

eurac research

The economic impact of failures in the field

David Moser

14 October 2019, Malta

P  A R L P V



The Quest for Quality

Does quality have a real impact on the LCOE?

OPEX
8-10 Euros/kWp/y

LID
2%

PLR
0.5%

Lifetime
25 years

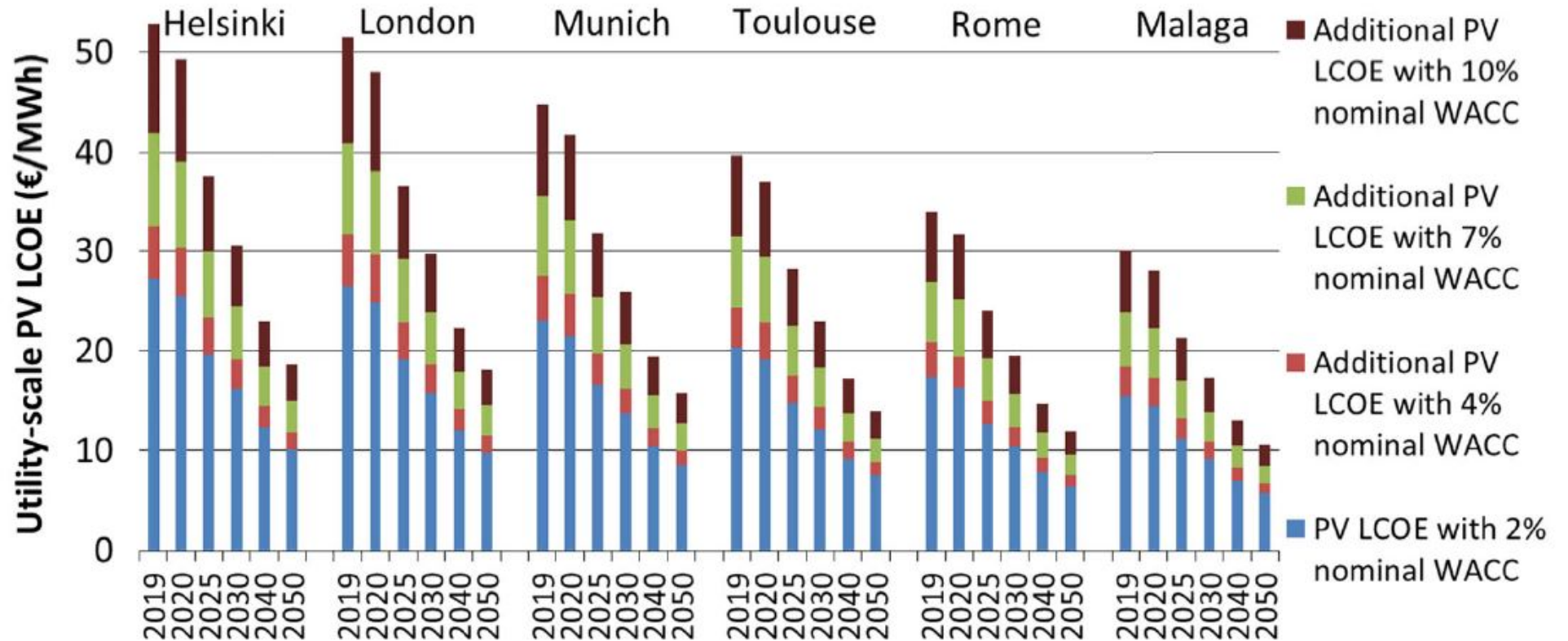
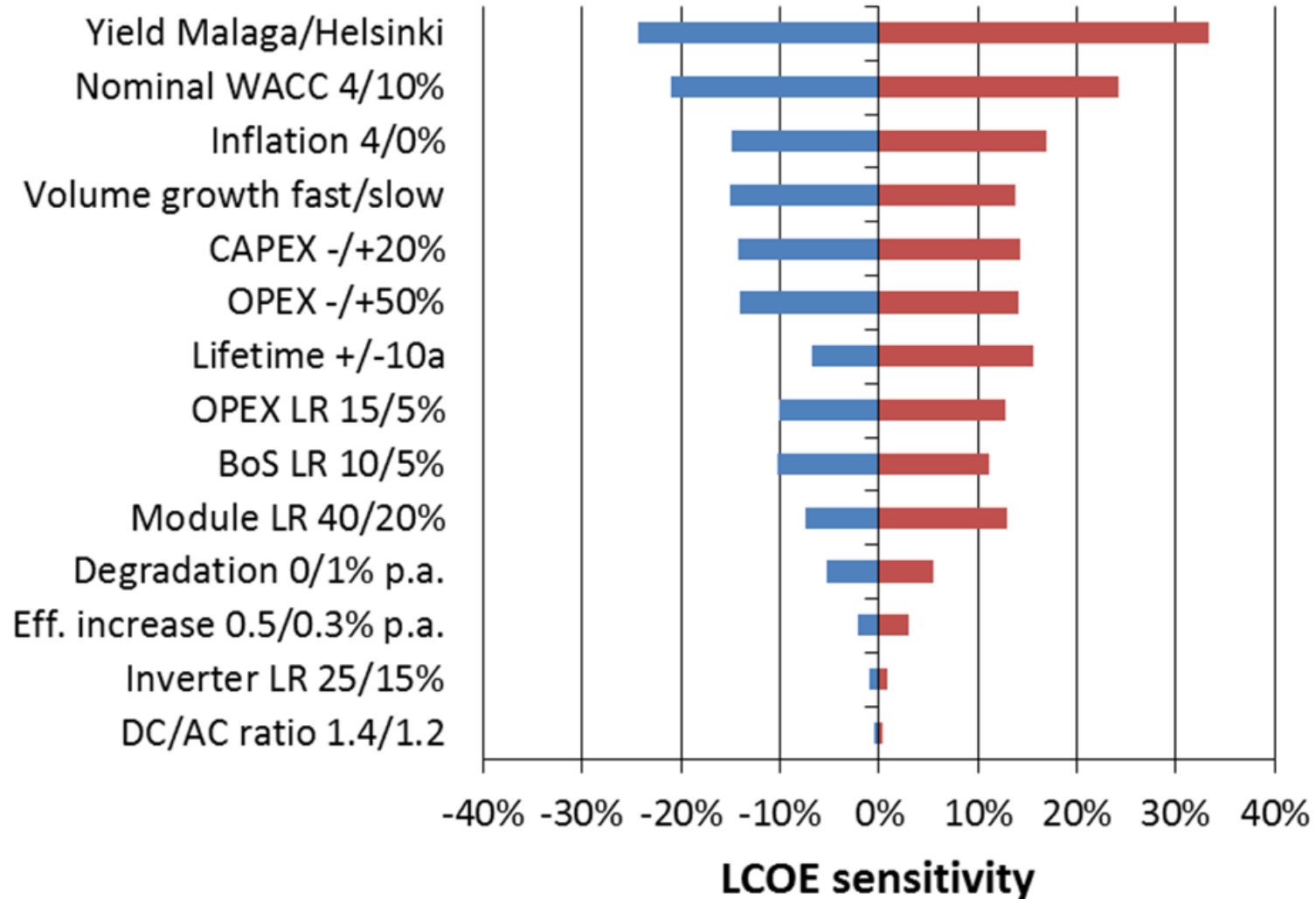


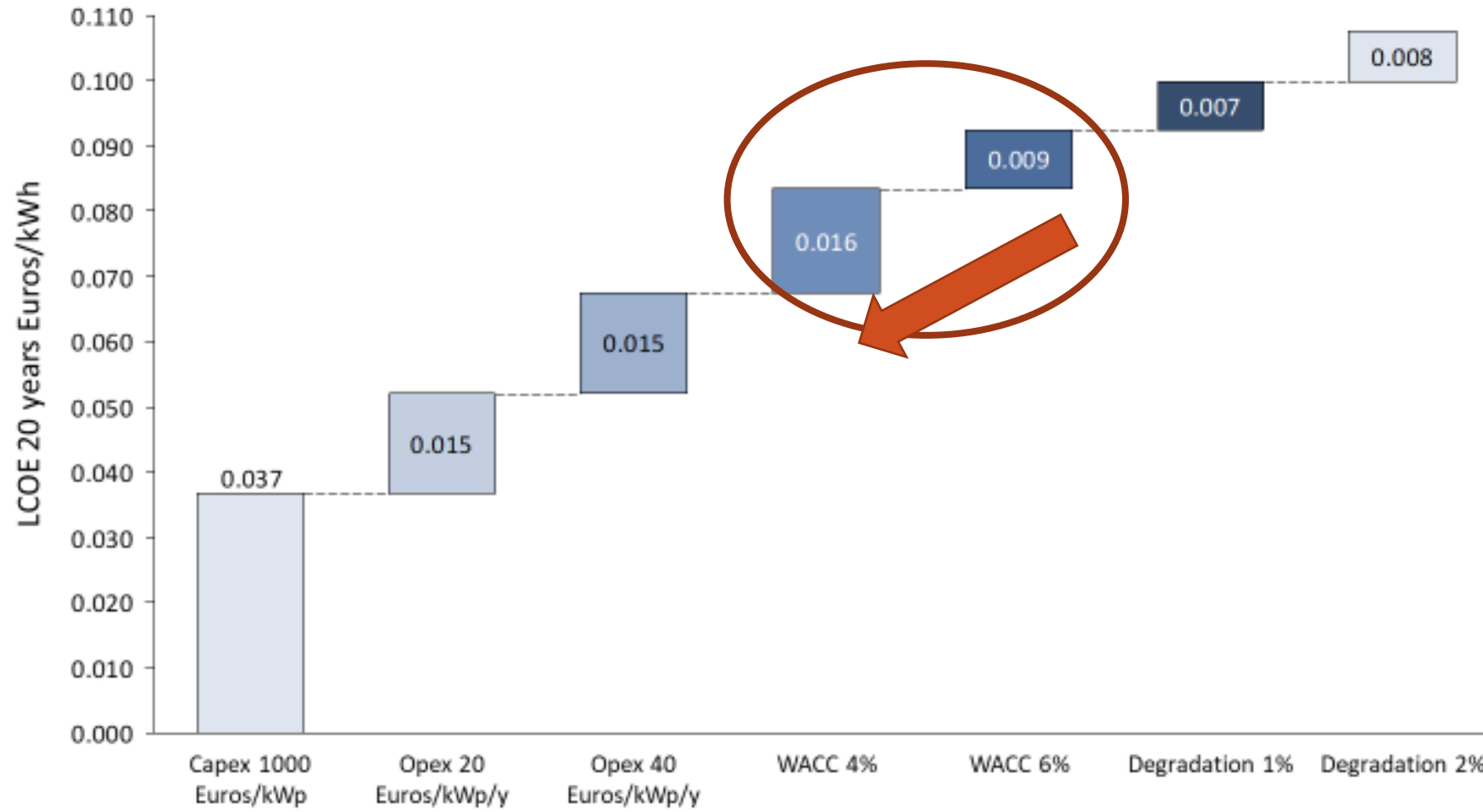
FIGURE 9 Photovoltaics (PV) levelised cost of electricity (LCOE) in six European locations for the years 2019 to 2050; in 2019 euros

Impact of weighted average cost of capital, capital expenditure, and other parameters on future utility-scale PV levelised cost of electricity, Eero Vartiainen, Gaëtan Masson, Christian Breyer, David Moser, Eduardo Román Medina, PIP 2019 <https://doi.org/10.1002/pip.3189>

Does quality have a real impact on the LCOE?



Does quality have a real impact on the LCOE?





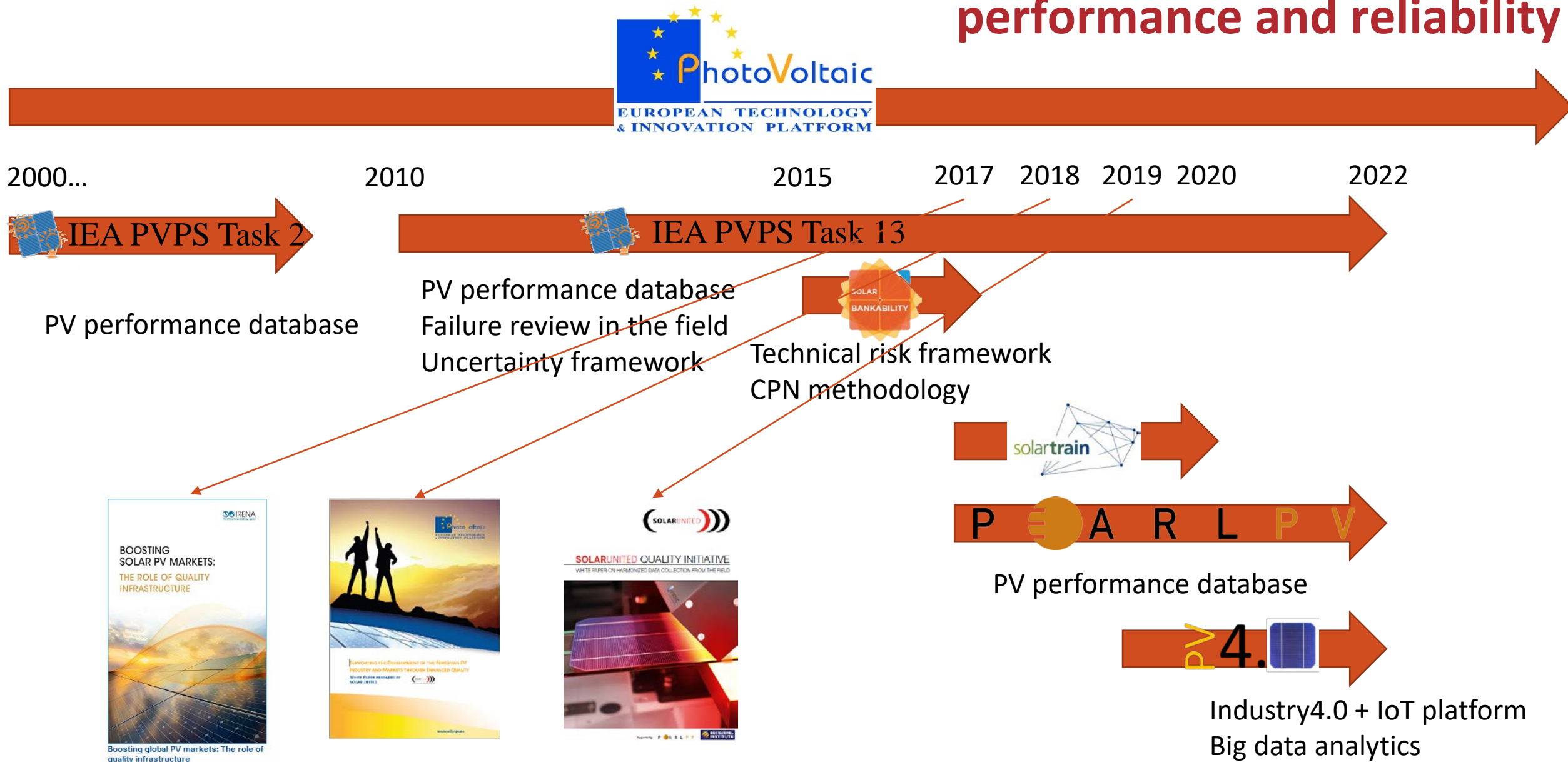
QUALITY AND SUSTAINABILITY OF PV SYSTEMS CONFERENCE

3 May 2018 • BIP, Rue Royale 2-4, Brussels



- quality in PV has a leverage effect with the benefits that can clearly offset the added costs
- bankability is a variable concept depending on stakeholders and context while quality is an absolute value
- feedback loop from downstream to upstream is essential to define what is really needed in terms of quality checks of PV components
- large scale performance data are much needed to be able to better assess and improve the assumptions in business models

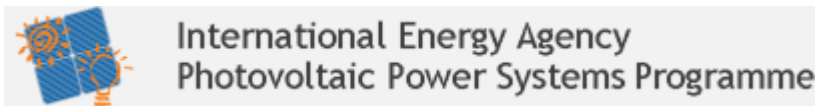
The journey: quality, performance and reliability



Technical risks framework



Tracking defects in the field



TASK13: Review of Failures of Photovoltaic Modules, M. Köntges et al

Failure description

Failure mechanisms and detection

Performance loss

Majority of returns associated with failures that can be detected visually (underestimation of other type of failures?)

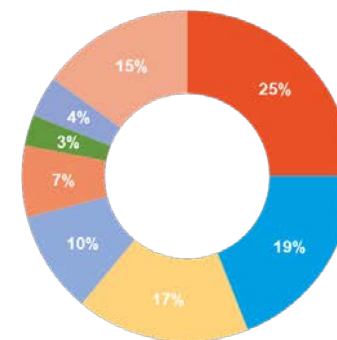
Systematic use of visual inspection

Large dataset of failures

Large datasets available from

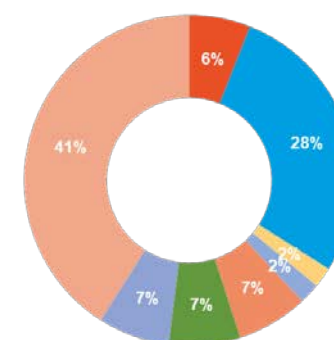
- Field inspections
- O&M ticketing system
- Insurance claims
- Third party review

Claims expenditure
(Cause)**



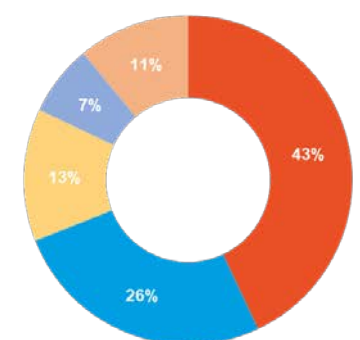
■ Storm
■ Fire
■ Snow Pressure
■ Hail
■ Lightning/surge
■ Theft
■ Animal bite
■ Others

Claims number
(Cause)**



■ Storm
■ Fire
■ Snow pressure
■ Theft
■ Lightning/Surge
■ Theft
■ Animal bite
■ Others

