAD/CAE software)

- 1. Select model with the nominal power required for the user
- 2. Analyze DC input values, in the datasheet or database of the simulator
- 3. Verify the correspondence between PV array output values and Inverter DC input values
- 4.-Decide the inverter/PV array configuration







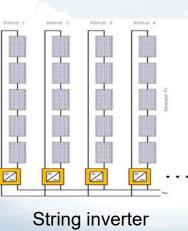


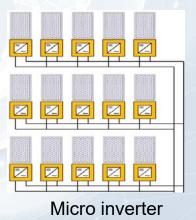
Parallel inverter

Master-slave inverter

Technical data and types

Type code	PVS300-TL-3300W-2	PVS300-TL-4000W-2	PVS300-TL-4600W-2	
	3.3 kW	4.0 kW	4.6 kW	t
Input (DC)				
Nominal PV-power (PPV)	3400 W	4100 W	4700 W	I
Maximum PV-power (PPV.max)	3700 W	4500 W	5200 W	Ī
DC voltage range, mpp (U _{DC})		•	335 to 800 V	
Max DC voltage (U _{DC, max})		•	900 V	
Nominal DC voltage, (U _N)			480 V	
Max DC current (/ _{DC, max})	10.5 A	12.7 A	14.6 A	1
Number of DC inputs (parallel)		4, 1	with MC4 quick connect	to
Output (AC)				
Nominal AC output power (P _{AC})	3300 W	4000 W	4600 W	1
Nominal AC current (I _{AC, nom})	14.3 A	17.4 A	20.0 A	1
Nominal voltage (V _{AC, nom})			230 V	
Operating range, grid voltage 1)			180 to 276 V	
Operating range, grid frequency $(f_{AC})^{-2}$			47 to 63 Hz	
Harmonic distortion of grid current (K_{IAC})			< 3%	
Power factor (cosfii)		•	1	
Grid connection		S	ingle phase: L, N and F	PE
Transformer		•	No	

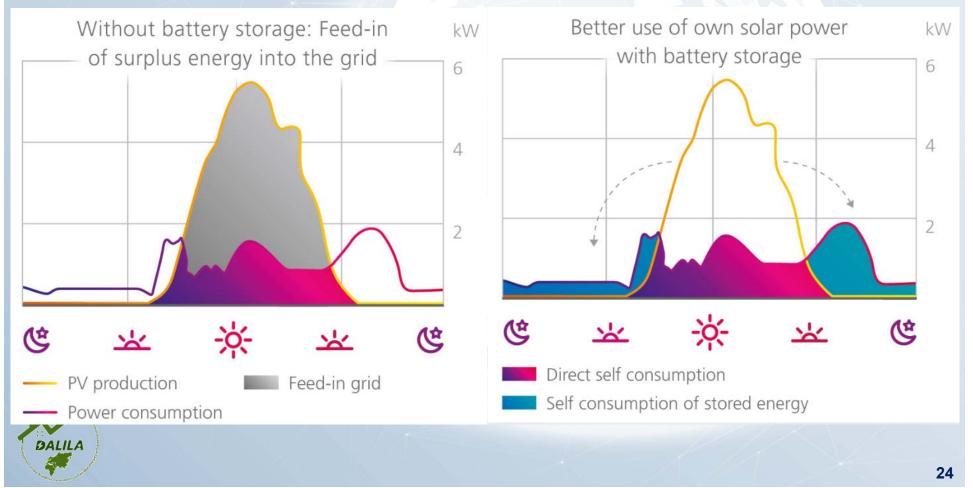




PV Self-consumption without or with Battery, the decision

(using CAD/CAE software)

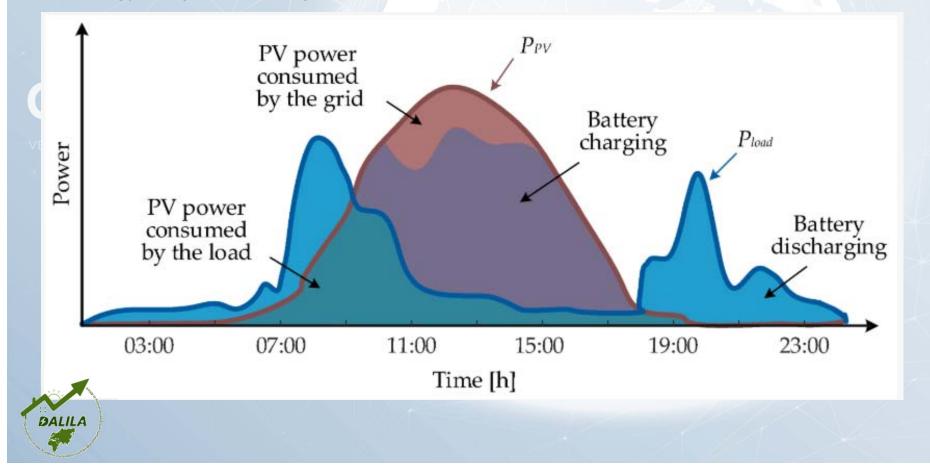
1. Analyze the synchronization between daily load curve and daily PV generation curve 2. Analyze the energy surplus to decide if use battery to adapt the load and generation curves



