

Regular paper

Concentrated Solar Power Potential in Libya

Mohamed E. Mashena and Nouri A. Alkishriwi

University of Tripoli, Libya



Journal of Automation
& Systems Engineering

*Abstract-*The aim of this study was to investigate the technical and economic potential of parabolic trough with molten salt storage in Libya. The technical aspect was addressed for the performance of a parabolic trough demonstration plant installed in three different representative locations. While the economic aspect was addressed through the estimation of the Levelized cost of electricity (LCOE) generated by a 50MW plant in each of the three selected locations in Libya. To develop investment guidelines using concentrated solar power CSP, this paper presents the technical and economic feasibility analysis for three selected locations representing three major climatic regions in Libya (Tripoli, Sabha, and Alkufra). Solar resources from ground stations and/or from the available satellite measurements for the three different locations were collected and assessed. A detailed technical and dynamic analysis has been made using a specially designed Microsoft Excel sheets and SAM software issued by the national renewable energy laboratory NREL revealing productivity for every hour throughout the whole year. The analysis showed that, the maximum productivity of a proposed 50 MW PTC power plants (without storage) are 89.2, 120.3, and 143.7 GWh respectively for the three locations respectively, while the Levelized Costs of Energy LCOE are \$162.7, \$118.3, and \$91.1/MWh respectively depending on the location (Direct Normal Irradiation DNI) and energy storage. Analysis estimated that the LCOE of a PTC plants declines by around 4% for every 100 kWh/m²/year of the DNI radiation that exceeds 1800 kWh/m²/year.

Keywords: Concentrated Solar Power CSP, Parabolic Trough, Libyan Resources, Feasibility Analysis of CSP Plants, Cost Analysis.

1. INTRODUCTION

ENERGY consumption in Libya has been increasing at an annual rate of 8%. Population growth has resulted in the need for new infrastructure, especially in the field of electricity generation. This has resulted in a dramatic increase in the electrical power demand, and therefore has raised challenges for adopting alternative sources.

The relationship between energy consumption and environmental pollution has become clear due to the negative results such as high levels of carbon dioxide and climate change. During the latter years of the 20th century, the climate change was heavily observed and a more efficient usage of energy was recommended as one of the main areas for improvement to create a cleaner environment. One of the most powerful initiatives in the world to create an environment containing a long-term sustainable production of electricity is the massive solar power development. Electric power industry is characterized as one of the industries that can have a substantial impact reducing carbon emissions by increasing the percentage of electricity from renewable sources. This also leads to reducing the dependence on fossil fuels, which in turn will ensure economic stability.

Libyan electric power generation system is totally dependent on hydrocarbon resources while the country enjoys a climate with the highest solar intensity level worldwide. Adopting a balanced energy resource mix can certainly help in overcoming the persisting shortage that resulted in long hours of power shedding. Therefore, to explore the opportunity for wider energy mix, solar energy will be one possible options.

Libya has the largest proven oil reserves in Africa as well as a huge potential for renewable energies. However, despite excellent solar radiation and wind conditions, renewable options have never been seriously considered in the past. Since the country has enormous potential, solar energy is an attractive renewable option for the Libyan energy generation system. With a potential of 139,600 TWh/year (DNI > 1800 kWh/m²/y), Libya is considered one of the countries with the highest potential for solar power not only in North Africa and Middle East but worldwide (Libya is one of the sun-belt countries with high Direct Normal Irradiance DNI, [1]).

The Parabolic Trough Collector PTC solar thermal power plants is one of the attractive technologies to produce electricity from thermal solar energy. Parabolic trough collector is the most mature concentrated solar power CSP technology, and further improvements in performance and cost reductions are expected. It accounts for more than 90 percent of the CSP capacities installed worldwide [2]. The first commercial plants in operation were built in the United States (410 MW) and Spain (100 MW). It is expected that around 5000 MW capacity should have been accomplished by the end of 2016 as shown in Fig. (1), [3], [4].

After a gap in interest between 1990 and 2000, CSP deployment has been growing over the past decade. CSP plants offer an integrated solution of concentrating the solar radiation and low-cost thermal energy storage to provide power on demand [5] and more imported at the peaks as shown in Fig. 2. In this situation, CSP plants can supply electricity to match the load during sunshine time and peak times even when sun is not shining where electricity is delivered from the thermal storage equipment. Nevertheless, only strong direct sunlight can be concentrated to reach required temperatures for electricity generation in concentrating solar plants. The generally accepted minimum DNI technical operational limit of a CSP plant is 1,800 kWh/m²/year, while the generally accepted threshold for commercial CSP projects is 2,000 kWh/m²/year, which accounts for slightly more than 5 kWh/m²/day [1]-[6].

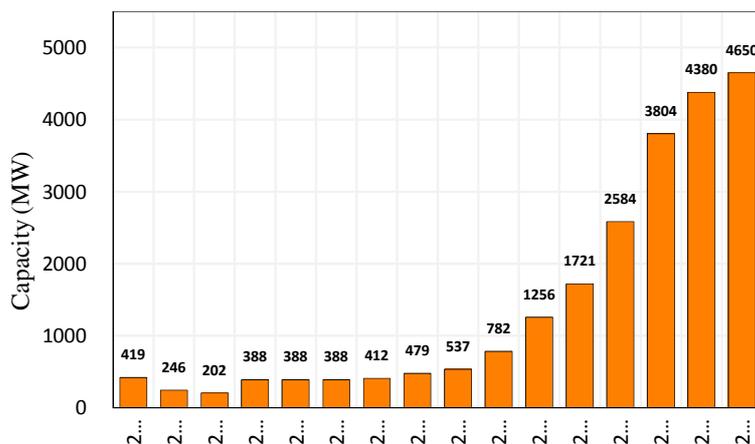


Figure 1 Installed concentrated solar power capacity in world

A bibliometric analysis done as in [7] for the publications on concentrating solar power systems, sub-systems and components since 1990 has been carried out. Figure 3 reveals that there is a significant and unprecedented growth of research around the world on the CSP

technologies. Even though the CSP related research was evident from the early 90s, the number of publications was only around 100 per year up to the year 2005. However, the number of publications increased dramatically to more than 700 every year after 2010. The same figure shows that the installed capacity of the CSP systems [7] exceeded 4300 MW in 2014.

