# **RETScreen**

A Powerful Analytical Tool to Assess Renewable Energy and Energy Efficiency Project Economics and Carbon Reduction

#### Dan Connors Renewable Energy Strategies, LLC

#### May 11, 2011 SUNY Stony Brook Wind/Solar PV Workshop

## **Presentation Objectives**

- Make LI solar/wind community aware of free RETScreen analytical tool
- Show what RETScreen can do for
  - Solar PV/Thermal and Wind Installers
  - End Users (of all types)
  - Academics / Workforce Development
- Provide guidance to start using RETScreen
- Solicit/test interest in free RETScreen webinars from the NY Solar Energy Society

#### **Renewable Energy Strategies, LLC**

- Provides economic and environmental analysis of proposed renewable energy and energy efficiency projects
- Utilizing RETScreen/other analytical tools
- Across a range of renewable energy/energy efficiency projects (solar pv, solar thermal, fuel cells, hydrokinetic energy, other)

# What is **RETScreen**?

- Free software to analyze project economics and carbon value of a wide variety of renewable energy and energy efficiency projects
- Inputs: Basic project information, technology employed, capital and operating cost/savings, financing structure, incentives, tax situation
- <u>Outputs</u>: pre-tax and post-tax cash flow, financial statistics and carbon value
- Easy use and sensitivity analysis

### **Who Provides RETScreen?**

- RETScreen International, division of Canadian federal government's Natural Resources Canada (NRCan) agency
- Development started shortly after Kyoto, now at Version 4.0
- Software development and support, free of charge

#### **RETScreen Software & Tech Support**

- Software
  - Available at <u>www.retscreen.net</u> (free)
  - Operates on Microsoft Excel platform
  - Requires Microsoft Windows (not Mac compatible)

### **RETScreen Software & Tech Support**

- Support from NRCAN's "Clean Energy Decision Support Centre" (www.retscreen.net)
  - Online training courses
  - User manual
  - Engineering e-textbook
  - Courses and seminars
  - Case studies
  - Email tech support

# **RETScreen Heating/Cooling Applications**

#### **Heating**

- Boiler
- Furnace
- Thermal fluid heater
- Heating with biomass
- Heat pump
- Waste heat recovery unit
- Solar water heater
- Solar air heater

#### **Cooling**

- Compressor
- Heat Pump
- Free Cooling
- Desiccant
- Absorption

# **RETScreen Power Generation Applications**

#### **Conventional**

- Steam turbine
- Gas turbine
- Comb cycle gas turbine
- Reciprocating engine

#### **Renewable/Alternative**

- Fuel cells
- Microturbines
- Wind turbines
- Hydroelectric
- Geothermal power
- Solar Photovoltaics
- Other

# **RETScreen Energy Efficiency Applications**

- Building Envelope
- Ventilation
- Lighting
- Electrical Equipment
- Hot Water
- Pumps
- Motors

- Process Electricity
- Process Heat
- Process Steam
- Steam Losses
- Heat Recovery
- Compressed Air
- Refrigeration
- Other

#### **RETScreen Software - Overview**

	RETScreen4-1	- Microsoft Excel non-commerci	ial use		
Home Insert Page Layout Formu	ilas Data Review View Developer	RETScreen			
Copy	A <sup>*</sup> x <sup>*</sup> Image: Second sec	• • • • • • • • • • • • • • • • • • •	Conditional Format Cell Formatting * as Table * Styles * Styles	Insert Delete Format Cells	∑ AutoSum * A Fill * ZI A Clear * Sort & Find & Filter * Select * Editing
9 · (*) ÷					
D14 🔻 💿 🏂 NYSES S	olar Thermal Natural Gas	1997 - 1997 - Aven Alas			
	Clean Energy Project Ana	alysis Software			
Project information	See project database				
Project name	NYSES Solar Thermal Natural Gas	L I			
Project location	Westchester County NY	j l			
Prepared for	NYSES Training				
Prepared by	Dan Connors				
Project type	Heating	i i i i i i i i i i i i i i i i i i i			
Technology	Solar water heater		OF B		
Analysis type	Method 2				
Heating value reference	Higher heating value (HHV)				
Show settings 🛛 👻					
Language - Langue	English - Anglais	I.			
the second s	English - Anglais English - Anglais				
Language - Langue					_
Language - Langue User manual	English - Anglais				
Language - Langue User manual Currency	English - Anglais \$				
Language - Langue User manual Currency Units	English - Anglais  \$ Imperial units				
Language - Langue User manual Currency	English - Anglais \$				
Language - Langue User manual Currency Units	English - Anglais  \$ Imperial units				
Language - Langue User manual Currency Units Site reference conditions	English - Anglais				

#### RETScreen

### Renewable Energy Technology Screening

RETScreen



www.retscreen.net

#### **Five Step Standard Analysis**



# **RETScreen's Integrated Databases/Tools**

- Context sensitive "Help screens"
- Project database
- Climate database
- Supplier database
- Tool sheets
- Language/Currency



