

China to build 10 megawatt solar power plant, wind proving far cheaper

Contributed by Wolfgang Gruener
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The Chinese government expects the plant to cover a surface area of roughly 247 acres (0.38 square miles) in the desert of northwestern China, according to Digitimes. The cost of the on-grid solar power-generating station is expected to be about \$73 million. Were it scaled up to the 400 megawatt-peak level of the wind farm, it would cost in proportion \$2.9 billion, making wind power more economical by a factor of over 4.4 times -- meaning solar power costs \$7.3 million per megawatt, while wind costs \$1.6 million per megawatt, without factoring in long-term maintenance costs).

From the Digitimes article:

There will be 38 competitors at the open bid, consisting of a Germany-based company and a Denmark-based one as well as 36 China-based enterprises including China Power Investment Corporation, China Huaneng Group, Suntech Power and Yingli Green Energy, the sources indicated.

The China government in 2008 approved the construction of a solar power-generating station located on an offshore island in Shanghai and another located in Inner Mongolia, with a feed-in tariff rate of four yuan per kilowatt-hour for each, the source indicated. For this project, the China government will offer a feed-in tariff rate of below two yuan per kilowatt-hour, possibly as low as 1.7-1.8 yuan per kilowatt-hour under intensive competition, the source pointed out.

There are apparently five major plans for the construction of solar power plants underway, including a 166 MWp station in the Yunnan Province in southwestern China as well as a 1 GWp in the Qinghai Province in western China.