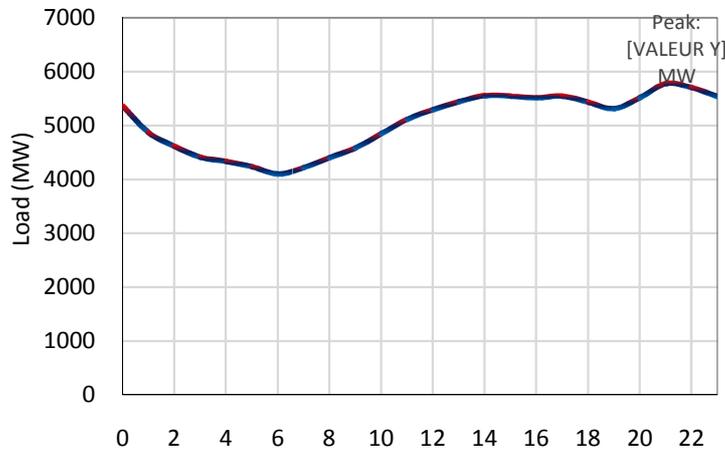


Figure 2 Daily load curve for Libya (June 21st 2014).

The paper focused on the analysis of the parabolic trough power plants without and with a thermal storage of 6-hours capacity at the three locations with an annual DNI between 2000 and 3000 kWh/ (m² year). CSP power plants are capital intensive, but have virtually zero fuel costs. Parabolic trough plants without thermal energy storage have capital costs as low as 4300 \$/kW, with low capacity factors between 0.2 and 0.33. Adding six hours of thermal energy storage increases capital costs to between 7400 \$/kW to 8300 \$/kW[5], but allows capacity factors to be almost doubled as will be shown in analysis of the selected cases.

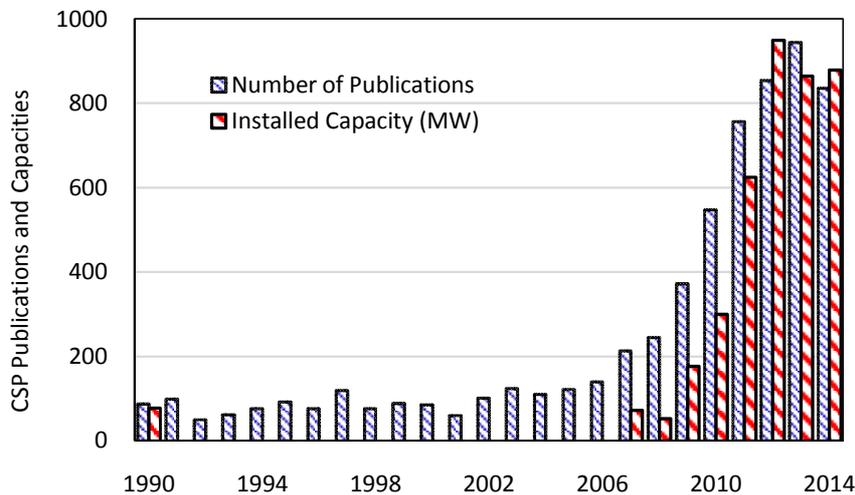


Figure 3 Publications on CSP related topics along with cumulative CSP systems installed, [7].

2. LEVELIZED COSTS OF ELECTRICITY

Levelized Cost of Electricity LCOE is defined as total costs of a system over its lifetime divided by the expected energy output over its useful lifetime. LCOE includes all costs throughout the lifetime of a plant: initial investment, operations and maintenance cost, and cost of fuel. It is a measurement of the cost of producing energy from a technology and is an important parameter to measure commercial viability of any electricity generation

technology. LCOE is the threshold selling cost of unit energy that marks the profitability or loss of the project. The Levelized Cost of Electricity LCOE for the proposed parabolic trough plants in Libya was estimated using the following formula:

$$LCOE = \frac{\sum_{t=1}^n \frac{I_t + M_t + F_t}{(1+r)^t}}{\sum_{t=1}^n \frac{E_t}{(1+i)^t}}$$

where:

- LCOE = average lifetime Levelized cost of electricity generation
- I_t = investment expenditures in the year t
- M_t = operations and maintenance expenditures in the year t
- F_t = fuel expenditures in the year t
- E_t = electricity generation in the year t
- i & n = discount rate and life of the system respectively

3. SOLAR ENERGY RESOURCES IN LIBYA

Each second, the sun turns more than four million tonnes of its own mass into energy, producing neutrinos and solar radiation. A half a trillionth of this energy falls on Earth after travelling 150 million kilometers, which takes a little more than eight minutes. The solar irradiance (solar constant) is 1368 W/m² at that distance, with only 1000W/m² arrives at the surface of the earth when the sun is at zero incident angle. The solar radiation reaching the earth's surface has two components: direct or "beam" radiation, which comes directly from the sun's disk; and diffuse radiation, which comes indirectly [8]. The primary resource for CSP technologies is the direct normal irradiation DNI. It refers to the "amount of electromagnetic energy arrives at Earth's flat-surface perpendicular to the sun's beam with surrounding diffuse sky radiation blocked, and it is equivalent to the solar constant minus the atmospheric losses due to absorption and scattering [9].

CSP plants require direct solar radiation to generate electricity, given that only strong direct sunlight can be concentrated to the temperatures required for electricity generation. This limits the use of CSP to hot, dry regions. The insolation time over the most of the national territory exceeds 2500 h annually and may reach 3900 h in high plains and Sahara. The deceive factor for the economic viability of a solar investment is annual electricity production, which depends on the solar radiation resources locally available. The strength of direct solar radiation is relevant for parabolic trough power plants and thus important for focusing solar thermal technology. To be economic at present requires a CSP plant with direct normal irradiance levels DNI of 2000 kWh/m²/year or more, although there is no technical reason why CSP plants cannot run at lower levels. CSP plants in areas with high DNI will have a lower LCOE, compared to one located in an area with a lower DNI. Higher levels of DNI have a strong impact on the LCOE, [5]. The distribution of average annual DNI across Europe and the MENA region is shown in Fig. 4, where data interpolated from a global dataset produced by NASA's Surface meteorology. Areas with DNI above 5 kWh/m²/day are preferred for CSP operation and are denoted by the hatch pattern. While Europe exhibits good solar resources in southern Spain and Turkey during some periods of the year, far greater potential lies in the MENA countries to the south [10].