# **RETScreen Example – Project Info**

Project information	<u>See project database</u>	
Project name	Residential Solar PV Sample Problem	
Project location	NY	
Prepared for	NYSES Solar PV RETScreen Webinar	
Prepared by	Renewable Energy Strategies, LLC	
Project type	Power	
Technology	Photovoltaic	
Grid type	Central-grid	
Analysis type	Method 2	
Heating value reference	Higher heating value (HHV)	
Show settings	V	
Language - Langue	English - Anglais	
User manual	English - Anglais	
Currency	\$	
Units	Imperial units	
Site reference conditions	Select climate data location	
Climate data location	White Plains Westchester	
Show data		

# **RETScreen Example – Climate Database**

	Unit	Climate data location	Project location
Latitude	°N	41.1	41.1
Longitude	°Е	-73.7	-73.7
Elevation	ft	397	397
Heating design temperature	°F	12.0	
Cooling design temperature	°F	86.5	
Earth temperature amplitude	°F	37.6	

Daily solar								
	Air	Relative	radiation -	Atmospheric		Earth	Heating	Cooling
Month	temperature	humidity	horizontal	pressure	Wind speed	temperature	degree-days	degree-days
	°F	%	kWh/m²/d	Inch Hg	mph	°F	°F-d	°F-d
January	29.5	65.2%	1.71	29.4	9.0	24.1	1,083	0
February	32.2	60.5%	2.59	29.4	8.7	27.6	902	0
March	38.8	60.6%	3.51	29.4	9.2	36.2	792	0
April	49.3	62.2%	4.49	29.4	8.7	48.7	454	0
Мау	59.0	69.2%	5.22	29.4	7.4	60.3	167	279
June	68.4	71.2%	5.65	29.4	6.7	69.9	0	551
July	73.2	72.4%	5.54	29.4	6.3	74.1	0	720
August	71.8	75.1%	4.83	29.4	6.0	71.9	0	675
September	64.4	76.3%	3.85	29.5	6.5	64.3	0	432
October	53.4	72.1%	2.86	29.5	7.2	51.7	340	106
November	44.6	66.8%	1.81	29.5	8.3	40.5	594	0
December	34.9	64.6%	1.51	29.5	8.7	29.8	915	0
Annual	51.7	68.1%	3.64	29.4	7.7	50.0	5,248	2,763
Measured at ft	]				32.8	0.0		
	-						-	

Complete Energy Model sheet

#### 5000 + climate data locations worldwide

# **RETScreen Example – Energy Model**

Technology		Photovoltaic	
Analysis type	-	<ul> <li>Method 1</li> <li>Method 2</li> </ul>	
Resource assessment			
Solar tracking mode	0	Fixed	
Slope	•	41.0	
Azimuth		0.0	
	Show data		
Photovoltaic			
Туре		poly-Si	
Power capacity	kW	5.52	
Manufacturer		Canadian Solar	
Model			3 unit(s)
Efficiency	%	14.9%	
Nominal operating cell temperature	°C	45	
Temperature coefficient	% / °C	0.40%	
Solar collector area	m²	37	
Miscellaneous losses	%	2.0%	
Inverter			
Efficiency	%	92.0%	
Capacity	kW	7.5	
Miscellaneous losses	%	2.0%	
Summary			
Capacity factor	%	14.4%	
Electricity exported to grid	MWh	6.983	

#### Supplier database includes many solar PV supplier's panel specs

# **RETScreen Example – Capital Costs**

#### **RETScreen Cost Analysis - Power project**

Settings						
Method 1	O Notes/Ran					
Method 2	C Second cu		Notes/Range	None		
	Cost alloc	ation				
nitial costs (credits)	Unit	0	Unit cost	A	Delething sector	
	Unit	Quantity	Unit cost	Amount	Relative costs	
Feasibility study	opot			s -		
	cost			<u> </u>	0.00/	
Sub-total:				<b>)</b> -	0.0%	
Development	cost			s -		
Sub-total:	COSL			s -	0.00/	
				<b>)</b> -	0.0%	
Engineering				e		
Engineering	cost			<u>\$</u> -	0.0%	
Sub-total:				\$-	0.0%	
Power system		C 50	C	C 00.000		
Photovoltaic	kW	5.52	\$ 5,500			
Road construction	km			<b>\$</b> -		
Transmission line	km			\$ -		
Substation	project			<b>\$</b> -		
Energy efficiency measures	project			\$-		
User-defined	cost			<b>\$</b> -		
				\$ -		
Sub-total:				\$ 30,360	100.0%	
Balance of system & miscellaneous						
Spare parts	%			\$-		
Transportation	project			\$-		
Training & commissioning	p-d			\$-		
User-defined	cost			\$-		
Contingencies	%		\$ 30,360	\$ -		
Interest during construction				<u>\$</u> -		
Sub-total:		Enter number of	months	<u>\$</u>	0.0%	
otal initial costs				\$ 30,360	100.0%	
Annual costs (credits)	Unit	Quantity	Unit cost	Amount		
O&M	Unit	Quantity	Unit cost	Amount		
Parts & labour	project			s -		
	project			s -		
User-defined	<u>cost</u> %		S -			
Contingencies	70		Ψ -	<u>\$</u>		
Sub-total:				\$-		
Periodic costs (credits)	Unit	Year	Unit cost	Amount		
User-defined	cost			\$ -		
Replacement Inverter	cost	15	\$ 4,858			
End of project life	cost	10	+,000	\$ -		
				-		• •
Regular/Irro	ασιιία	rns	ሪ በ/ነ ሰ	nctc	ran k	na inclu
$\mathbf{v} \in \mathbf{z} \cup [\mathbf{a} \mid \mathbf{z} \mid \mathbf{z}]$			XIVI L	<b>U3L3</b>	Laiil	$\mathbf{JC}$ IIILIU