PV Self-consumption with Battery (Daily energy management)

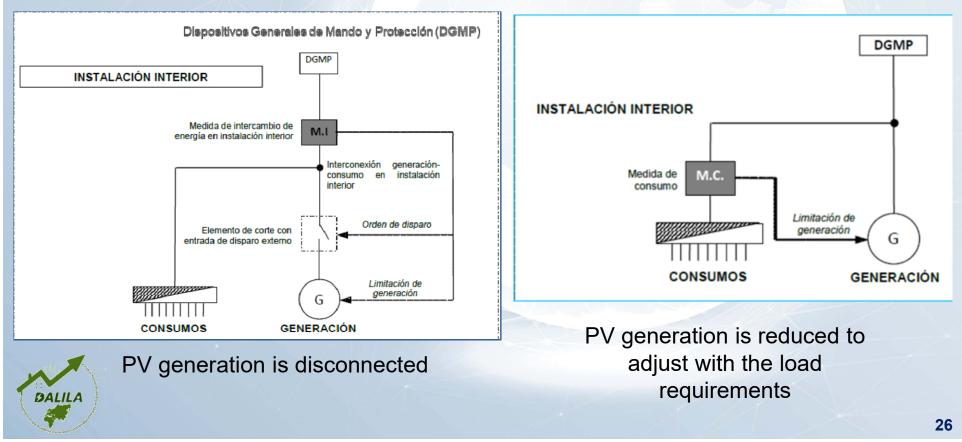
(using CAD/CAE software)

The use of battery reduce the surplus to the grid, remember, the energy injected in the grid can be use to mechanism of compensation (economical value), or sold to the grid, but a less price that energy bought from the grid.



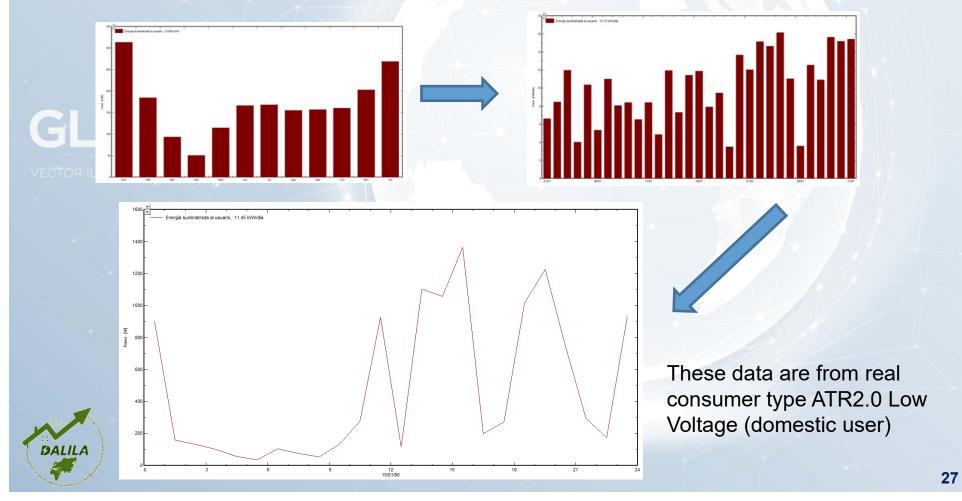
PV Self-consumption without energy surplus and without Battery (using CAD/CAE software)

This model for self-consumption require the use of energy surplus control to disconnect or reduce the production for don't produce more energy that is required by de user (No surplus). In Spain is regulated by ITC-BT 40