Figure 5 shows the Potential for CSP around the world. It demonstrates the solar energy received by desert regions in the Middle East and North Africa (MENA) (>1800 kWh/m²/year) compared to other areas in the world. The excellent DNI resources in the world fall in sun belt region in which Libya occupy a large part. Besides extensive exposure to sunlight, the desert regions also have mostly sunny weather with quite low rain

precipitation, low population density and large land availability, which enable the possibility of large scale solar energy projects.

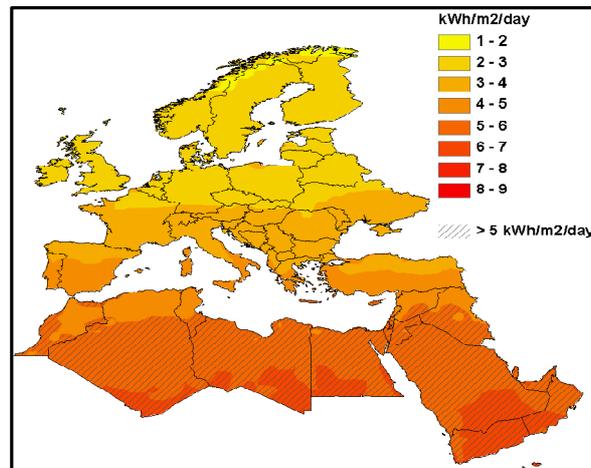


Figure 4 Average Annual DNI in Europe and MENA Region, [11].

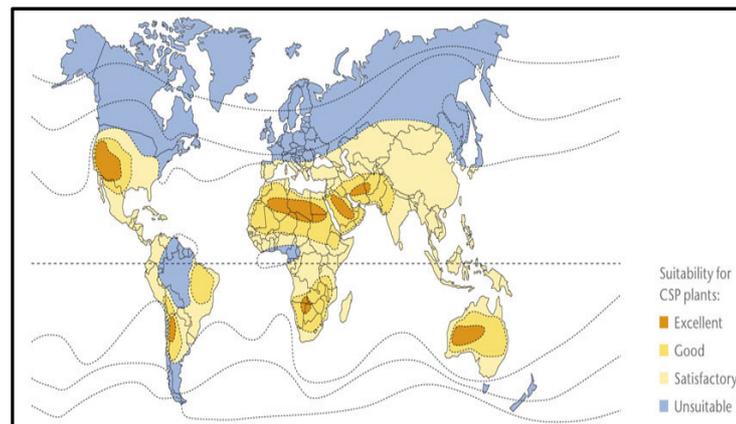


Fig. 5. Potential for CSP around the world map, [12].

It is recommended that CSP plants be installed in locations with DNI above $5 \text{ kWh/m}^2/\text{day}$, or $2000 \text{ kWh/m}^2/\text{year}$. This recommendation is further supported by various projects reported in the literature, [13], [14]. Figure 6 demonstrates the DNI Libyan map. It shows areas with the highest potential for CSP, that are suitable for large-scale, year-round operation of CSP facilities.

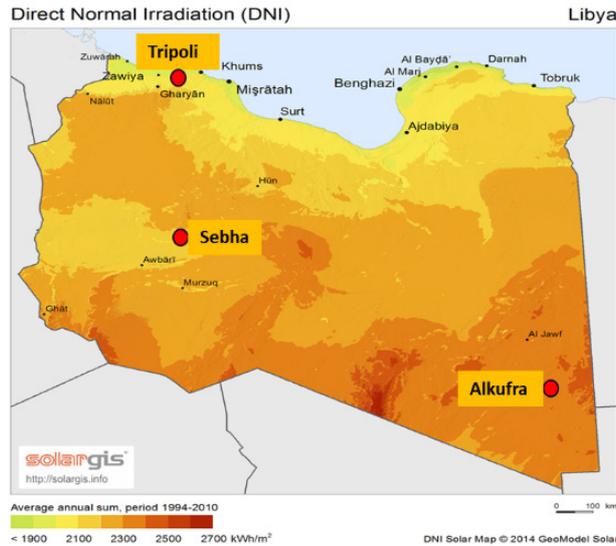


Fig. 6. Annual DNI Irradiation in kWh/m² (SolarGIS ©2015).

The first region is characterized as a coastal plain, located between latitudes 32-28° North. The range of solar radiation insolation in this region is between 1800-2100 kWh/m² per year. The second region which is located between 28 and 25° North with an annual solar radiation on horizontal ranges between 2100-2500 kWh/m². The third region is located between latitudes 25-19° North with the highest intensity of solar radiation in Libya exceeding 2900 kWh/m² per year. In general, Libya, with solar radiation ranging between 1800-2900 kWh/m²/year, has an average solar radiation of 2700 kWh/m²/year.

The histogram of solar radiation of three selected sites representing the three regions were broken down into hours of radiation at steps of 50Watt/m² is described in Fig. 7. The diagram shows some difference between the three sites with the best solar potential in Alkufra city.

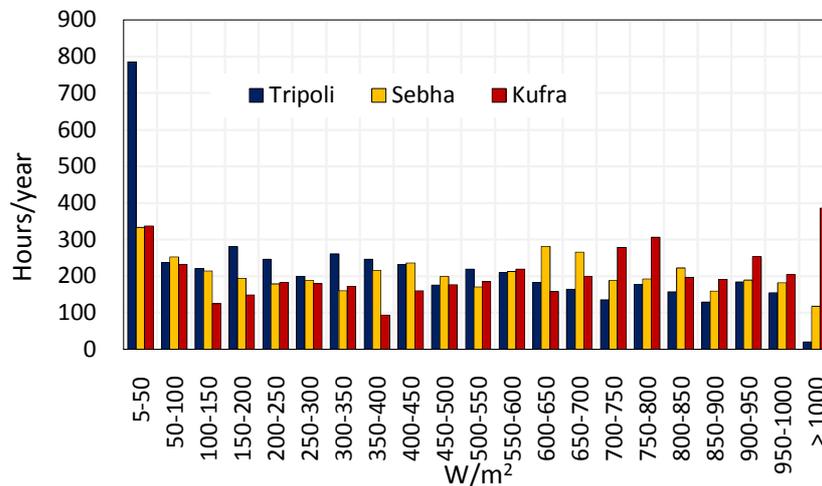


Fig. 7. Histogram of solar radiation

4. CONCENTRATING SOLAR POWER CSP PLANT COMPONENTS

Concentrating solar power is a power generation technology that uses mirrors or lenses to concentrate the direct solar radiation to heat a fluid and produce steam. The steam is then used to drive a turbine and generates electricity in the same way as conventional power plants. There are four major CSP technologies: parabolic troughs and linear Fresnel

