

# URBAN LIVEABILITY FORUM

PRESENTS

"MY RESOURCE. MY RESPONSIBILITY"

A knowledge series from the experts on effective management of resources to enhance urban Liveability during and post pandemic.

## GRID PARITY AND ITS IMPORTANCE TO STOP CLIMATE CHANGE

by Alka Chauhan, Manager-  
Marketing at ReneSola

### IN THIS ISSUE :



IMPACT OF GRID PARITY  
CLIMATE CHANGE  
DECISIONS



FACTORS IMPACTING  
SOLAR GRID PARITY



CLEAN ENERGY -  
THE OBVIOUS CHOICE

## "My Resource. My Responsibility"

A knowledge series from the experts on effective management of resources to enhance urban Liveability during and post pandemic.



**Representative Pic. 1**

### IN THIS ISSUE :

#### IMPACT OF GRID PARITY CLIMATE CHANGE DECISIONS

#### CLEAN ENERGY - THE OBVIOUS CHOICE

#### FACTORS IMPACTING SOLAR GRID PARITY

**GRID PARITY AND its importance to stop climate change** - by Alka Chauhan, Manager-Marketing at ReneSola

Grid parity is when an alternative form of energy generates power at a levelized cost of electricity that is equal to or less than the price of buying power from the electric grid.

In other words, grid parity is the point when the cost of the alternative energy becomes equal to or less than electricity from conventional energy forms like fossil fuels.

It is one of the most important things energy analysts look at when determining how economically viable an alternative energy form is for widespread development and adoption.

#### IMPORTANCE OF GRID PARITY

The most easy and tried argument against taking action on climate change by shifting to clean energy is "affordability of the clean energy" while the fossil fuel industry and its allies have been repeating this line continuously but it's going out of style and in fact the cost of renewable technologies has been dropping precipitously in recent years.



According to SEIA, solar system prices in 2019 were at their lowest levels in history across all market segments, and that drop in the cost is not yet saturated!!

## CLEAN ENERGY - THE OBVIOUS CHOICE

Grid parity marks the point where the costs of renewables cross the line to become equal to or less than those of fossil fuels, rendering the affordability question irrelevant. And once the economic argument is dismissed, investment flows to clean energy projects and technologies, starting a virtuous cycle where renewable (wind and solar) just keep getting more affordable and accessible. At this point clean energy ceases to be just the moral choice. It becomes the OBVIOUS CHOICE.

The low cost of solar will continue to make it the go-to energy source for developing countries where we have seen the continued adoption of solar energy.

## FACTORS IMPACTING SOLAR GRID PARITY

Factors like solar resources, evolution in PV module cost, progression in electricity prices, environmental cost and grid extension cost are the major factors that affect the grid parity and these factors vary from time to time and market to market.

Driving Factors of Solar PV Grid Parity are very dynamic because of its dependence on various factors such as environmental cost, solar resources, electricity cost, PV generation cost, and grid related cost. Change in any of the above constraints changes the occurring time of the grid parity.



Representative Pic. 2

It is well known and very well accepted that Solar PV grid parity being dynamic, varies from time to time and location to location depending on diverse factors such as electricity prices, PV cost, subsidies, incentives and transmission, and distribution costs.

The locations with greater irradiance have high tendency to reach the grid parity as it draws the LCOE from solar PV down to compete for the market.

But the value provided to humans from nature cannot be measured in monetary terms. Human life is actually priceless, in the purest sense of this word. Without being considerable for nature we would not be able to survive and that's where the Grid Parity is needed.



**Representative Pic. 3**

Additionally, fossil fuels are currently heavily subsidized to bring their cost down.

The high actual price of fossil fuels combined with their negative impact on the environment make solar energy's price point much cheaper and surely affordable.

## ABOUT THE WRITER



### **Alka Chauhan** **Manager- Marketing at ReneSola**

Experienced Marketing Professional with a demonstrated history of working in the various industries like Automotive, IT and Service. Skilled in Negotiation, Marketing Management, Vendor Management, Analytical Skills and Customer Relationship Management (CRM).

---

To Contribute an article, Shaurya Somani  
e: [info@urbanliveabilityforum.com](mailto:info@urbanliveabilityforum.com)  
t: +91-9619604324

For Partnership, Sarang Mehta  
e: [sarang@urbanliveabilityforum.com](mailto:sarang@urbanliveabilityforum.com)  
t: +91-9004785696.