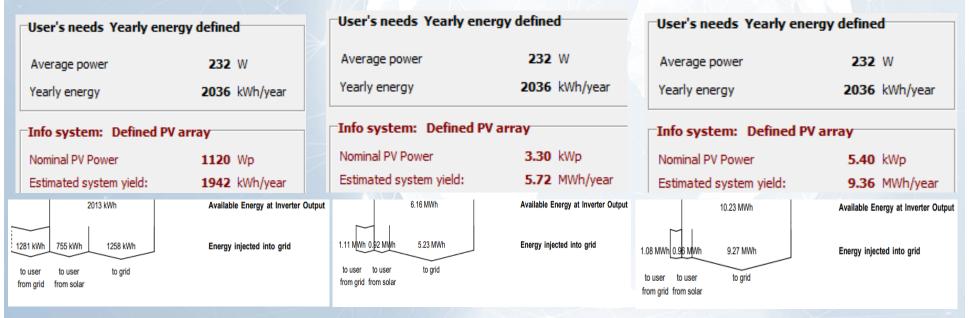
PV SELF-CONSUMPTION ENGINEERING Real example done with PVSYST simulator for domestic PV self-consumption

1° Obtain the load curve. The best option use hourly load profile of the last year. ¡Attention! 8760 hours in one year.



2° Design the PV self-consumption according of the user needs, avoiding produce a great energy surplus, because these surpluses could not be produce revenues enough in the compensation or billing period.

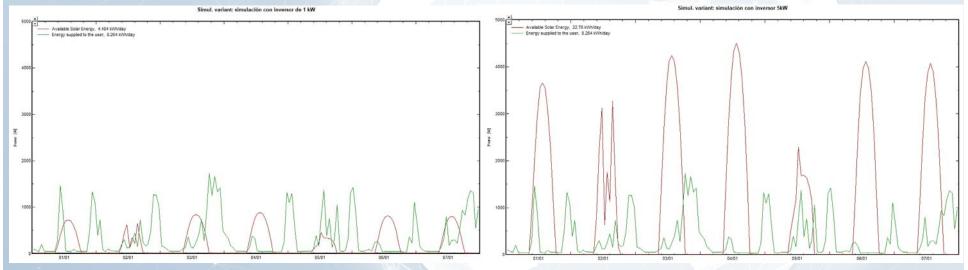
Normally a domestic user select PV self-consumption without energy surplus, or with energy surplus with compensation mechanism.





No synchronization between load curve and PV generation curve

2° Design the PV self-consumption according of the user needs, avoiding produce a great energy surplus, because these surpluses could not be produce revenues enough in the compensation or billing period. No synchronization, then the solution is use batteries storage. PV production vs User load.

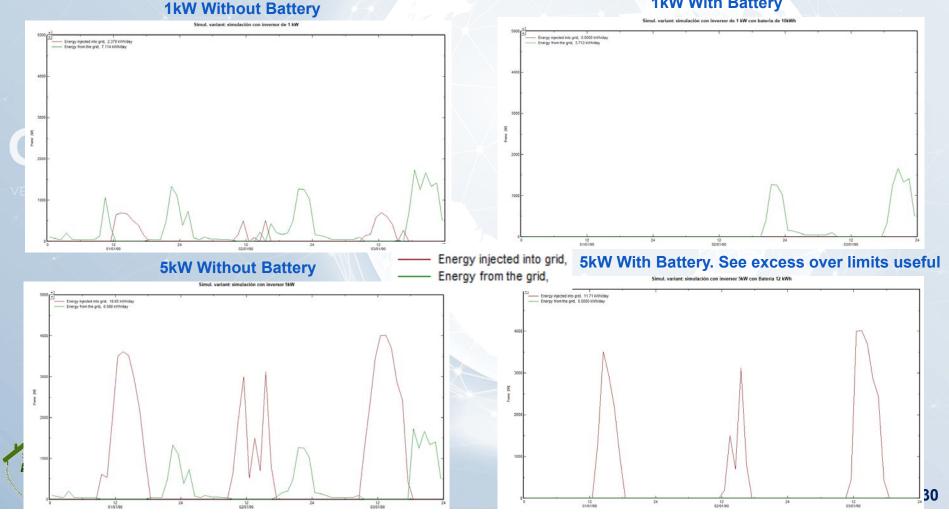


When no synchronization between load curve and PV generation curve. Increase only the PV power is not a good idea

Limits when the economical value of energy surplus is equal to the cost of energy bought from the grid



3° Energy balance without Battery and with battery, example 1 kW vs 5 kW. Energy surplus (injected) vs Energy bought from the grid



Real example done with PVSYST simulator for domestic PV self-consumption

4° Economical calculations. PV self-consumption billing. In this case with energy surplus compensation. The price to buy energy is the price agree in the electric contract supply, but the price to sell energy to the grid is different each hour. The hourly price to sell is less than the price to buy. We need much more energy surplus to compensate the energy cost bought. PV self-consumption 5kW without battery
PV self-consumption 5kW with battery

