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Evaluate the Economic Analysis of 42 kWp Solar
Grid Connected System for Rural Energization,
Central India.

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An Approach Of “Homer Pro” Program To Evaluate The Economic Analysis Of 42 kWp Solar Grid Connected System For Rural Energization, Central India.

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Abstract- Due to the rise in environmental pollution and ultimately leading to the climate change, we must look for renewable energy sources. Electricity generation using solar PV system is a sustainable, clean as well as climate friendly. In this paper, we are analysing and simulating 42 kWp solar photovoltaic systems at the site of Nandpur Village using simulation based software. The total energy installation in India is very high. However the availability of electricity in rural areas is often inconsistent. This can be improved by installing a solar power plant. In recent times, govt of India is also promoting the solar energy use by PM KUSUM Yojna. This plant is proposed for the village Nandpur, Madhya Pradesh. Site has the coordinates 21°54.1'N, 78°7.3'E. “HomerPro” software package is used to analyse and simulate the cost, efficiency and life cycle operation of the solar PV system.

Keywords- Renewable, HomerPro Software, Cost Analysis, Life cycle, Initial rate of return(IRR).

I. INTRODUCTION

Electricity is needed in daily life. From smart phone charging to induction cooking to entertainment, electricity has made into all parts of our lives. India is a fast growing country with growing appetite for electricity. This demand has to be met in a way that it does not affect the environment. Therefore we must utilise renewable forms of electricity as much as possible. The most widely available renewable source of electricity is solar and wind power. Solar power is one such method to fulfil the ever increasing need of electricity. Solar cell based system has come out as the most suitable course of action to produce electricity at a large scale. For the most part of the year India receives sun light. 300 plus clear sunny days in India makes it one the most ideal place to build solar power plant. A study estimated that 5000 PWh/year (Petawatt-hour per year) solar radiance falls over the terrain of India. For per square

meter it comes out as 4-7 kWh/ m²/day. Here we are studying and simulating the performance of the proposed solar PV system, for the location at Nandpur Village in Betul District, Madhya Pradesh.

II. PREVIOUS RESEARCH

Earlier research has shown way for us to use softwares and simulation to perform the preplanning study, cost analysis and generation output of the PV plant over Homer Pro software. Abdul Munim Rehmani et. al. [1], explains the economic analyses of hybrid system of rural region installed in Pakistan. Development of hybrid system by Homer Pro is described by Swarnkar et. al. [2]. Sahil Mehta et al. [3] presented a case based study of solar system related to micro grid to obtain cost of electricity with respect to changes occurring in solar irradiance. Khan et al. [4] performed cost based research of a hybrid system on Homer Pro software in Pakistan. In South Africa, renewable energy availability of electricity in remote region is performed by O. M. Longe et al. [5]. Analytic evaluation design for rural places in Arunachal Pradesh for a low-cost model has been analyzed by Abhishek Sanyal et al [6]. Sanjay Kumar et al. [7] done performance analysis of solar electricity generation system using Homer Pro and PVSyst software. Yashwant Sawle et al. [8] did cost and sensitivity analysis of mixed renewable electricity generation units using Homer pro.

III. WORKING METHOD

In this, a software based cost analysis of 42 kWp solar grid connected system, proposed (not installed) at location of 21°54 (longitude), 78°7.3 (latitude) is studied. Study of the proposed system depends on geographical location, component material and making process, and climate parameters like flow of wind, solar incident irradiance, day time temperature of the location, shadow etc. Here simulation and analysis is done by HomerPro software. All

calculation and data collection is done using software data readily available in the software. The load requirement is 242 kWh/day currently supplied by the MPEB (Madhya Pradesh Electricity Board) a state owned company. Many performance indicators of the proposed plant are Studied through HomerPro software. This vast amount of detail is described by various pictorial diagrams and tables for easy understanding of the system. Fig 1 shows schematic diagram of the proposed plant.