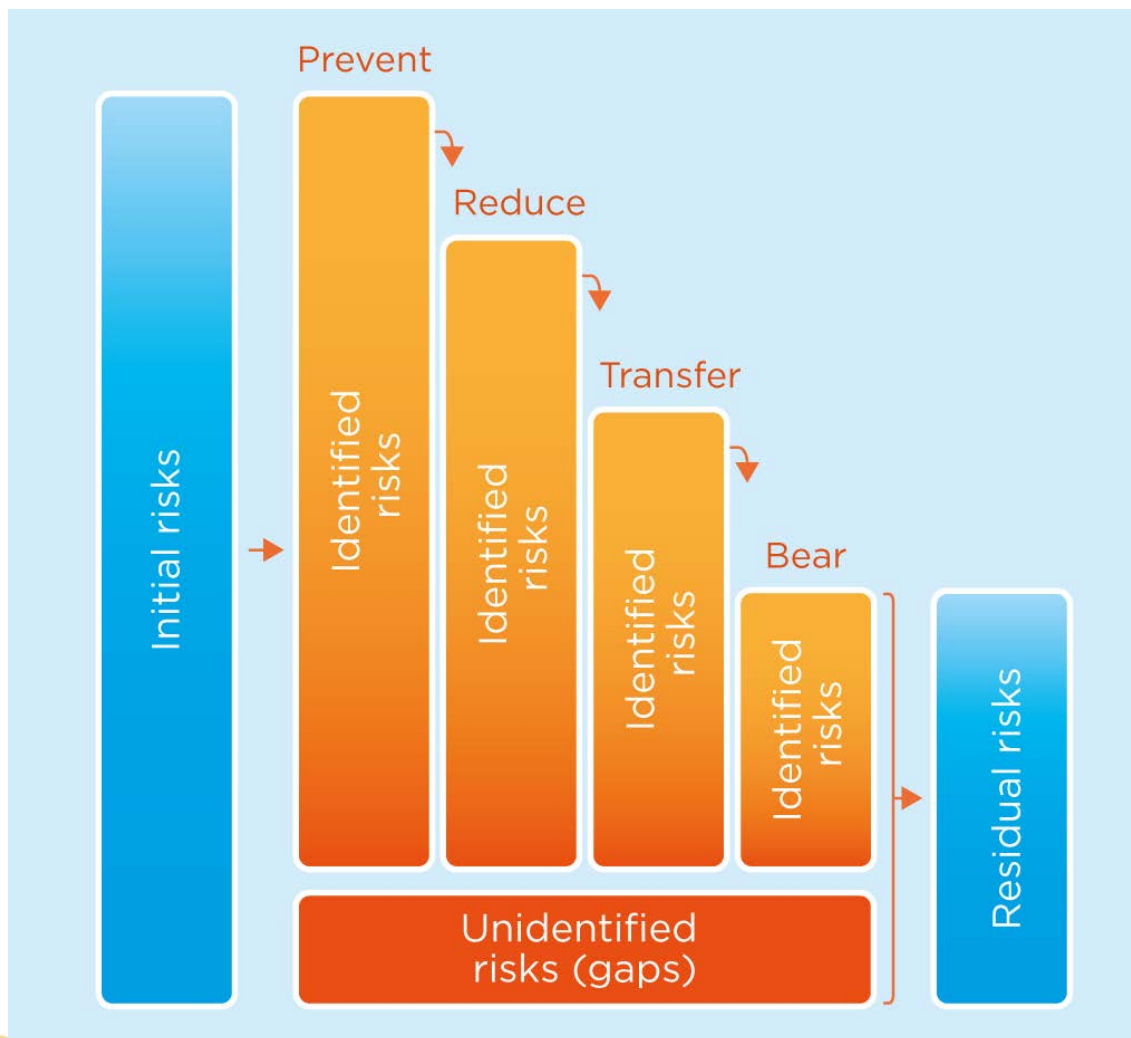
Claims number
(Components)*



■ Inverter
■ Module
■ Cabling
■ Monitoring
■ Others

* Source ACCELIO 2012-2015
** Mannheim 2003-13

Risk assessment



The risks stay with the owner/operator of the system. Risks can be vastly reduced and transferred

Technical risk framework



A	Risk identification
B	Risk assessment
C	Risk management
D	Risk controlling

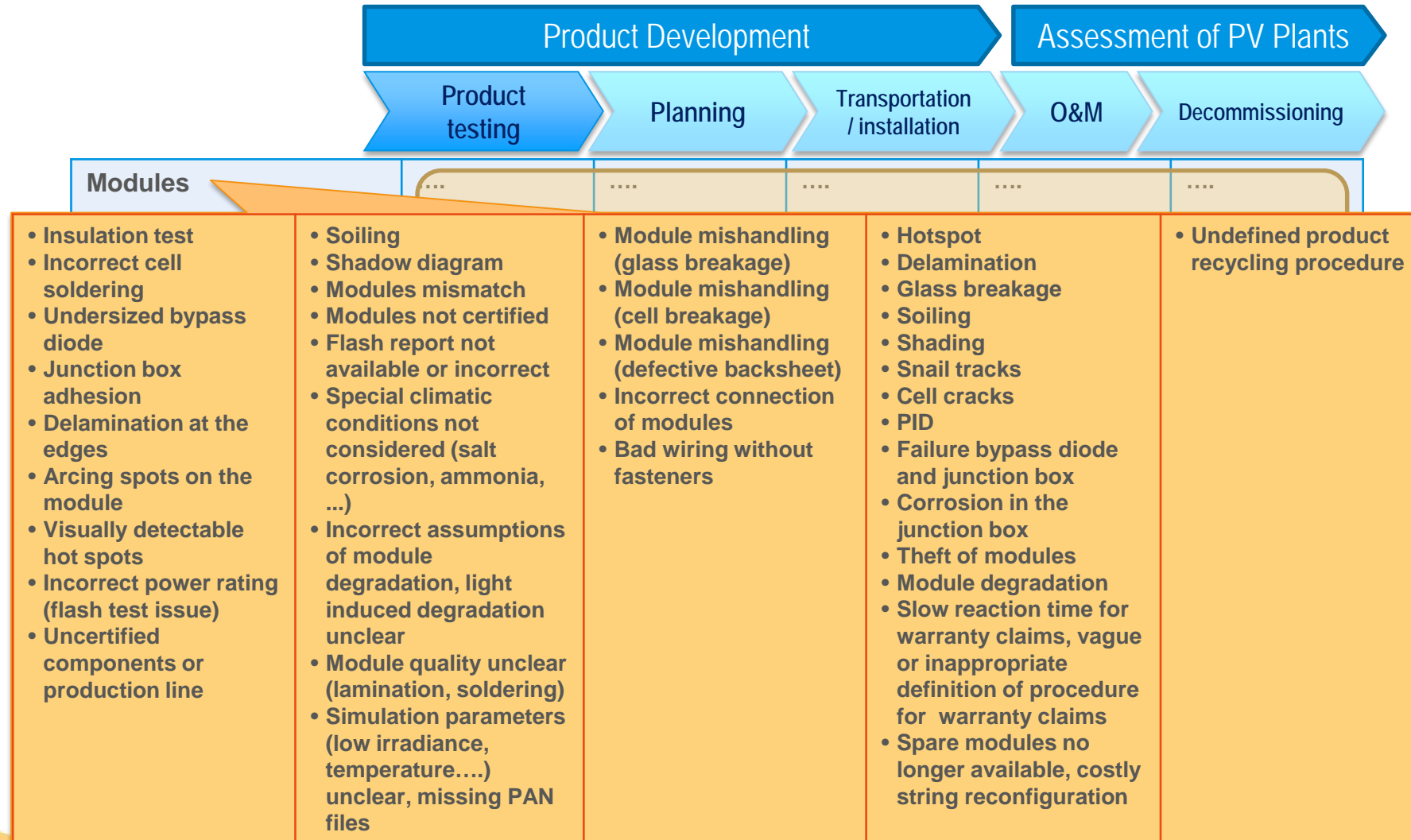


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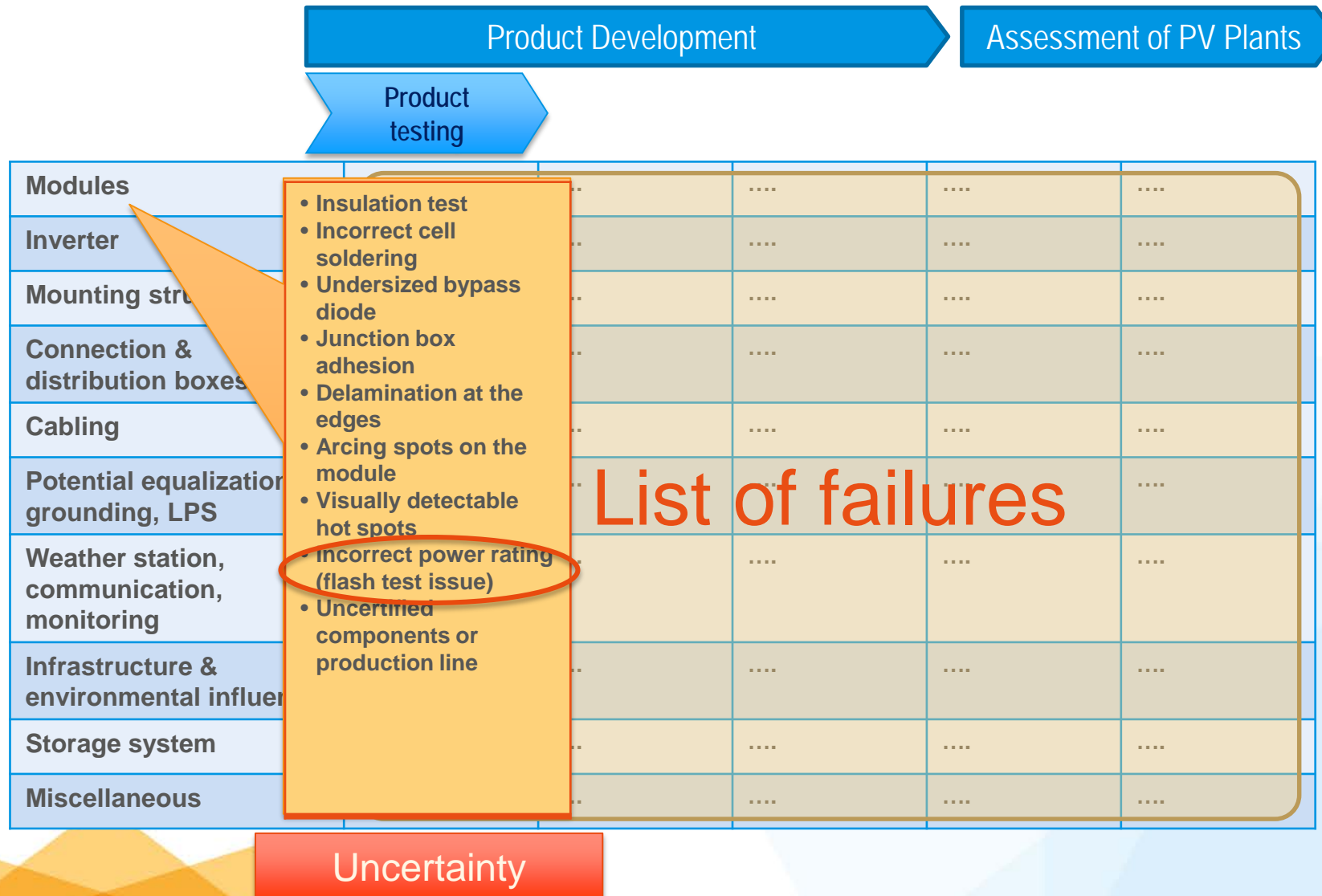


www.solarbankability.eu

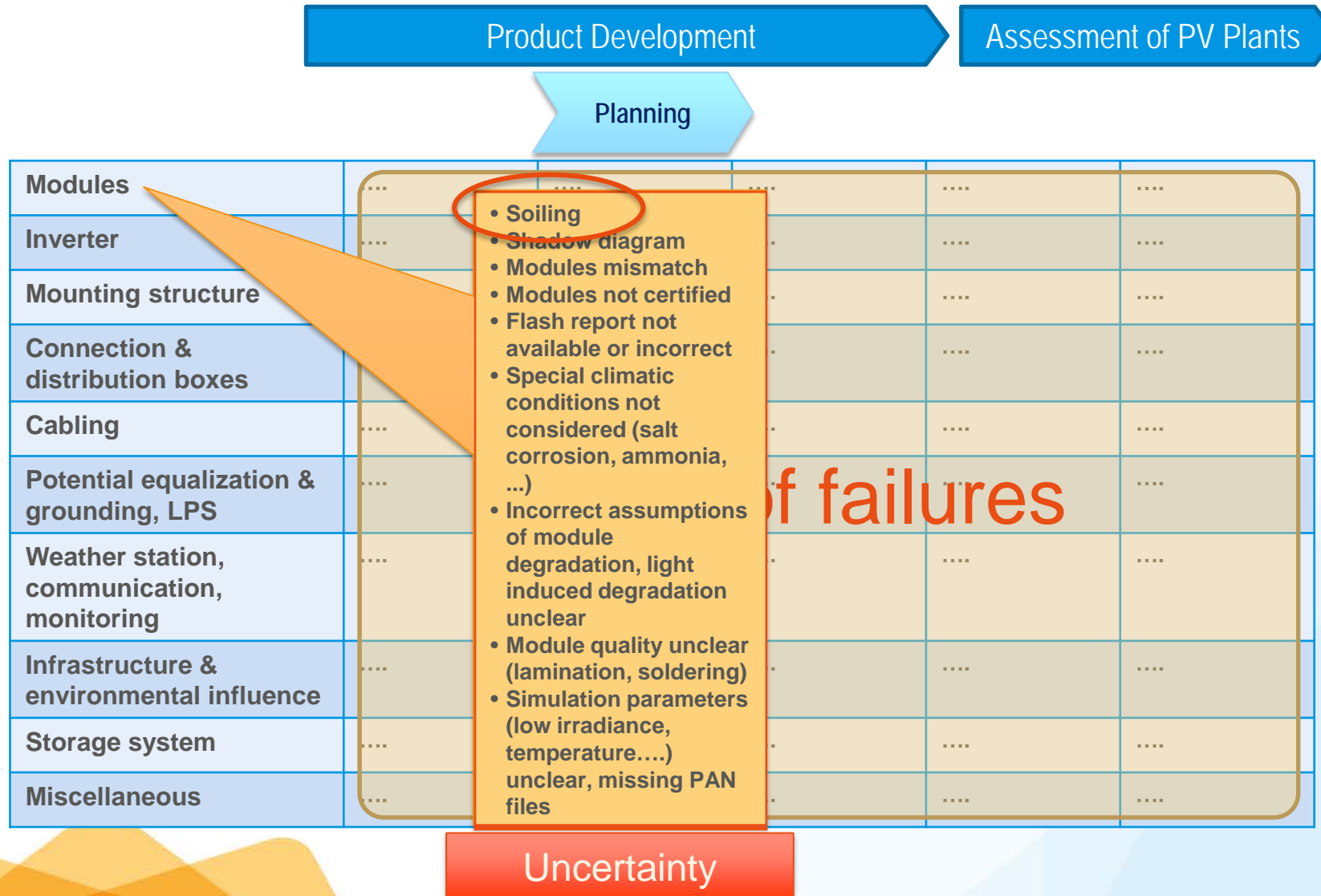
Technical Risks Matrix



Technical Risks Matrix



Technical Risks Matrix



Technical Risks Matrix



Product Development

Assessment of PV Plants

Planning

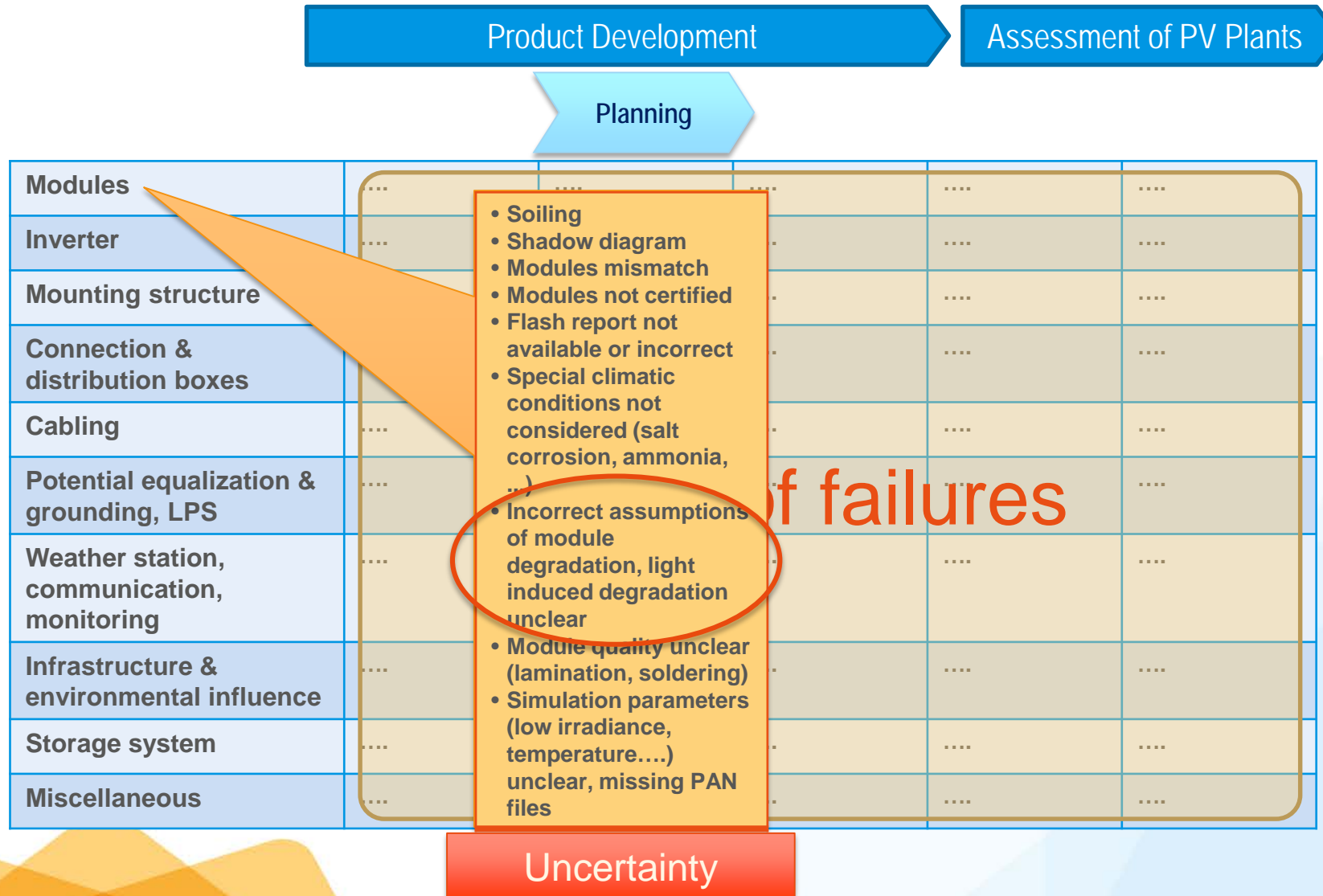
Modules	....	....	....	....	....
Inverter	....	....	....	....	....
Mounting structure	....	....	....	....	....
Connection & distribution boxes	....	....	....	....	....
Cabling	....	....	....	....	....
Potential equalization & grounding, LPS	....	....	....	....	....
Weather station, communication, monitoring	....	....	....	....	....
Infrastructure & environmental influence	....	....	....	....	....
Storage system	....	....	....	....	....
Miscellaneous	....	....	....	....	....