59%

Factura ENERO		31	días		Sin Auto	с.
Potencia Contratada	kW		€/kW/añ	io	€/mes	
Total término fijo						14.83€
Energía Consumida	kWh		€/kWh		€/mes	
Peaje de energía P1		313.77		0.044		13.81 €
Coste energía P1		313.77		0.0943		29.59 \$
Total término variable						43.39€
Subtotal						58.22 🕯
Impuesto Eléctrico		5.11%				2.98 €
Alquiler contador		31	días			0.82 ŧ
Subtotal						62.02 \$
IVA	X4	21%			<i>IK</i>	13.02 🕯
TOTAL FACTURA						75.04 €
la Keen						
Factura ENERO AUT					Con Aut	
Potencia Contratada	kW		€/kW/añ	io	€/mes	
Peaje potencia P1		4.6		37.95		14.83 €
Total término fijo						14.83 🕯
Energía Consumida	kWh		€/kWh		€/mes	
Peaje de energía P1		191.76		0.044	X	8.44 ŧ
Coste energía P1		191.76		0.0943	1	18.08 \$
Excedente FV		499.87				20.71 🕯
Excedente Efectivo			-		1.118	-18.08 \$
Total término variable						8.44 #
Subtotal						23.26 \$
Impuesto Eléctrico		5.11%				1.19€
Alquiler contador		31	días			0.82 \$
Subtotal						25.28 🕯
Sublotal						
IVA		21%		112 22		5.31 ŧ
		21%				5.31 € 30.58 €

HORRO ECONÓMICO POR AUTOCONSUMO

Factura ENERO			días	Sin Aut	oc.
Potencia Contratada	kW		€/kW/año	€/mes	
Peaje potencia P1		4.6	37	.95	14.83
Total término fijo					14.83
Energía Consumida	kWh		€/kWh	€/mes	
Peaje de energía P1		313.77	0.	044	13.81
Coste energía P1		313.77	0.0	943	29.59
Total término variable					43.39
Subtotal					58.22
Impuesto Eléctrico		5.11%			2.98
Alquiler contador		31	días	$\nabla P / \Lambda$	0.82
Subtotal					62.02
IVA	\sim	21%			13.02
TOTAL FACTURA					75.04
		/K	$X \setminus Z$	X	$1 \sqrt{2}$
Factura ENERO AUT				Con Au	t.
Potencia Contratada	kW		€/kW/año	€/mes	
Peaje potencia P1		4.6	37	.95	14.83
Total término fijo					14.83
Energía Consumida	kWh		€/kWh	€/mes	
Peaje de energía P1		16.79	0.	044	0.74
Coste energía P1		16.79	0.0	943	1.58
Excedente FV		284.32			11.45
Excedente Efectivo		~~/	11-11		-1.58
Total término variable					0.74
Subtotal					15.57
Impuesto Eléctrico		5.11%			0.80
Alquiler contador		31	días		0.82
Subtotal					17.18
IVA		21%	11		3.61
TOTAL FACTURA					20.79
AHORRO ECONÓMICO POR	AUTOCONSU	мо			729

5° Annual resume of savings using PV self-consumption.

Nombre Cliente:	IEEE Web	inar witho	ut Battery	Potencia I	FV Autocoi	nsumo:		5kW consumo horarios					
		550											
IMPORTES	ENE	FEB	MAR	ABR	MAY	JUN	JUL	AGO	SEP	ост	NOV	DIC	ANUAL
Factura sin autoconsumo	75.04 €	50.43 €	36.27 €	28.08 €	26.28 €	48.46 €	49.40 €	47.14 🕯	46.82 €	48.10 €	54.94 €	67.18 🗧	578.16 €
Factura con autoconsumo	30.58 €	23.94 €	23.02 €	20.76 €	22.79€	23.03 €	23.39 €	22.87 🕯	22.93 €	24.29 €	26.39 €	29.98 €	293.97 €
Ahorro en la factura	44.46 €	26.50 €	13.25 €	7.33€	3.49€	25.43 €	26.01 €	24.27 (23.89 €	23.81 €	28.55 €	37.20 €	284.18 €
% Ahorro sobre total factura	59%	53%	37%	26%	13%	52%	53%	51%	51%	49%	52%	i 55%	49.15%
Valoración Excedente FV real	20.71 €	22.13 €	24.32 €	47.77 €	45.98 €	43.56 €	49.23 €	41.99 (34.04 €	34.59 €	24.48 €	17.30 🕯	406.10 €
Valoración aplicable Exc. FV	-18.08 €	-10.12€	-5.34 €	-2.60 €	-4.95 €	-6.43 €	-5.96 €	-5.09 (-6.26 €	-7.48 €	-12.10 €	-17.07 🕯	-101.47 €
Excedente no aprovechado	2.63 €	12.01 €	18.99 €	45.17 €	41.03 €	37.13 €	43.27 €	36.90 (27.78 €	27.11 €	12.38 €	0.23 (304.62 €