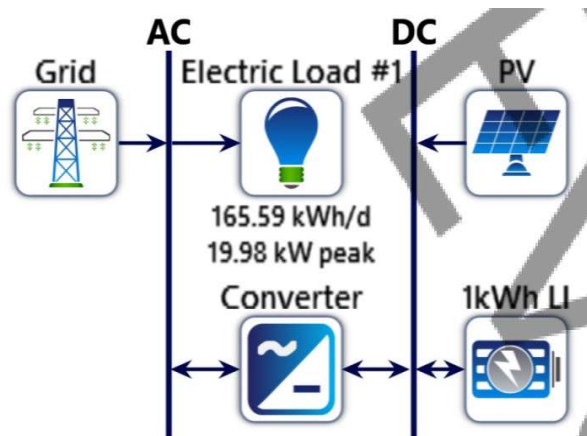


Fig-1 Schematic Diagram

A. HomerPro Software

“HOMER® Pro simulates engineering and economic feasibility of micro grid or distributed energy systems that are off-grid or tied to an unreliable grid and enables the design of least-cost electrical systems and risk-mitigation strategies. The software provides insight into cost-effectively combining conventional and renewable energy, storage, grid resources (where available), and load management.

In a single data run, HOMER Pro simulates the operation of a hybrid micro grid or distributed energy system for an entire year, evaluating and optimizing the electrical system design, load profiles, components, fuel costs, and environmental variables. The simulation produces key information on technical performance, risk-mitigation, and projected cost-savings to inform system design and optimization. Results are presented in a succinct Micro grid Proposal. For more information, visit HomerEnergy.com.” [9]. Fig 2 shows the front page of Homer Pro software.

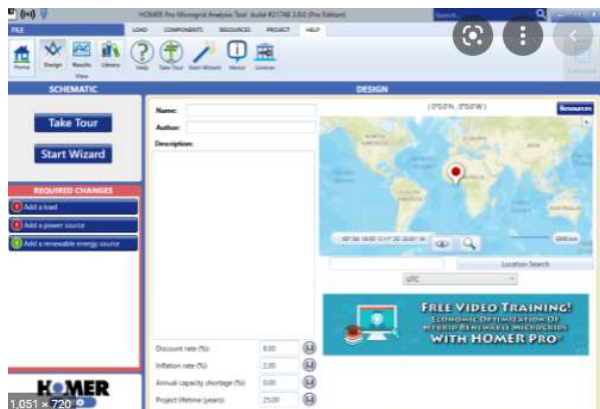


Fig 2 Homer Pro Software

B. Inputs for the system

A flow diagram of working of Homer Pro software is shown here for easy explanation. Fig 3 show the flow diagram of homer pro software working.

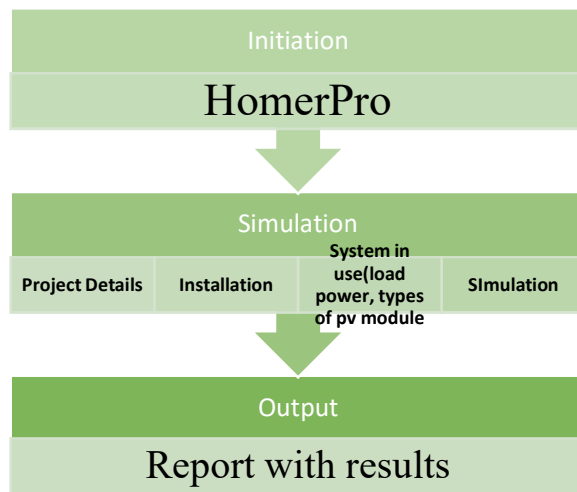


Fig-3 Flow Diagram of Homer Pro

1. Geographic Location

Here the site selected is in Nandpur village in Betul district of Madhya Pradesh, India. The details of longitude and latitude of the sites are 21°54.1'N, 78°7.3'E. Fig 4 shows the top view of the location.

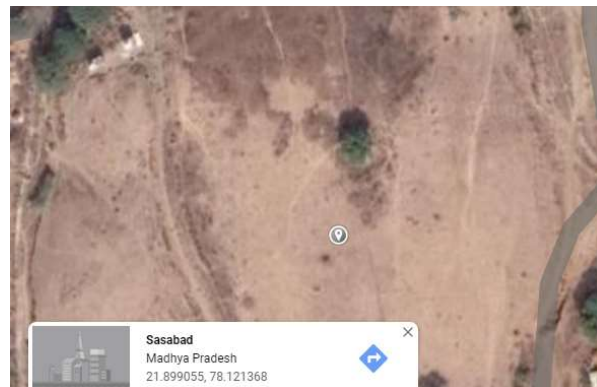


Fig-4 Site Location: Top View

2 Load

This micro grid requires 242 kWh per day and the maximum peak load of 24 kW. In the proposed PV plant, the following generation source serves the electrical average load on monthly basis. Fig 5 shows the month wise average load of PV panels and grid below.