- Soiling
- Shadow diagram
- Modules mismatch
- Modules not certified
- Flash report not available or incorrect
- Special climatic conditions not considered (salt corrosion, ammonia, ...)
- Incorrect assumptions of module degradation, light induced degradation unclear
- Module quality unclear (lamination, soldering)
- Simulation parameters (low irradiance, temperature....) unclear, missing PAN files

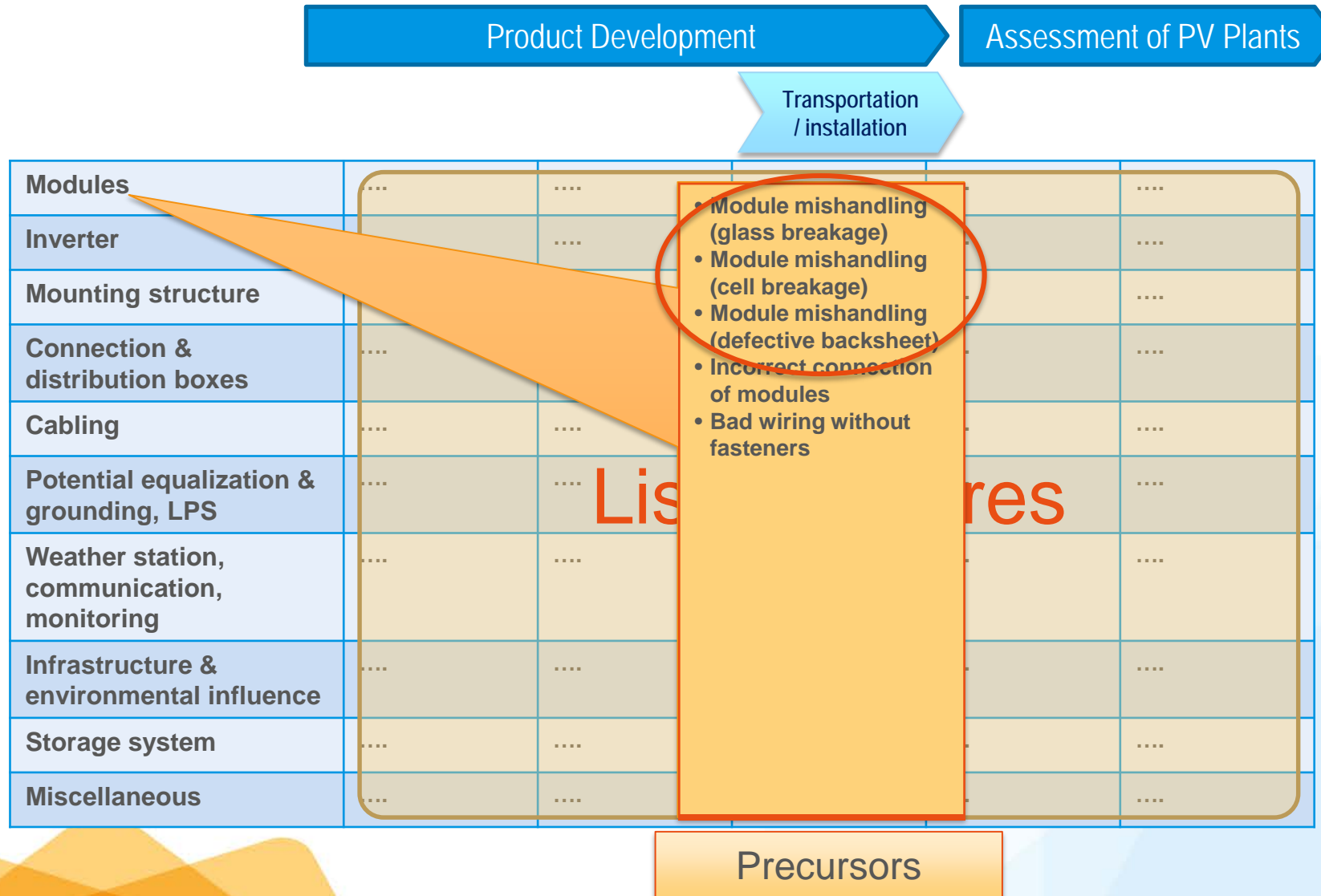
of failures

Uncertainty

Technical Risks Matrix



Technical Risks Matrix



Technical Risks Matrix



Product Development

Assessment of PV Plants

O&M

Modules	....	....	....
Inverter	....	....	....
Mounting structure	....		
Connection & distribution boxes	....	....
Cabling	....	....	....
Potential equalization & grounding, LPS	....	....
Weather station, communication, monitoring	....	....	....
Infrastructure & environmental influence	....	....	....
Storage system	....	....	....
Miscellaneous	....	....	....

List of fa

- Hotspot
- Delamination
- Glass breakage
- Soiling
- Shading
- Snail tracks
- Cell cracks
- PID
- Failure bypass diode and junction box
- Corrosion in the junction box
- Theft of modules
- Module degradation
- Slow reaction time for warranty claims, vague or inappropriate definition of procedure for warranty claims
- Spare modules no longer available, costly string reconfiguration

Quantifiable impact

Technical Risks Matrix



Product Development

Assessment of PV Plants

O&M

Modules	....	....	....
Inverter	....	....	....
Mounting structure	....		
Connection & distribution boxes	....	....
Cabling	....	....	....
Potential equalization & grounding, LPS	....	....
Weather station, communication, monitoring	....	....	....
Infrastructure & environmental influence	
Storage system	
Miscellaneous	

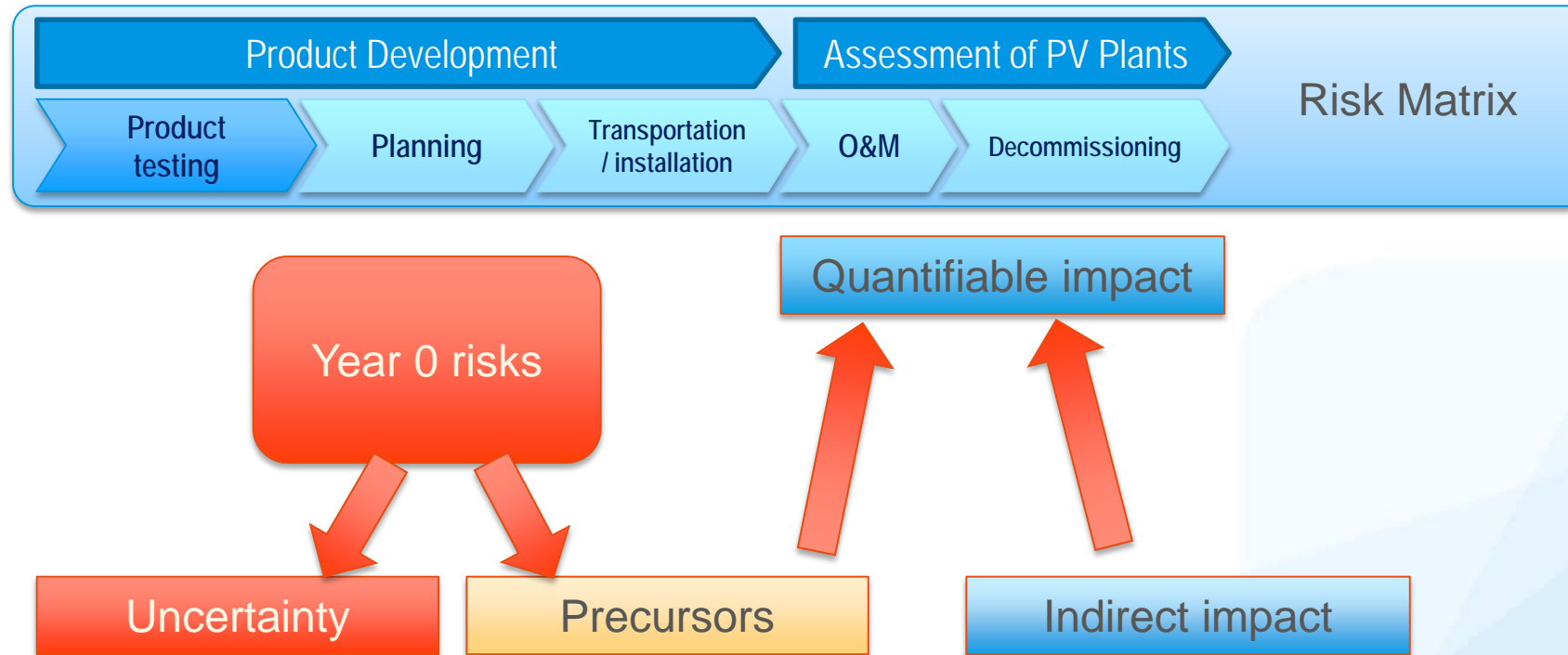
List of fa

- Hotspot
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Indirect impact

Classification of technical risks

- Category of risk
- Common nomenclature
- Standardised quantification



Impact

- on uncertainty (exceedance Probability)
- on CAPEX
- on CPN (O&M)

Technical risk framework



A	Risk identification
B	Risk assessment
C	Risk management
D	Risk controlling



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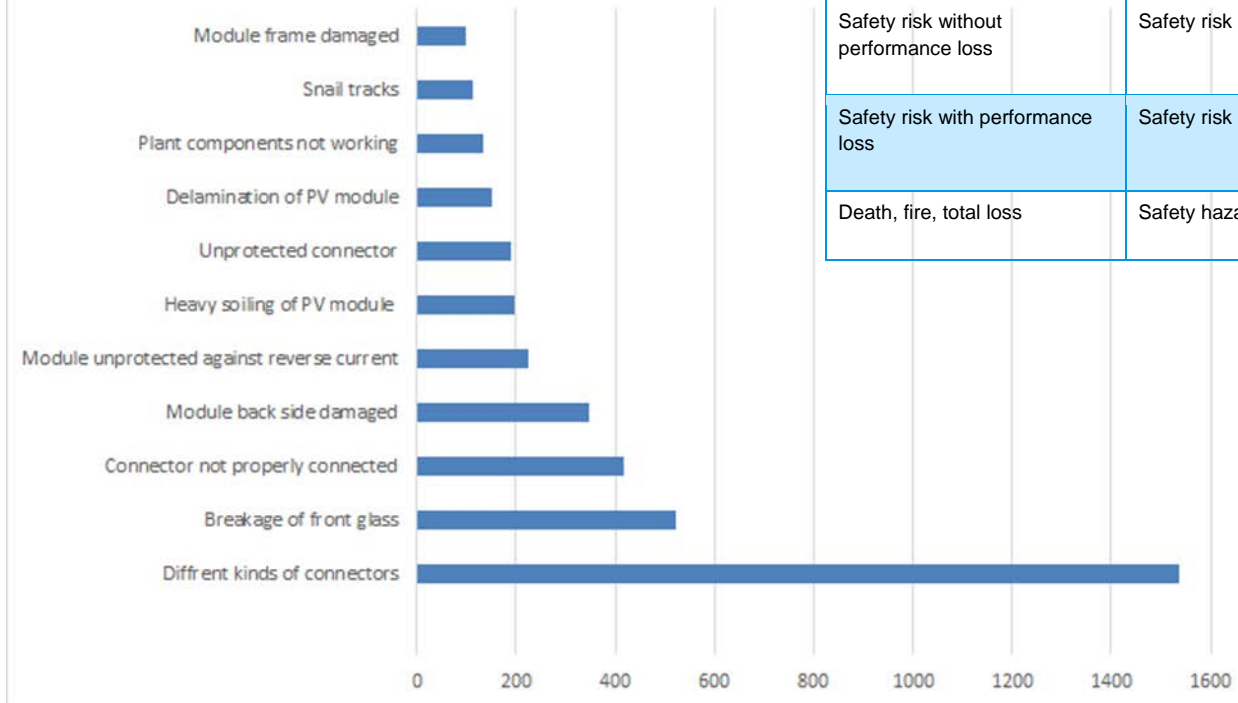
www.solarbankability.eu

FMEA approach

$$RPN = S \times O \times D$$



FMEA Rating of PV Module Failures



Severity	Criteria	Ranking
None	No effect, Performance loss < 0.5%	1
Low	Performance loss < 1 %	2
	Performance loss < 3 %	3
Moderate	Performance loss < 5 %	4
	Performance loss < 10 %	5
High	Performance loss < 25 %	6
	Performance loss > 25%	7
Safety risk without performance loss	Safety risk without performance loss	8
Safety risk with performance loss	Safety risk with performance loss	9
Death, fire, total loss	Safety hazard	10

In Solar Bankability
we have created a cost
based FMEA
methodology

Quantification of the economic impact of technical risks

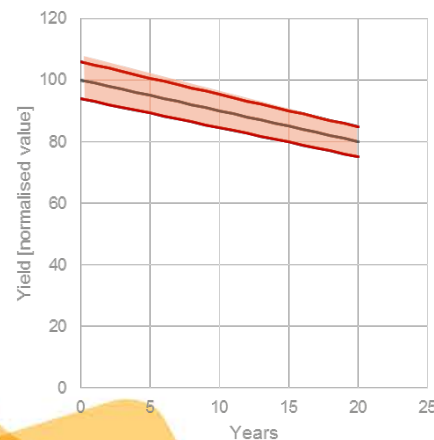


Planning

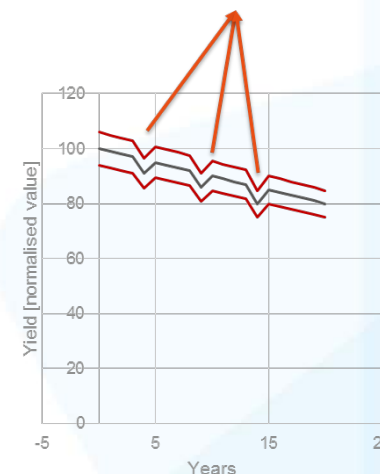
- Risks to which we can assign an uncertainty (e.g. irradiance)
→ Impact on financial exceedance probability parameters

O&M

- Risks to which we can assign a Cost Priority Number CPN (e.g. module and inverter failure) given in Euros/kWp/year
→ Impact on cash flow



Development of Risk scenarios

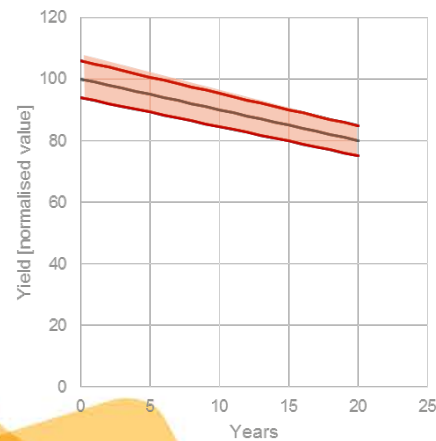


Quantification of the economic impact of technical risks

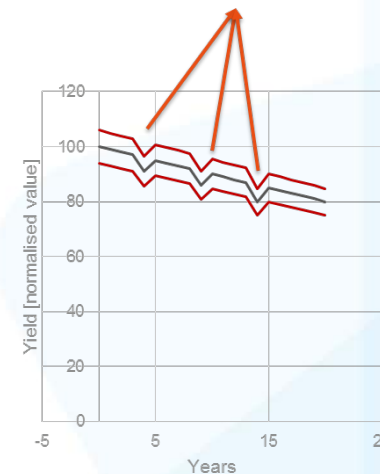


Planning

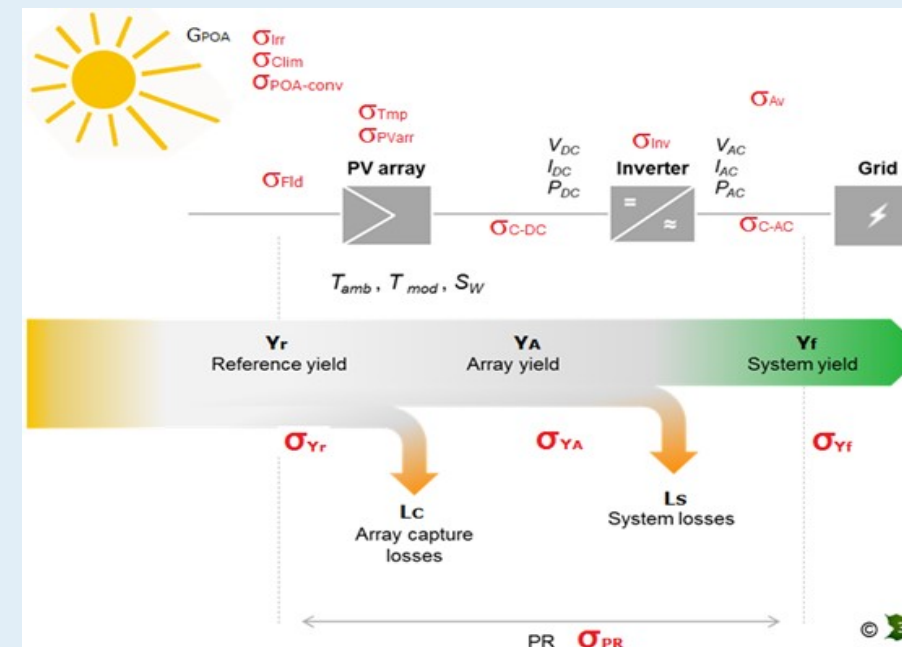
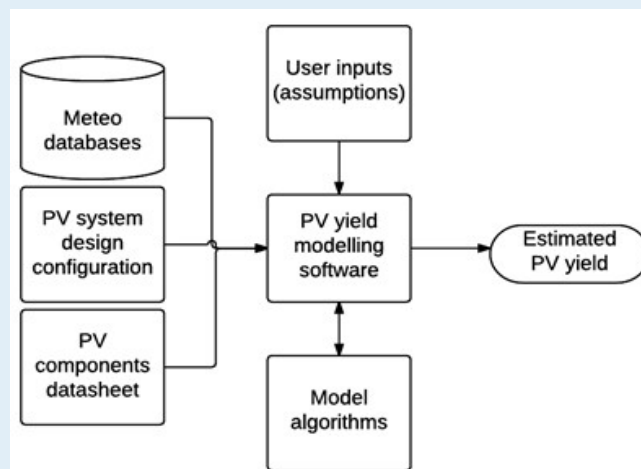
- Risks to which we can assign an uncertainty (e.g. irradiance)
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Development of Risk scenarios

