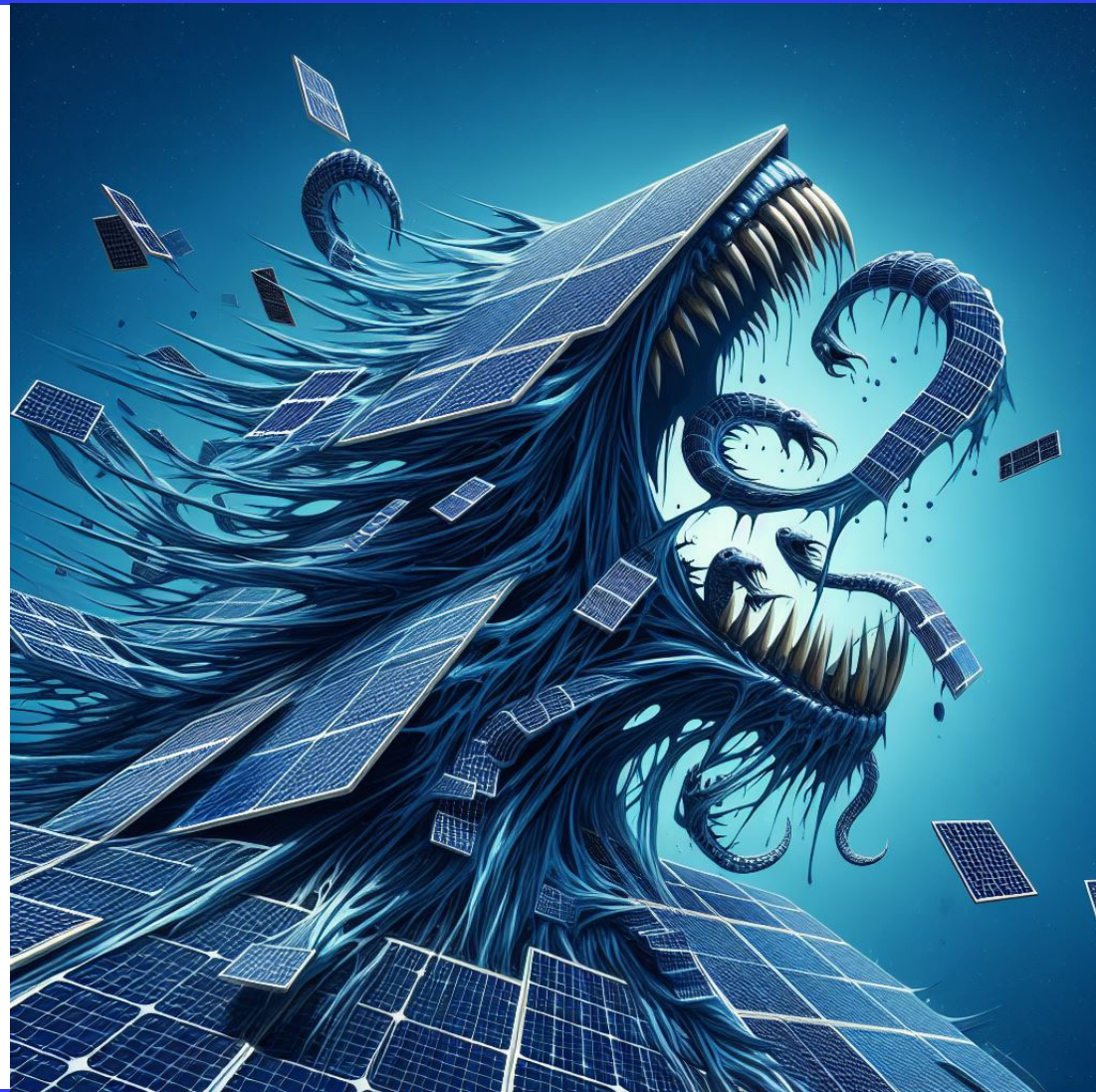


Tracking Higher Electricity Prices

Adam R. Jensen
Ioannis Sifnaios

Technical University of Denmark (DTU)



**“PV is the least costly
option for new electricity
generation”**

- International Energy Agency

You can have a
competitive LCOE but
still a poor
business case

Levelized Cost of Electricity



Quantifies the
LIFETIME COSTS

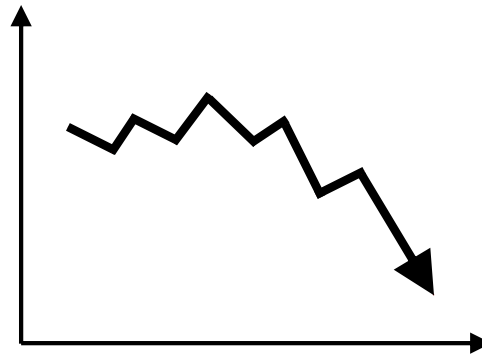
- Technology neutral
- Standard metric
- Simple



Disregards
Electricity Prices,
Cannibalization,
and Flexibility

CAPTURE RATE

weighted average electricity price 'captured' by an asset relative to overall average market price



Increased
uncertainty for
PV projects!

