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1. STUDY MOTIVATION

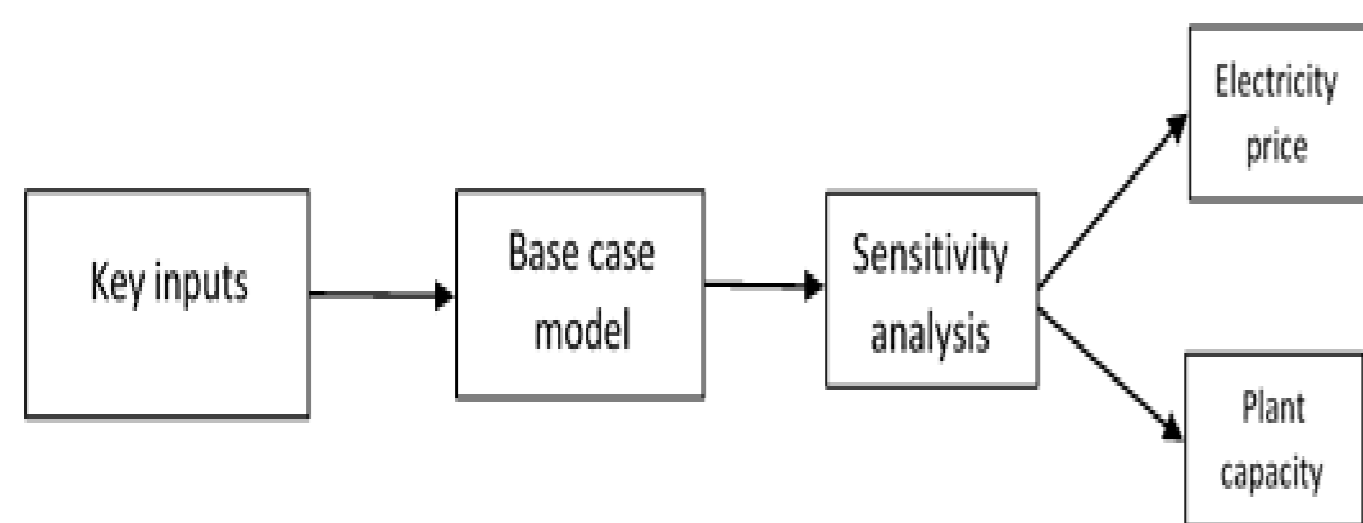
Uganda introduced a FiT for utility scale solar with support from Global Energy Transfer FIT premium payment in April 2014.

The research study assesses the economic viability of a 10MW solar PV system. The government would like to diversify the electricity portfolio and increase electricity supply.

2. METHODOLOGY

The study employs the discounted cash flow technique and Monte Carlo simulation to evaluate the economic viability of the FiT by:

Using estimate data on solar panels and investment costs and operating and maintenance expenditures; results including Net Present Value and profitability index are generated and reviewed for FiT case without and with GET FiT support.

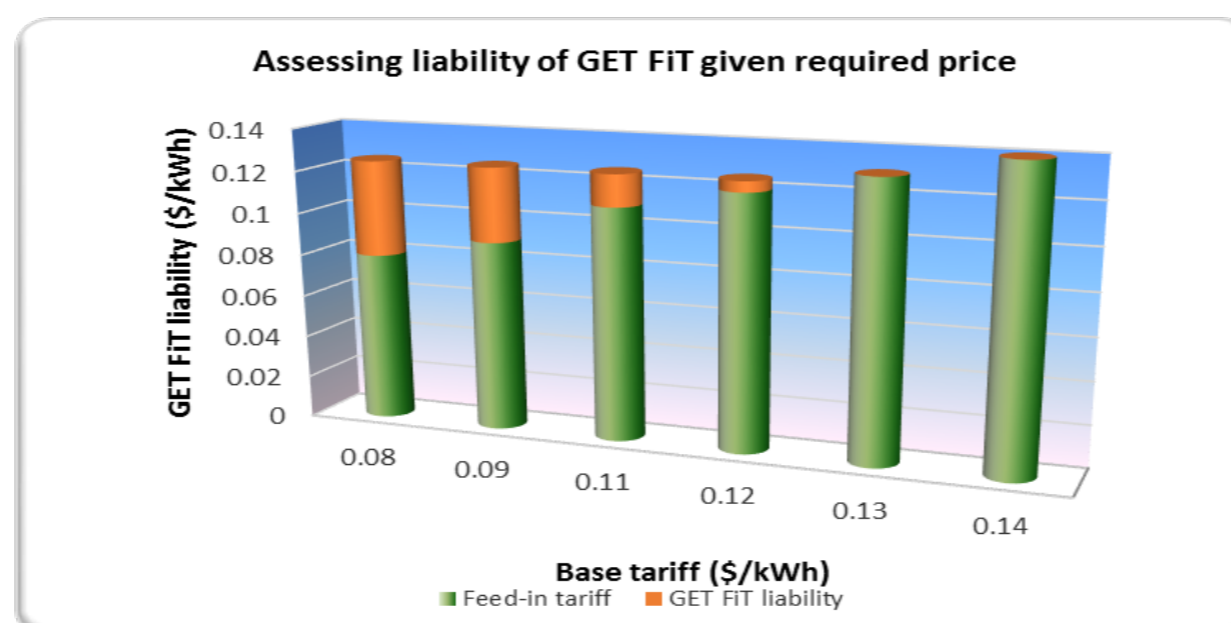


3. RESULTS

The project is not viable with the proposed FiT of \$0.11, however with the support \$0.015 from GET FiT,

Economic analysis summary results	Base case
Net Present Value (\$)	(3,690,970)
Internal Rate of Return	7.48%
NPV Capex Ratio	-0.20