reflectors (concentrated on a linear collector system), power towers and parabolic dish (concentrated on central focal point). Each of the first three types can be integrated with thermal storage. When equipped with thermal storage, the capacity factor of the CSP plant and the dispatchability of the generated electricity increases, thus providing grid integration and economic competitiveness to fossil power plants.

4.1 Parabolic Trough

Parabolic trough collector is the most mature CSP technology, and further improvements in performance and cost reductions are expected. Parabolic trough technology accounts for more than 90 percent of the capacity installed worldwide, and it shows the lowest development risk among the other CSP technologies [15]. These types of energy collectors consist of long, parabolic mirrors. The troughs focus direct sunlight on to thermally efficient receiver tubes which are positioned along the focal lines of the troughs. The troughs can be aligned in a north-south position or an east-west position and they rotate track the sunlight during daylight hours. Inside the tube, at the focal point, runs a heat transfer fluid (usually oil) that absorbs the concentrated sun irradiation and rises its temperature up to 400°C. In most cases, synthetic oil is used as a heat transfer fluid which transfers the collected thermal energy to heat exchangers where steam is produced to operate a steam turbine, producing mechanical power. The latter is then transformed into electrical power by an electrical power generator.

4.2 Linear Fresnel

The system is made up of an array of linear mirror strips that act like Fresnel lenses as they focus the sunlight on to a fixed linear tower. Fresnel reflector systems consist of numerous flat and thin mirrors that concentrate sunlight onto tubes through which runs a working fluid. This technology is similar to parabolic reflectors with differences in two main aspects; it presents a lower efficiency and therefore is simpler and lower-priced.

4.3 Solar Power Towers

Large mirrored collectors called heliostats are used to concentrate sunlight on to a receiver mounted on the tower. This generates thermal power; which heats water, transforming it in steam. Steam is used to run a turbine and therefore produce power.

4.4 Parabolic dish

The system uses a parabolic dish which focuses the solar energy on to a receiver or engine. The fluid in the receiver gets heated up to about 750 °C and passes on the thermal energy on to an attached generator Stirling engine which in turn converts the stored heat energy to electricity.

As parabolic trough collector (PTC) technology is the most widely used, technical and economic aspects of parabolic trough performance in this study in Libya is investigated. Figure 8 demonstrates a schematic diagram of a typical configuration of (PTC) power plant which shows the main three parts of the plant namely: (i) the solar field that collects and concentrates the solar radiation using parabolic trough collectors (PTC), (ii) the thermal storage unit, and (iii) the power block that converts the heat collected from the sun to electricity. The solar field is optimized for solar multiples to get minimum LCOE. All collectors are oriented in north-south direction and rotated around their N-S axis daily to

capture direct irradiation at smallest incidence angle through their aperture width. The distance from center to center of collector lines is 15 m. The solar collectors are Euro Trough collector technology (ET150) of 150 m length and the field is composed of 4 solar collector assembly (SCA) in each loop. Each loop is connected to the heat transfer fluid (HTF) system of the power block through supply and return header piping.

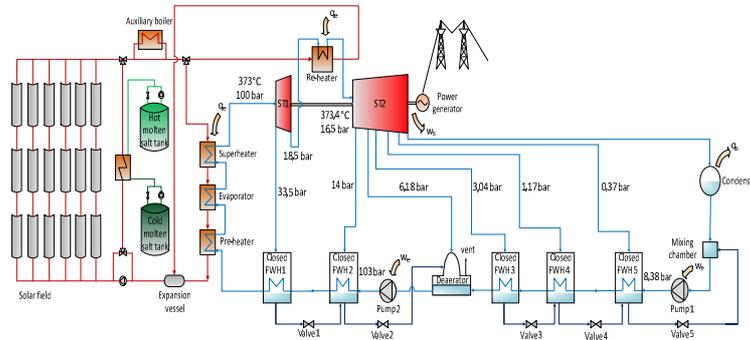


Fig. 8. Reheat regenerative Rankine cycle based on the commercial PTC CSP plants, typical configuration, [16]

This work considers the analysis of a 50 MW power plants located at the three representative locations by using parabolic trough collector technology with two scenarios: (i) simple plants and (ii) plants with thermal energy storage (TES). Simple plant operates with solar energy alone, without the TES, while plant has a TES system, whereby the solar heat collected during the day is stored for a certain number of hours in thermal systems, which use materials such as molten salts to be used later for generating electricity during periods of lower irradiation, at night, or at times of peak demand.

5. RESULTS AND DISCUSSION

5.1 Technical Analysis

The calculations of the expected annual energy yield of the proposed 50 MW (PTC) power plants were analyzed using the available data for the three selected locations (Tripoli, Sebha, and Alkufra) representing different DNI solar intensities and climate conditions in Libya. Analysis was performed using a specially designed Microsoft Excel sheets and SAM software issued by the national renewable energy laboratory NREL [17]. The Solar Advisor Model, SAM is a modeling software developed by the National Renewable Energy Laboratory. The publicly available source code is written in FORTRAN, is, and runs off software called TRNSYS [18]. TRNSYS has a large set of solar parabolic trough power plant components.