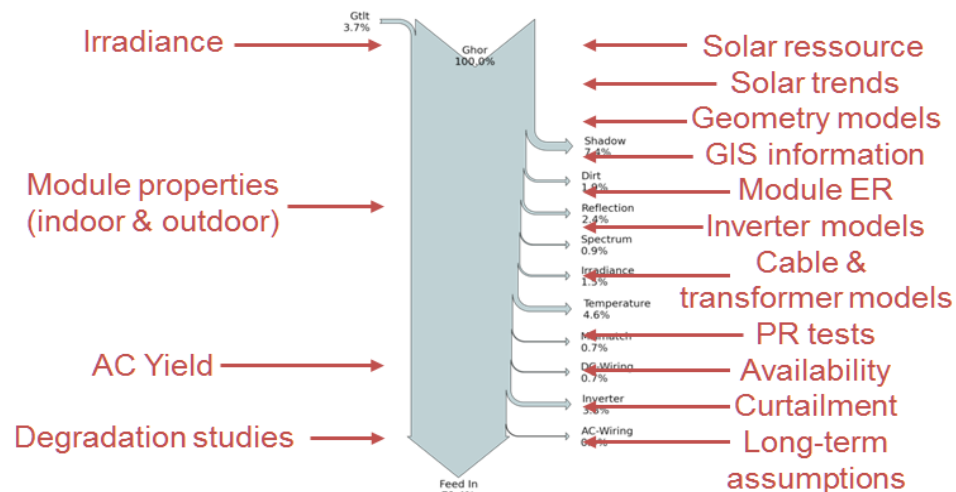


Calculation of uncertainty



Measurements & Uncertainties

Modelling & Uncertainties



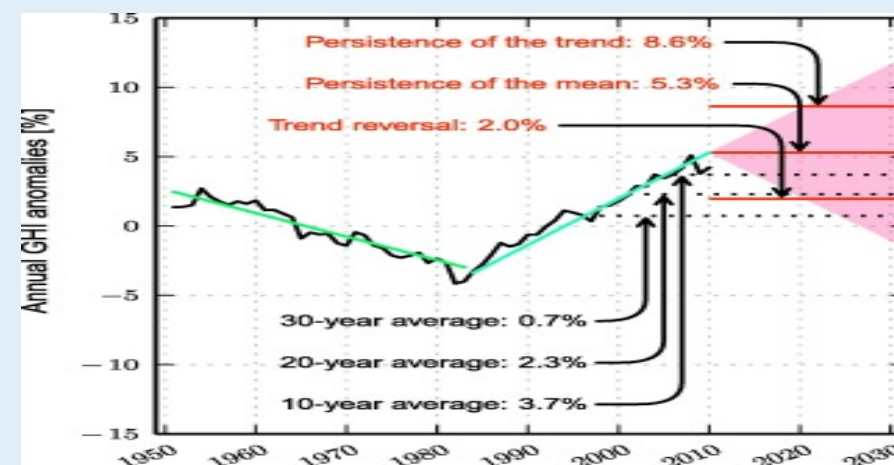
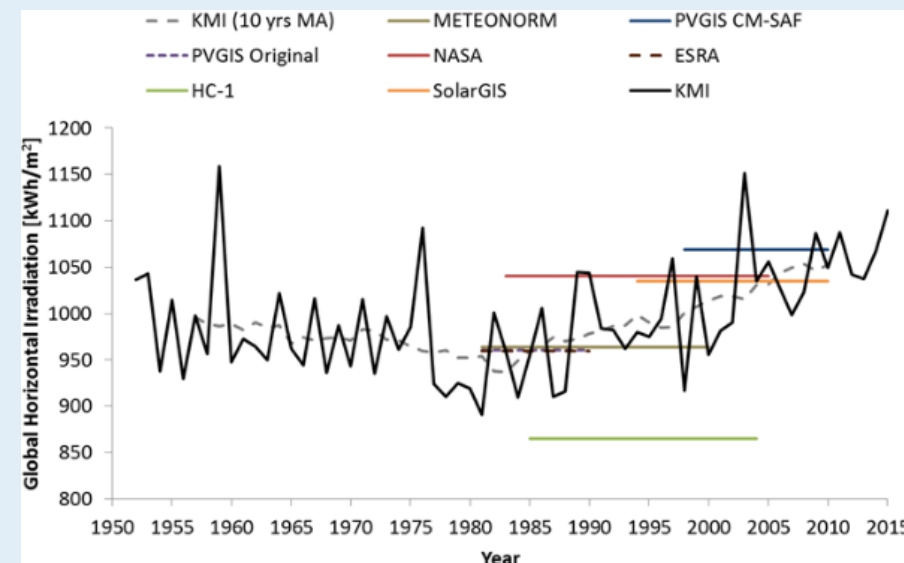
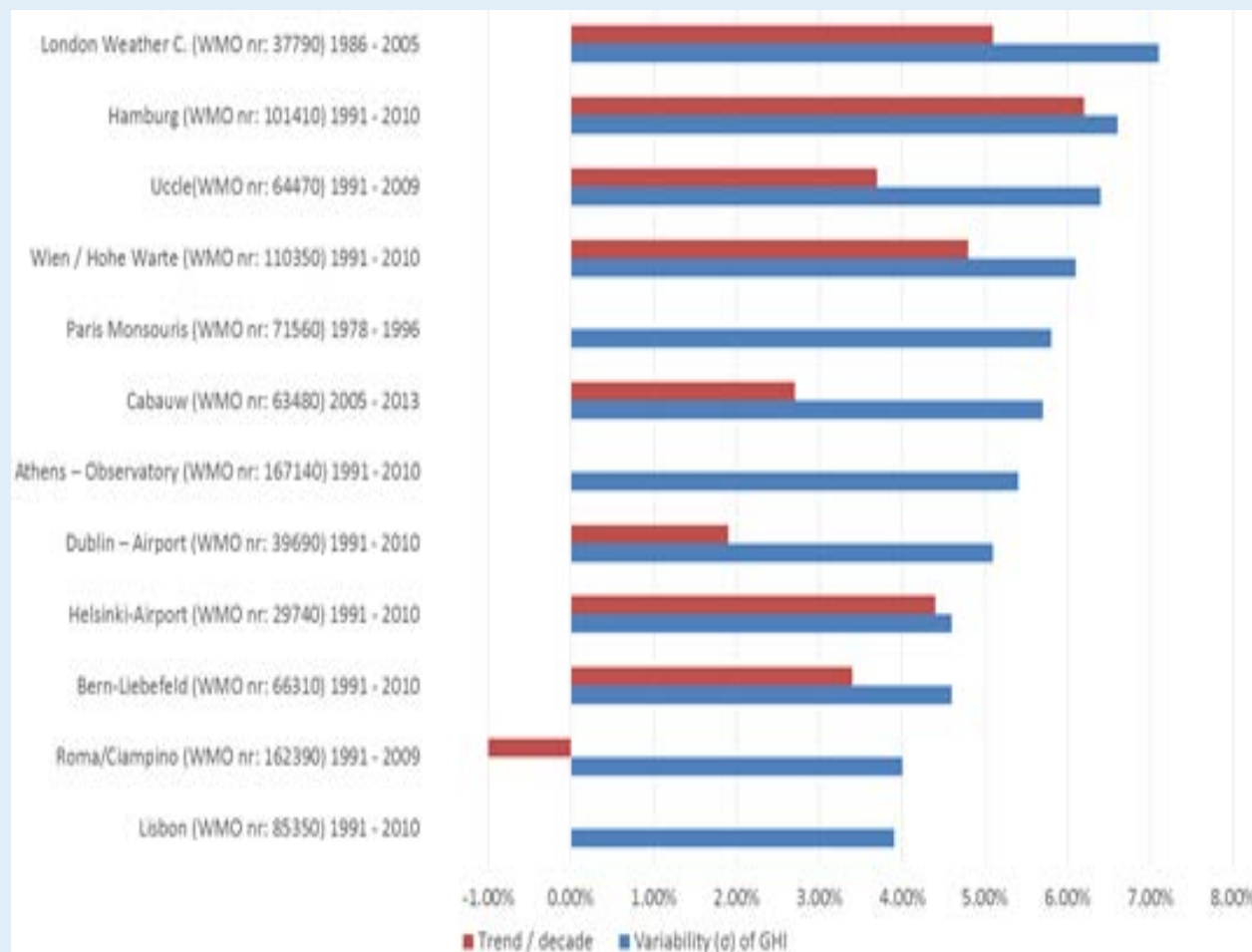
Uncertainties in PV System Yield Predictions and Assessments

Christian Reise, Alexandra Schmid, Björn Müller, Daniela Dirnberger, Nils Reich, Giorgio Belluardo, David Moser, Philip Ingenhoven, Mauricio Richter, Joshua S. Stein, Clifford W. Hansen, Anton Driesse, Lyndon Frearson, Bert Herteleer

IEA PVPS Task 13, Subtasks 2.3 & 3.1 Report IEA-PVPS T13-12:2018 April 2018



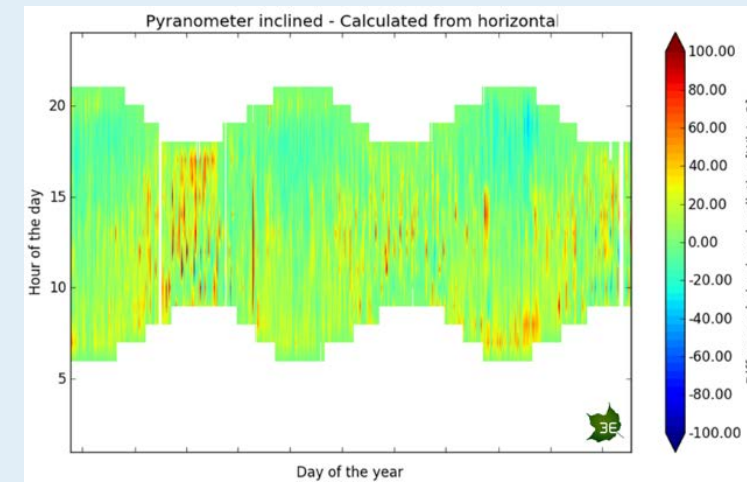
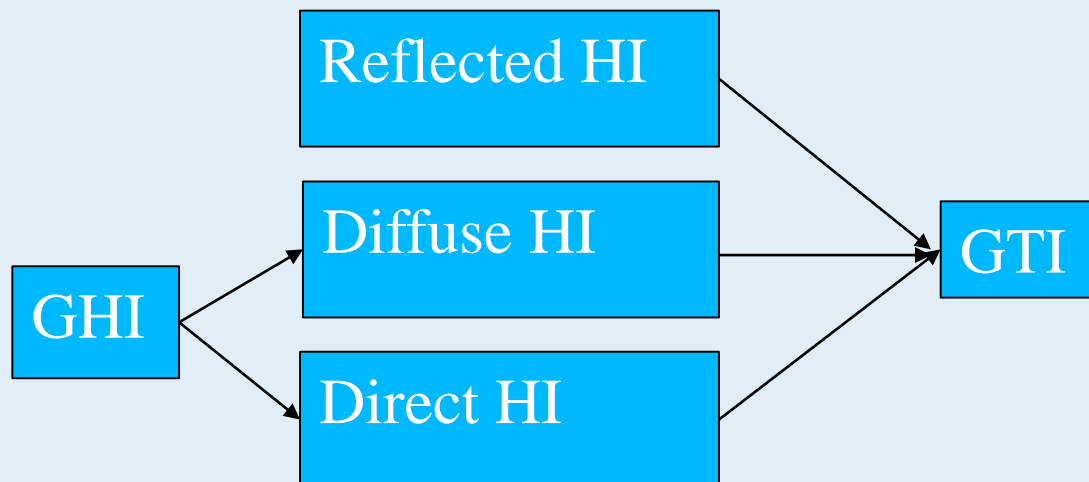
Irradiance measurements and solar resource assessment: irradiance variability and trends





Irradiance measurements and solar resource assessment: G_POA, decomposition and transposition models

		Hay	Isotropic	Muneer	Perez
nrmse	Erbs	28.8%	28.8%	28.9%	18.7%
	Ruiz_G0	5.1%	5.8%	5.3%	6.3%
	Ruiz_G2	5.4%	5.4%	5.6%	6.4%
	Skartveit	4.8%	6.6%	4.8%	5.2%
nmbe	Erbs	-14.7%	-14.8%	-14.7%	-9.7%
	Ruiz_G0	1.1%	-1.3%	1.5%	2.7%
	Ruiz_G2	1.3%	-1.0%	1.7%	2.8%
	Skartveit	0.0%	-2.5%	0.4%	1.4%
nmae	Erbs	17.3%	17.3%	17.3%	11.3%
	Ruiz_G0	3.4%	3.8%	3.5%	4.3%
	Ruiz_G2	3.5%	3.6%	3.6%	4.3%
	Skartveit	3.0%	4.2%	3.1%	3.5%

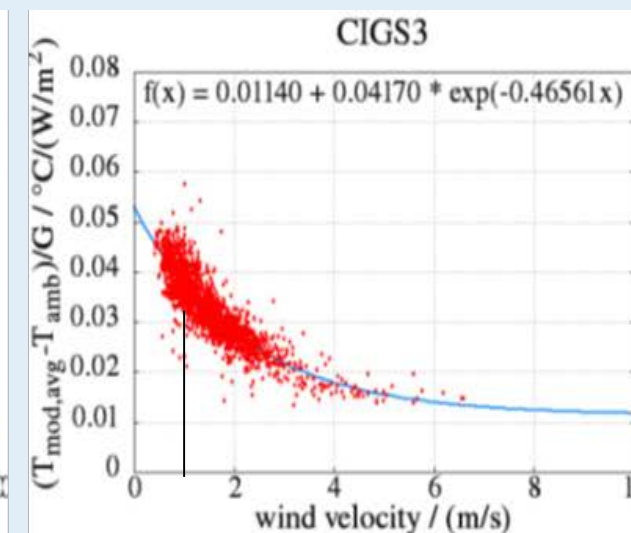
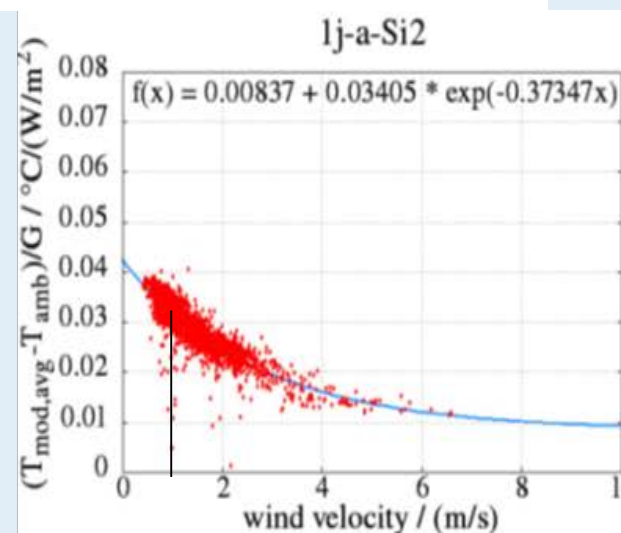
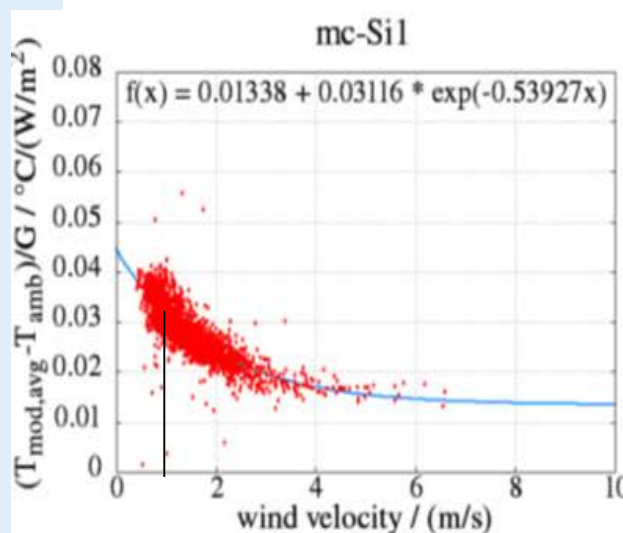
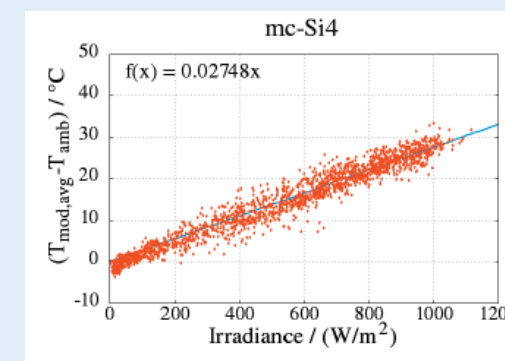


Credits: 3e



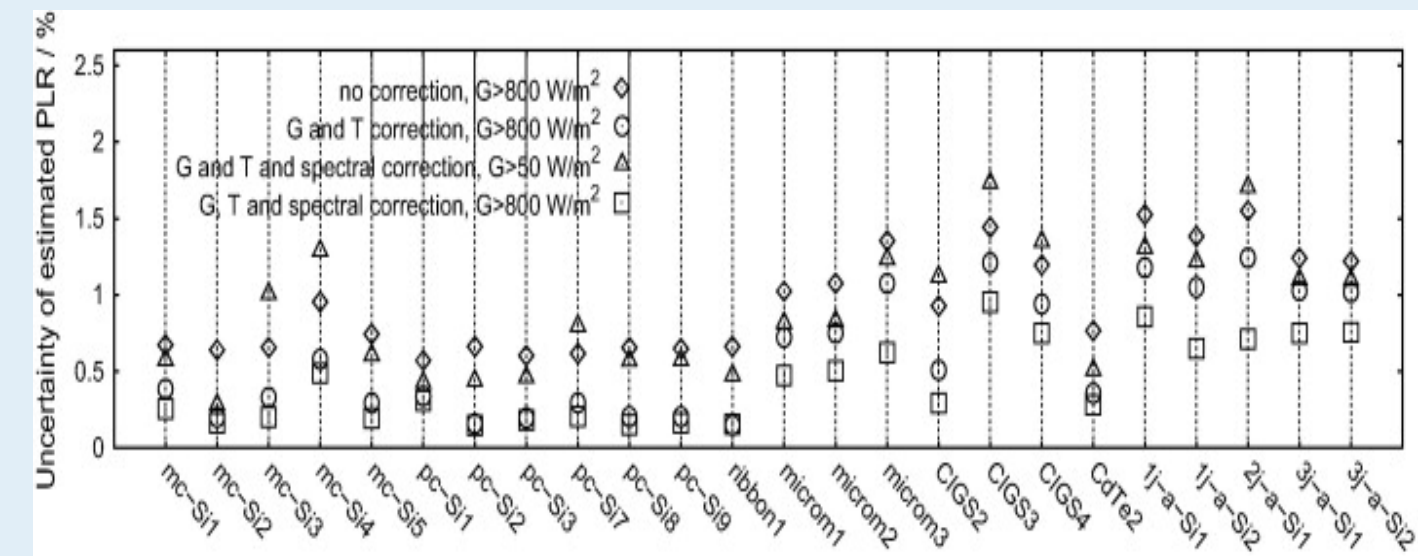
Temperature: environmental conditions and module temperature calculation

nr.	name	technology	Stratigraphy	Frame	$k_{T_{mod,c}}$ (K m ² /W)	RMSE _{k_T} _{mod,c}
1	CIGS3	CIGS	glass-glass (G-G)	WF	0.037	2.3
2	mc-Si4	m-Si-back contact	glass-tedlar (G-T)	WF	0.029	2.0
3	mc-Si3	m-Si	glass-tedlar (G-T)	WF	0.032	2.2
4	mc-Si1	m-Si	glass-glass (G-G)	NF	0.033	2.0
5	mc-Si2	m-Si	glass-glass-black sheet (G-G _{bs})	NF	0.035	2.4
6	lj-a-Si2	a-Si	glass-tedlar (G-T)	WF	0.031	1.7

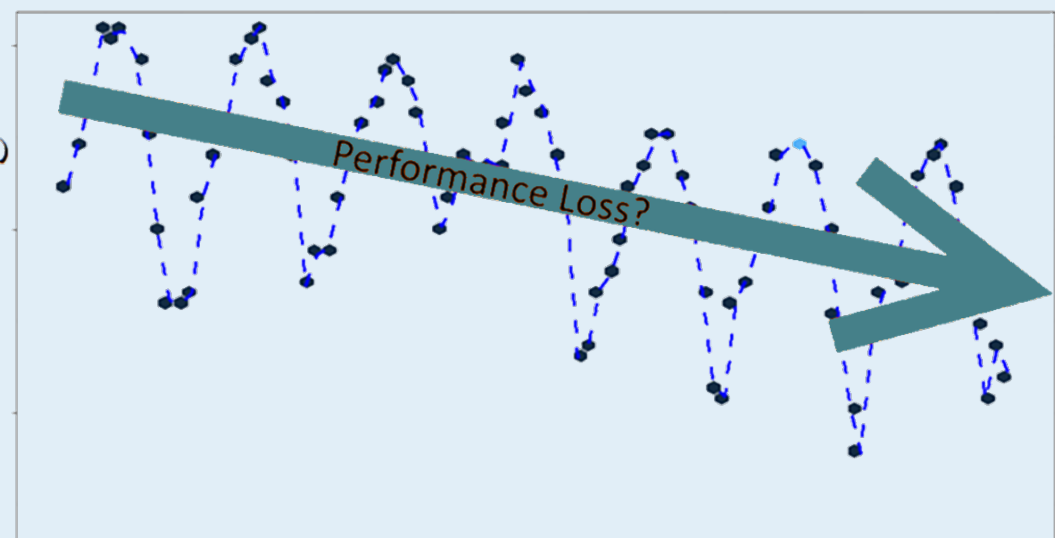


Maturi L., BiPV System Performance and Efficiency Drops: Overview on PV Module Temperature Conditions of Different Module Types, Energy Procedia 48 2014 1311-1319