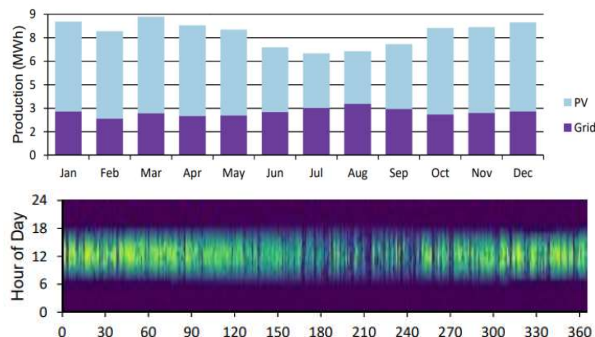


Fig 6 Load of the PV panels and Grid

3 Details of Inverter

The proposed capacity of 42 kWp solar plant, we have taken Generic Inverters in the software simulation. The total maximum value of the inverter is 24 kWac. Details of Solar PV panels are given below. Fig 7 and fig 8 shows the details of inverter and its electricity operations details.

Capacity	23.9 kW	Hours of Operation	4,381 hrs/yr
Mean Output	6.33 kW	Energy Out	55,421 kWh/yr
Minimum Output	0 kW	Energy In	58,338 kWh/yr
Maximum Output	23.9 kW	Losses	2,917 kWh/yr
Capacity Factor	26.5 %		

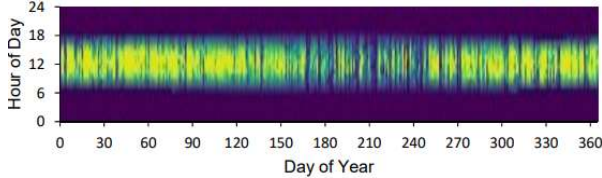


Fig-7 Inverter Information.

Solar Inverter Electrical Summary

Quantity	Value	Units
Hours of Operation	4,381	hrs/yr
Energy Out	55,421	kWh/yr
Energy In	58,338	kWh/yr
Losses	2,917	kWh/yr

Solar Inverter Statistics

Quantity	Value	Units
Capacity	23.9	kW
Mean Output	6.33	kW
Minimum Output	0	kW
Maximum Output	23.9	kW
Capacity Factor	26.5	%

Fig-8 Inverter Electrical Summary

4 Solar Irradiance Effect

Solar irradiance diffusion is also very vital indicator that affects the simulation and design of any solar plant. It includes solar irradiance in atmosphere and after being scattered dust, various gases etc. It depends primarily on tilt angle, cloud presence and humid nature of the atmosphere and dust molecules. HomerPro software also takes wind and thermal temperature details available at its database for consideration in simulation.

5 PV: Generic flat plate PV

The System has total net capacity of 41.9 kW. The yearly generation is 60,479 kWh/yr. Fig 9 shows the details of PV panels produced electricity.

Rated Capacity	41.9 kW	Total Production	60,479 kWh
Capital Cost	₹1.68M	Maintenance Cost	41,892 ₹/yr
Specific Yield	1,444 kWh/kW	LCOE	2.84 ₹/kWh
PV Penetration	100 %		

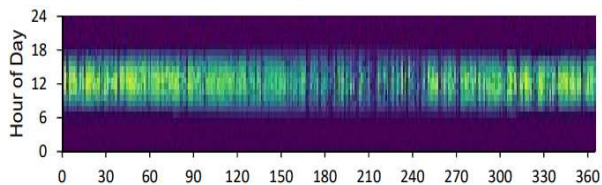


Fig-9 PV Panel Details.

IV. RESULTS AND DISCUSSION

1. Balance & Main Results

The overall electricity purchased by the grid is 33010 kWh. The overall electricity sold to the grid is 27989 kWh. Details of total electricity generation are given in fig 10. Cash flow is given in the below in fig 11. The breakdown cost graph is shown in fig 12.