To investigate the effect of including a storage system to the plant on the feasibility of the project, two cases were considered: (i) no storage and (ii) a storage that allows the plant to operate 6 additional hours. It was assumed that the plant will be unavailable for 4% of the operating time due to scheduled outages allocated basically for maintenance activities. Sizing the three solar fields of a parabolic trough system were done. The optimal solar field aperture area for each system at each location was determined by taking into consideration two major objectives: (i) maximizing the amount of time in a year that the field generates the required thermal energy to drive the power block at its rated capacity and (ii) minimizing the installation and operating costs which leads to lowering LCOE. Figures 9 and 10 show the results of the optimization of the solar field at Alkufra location for the two cases without and with thermal storage respectively. The frequency distribution in which

the power block generates electricity at its rated capacity is shown in Fig. 9. It is clear that the plant generates electricity at its rated capacity during about 60% of the time.

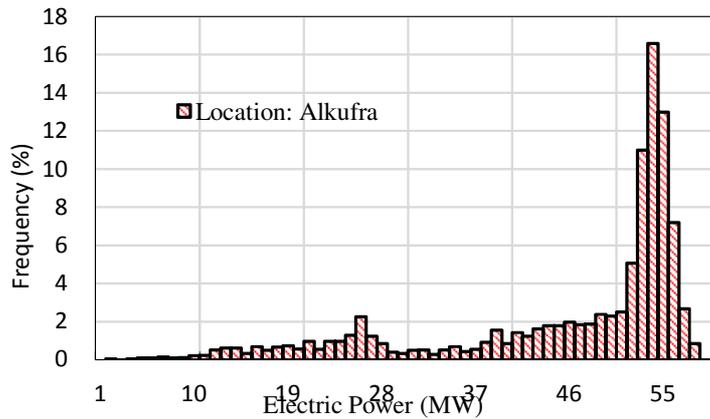


Figure 9 Power histogram (Frequency distribution) of CSP power plant using PTC without storage at Alkufra area with an optimum solar multiple of 1.3.

For systems with thermal energy storage the optimization involves finding the combination of field area or solar multiple and storage capacity that results in the lowest LCOE. In this case, about 80% of the time the power plant is running at its rated capacity as indicated in Fig. 10.

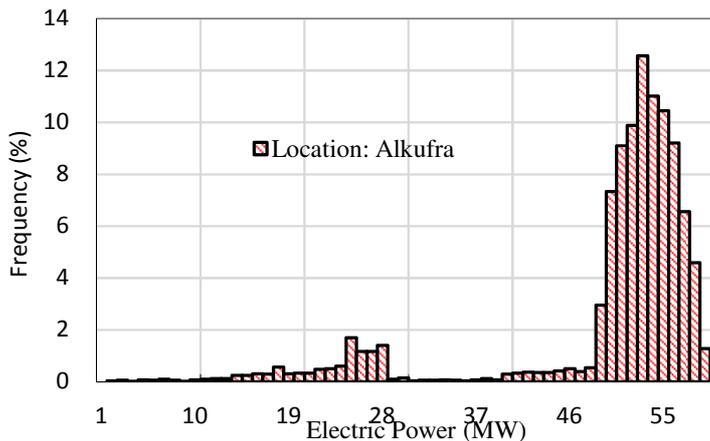


Figure 10 Power histogram (Frequency distribution) of CSP power plant using PTC with storage at Alkufra area with an optimum solar multiple of 2.

A sample of daily thermal output of the solar field and the net electricity generated for 25th September for Alkufra site is shown in Fig. 11. It indicates that very good solar resources with electricity output of the solar field almost constant over the day.

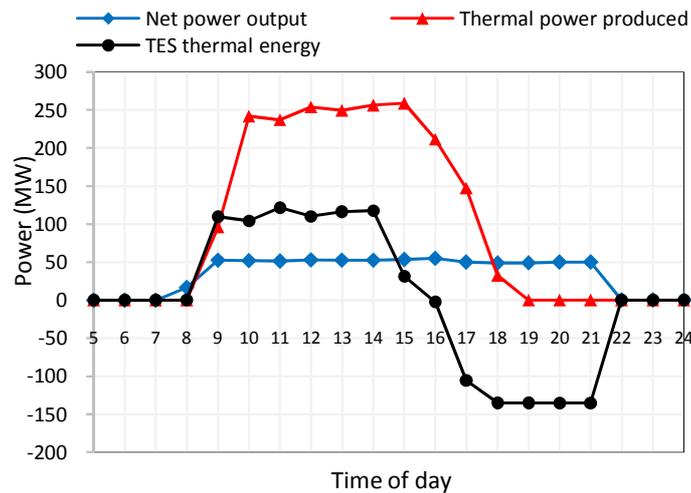


Figure 11 Daily net electricity output and storage input/output on 25th September.

The annual simulation results are shown in Fig. 12 and Fig. 13. It can be seen from Fig. 12 that the maximum produced energy from each of the three fields is realized in June and July as it has the maximum solar irradiation. Figure 13 provides a visual and numerical representations of the different energy conversion through the complete electricity generation process. The analysis showed that, the proposed 50 MW PTC power plants without storage based on weather conditions for the three proposed locations, have a maximum productivity of 89.2, 120.3, and 143.7 GWh for Tripoli, Sebha, and AlKufra respectively, which is equivalent to a capacity factor of 20.6, 27.7, and 33.1% respectively while the electric energy produced for the power plants with storage case are 144.0, 181.2, and 224.3 GWh respectively. Results of the technical analysis is listed in Table I.

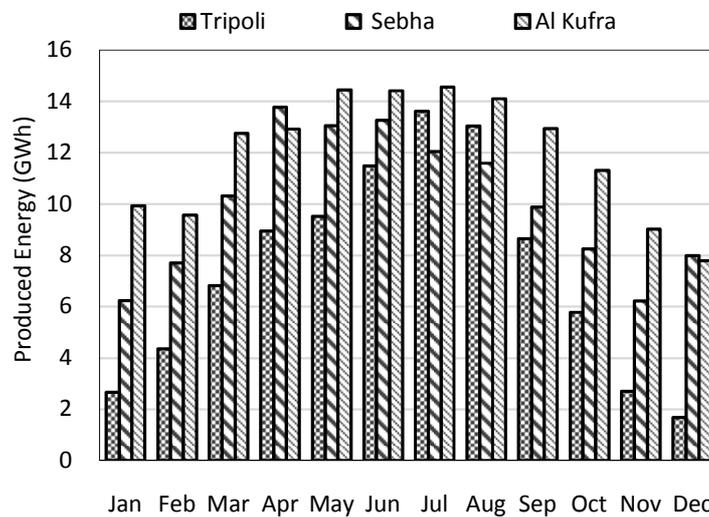


Figure 12 Monthly net electric output of the proposed plants.