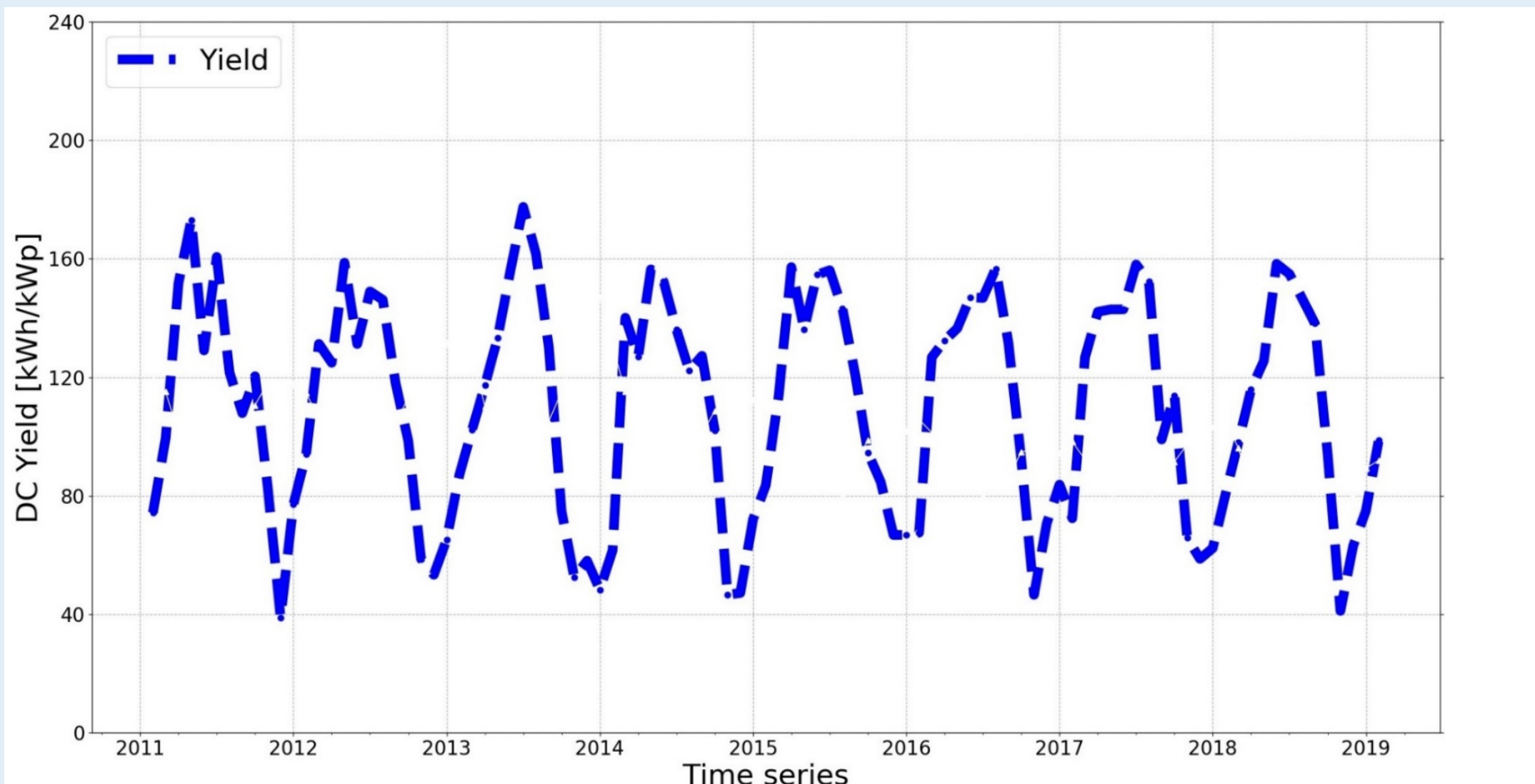
Performance Loss Rate



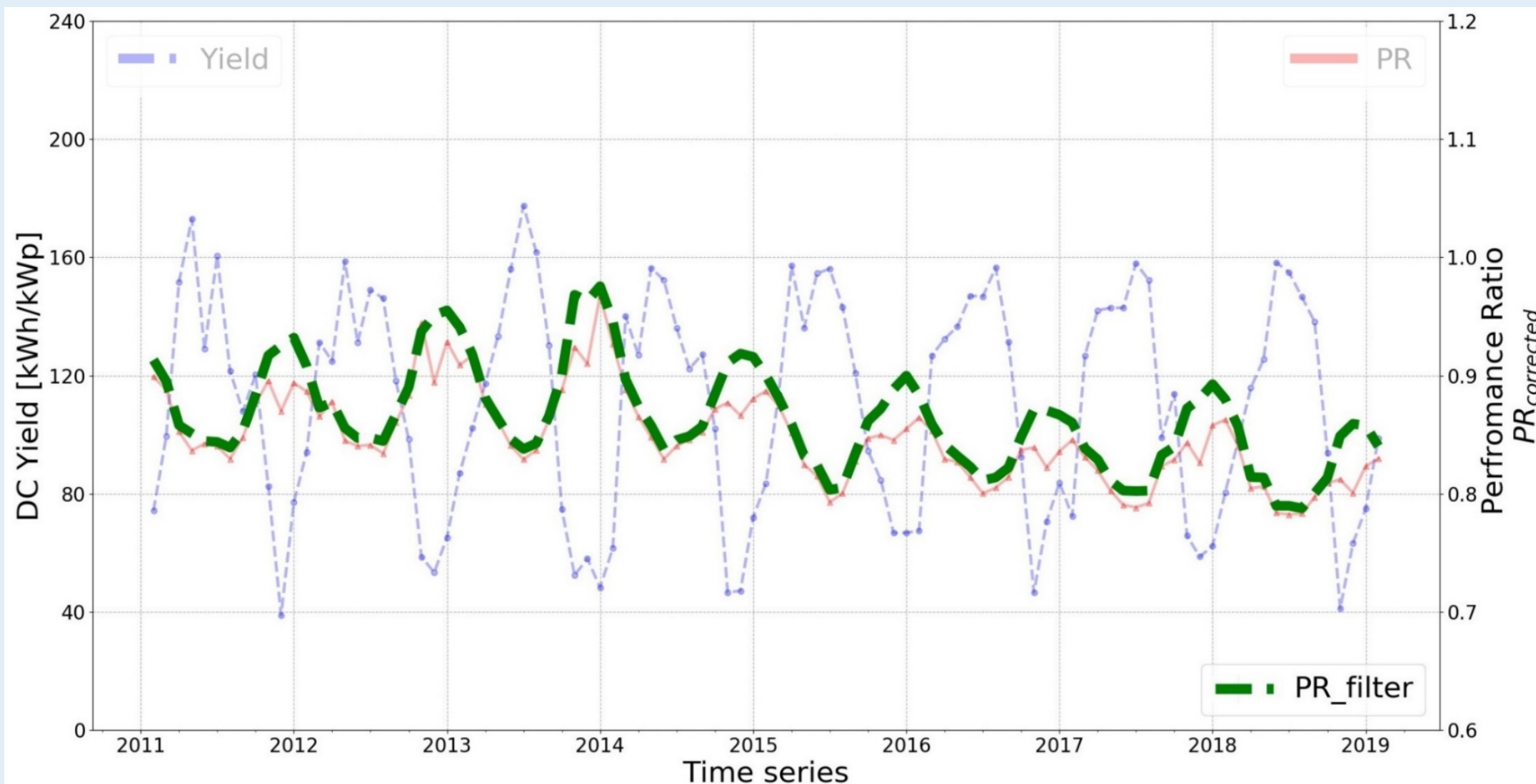
Performance Rating value



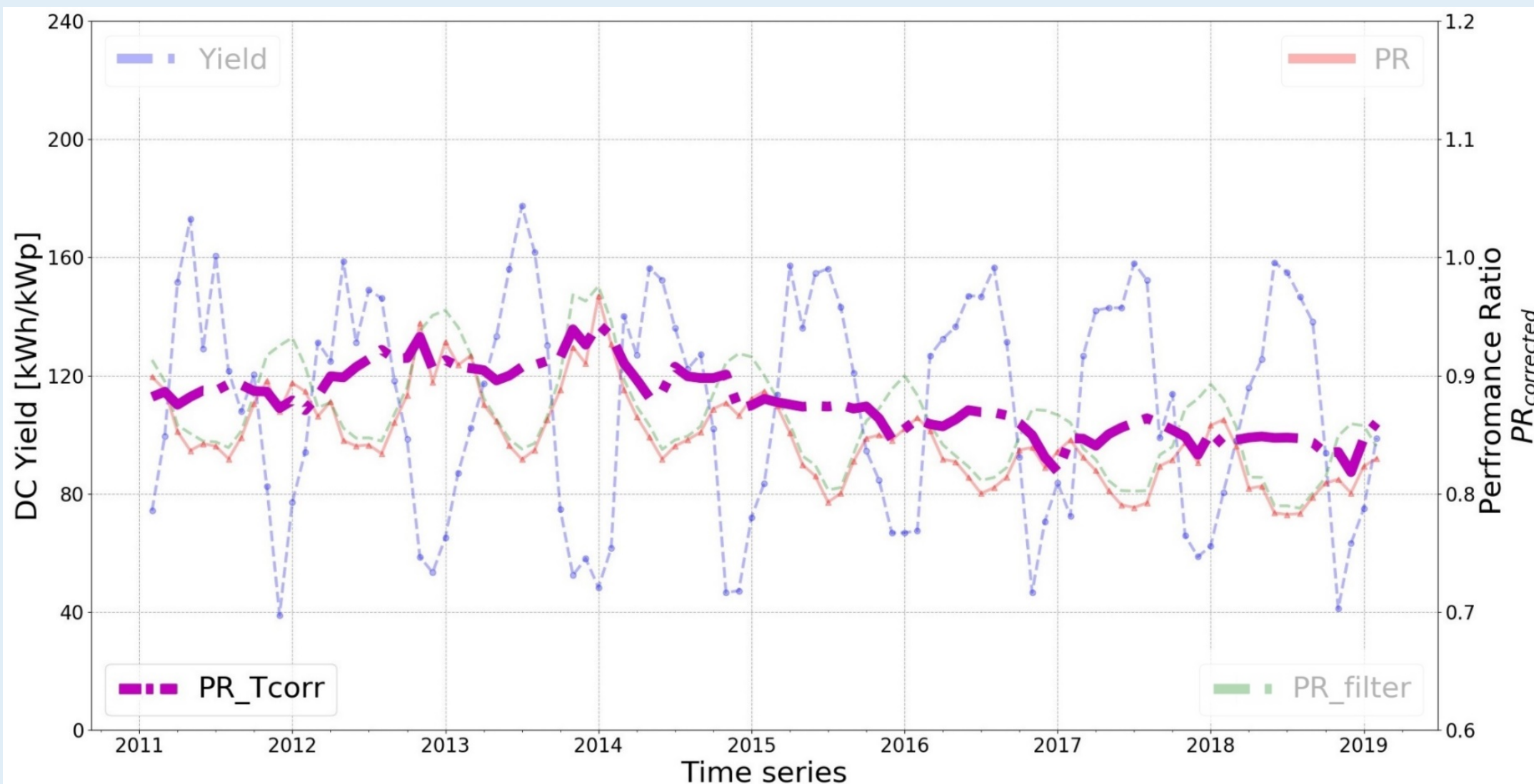
State of the art



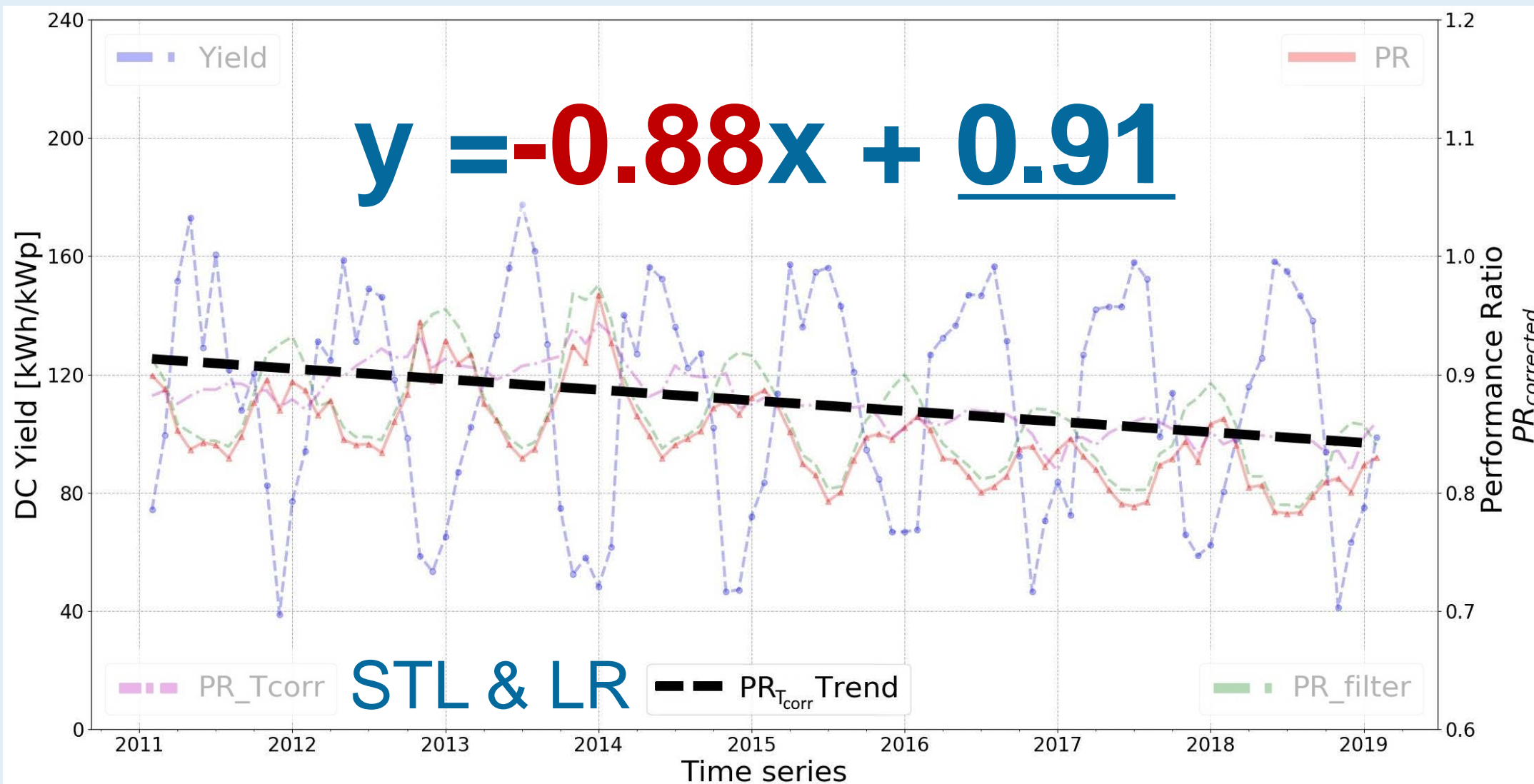
State of the art



State of the art



State of the art



Work in progress

Factors affecting the overall PLR

- Data quality
- Filtering
- Metrics
- Methodologies

3 approaches to assess PLR results

- Shared algorithms/filtering used on shared data
- Confidential algorithms/filtering used on shared data
- Shared algorithms/filtering used on confidential data

Work in progress

First step is to benchmark different existing methodologies to see initial differences in the final results

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CASE
WESTERN
RESERVE
UNIVERSITY

RSE

TÜVRheinland®

University of Cyprus
Electromagnetics and Novel
Applications Lab

Fraunhofer
ISE

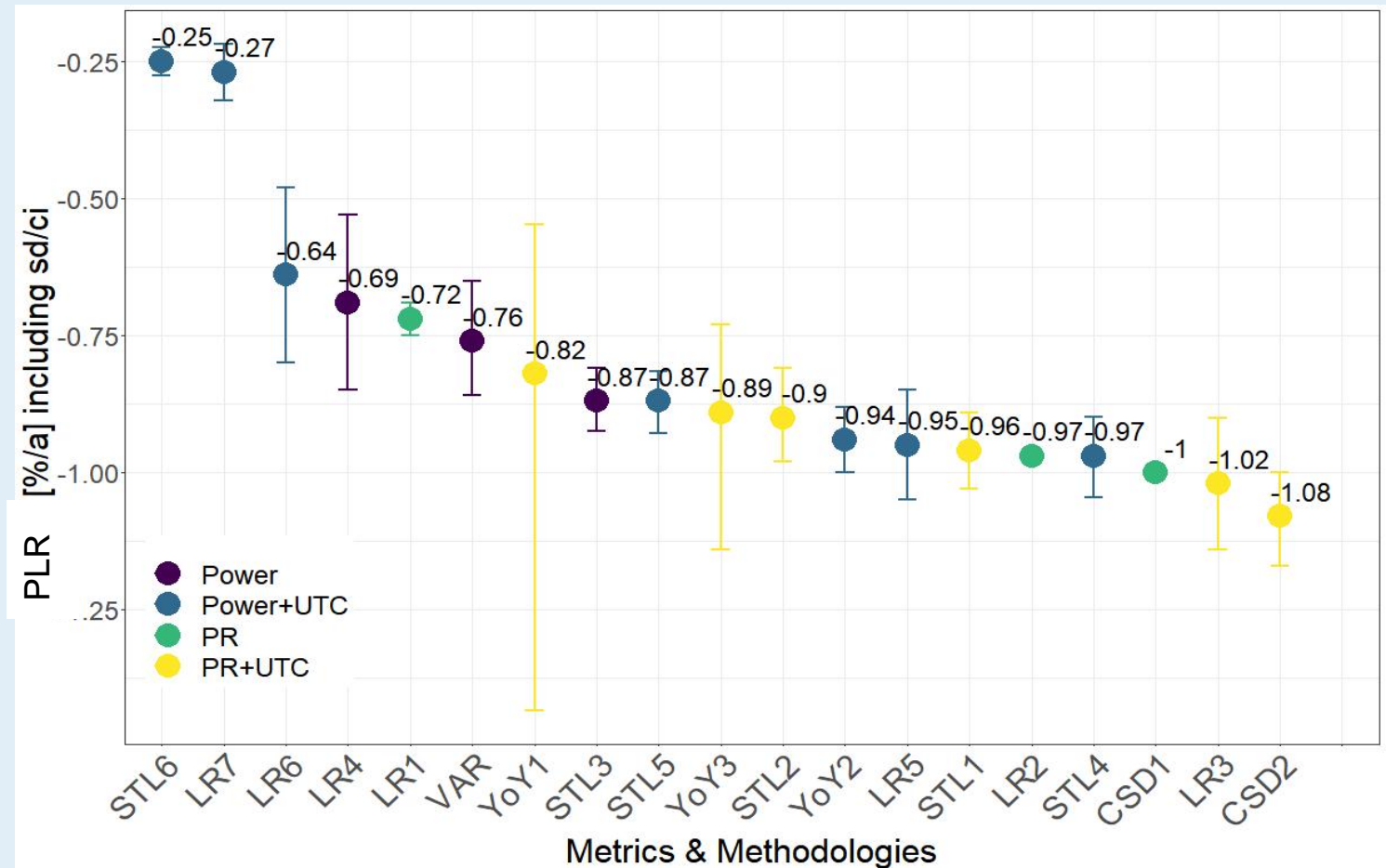
edf

3E

Universiteit Utrecht

Sandia
National
Laboratories

NREL
NATIONAL RENEWABLE ENERGY LABORATORY



Work in progress

Benchmark will be extended to several PV plants to understand shortcomings of certain methodologies