Month	Energy Purchased (kWh)	Energy Sold (kWh)	Net Energy Purchased (kWh)	Peak Load (kW)	Energy Charge	Demand Charge	Total
January	2,800	2,805	-5.10	19.9	₹15.29	₹0.00	₹15.29
February	2,346	2,796	-450	18.6	₹1,349	₹0.00	₹1,349
March	2,681	3,001	-321	18.4	-	₹0.00	-
April	2,509	2,888	-379	20.0	₹962.39	₹0.00	₹962.39
May	2,541	2,648	-107	18.8	-	₹0.00	-
June	2,762	1,643	1,119	19.0	₹321.01	₹0.00	₹321.01
July	3,021	1,208	1,813	18.8	₹6,490	₹0.00	₹6,490
August	3,279	1,116	2,163	18.0	₹10,517	₹0.00	₹10,517
September	2,943	1,753	1,190	17.7	₹12,544	₹0.00	₹12,544
October	2,614	2,651	-37.0	17.0	₹6,902	₹0.00	₹6,902
November	2,706	2,700	6.39	19.8	-	₹0.00	-
December	2,808	2,780	27.7	18.5	₹110.98	₹0.00	₹110.98
Annual	33,010	27,989	5,021	20.0	₹37,06	₹0.00	₹37,06

Fig-10 Electricity Production Details

Cash Flows

Project Lifetime 25 years Expected Inflation Rate 2.0%
 Nominal Discount Rate 8.0% Real Interest Rate 5.9%

Year	1	2	3	4	5	6	7	8	9	10
Generic flat plate PV	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)
Grid	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)
Solar Inverter	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)

Year	11	12	13	14	15	16	17	18	19	20
Generic flat plate PV	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)
Grid	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)
Solar Inverter	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)

Year	21	22	23	24	25
Generic flat plate PV	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)	(₹41,892)
Grid	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)	(₹32,755)
Solar Inverter	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)	(₹23,882)

Fig-11 Cash Flow yearly

Cumulative Cash Flow over Project Lifetime

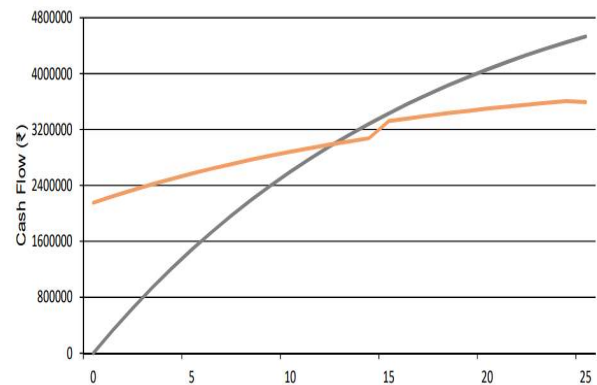


Fig-12 Breakdown Cash flow vs Year

V. CONCLUSION

The HomerPro software based study of 42 kWp solar system was proposed and analysed for Nandpur Village in Betul District in state of Madhya Pradesh, India. The following conclusion is presented below. The Initial rate of return (IRR) is 10.2 %. The discounted payback period is 12.2 years and simple payback is 8.54 years accordingly. The Total cost of the plant will be estimated at 3591557 Rs. The levelized cost of energy will be 3.14 Rs per kWh which is very low compared to the present rate of electricity at 7-8 Rs per kWh. Fig 13 shows the total financial details is given below.

	Base System	Proposed System
Net Present Cost	₹4.53M	₹3.59M
CAPEX	₹0.00	₹2.15M
OPEX	₹350,562	₹111,254
LCOE (per kWh)	₹5.80	₹3.14
CO2 Emitted (kg/yr)	38,199	20,862
Fuel Consumption (L/yr)	0	0

Fig-13 Total Financial Summary

VI. ACKNOWLEDGMENT

This paper is presented as case study for the proposed plant at Nandpur Village in Betul District of Madhya Pradesh. I also appreciate the assistance and guidance provided by Department of Electrical Engineering, Jabalpur Engineering College Jabalpur also my guide Proff. Dr. Shailja Shukla.

VII. REFERENCES

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