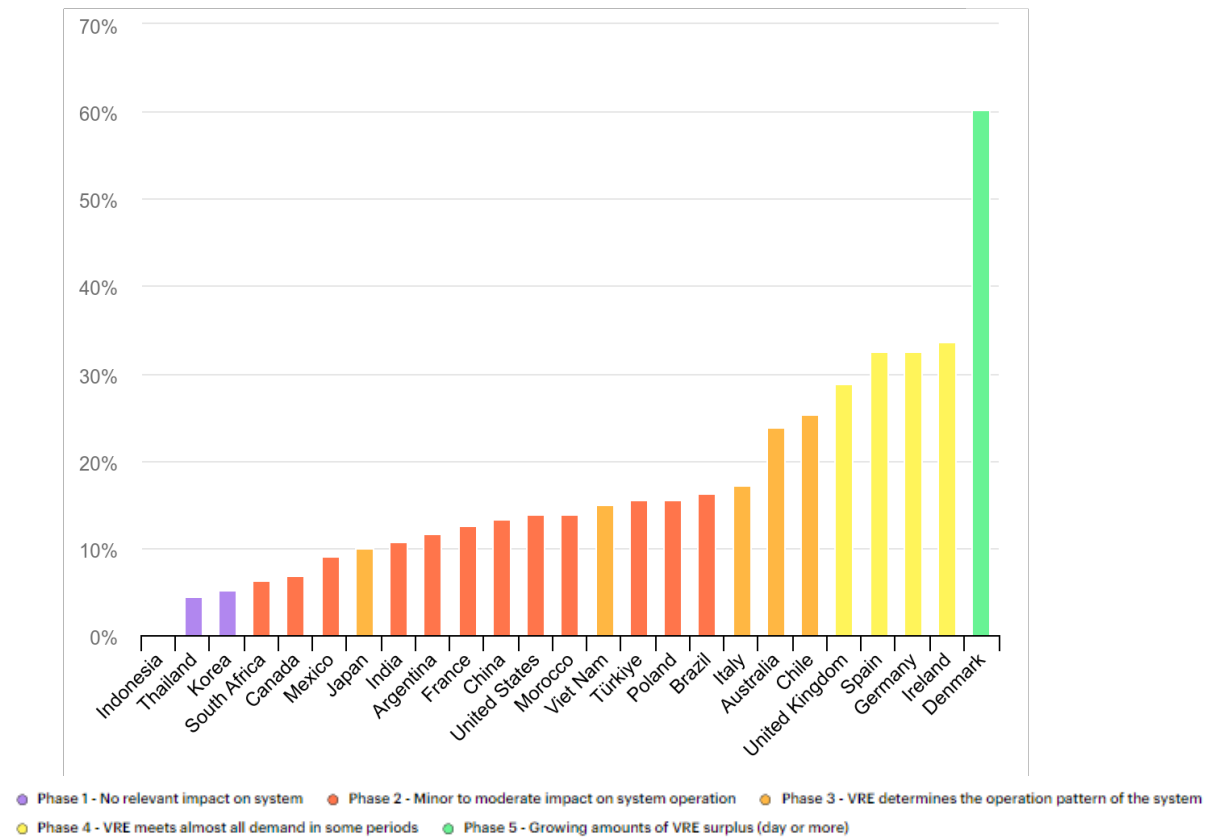
A High VRE Case Study



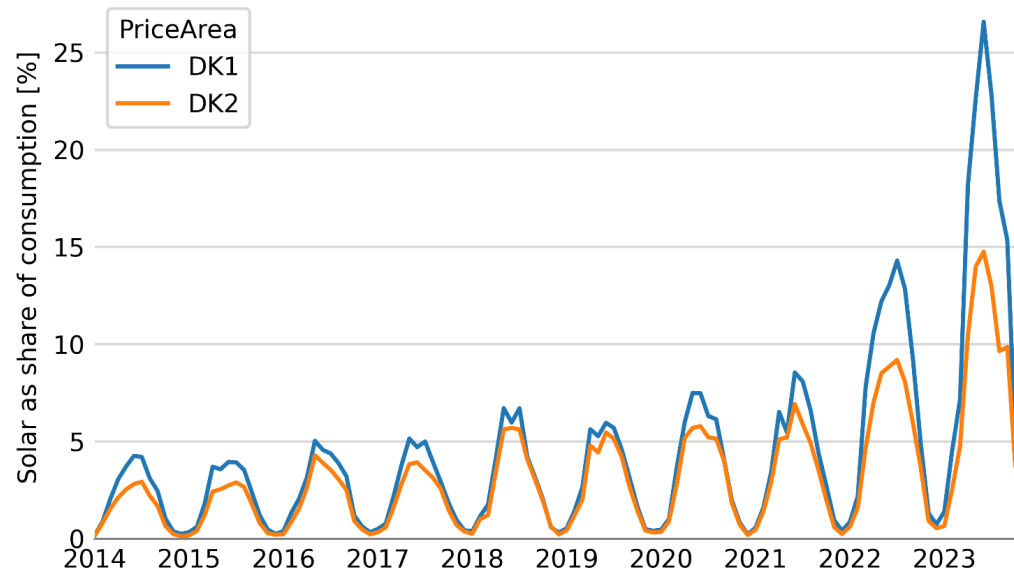
Source: Energinet.dk

In 2023
63%
 of electricity
 came from
 wind and solar

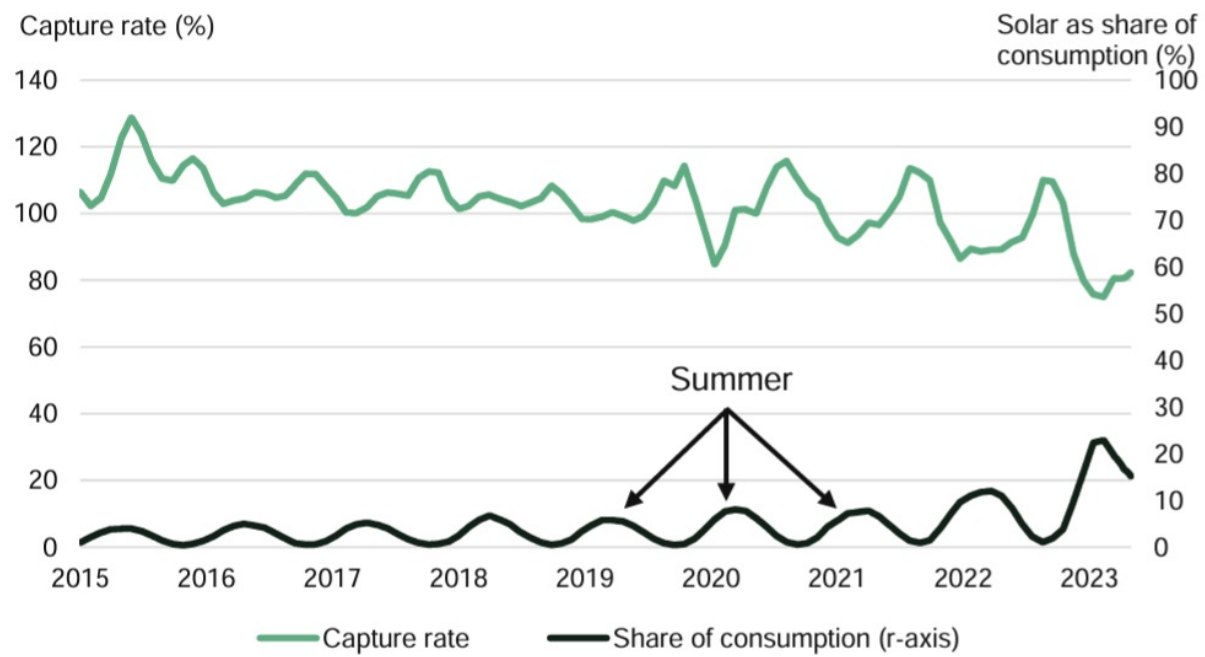
Variable Renewable Energy Share