“Low” quality data

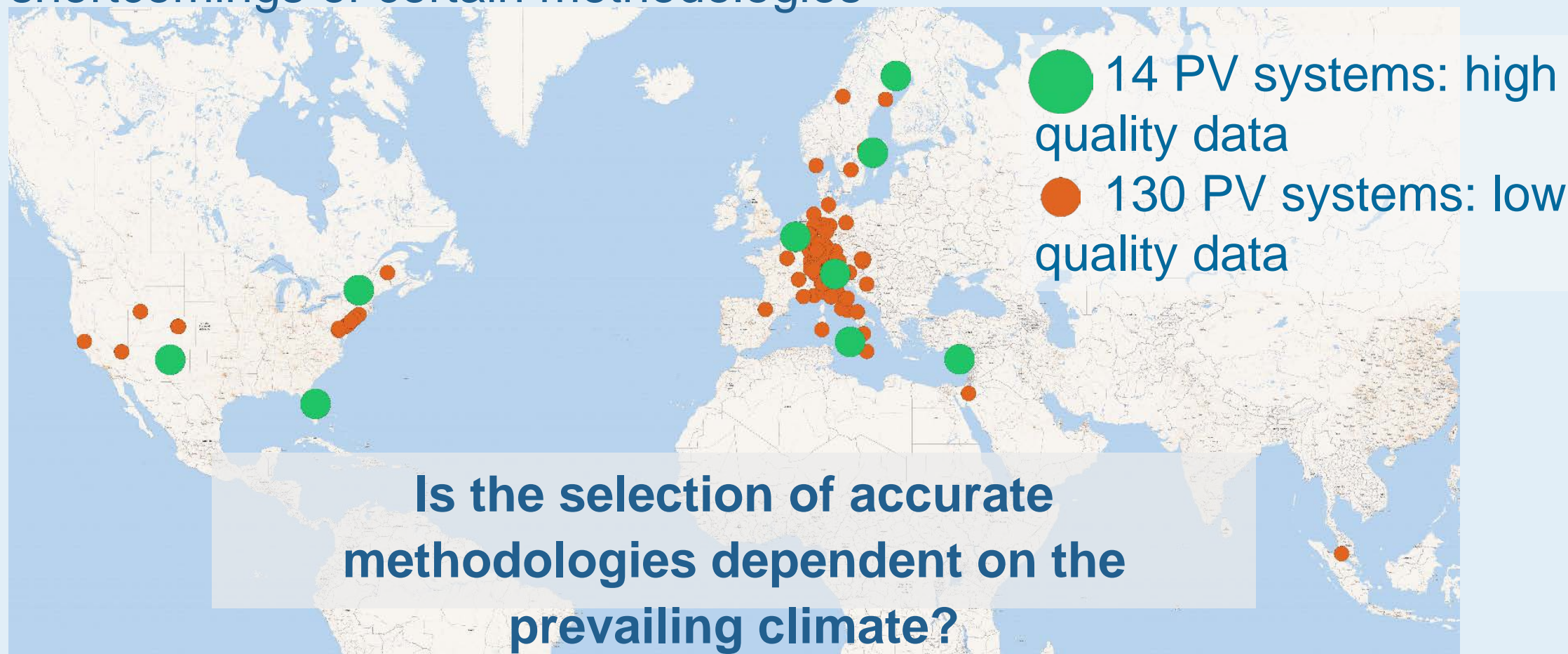
- pre-processed
- given PR/Power/Energy production
- Low resolution
- used only to compare PLR methods

“High” quality data

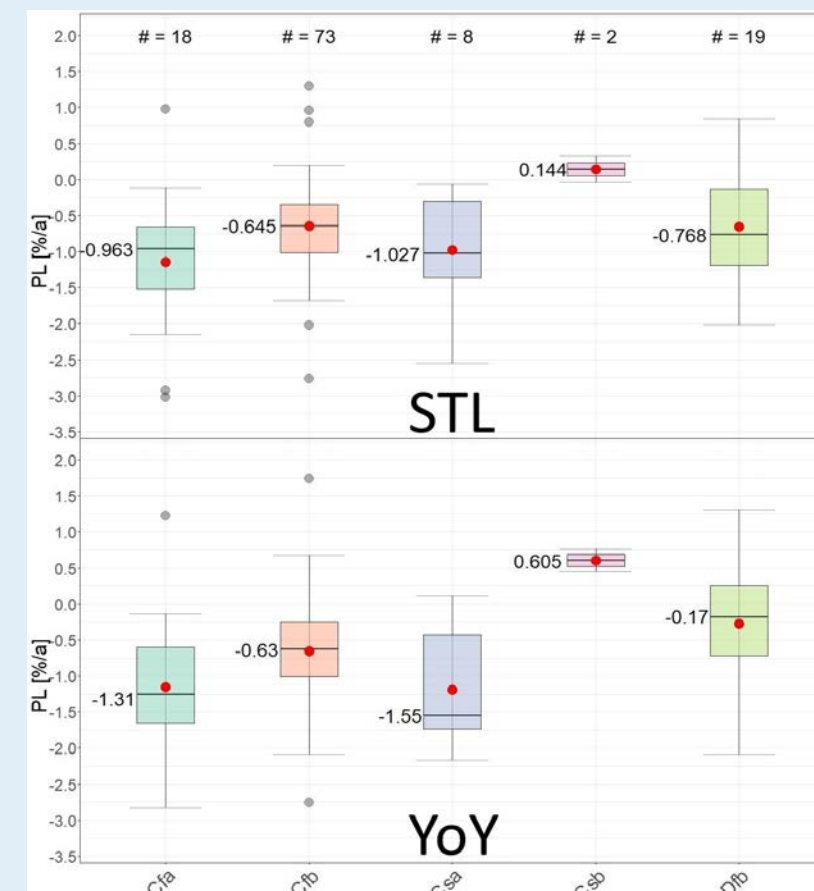
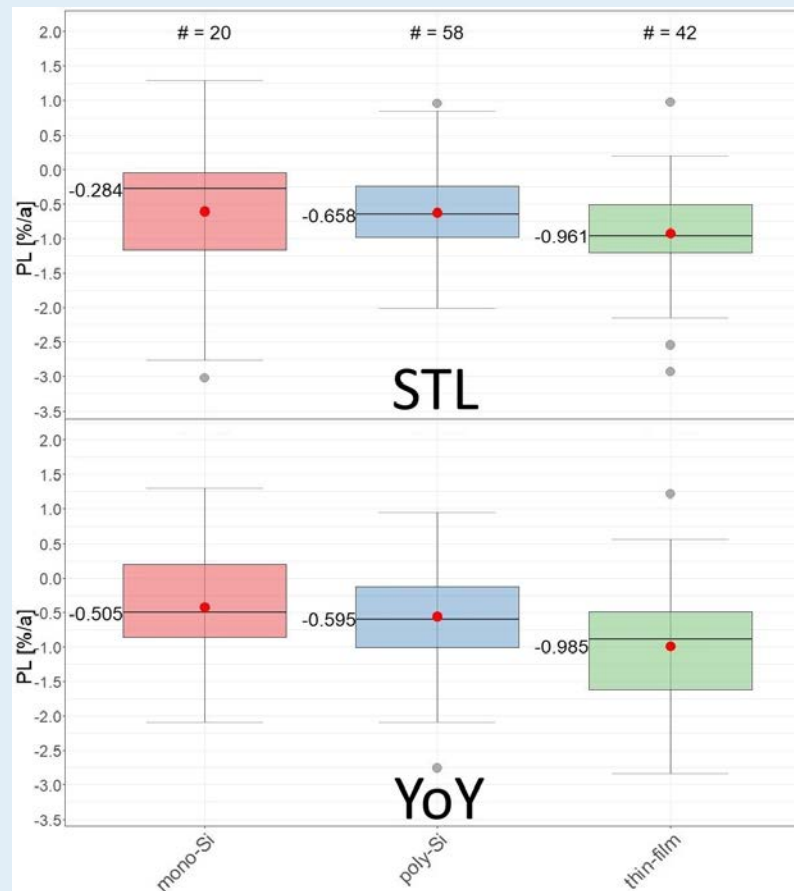
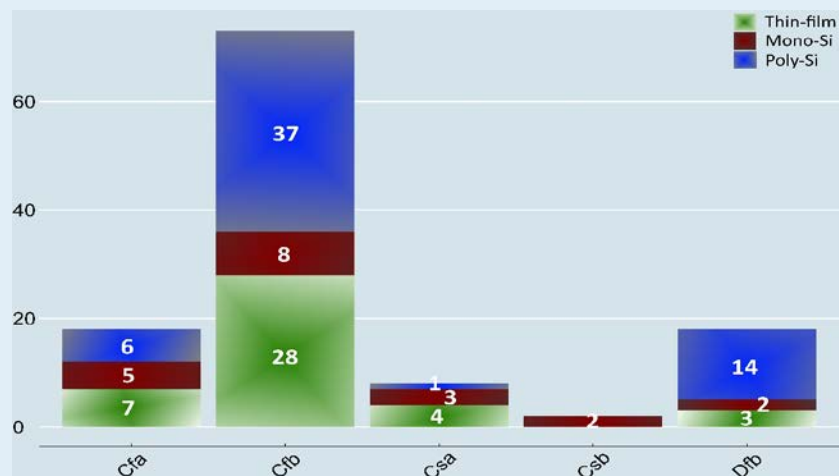
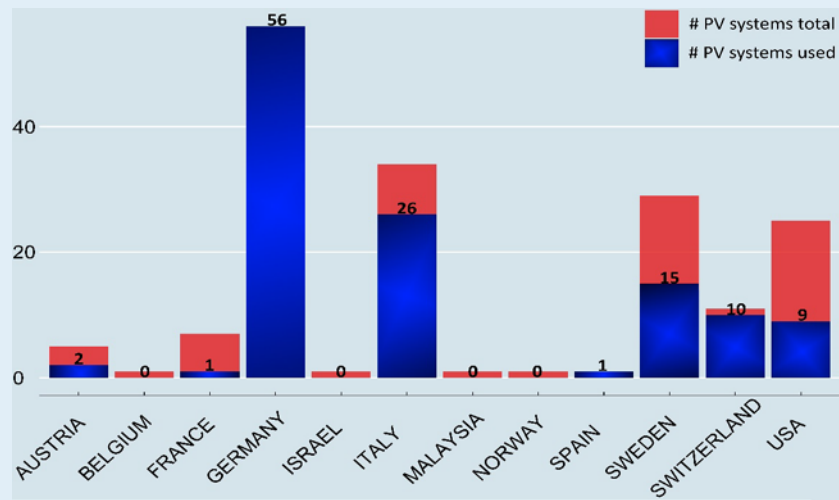
- Unfiltered PV system time series of high resolution
- can be used to compare performance models
- and filtering criteria

Work in progress (Task 13)

Benchmark will be extended to several PV plants to understand shortcomings of certain methodologies

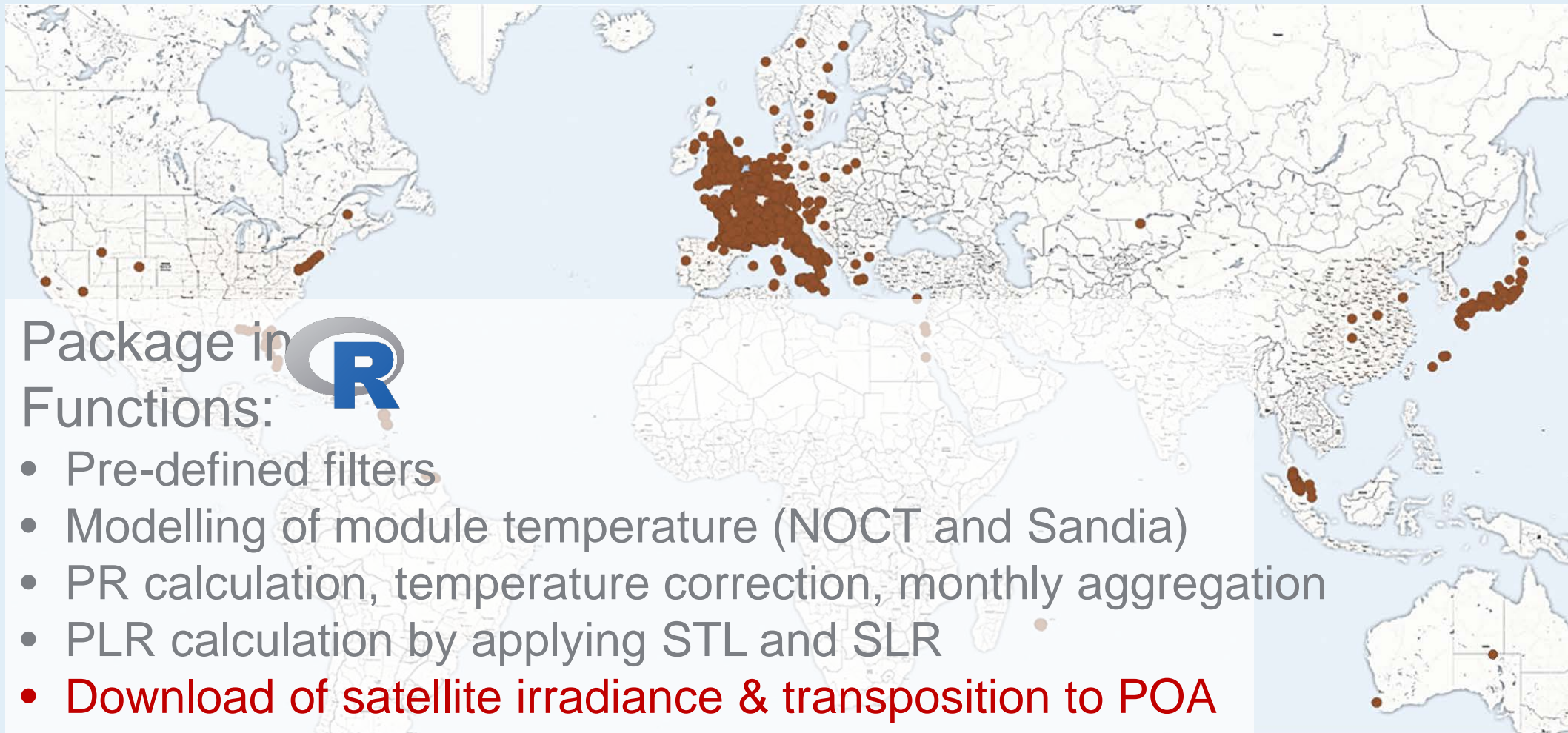


PHOTOVOLTAIC POWER SYSTEMS PROGRAMME





P A R L P V + PVPS TASK 13



Package in 
Functions:

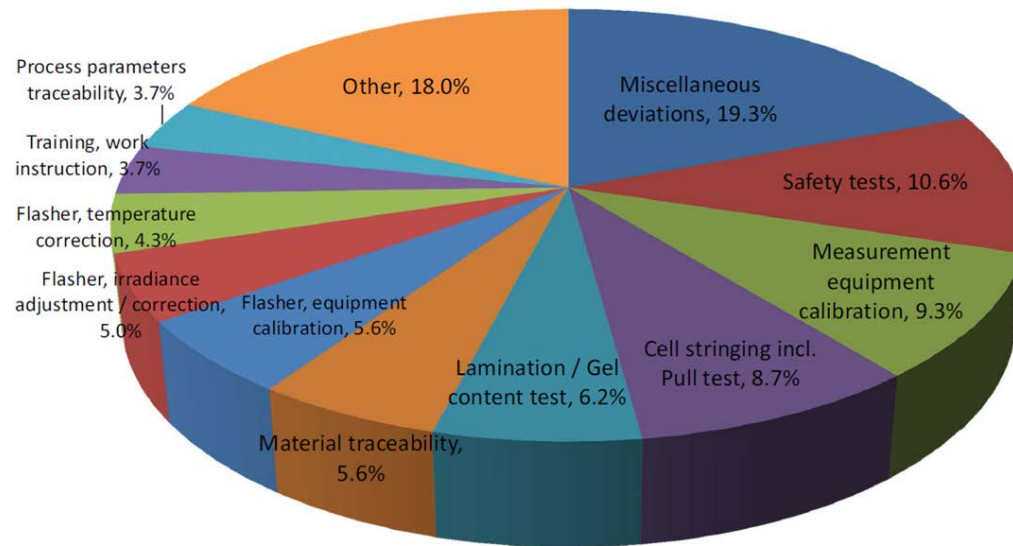
- Pre-defined filters
- Modelling of module temperature (NOCT and Sandia)
- PR calculation, temperature correction, monthly aggregation
- PLR calculation by applying STL and SLR
- **Download of satellite irradiance & transposition to POA**

Quantification of the economic impact of technical risks



Shading problems due to nearby object / bad planning

Quantification of the economic impact of technical risks



161 deviations in 73 factory inspections carried out in around 2 years were identified, resulting in an average of 2.2 deviations per inspection

Many deviations are related to determination of P_n.
Overestimation of output power is a problem





Typical uncertainty range in LTYA

	Uncertainty	Range
Solar resource	Climate variability	$\pm 4\%$ - $\pm 7\%$
	Irradiation quantification	$\pm 2\%$ - $\pm 5\%$
	Conversion to POA	$\pm 2\%$ - $\pm 5\%$
PV modeling	Temperature model	1°C - 2°C
	PV array model	$\pm 1\%$ - $\pm 3\%$
	PV inverter model	$\pm 0.2\%$ - $\pm 0.5\%$
Other	Soiling	$\pm 5\%$ - $\pm 6\%$
	Mismatch	
	Degradation	
	Cabling	
	Availability...	
Overall uncertainty on estimated yield		$\pm 5\%$ - $\pm 10\%$