TABLE I
Summary of technical parameters of Both Cases with and without Storage

| Description | Tripoli | | Sebha | | Alkufra | |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 0 hours | 6 hours | 0 hours | 6 hours | 0 hours | 6 hours |
| Total field reflector area | 0.353 km ² | 0.50 km ² | 0.333 km ² | 0.451 km ² | 0.271 km ² | 0.40 km ² |
| Storage volume | 0 m ³ | 11746.3 m ³ | 0 m ³ | 11746.3 m ³ | 0 m ³ | 11746.3 m ³ |
| Total land area | 1.25 km ² | 1.80 km ² | 1.17 km ² | 1.60 km ² | 1.0 km ² | 1.45 km ² |
| Heat transfer fluid | Hitec solar salt |
| Solar multiple | 1.6 | 2 | 1.6 | 2 | 1.3 | 2 |
| Direct Normal irradiation (DNI) | 1800 kWh/(m ² a) | 1800 kWh/(m ² a) | 2400 kWh/(m ² a) | 2400 kWh/(m ² a) | 3000 kWh/(m ² a) | 3000 kWh/(m ² a) |
| Annual energy of the first year | 89.2 GWh | 144.0 GWh | 120.3 GWh | 181.4 GWh | 143.7 GWh | 224.5 GWh |
| Energy yield/kW | 1802 kWh/kW | 2910 kWh/kW | 2430 kWh/kW | 3664 kWh/kW | 2900 kWh/kW | 4535 kWh/kW |
| Gross-to-net conversion | 91.0% | 91.2% | 92.1% | 92.2% | 92.4% | 92.5% |
| Capacity factor | 20.60% | 33.2% | 27.70% | 41.8% | 33.10% | 51.8% |
| Annual Water Usage | 25,026 m ³ | 36,978 m ³ | 27,255 m ³ | 38,478 m ³ | 26,765 m ³ | 40,465 m ³ |

Another advantage of generation of electricity using CSP power plants is avoiding fossil fuel consumption from one side and CO₂ emission reductions which would have occurred when electricity would have been generated by conventional thermal generation systems from other side. The estimated avoided fossil fuels and emissions reduction of the project are shown in Table II.

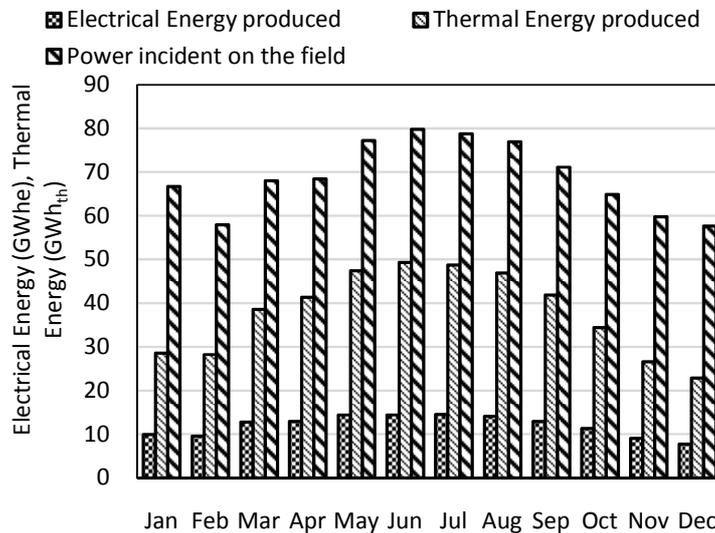


Figure 13 Monthly energy flow through the proposed plant in Alkufra.

TABLE II
Saving of fossil fuel and emission reductions

| Description | Value | Unit |
|------------------------------------|--------|-----------|
| Power Generation | 181.4 | GWh/year |
| Heavy Fuel Oil | 6400 | Tons/year |
| Fuel displacement | 40500 | Tons/year |
| Natural Gas | 598 | Tons/year |
| CO ₂ emission reduction | 151200 | Tons/year |

5.2 Economic Analysis

The Levelized Costs of Energy LCOE incorporates all capital and operational expenses into the cost of the unit of energy produced. Tables III & IV showed the specific cost of the major cost elements and the project’s financing parameters. A specific capital cost range from 4276\$/kW to 8256\$/kW [5]for the case of the 50 MW PTC in the three selected locations are considered. The differences in the capital specific costs are mainly due to the different values of solar multiple, (1.3 to 2.0), because the project in Alkufra requires less collector area to drive the power plant than the project in Sebha and Tripoli. Operation and Maintenance capacity-based expenses are fixed annual costs proportional to the system's rated capacity while operation and maintenance production-based expenses are variable annual cost proportional to the system's total annual electrical output in megawatt-hours.

Table V shows the LCOE of the three proposed PTC Plants. It is evident from the LCOE results the effect of DNI for both cases with and without storage. Alkufra, having the highest DNI has the best potential for using PTC plants for both cases which is reflected in the lowest LCOE as well as the lowest difference in the unit cost between the cases without and with storage; 0.29¢/kWh when compared with 0.46 and 1.37 \$/kWh for both Sebha and Tripoli locations respectively. The results confirm limits indicated in the literature for the viability, [1], [6]. Figure 14 illustrates the Levelized Cost of Energy (LCOE) for both scenarios of the power tower plants studied in the three locations. The simulation results indicate that Alkufra site yields the best LCOE. The LCOE is found to vary between 9.11 c\$/kWh at Alkufra, 11.83 c\$/kWh at Sebha, and 16.27 c\$/kWh at Tripoli for no storage case, while the LCOE can reach 8.82, 11.37, and 14.9 c\$/kWh in Alkufra, Sebha, and Tripoli for 6-hour storage, respectively.

