## Azure International



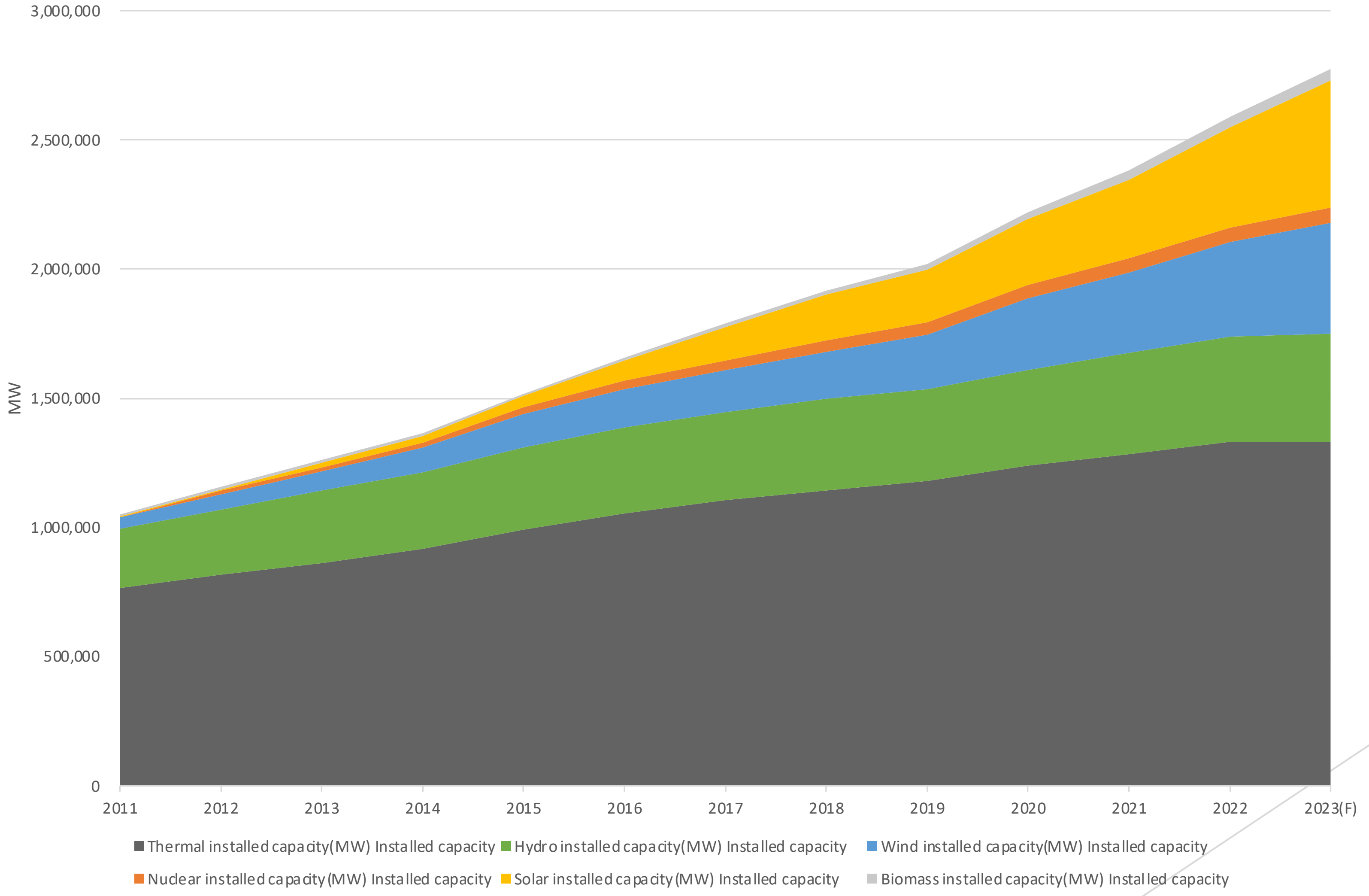
2023

# Renewable energy development in China

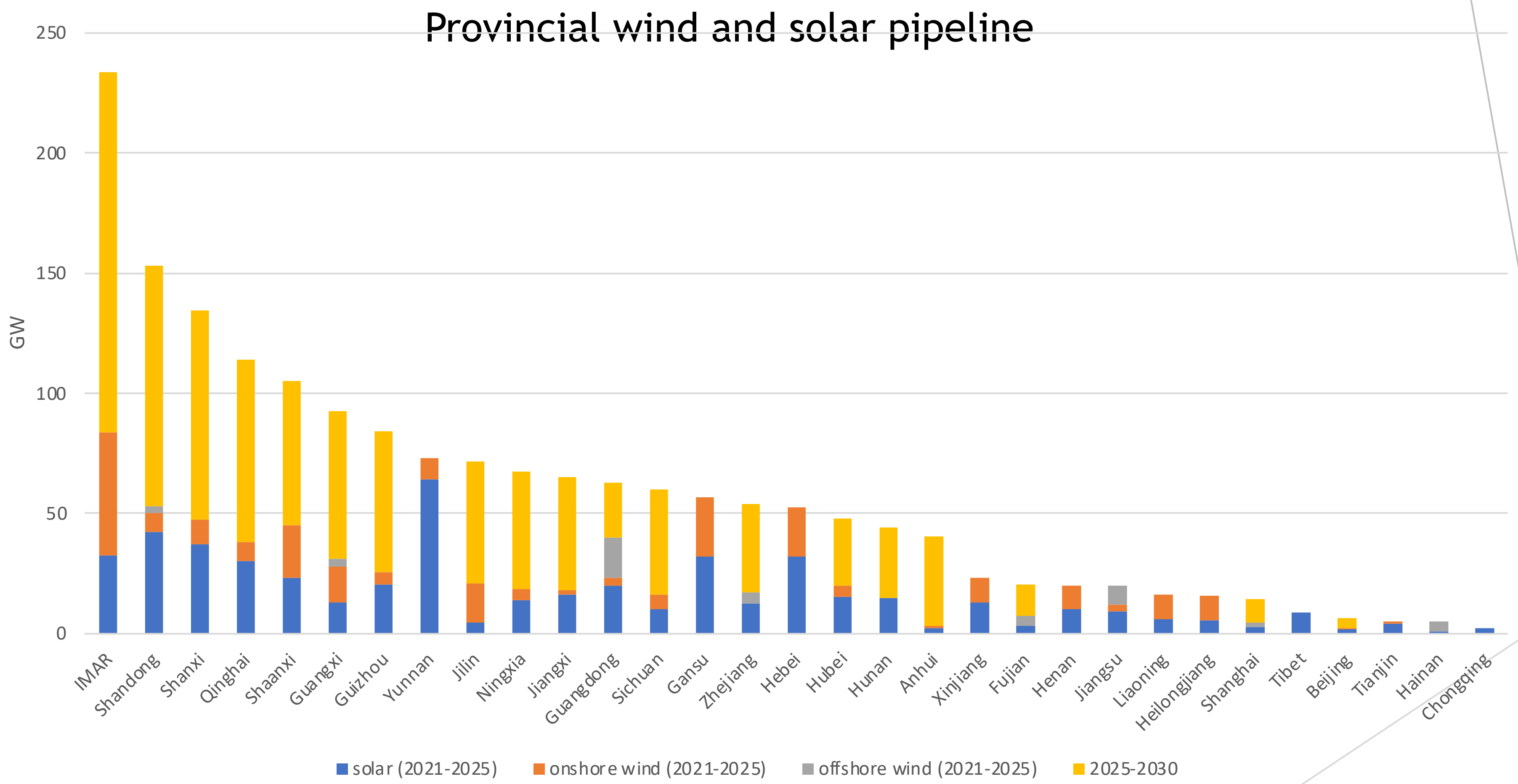
Green Together Seminar, Danish Chamber of Commerce

Presented by Sharon Feng, Director of Research and Advisory Service, Azure International

# In 2023, new addition of wind and solar capacity could be ~ 60GW and ~100GW respectively. Non-fossil power capacity would exceed half of the total.



# Wind and solar project pipeline exceeds 800GW in the 14FYP. At least another 900GW is under provincial planning to be constructed by 2030.