**Typical uncertainty values
(irradiance, temperature, soiling,
shading, etc): $\pm 5\text{-}10\%$**

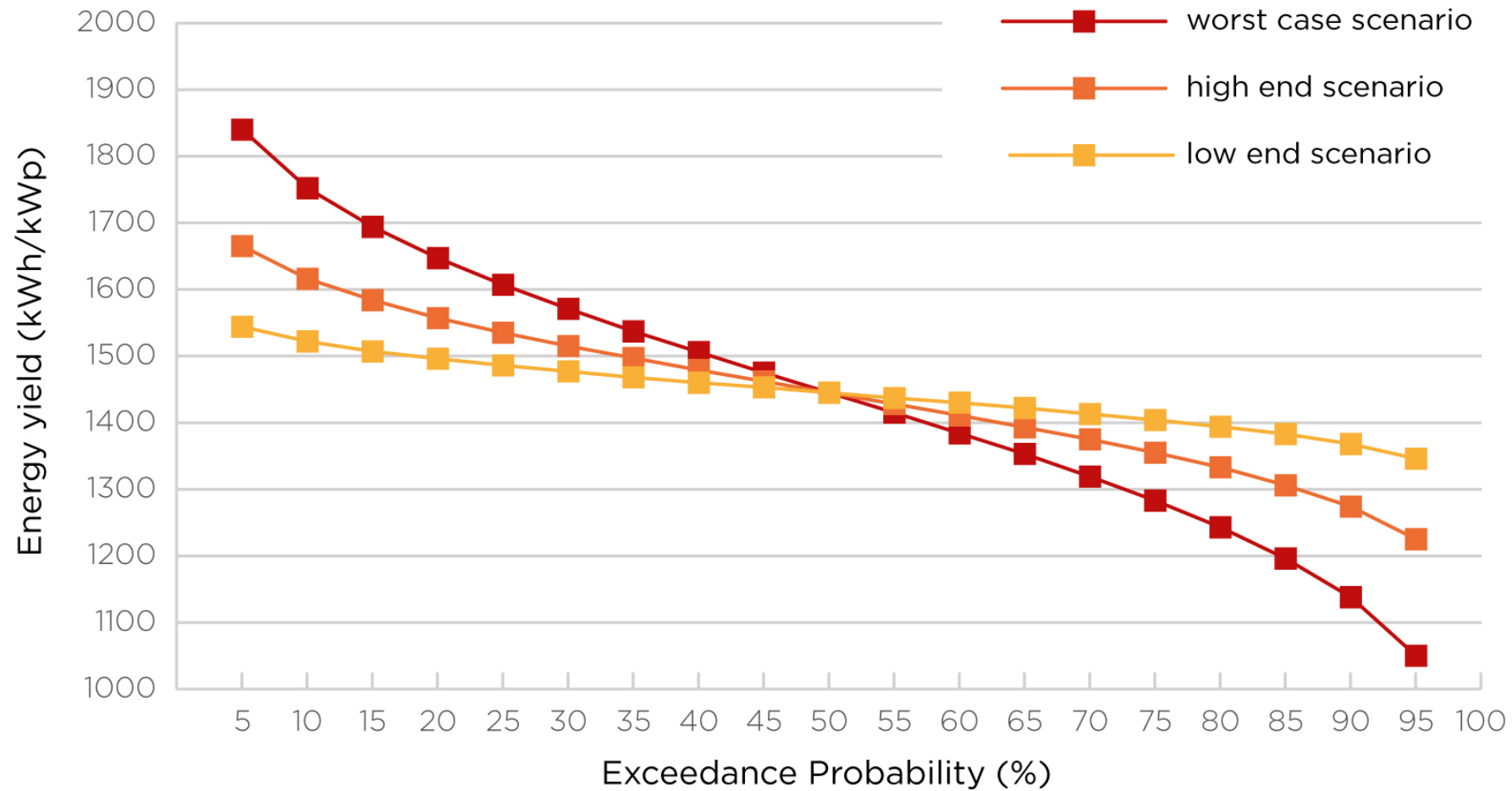
Effect	Overall uncertainty range (1 STD)
Insolation variability	$\pm 4\text{-}7\%$ (see 5.1.1 in [1])
POA transposition model	$\pm 2\text{-}5\%$ (see 5.1.1 in [1])
Temperature coefficients and temperature effects	$\pm 0.02\%/^{\circ}\text{C}$ (5% relative error for crystalline silicon based modules) (lab measurements)
Temperature deviation due to environmental conditions	$1\text{-}2^{\circ}\text{C}$ ($\pm 0.5\text{-}1\%$) (see 5.1.3 in [1]) Up to $\pm 2\%$ if environmental conditions are not included
PV array and inverter model	$\pm 0.2\%$ to $\pm 0.5\%$ (see 5.1.3 in [1]) for the inverter model $\pm 1\%$ to $\pm 3\%$ for the PV array model
Degradation	$\pm 0.25\text{-}2\%$ (see 5.1.2 in [1], [2])
Shading	Site dependent
Soiling	$\pm 2\%$ (see 5.1.3 in [1]) (Also site dependent)
Spectral Mismatch (modelled)	$\pm 0.01\%$ - 9% (depending on PV technologies, [3]) $\pm 1\%$ to $\pm 1.5\%$ for c-Si
Nominal power	$\pm 1\text{-}2\%$
Overall uncertainty	$\pm 5\text{-}10\%$

[1] D. Moser *et al.*, “Technical Risks in PV Projects.” Solar Bankability Deliverable www.solarbankability.com

[2] G. Belluardo, P. Ingenhoven, W. Sparber, J. Wagner, P. Weihs, and D. Moser, “Novel method for the improvement in the evaluation of outdoor performance loss rate in different PV technologies and comparison with two other methods,” *Solar Energy*, vol. 117, pp. 139–152, Jul. 2015.

[3] G. Belluardo, G. Barchi, D. Baumgartner, M. Rennhofer, P. Weihs, and D. Moser, “Uncertainty analysis of a radiative transfer model using Monte Carlo method within 280–2500 nm region,” *Solar Energy*, vol. 132, pp. 558–569, Jul. 2016

- Risks to which we can assign an uncertainty (e.g. irradiance)
→ Impact on financial exceedance probability parameters

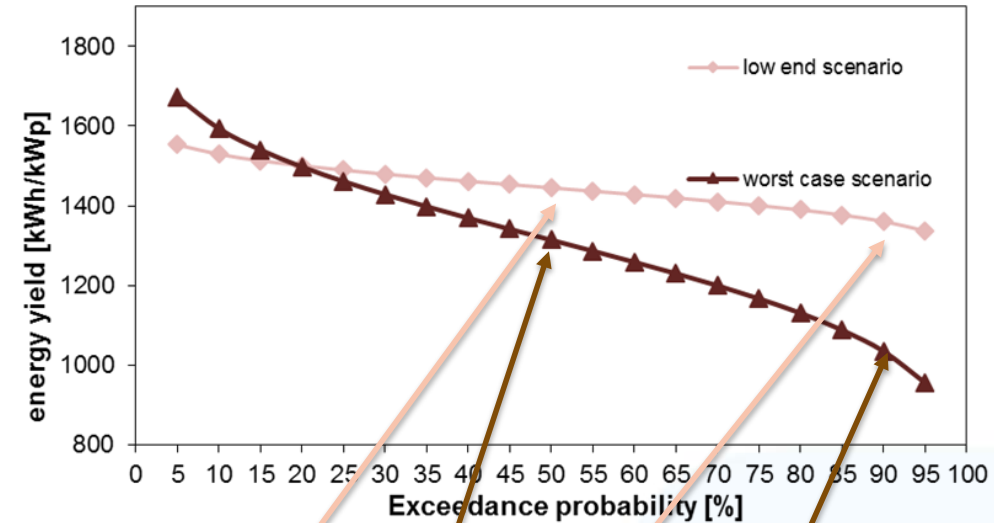


- Risks to which we can assign an uncertainty (e.g. irradiance)
→ Impact on financial exceedance probability parameters



Objectives:

- More precise estimation of uncertainty in yield estimation
- Reduction of uncertainty



	σ (k=1)	P50 (kWh/kWp)	P90 (kWh/kWp)	P90/P50 (P50 reference case)
Ref. case (sum of squares)	8.7%	1445	1283	89%
Low end scenario	4.6%	1445	1365	94%
High end scenario	9.3%	1445	1273	88%
Worst case scenario	16.6%	1445	1138	79%
Worst case scenario (different mean value)	16.6%	1314	1034	72%

22% difference in terms of yield used in the business model



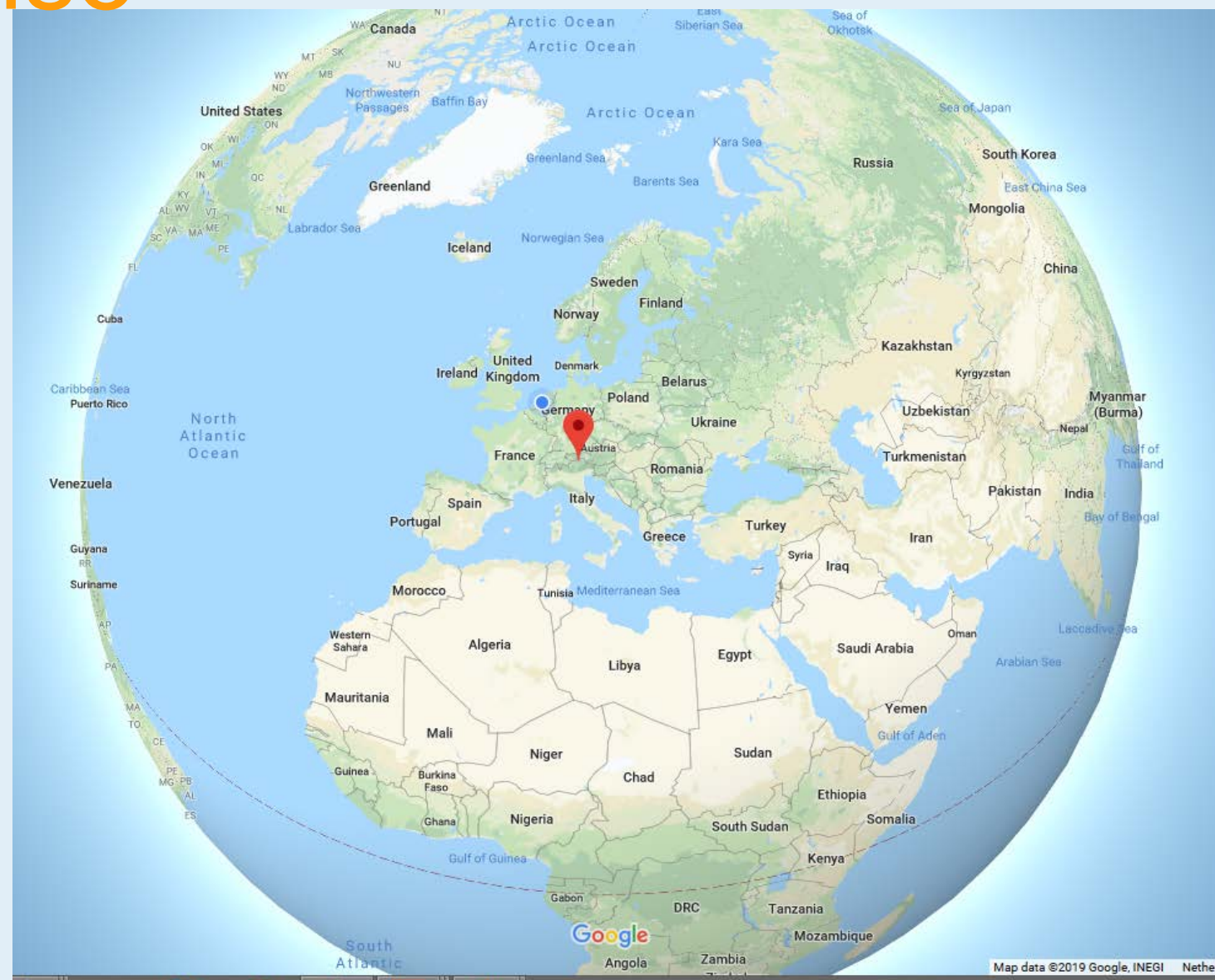
Task 13 YA exercise



Location: Bolzano, Italy
Data available since August 2010
Technology: polycrystalline-Si

Real Yield Assessments
 (anonymized) provided by T13
 partners will be analysed and
 benchmarked.
 Uncertainty scenarios will be created
 to show impact on P90/P50

PVPS



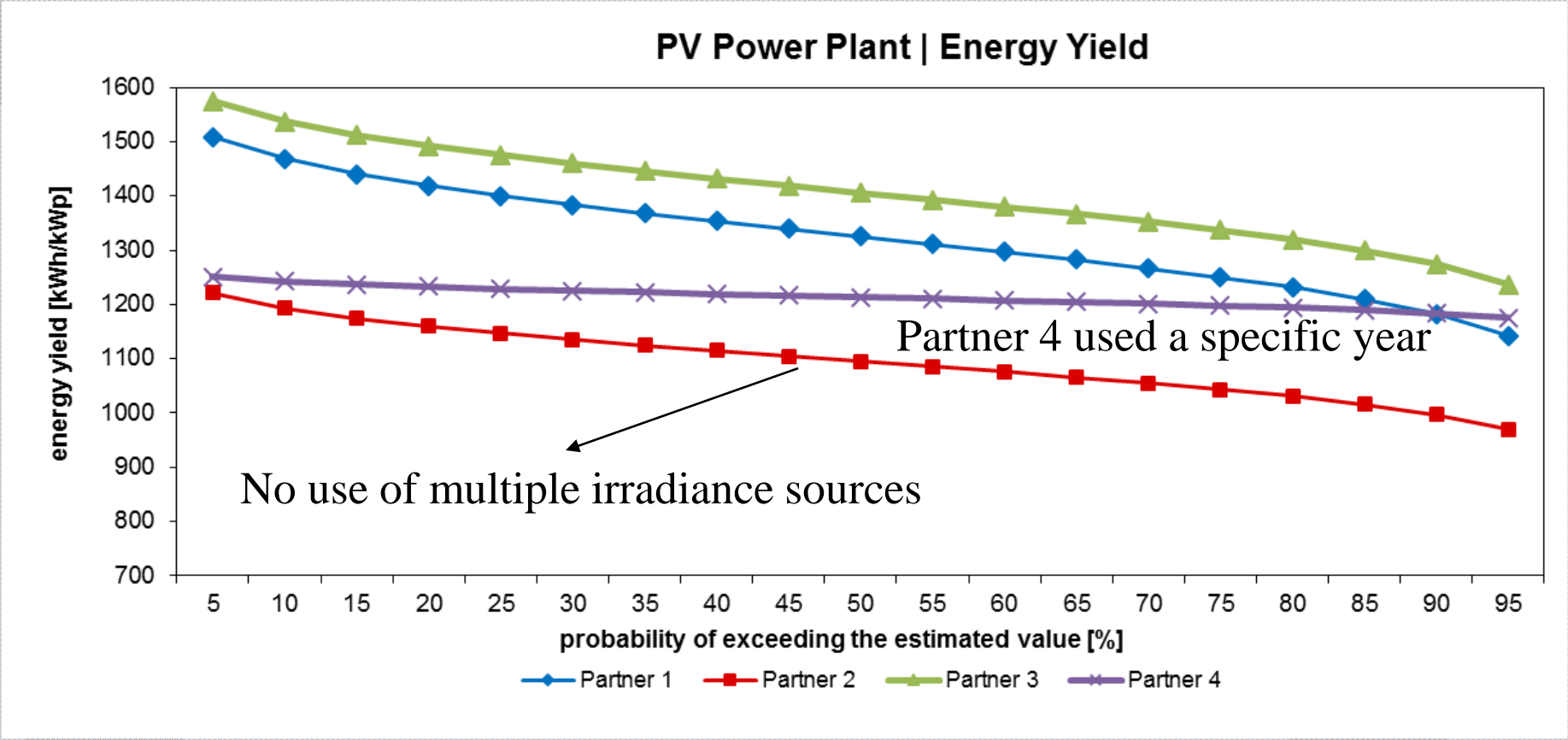


Yield assessment on selected sites

Parameter	Assumption
Location	Given Latitude/Longitude, tilt angle and azimuth
Irradiance and transposition	Each independent YA will use their favourite database
Temperature	Each independent YA will use their favourite database
Technology and mismatch	Technology Given, each YA will apply their own considerations
Inverter	Given
Shading	Given shading diagram
Soiling	Each independent YA will apply their own considerations
Wind speed	Each independent YA will use their favourite database
Long term insolation effects	Each independent YA will apply their own considerations
Degradation	Each independent YA will apply their own considerations
Snow loss / snow fall	Each independent YA will apply their own considerations
Availability	Each independent YA will apply their own considerations
Uncertainties	Please provide uncertainties for each parameter (when possible) and for the yield (compulsory). Also please provide the type of assumed distribution for each parameter (when available) and for the Yield (compulsory)



Initial Yield Assessment

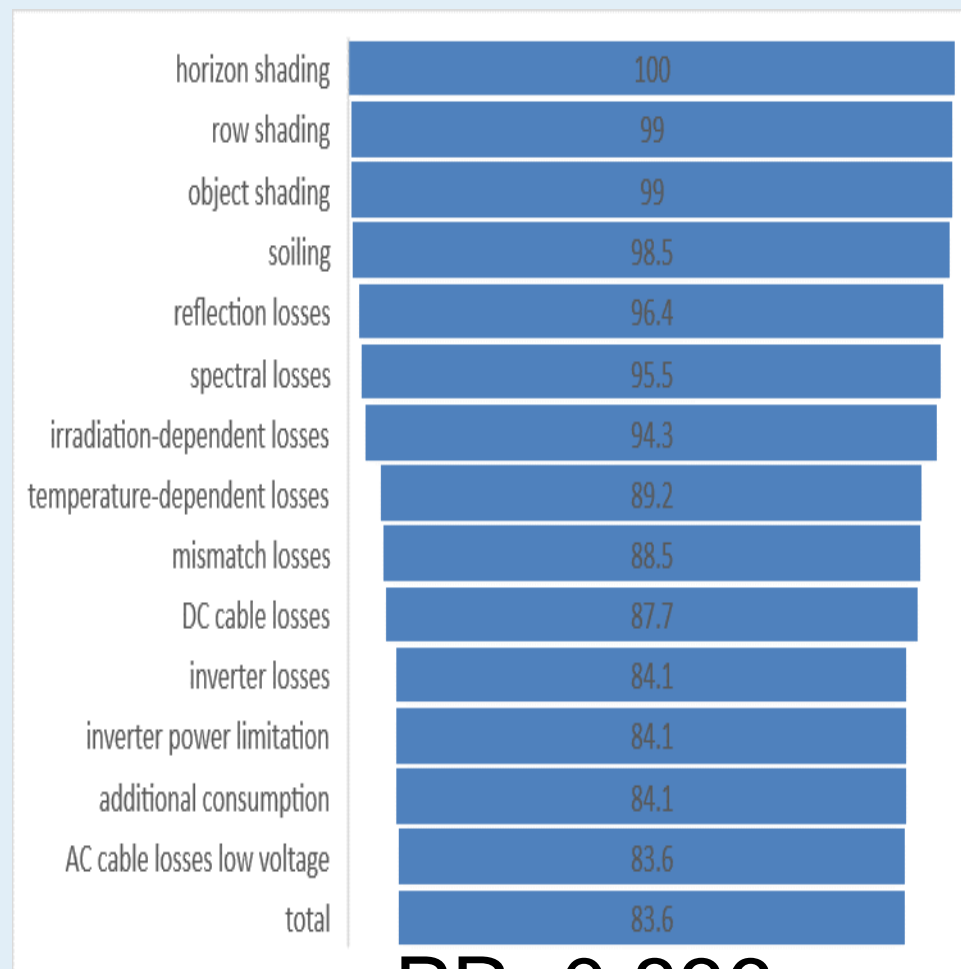


	P50 [kWh/kWp]	σ (k=2)	σ (k=2)	P90 [kWh/kWp]	P90/P50 ratio
Partner 1	1325	8.40%	111	1183	0.89
Partner 2	1095	7.00%	77	997	0.91
Partner 3	1406	7.30%	103	1274	0.91
Partner 4	1213	1.90%	23	1184	0.98