TABLE III :Summary of specific costs

| Description | Costs |
|-------------------------------|-------------------------|
| Site Improvements | 50.0 \$/m ² |
| Solar Field | 295.0 \$/m ² |
| HTF System | 80.0 \$/m ² |
| Storage | 100.0 \$/kWh |
| Power Plant | 1500.0 \$/kWe |
| OPEX capacity-based expense | 70.0 \$/kW-year |
| OPEX production-based expense | 3.0 \$/MWh |

Analysis of the three locations estimated that for every 100 kWh/m²/year that the DNI radiation exceeds that in Tripoli which is 1800 kWh/m²/year the LCOE of a PTC plants declines by an average of 4.12% and 3.68% for the cases of without and with storage respectively. The feasibility analysis has been conducted based on essential international economic data for PTC plants. Major input economic parameters, such as: plant life time, and unit energy selling price (PPA tariff), as well as economic output indicators expressed in terms of the payback period, internal rate of return IRR, and the net present value NPV are all listed in Table V.

TABLE IV
Summary of the financial parameters

| Description | value |
|--------------------|----------------------|
| Analysis period | 25 years |
| Inflation rate | 0% |
| Real discount rate | 0% |
| Contingency | 7% |
| Net salvage value | 0% of installed cost |
| Loan term * | 0 |
| Loan rate * | 0 |
| Debt fraction * | 0 |

*The baseline case study does not consider financing

All the three economic indicators for Alkufra location stressed again on the potential of the location thus showing a stronger feasibility for using PTC plants covering base time as well as peak load period of up to 6 hours.

TABLE V
Summary of results of Both Cases with and without Storage

| Description | Tripoli | | Sebha | | Alkufra | |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 0 hours | 6 hours | 0 hours | 6 hours | 0 hours | 6 hours |
| Full load hours of TES | 0 hours | 6 hours | 0 hours | 6 hours | 0 hours | 6 hours |
| Life time [years] | 25 | 25 | 25 | 25 | 25 | 25 |
| Capital cost (CAPEX) [\$] | 248,278,512 | 408,712,032 | 239,952,320 | 386,406,528 | 211,698,704 | 364,101,056 |
| Specific investment Cost [\$/kW] | 5027 | 8256 | 4847 | 7806 | 4276 | 7355 |
| Operating cost (OPEX) [\$/year] | 3,732,614 | 3,825,881 | 3,896,095 | 3,897,143 | 4,009,131 | 4,138,416 |
| PPA price [¢/kWh] | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| LCOE [¢/kWh] | 16.27 | 14.9 | 11.83 | 11.37 | 9.11 | 8.82 |
| Net present value (NPV) [\$] | 78,500,000 | 173,120,000 | 231,650,000 | 368,600,000 | 368,500,000 | 590,900,000 |
| Payback period [years] | 19.6 | 18.2 | 13.3 | 13.3 | 9.6 | 9.6 |
| IRR at end of project [%] | 2.3 | 3.0 | 6.24 | 6.17 | 10.28 | 9.68 |

Figure. 15 presents the annual profit, cumulative annual profit and the cumulative annual cash flow for the proposed plant at Alkufra, which shows a payback period of little longer than 9.6 years. The IRR and the Payback period of Alkufra plant suggests that investing in PTC plants is competitive with current conventional technologies being in operation in Libya.

The study also incorporated sensitivity analysis of the main variables, to show the effect of changes the three major cost parameters; investment costs (CAPEX), the operating costs (OPEX) and the project lifetime on the economic indicators; on internal rate of return IRR and the net present value NPV, Figs (16 and 17).

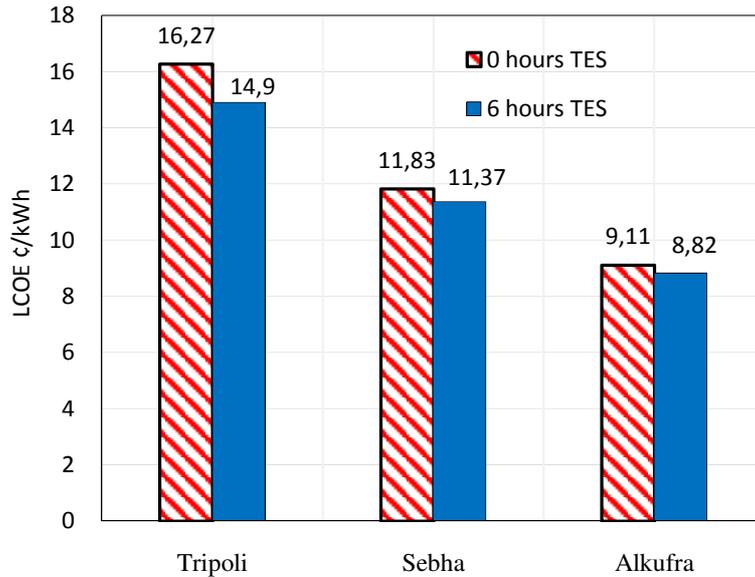


Figure 14 Comparison of LCOE for the two scenarios of the three sites

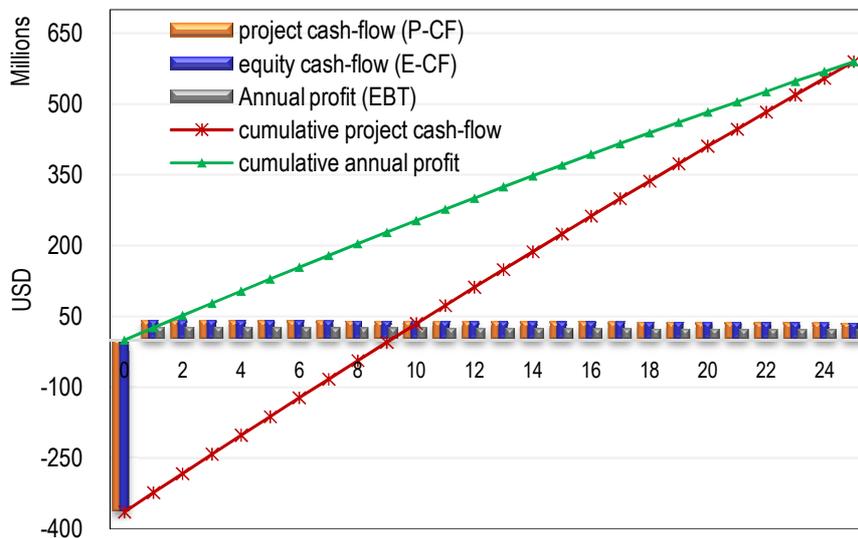


Figure 15 Cash flow, annual, cumulative, and annual profit of the proposed plant in Alkufra [19].

