

Answer to “Issues Paper No. 3: Initiative for Global Leadership in Concentrated Solar Power (CSP) /Solar Thermal Electricity (STE)”.

This document is intended to provide comments/feedback on Issues Paper No.2 according to the instructions stated in the document “Set Plan Actions: Implementation process and expected outcomes”.

For the Main Expected outcome, the following questions have been considered and answered:

a) Do you agree with the targets set in the issue paper?

First of all, it is worth to note that in the introduction of the document there are some references to World Energy Outlook (edition 2014) scenarios for 2040 and 2050. Those scenarios seem very ambitious and difficult to be achieved considering real installation figures of last years (MW/year), with limited new installed capacity.

Regarding the targets, for 2020 a target is fixed, however there is not any target for the long term (i.e. 2030) and this is important as the technology should be competitive against other technologies.

b) Do you think that the level of ambition is correct?

Entering into details, the specific proposed targets comments are as follows:

- 1. Short term: >40% cost reduction by 2020 (from 2013) translating into:**
 - a. **Supply price <10c€/kWh for a radiation of 2050kwh/m²/year.**

First of all it would be convenient to get the starting point (2013 figure) in order to get a better understanding of the expected reduction.

Considering supply price concept similar to LCoE concept, the above indicated target seems to be very ambitious as current levels, depending on technologies, range between 220-350 €/MWh for 100-250MW plants.

- 2. Longer term: develop the next generation of CSP/STE technology.**

As indicated previously, target for longer term could be advisable.

In addition, in the document, benefits from economies of scale are considered. It is important to note, that this effect has been limited until now, as there are some limits, in terms of material requirements and associated costs.