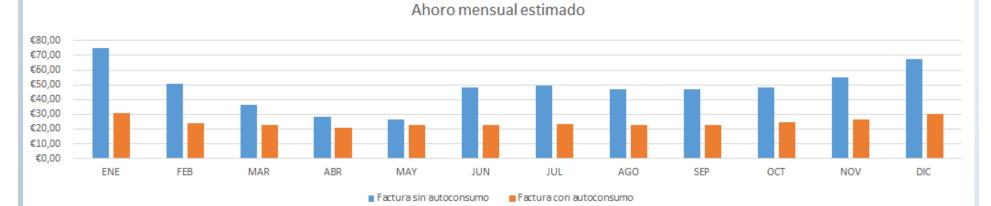
ombre Cliente: IEEE Webinar with Battery Potencia FV Autoo		FV Autoco	5kW consumo toconsumo: horario										
IMPORTES	ENE	FEB	MAR	ABR	MAY	JUN	JUL	AGO	SEP	ост	NOV	DIC	ANUAL
Factura sin autoconsumo	75.04 €	50.43 €	36.27 €	28.08 €	26.28 €	48.46 €	49.40 €	47.14 €	46.82 €	48.10 €	54.94 €	67.18 🗧	578.16 €
Factura con autoconsumo	20.79 €	17.98 €	19.85 €	19.21 €	19.85 €	19.21 €	19.85 €	19.85 €	19.21 €	19.85 €	19.25 €	20.48 €	235.41 €
Ahorro en la factura	54.25 €	32.45 €	16.42 €	8.87 €	6.42 €	29.25 €	29.55 €	27.29 €	27.61 €	28.25 €	35.69 €	46.70 €	342.75 €
% Ahorro sobre total factura	72%	64%	45%	32%	24%	60%	60%	58%	59%	59%	65%	70%	5 9.28%
Valoración Excedente FV real	11.45 €	16.55 €	21.82 €	45.06 €	41.96 €	38.92 €	44.50 €	38.34 €	29.92 €	29.07 €	16.82 €	9.41 €	343.83 €
Valoración aplicable Exc. FV	-1.58 €	-0.08 €	0.00€	0.00 €	0.00 €	0.00€	0.00 €	0.00€	0.00 €	0.00 €	-0.06 €	-1.06 €	-2.79 €
Excedente no aprovechado	9.87 €	16.47 €	21.82 €	45.06 €	41.96 €	38.92 €	44.50 €	38.34 €	29.92 €	29.07 €	16.75 €	8.36 €	341.04 €



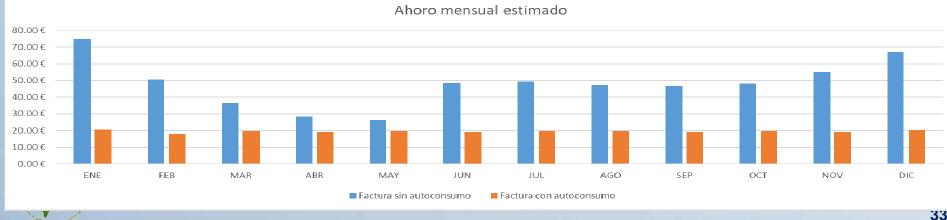
PV SELF-CONSUMPTION ENGINEERING Real example done with PVSYST simulator for domestic PV self-consumption

5° Annual resume of savings using PV self-consumption.

Without Battery



With Battery



When must be used storage system in the PV self-consumption? If the synchronization is very bad between PV generation curve vs User load curve, is interesting think in batteries

It is important the legal frame and the local regulation for the PV self-consumption spread? Is critical, because a bad incentives or not comfortable regulation can be a great obstacle to develop this strategy

It is easy the economical calculation to define the money saving forecast? No, is complicated the economical calculation because need know perfectly the administrative and legal local frame, and a very good hourly simulation is required

Is profitable the PV self-consumption for the user? Yes of course





A business opportunity: Grid connected PV self consumption



GLOBE

ECTOR ILLUSTRATION

Rafael Jiménez Castañeda





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