Figure (16) shows the effect of input parameters (CAPEX, OPEX and lifetime of the plant) variation with up to $\pm 30\%$ of its values given in Tables III and IV on the net present value of the project, which is a direct indicator to the profitability of the project. Fig. (17) gives the effect of variation in the same parameters on the IRR. The results of sensitivity analysis showed that the project is strongly affected by a variation of the CAPEX and power output

of the plant (as a consequence of unexpected high/low radiation or a plant performance above/below design conditions), however, the specific cost considered in the study is a conservative one in comparison to the international prices and taking into consideration the price trend in the last few years, which makes the results more reliable. As the CSP systems capital cost are thus expected to decrease significantly over time, then the reduction in CAPEX by 30% leads to increase in NPV by 20%.

The project is however relatively insensitive to variations in the OPEX cost due to the relatively small contribution of these variables in the overall cost benefit analysis. The figures also show that the lifetime of the project has a major effect on the economics of the project. As the lifetime is decreased by 30% the NPV is decreased by 50%, and the IRR is decreased from 9.5% to 7.6%.

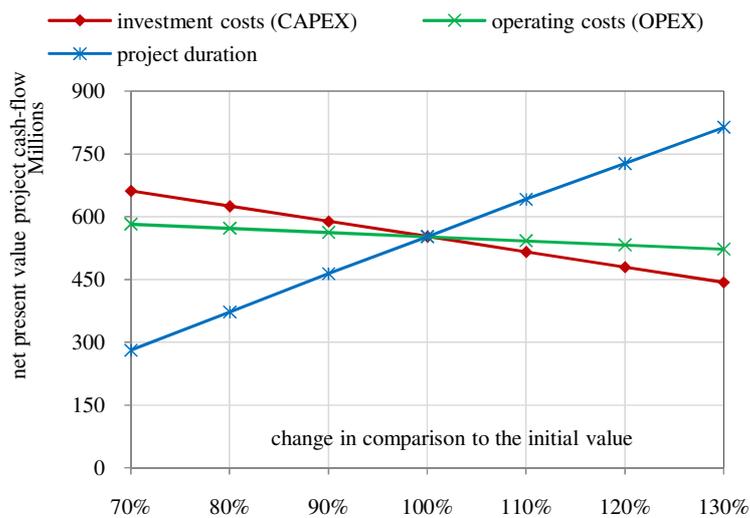


Fig. 16. Monthly energy flow through the proposed plant in Alkufra.

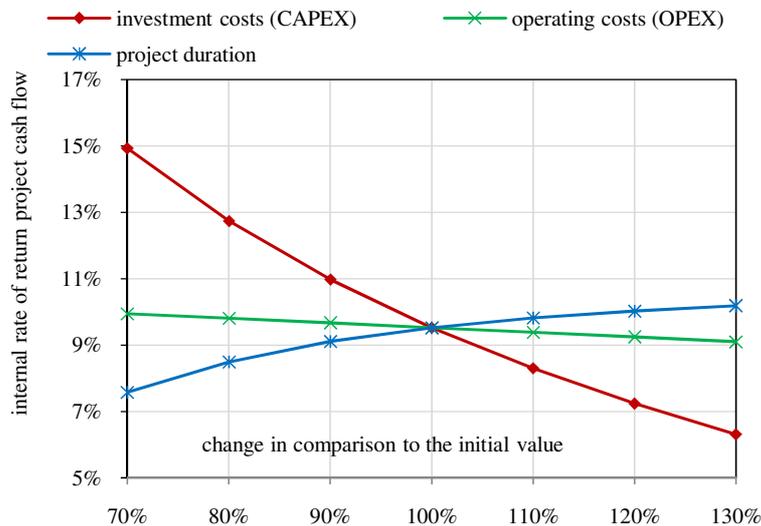


Fig. 17. Monthly energy flow through the proposed plant in Alkufra [19].

6. CONCLUSION

At present Libyan electric power generation system is totally dependent on hydrocarbon resources; thus, the share of solar energy in the national energy consumption is practically

0%. In this study, the concentrated solar power potential in three selected locations in the different regions of Libya were investigated.

This study provides an assessment of the prospects of CSP in Libya. The results indicate that CSP technologies can provide opportunities for utilizing clean and sustainable energy in the existing electrical power generation supply. It shows that CSP is competitive in the Libyan electric power market and in accordance with this study, there is a chance that the greater use of solar energy would replace more fossil resources. On the other hand, the results indicate that CSP plants has huge potential in Libya, which if properly exploited can help lead to transforming the country into an exporter of electricity. This exportation means additional revenue for the south region of Libya, which may work as a promoting for economic development in remote areas, where best DNI is found. However, the actual implementation of CSP technology requires additional specific studies at identified sites.

Libya has good direct normal solar irradiation resource in the range of 1800 to 2800 kWh/m²/year. The DNI resource is higher than that of other countries that have already taken giant steps towards implementing CSP technologies for commercial purposes. CSP technologies can easily be adapted and implemented in most area of the country due to the abundant solar radiation resource.

The calculated net energy output for the three CSP power plants in the first year was found 89.3, 120.3, and 143.7 GWh/year for 0 h TES storage, while 144.0, 181.4, and 224.5 GWh/year for 6 h TES storage scenario for Tripoli, Sebha, and Alkufra respectively, which is considered as high average values in comparison with other international projects, even when considering the reduced performance of the solar fields due to accuracy of the solar radiation data.

The economic feasibility of the proposed three sites has been proven through the economic analysis. The results show that the CSP power plants are economically feasible. Depending on the CSP plant type considered (with or without storage), the Levelized Cost of Energy (LCOE) oscillates between 8.82 and 16.27 c\$/kWh depending on the location and storage period. Additional benefits can be generated through the avoidance of CO₂ emissions, which would be 150 kilo tons per year.

Finally, the technical and economic analysis performed in this paper concludes that the proposed CSP power plants are economically feasible at the considered three representative sites, which therefore assures the feasibility throughout the country.

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