* Some provinces have not released target of new addition by 2030

# Challenges and opportunities to watch out for project development

## Challenges are there:

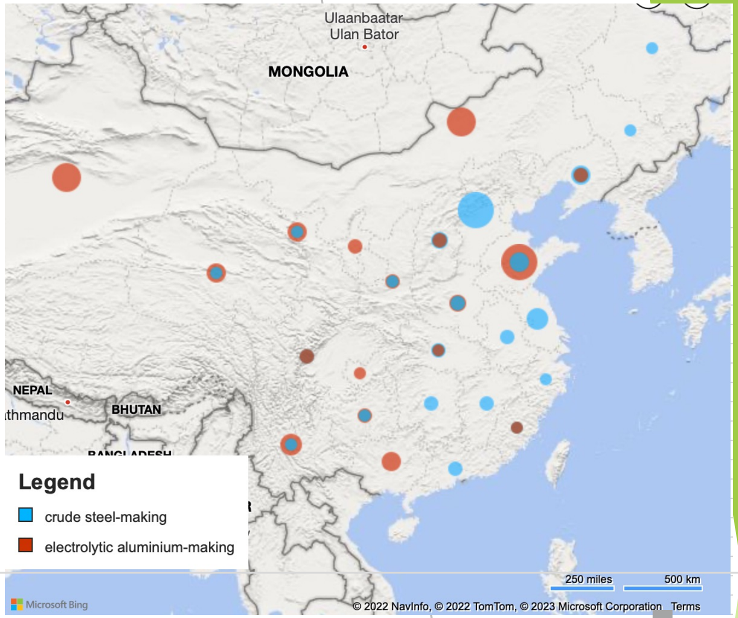
- Power market participation
- Energy storage requirements
- Ancillary service costs
- Local content requirement
- …

## Opportunitites are rising:

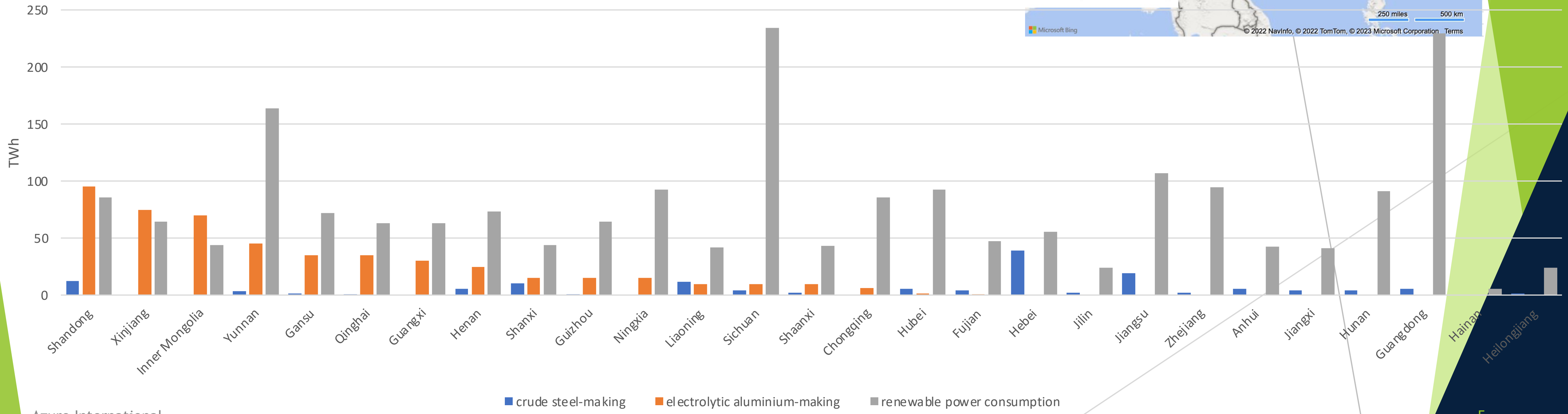
- GEC can be monetarized.
- Market-based price is higher than grid parity on-grid price
- Falling of CAPEX (especially wind power)
- New types of projects: Power – to –X (e.g. IMAR, Liaoning), Microgrid (power-grid-load-energy storage) project (e.g.Hebei), floating solar, etc.
- Site selection :
  - Provinces with limited new energy to reach RPS targets
  - Concentrated regions with new green electricity demand from certain industries

# Example: steel and aluminium concentrated regions

- Compulsory requirements for two-high industries (e.g. aluminum, steel, datacenter etc. )
- A threshold for newly- built two-high industries
- RPS targets of market-based power users
- Other requirements ( power consumption right, green products, etc. )




Power consumption of steel and alunimium industries in 2020



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