# **RETScreen Example – Carbon Value**

#### **RETScreen Emission Reduction Analysis - Power project**

#### Emission Analysis

O Method 1

O Method 2

Method 3

#### Base case electricity system (Baseline)

		GHG emission		
		factor	T&D	GHG emission
		(excl. T&D)	losses	factor
Country - region	Fuel type	tCO2/MWh	%	tCO2/MWh
United States of America	All types	0.544	10.0%	0.604

Baseline changes during project life

#### Base case system GHG summary (Baseline)

	Fuel mix	Fuel consumption	GHG emission factor	GHG emission
Fuel type	%	MWh	tCO2/MWh	tCO2
Electricity	100.0%	7	0.604	4.2
Total	100.0%	7	0.604	4.2

posed case system GHG sumn		000				
				Fuel	GHG emission	
	Fuel mix			consumption	factor	GHG emissio
Fuel type	%			MWh	tCO2/MWh	tCO2
Solar	100.0%			7	0.000	0.
Total	100.0%			7	0.000	0.
Electricity exported to grid	MWh	7	T&D losses 10.0%	1	0.604	0.4
					Total	0.4

GHG emission reduction summary							
	Base case GHG emission tCO2	Proposed case GHG emission tCO2			Gross annual GHG emission reduction tCO2	GHG credits transaction fee %	Net annual GHG emission reduction tCO2
Power project	4.2	0.4			3.8		3.8
Net annual GHG emission reduction	3.8	tCO2	is equivalent to	0.7	Cars & light trucks	not used	

#### **Calculates reduced carbon emissions**

## **RETScreen Example – Financial**

			Electricity event income		4.600	25	2 017	2 017	24.057	
nual income ectricity export income Electricity exported to grid	MWh	7	Electricity export income	\$	1,536	25	3,217	3,217	34,957	
Electricity exported to grid Electricity export rate Electricity export income	\$/MWh \$	220.00 1,536								
Electricity export escalation rate	%	3.0%	Total annual savings and income	\$	1,536					
IG reduction income										
Net GHG reduction Net GHG reduction - 25 yrs	tCO2/yr tCO2	4 95	Financial viability Pre-tax IRR - equity Pre-tax IRR - assets	% %	11.0% 11.0%					
			After-tax IRR - equity After-tax IRR - assets	% %	11.0% 11.0%					
istomer premium income (rebate)			Simple payback Equity payback	yr yr	9.9 8.5					
			Net Present Value (NPV) Annual life cycle savings	\$ \$/yr	34,957 1,398					
			Benefit-Cost (B-C) ratio		2.15					
			Energy production cost GHG reduction cost	\$/MWh \$/tCO2	86.70 (368)					
her income (cost)			Cumulative cash flows graph							
			40,000							
ean Energy (CE) production income			30,000							
			20,000 20,000 20,000							
			Cumulative cash flows (5)				_			
					<u> </u>					
			<b>E</b> 0 1 2 3 4 5 0	6789	10 11 12	13 14 15	16 17 18 1	19 20 21 22	23 24 25	
			-10,000 -							
			-20,000							
		I	1							

#### **Output:** Project pre-tax and post-tax cash flows

# What RETScreen Doesn't Do

- Renewable Energy Technology Screening Software
- Not a Design Tool
- May not be as detailed as other "technology specific tools"
- May not be appropriate for detailed analysis of large commercial and/or utility scale projects with complex financing structures
- Not ready to use "off the shelf" for US investment tax credits, local incentives, accelerated depreciation without some customization

## **How To Start Using RETScreen**

- Download free software at <u>www.retscreen.net</u>
- Review basic info at website including "What is RETScreen"
- Email Renewable Energy Strategies at <u>dan connors@att.net</u> for copy of earlier webinar tutorial and indicate if you would like to participate in future webinar training sessions.
- Test RETScreen using historical project data and compare to previous analysis. Invest more time in proficiency with RETScreen tool if appropriate.

#### **Follow-Up RETScreen Questions?**

# Dan Connors, Renewable Energy Strategies, LLC dan\_connors@att.net