Solar Production



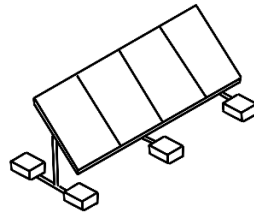
Capture Rates - Solar



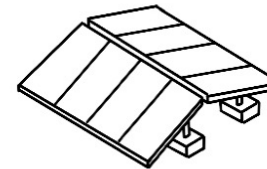
PV Mounting Types

Fixed tilt

South-facing

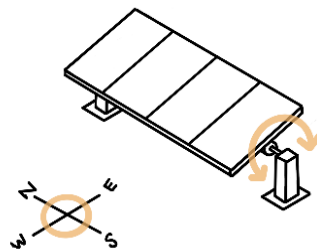


East-west facing

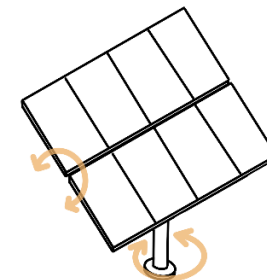


Tracking

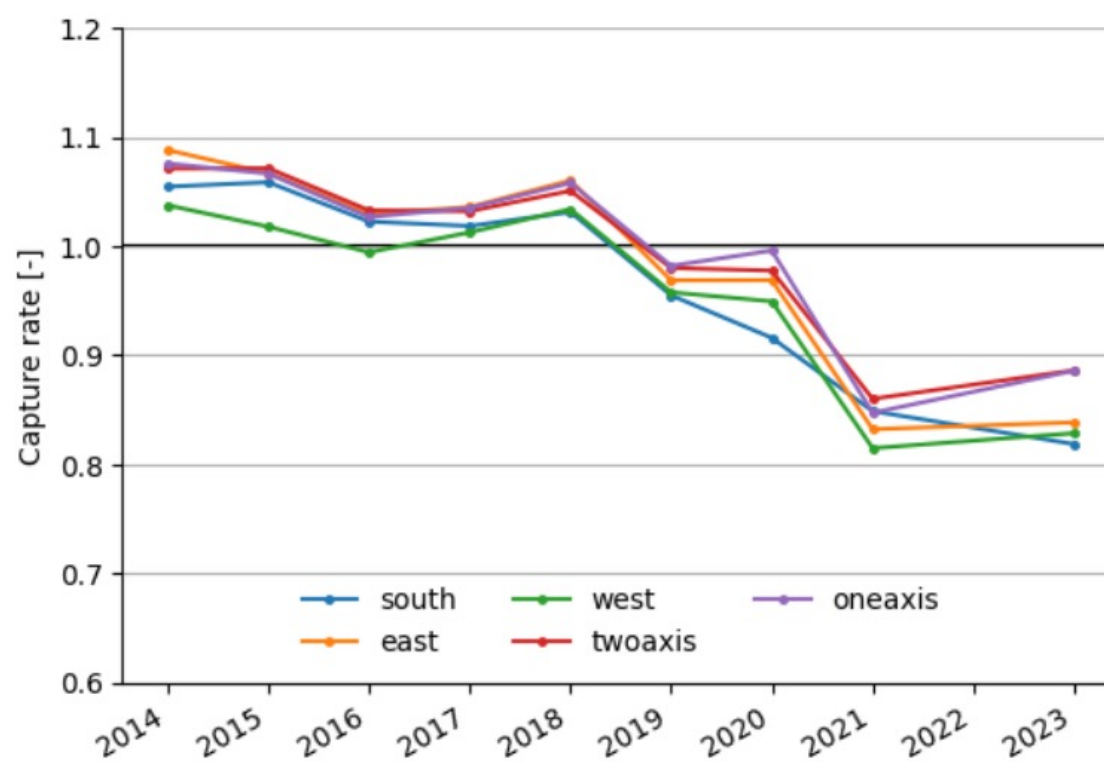
One-axis tracking



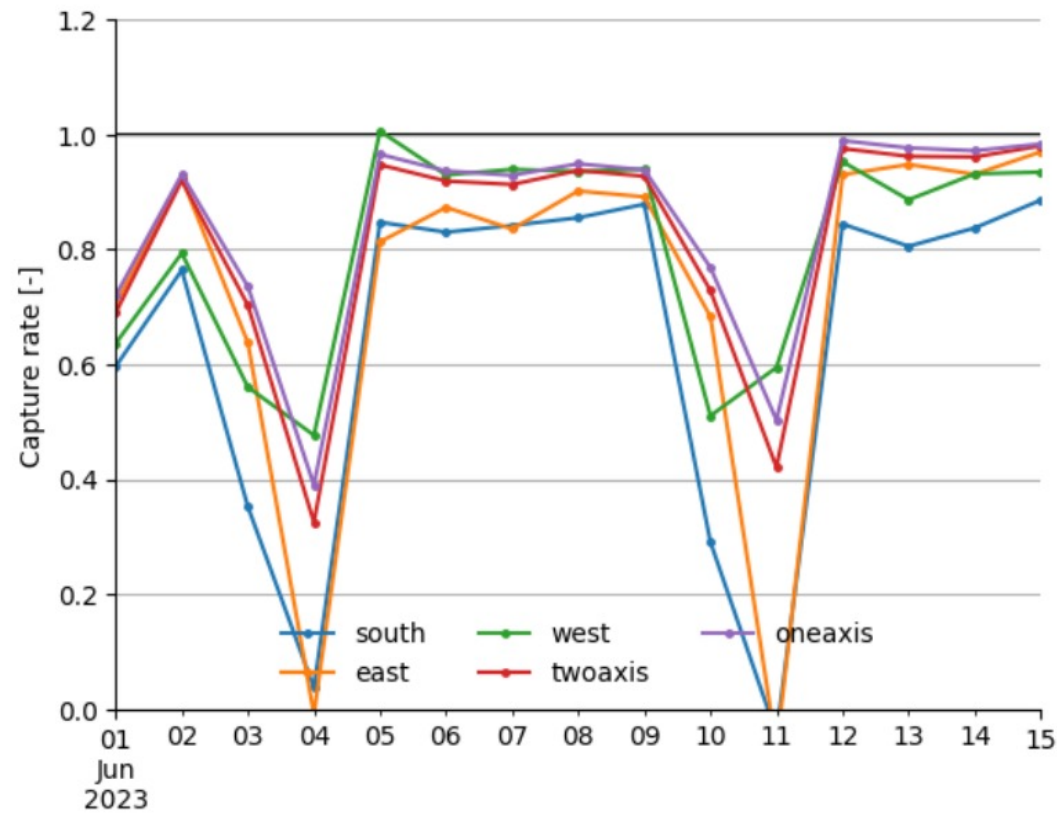
Two-axis tracking



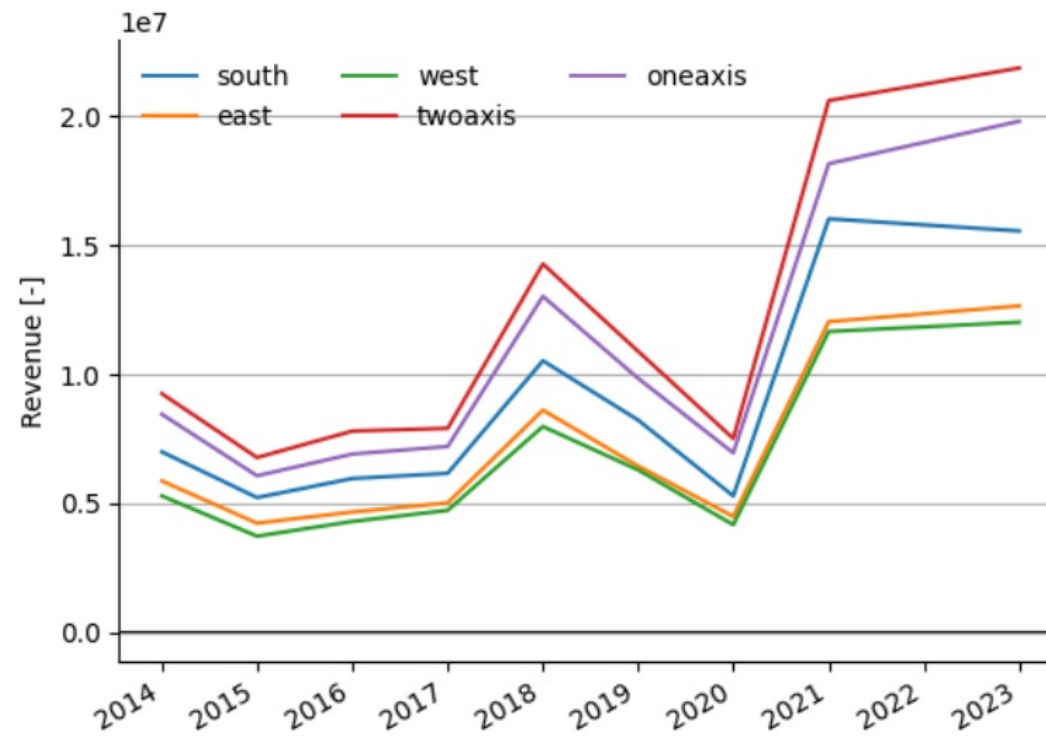
Capture Rates



One week in June



Revenue



Take aways

#1 **Price uncertainty** > production uncertainty

#2 **Solar cannibalizes** much more than wind

#3 Cannibalization can be **reduced with tracking**

#4 **Necessary skills** for future performance modelers:

- Understand and predict price behavior
- Learn to model storage

Thank you for your attention!