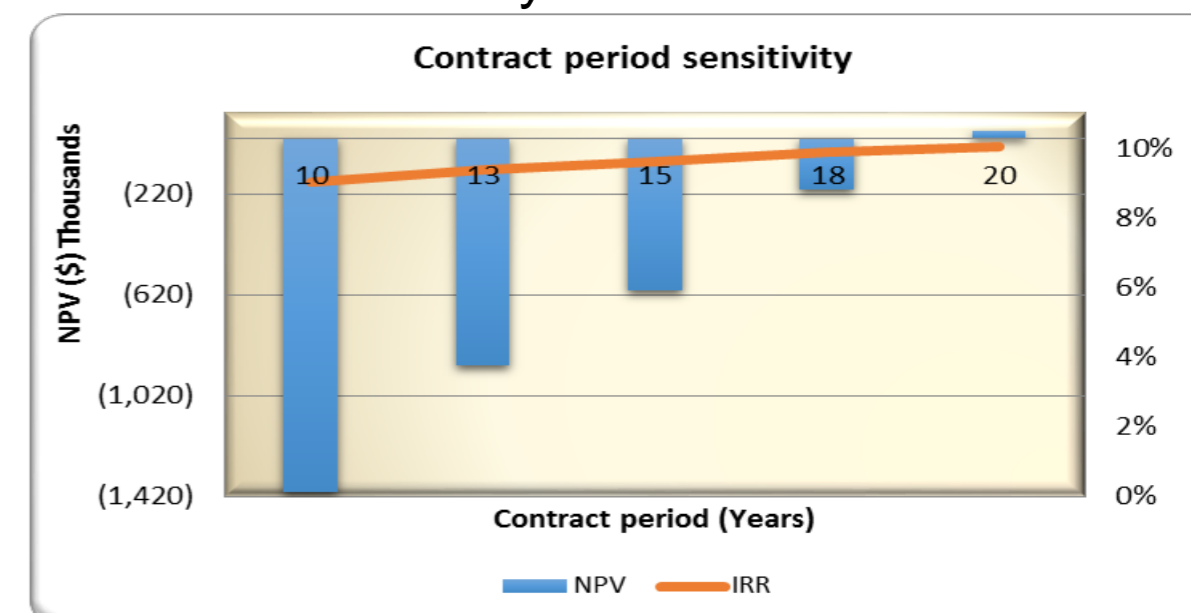
The GET FiT liability decreases with an increase in the government set FiT.



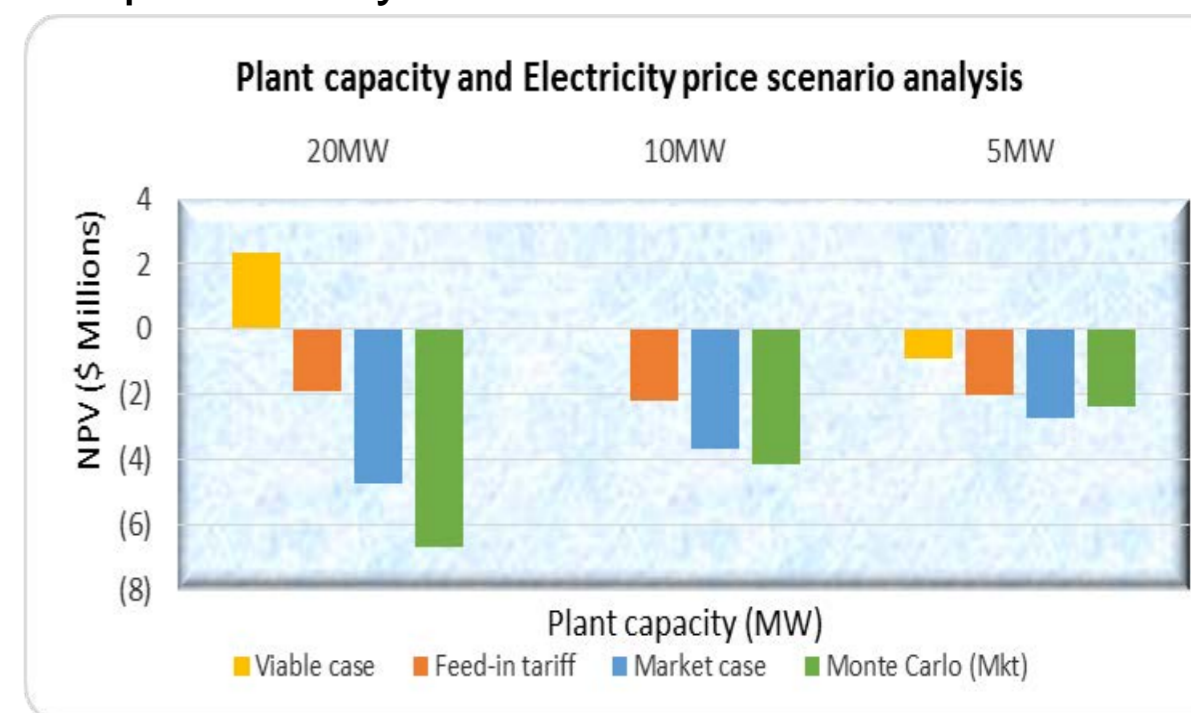
Plant size of 20MW, 10MW and 5MW require \$0.007, \$0.015 and \$0.027 of GET FiT support respectively for profitability.



The project is not feasible if the contract period is reduced below 20 years.



Larger scale investors require a lower electricity price for profitability.



4. CONCLUSION

- The results inform that the project is not viable under FiT of \$0.11.
- The project is only viable with GET FiT premium payment support.
- The minimum feed-in tariff required for project viability varies for different plant sizes.