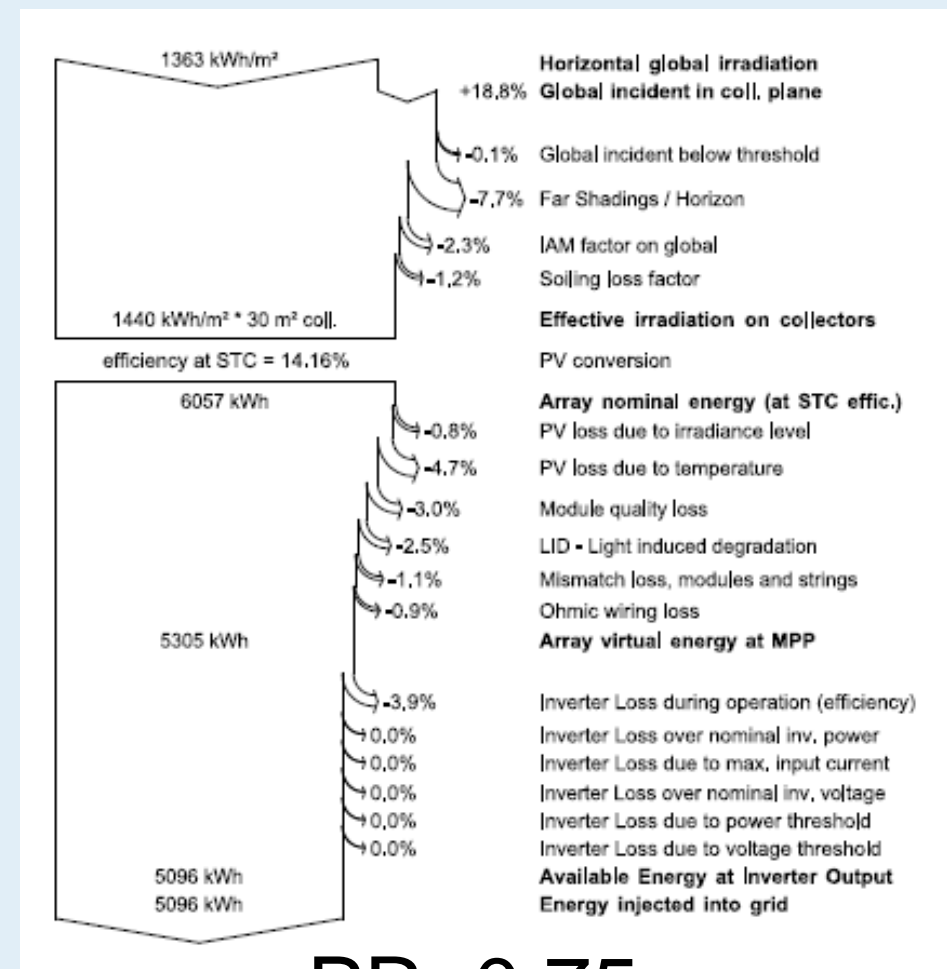
Derating factors

Partner 3



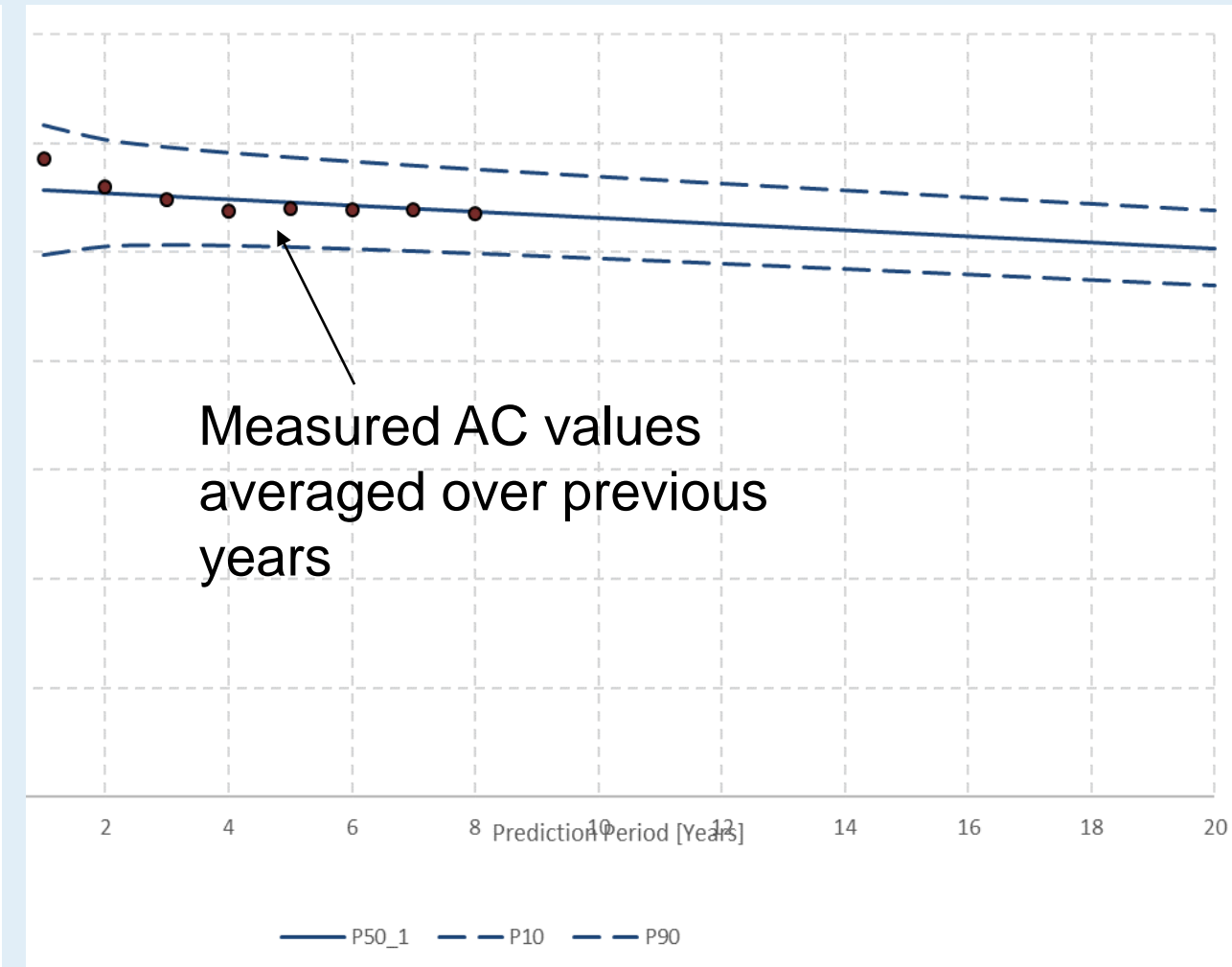
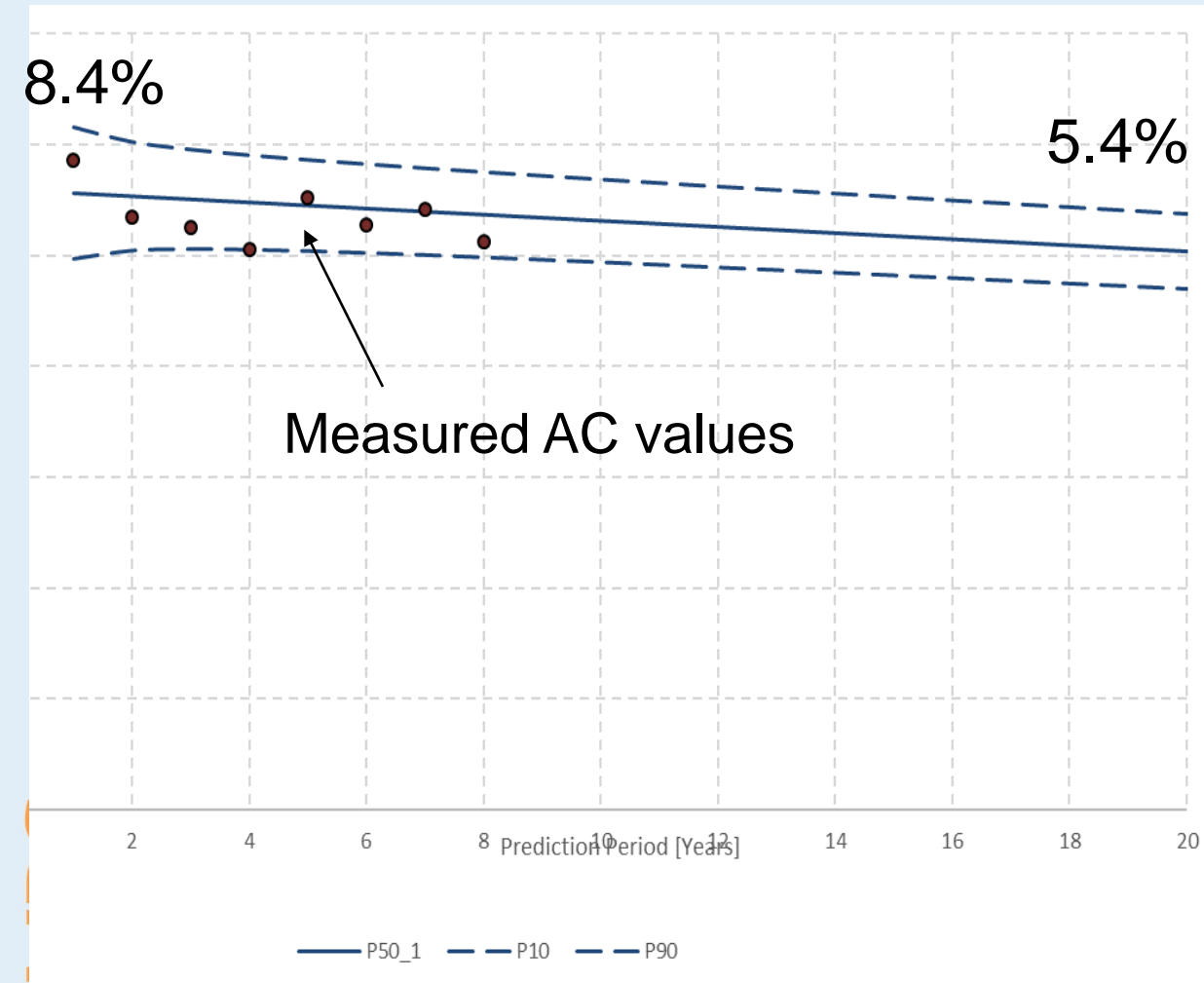
PR: 0.836

Partner 4



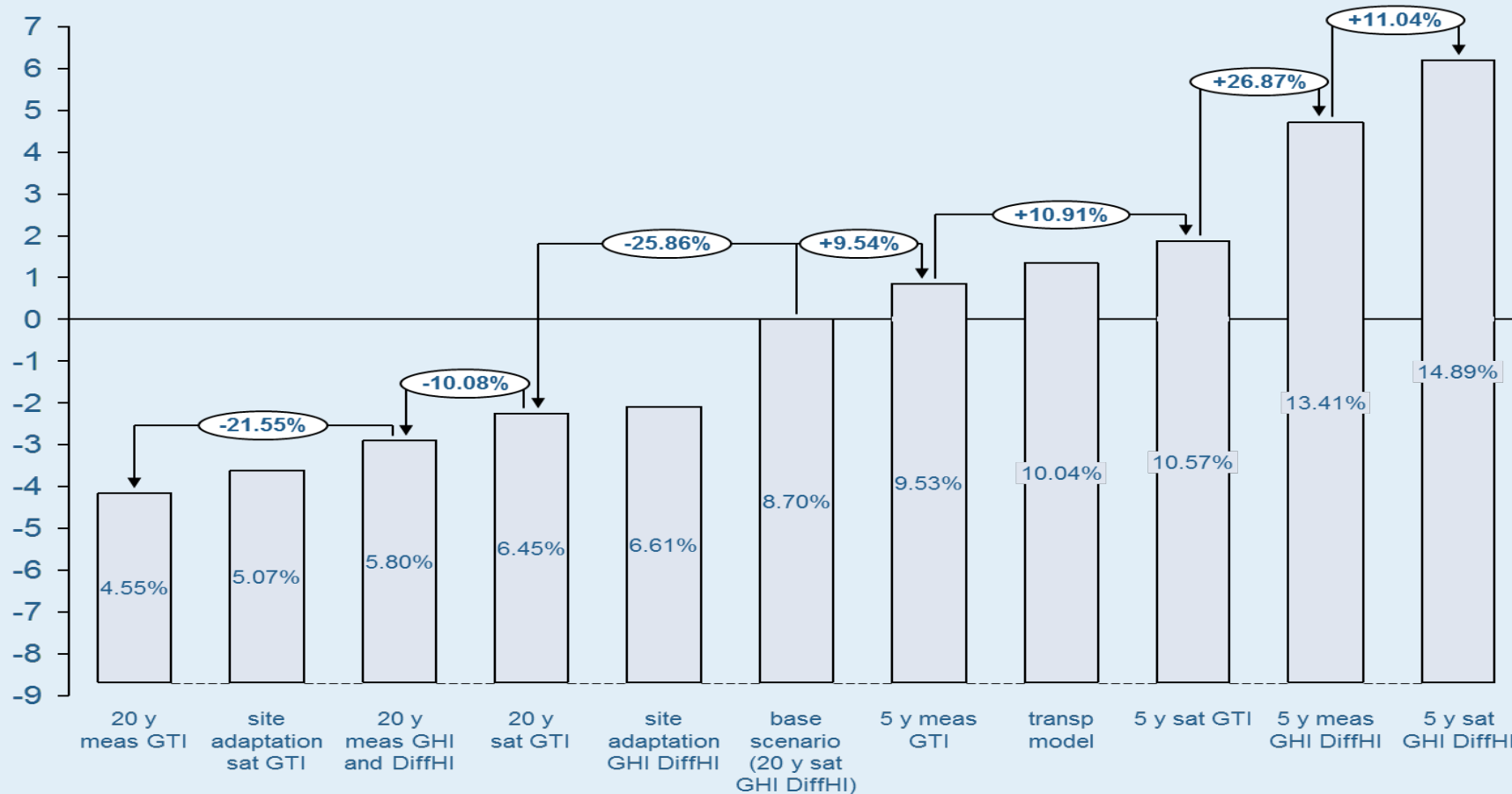
PR: 0.75

LTYA / LTYP





Uncertainty scenarios



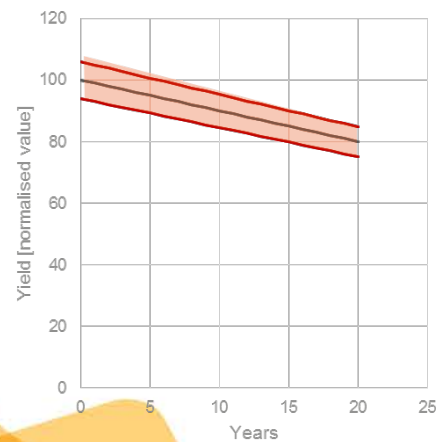
Based on the findings of the benchmarking exercise we will show how uncertainty plays a role for various parameters

Quantification of the economic impact of technical risks

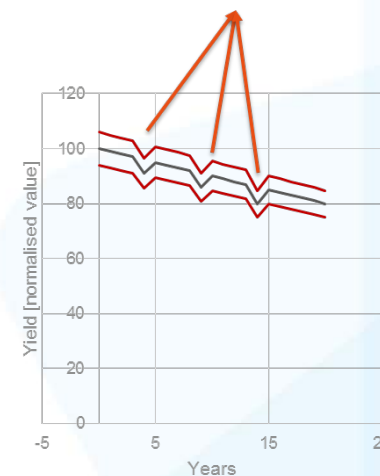


O&M

- Risks to which we can assign a Cost Priority Number CPN (e.g. module and inverter failure) given in Euros/kWp/year
→ Impact on cash flow



Development of Risk scenarios



Procedure for the calculation of a Cost Priority Number (CPN)

Creating a cost-based Failure Modes and Effects Analysis (FMEA) for PV

a) Economic impact due to downtime and/or power loss (kWh to Euros)

- Failures might cause downtime or % in power loss
- Time is from failure to repair/substitution and should include: time to detection, response time, repair/substitution time
- Failures at component level might affect other components (e.g. module failure might bring down the whole string)

Income reduction
Savings reduction

b) Economic impact due to repair/substitution costs (Euros)

- Cost of detection (field inspection, indoor measurements, etc)
- Cost of transportation of component
- Cost of labour (linked to downtime)
- Cost of repair/substitution

Increase in
maintenance costs
Reduction of
reserves




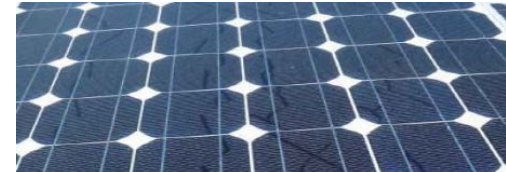
Technical Risks collection

CPN is given in Euros/kWp/year

$$\text{CPN} = C_{\text{down}} + C_{\text{fix}}$$

It gives an indication of the economic impact of a failure due to downtime and investment cost

Tickets from O&M operators as corrective or periodic maintenance in paper or electronic form



Visual and detailed inspection



Technical Risks collection

CPN is given in Euros/kW/year

$$CPN = C_{\text{down}} + C_{\text{fix}}$$

It gives an indication of the economic impact of a failure due to downtime and investment cost

	Total number of plants	Total Power [kWp]	Average number of years
TOTAL	772	441676	2.7
Components	No. tickets	No. Cases	No. Components
Modules	473	678801	2058721
Inverters	476	2548	11967
Mounting structures	420	15809	43057
Connection & Distribution boxes	221	12343	20372
Cabling	614	367724	238546
Transformer station & MV/HV	53	220	558
Total	2257	1077445	2373222

- Tickets from O&M operators from preventive and corrective maintenance
- Visual and detailed PV plant inspections

Technical Risks collection: some statistics

	no. cases	no. components	Years	Share of failures	Share of failures/year
Modules	678,640	2,058,721	2.68	33%	12%
Inverters	2,474	11,967	2.68	21%	8%

Module	Failure share
Soiling	23.4%
Shading	16.8%
EVA discoloration	11.6%
Glass breakage	6.5%
PID	5.0%

Inverter	Failure share
Fan failure and overheating	21.8%
Fault due to grounding issues	4.9%
Inverter firmware issue	3.8%
Burned supply cable and/or socket	2.2%
Polluted air filter	3.3%
Inverter pollution	1.5%

O_{CPN} from the cost-based FMEA
(power loss)

occurrence	portfolio	affected
modules	1.010%	14.958%
inverters	2.687%	22.046%
Mounting structure	0.206%	10.820%
Connection & Distribution boxes	0.145%	15.175%
Cabling	2.765%	6.855%
Transformer station & MV/HV	0.452%	0.393%

Definition of scenarios

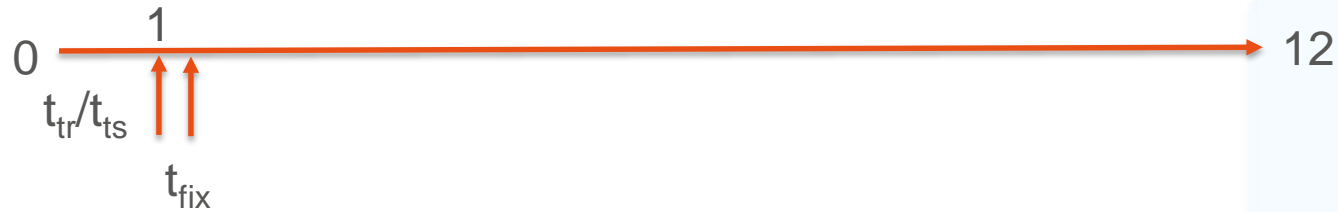
- **Never detected (CPN_{ndet})**

Failure is undetected. **Losses due to downtime** over a time t_{td}



- **Failure fix ($CPN_{failfix}$)**

Failure is detected. 1 Month of lead time to repair/substitution



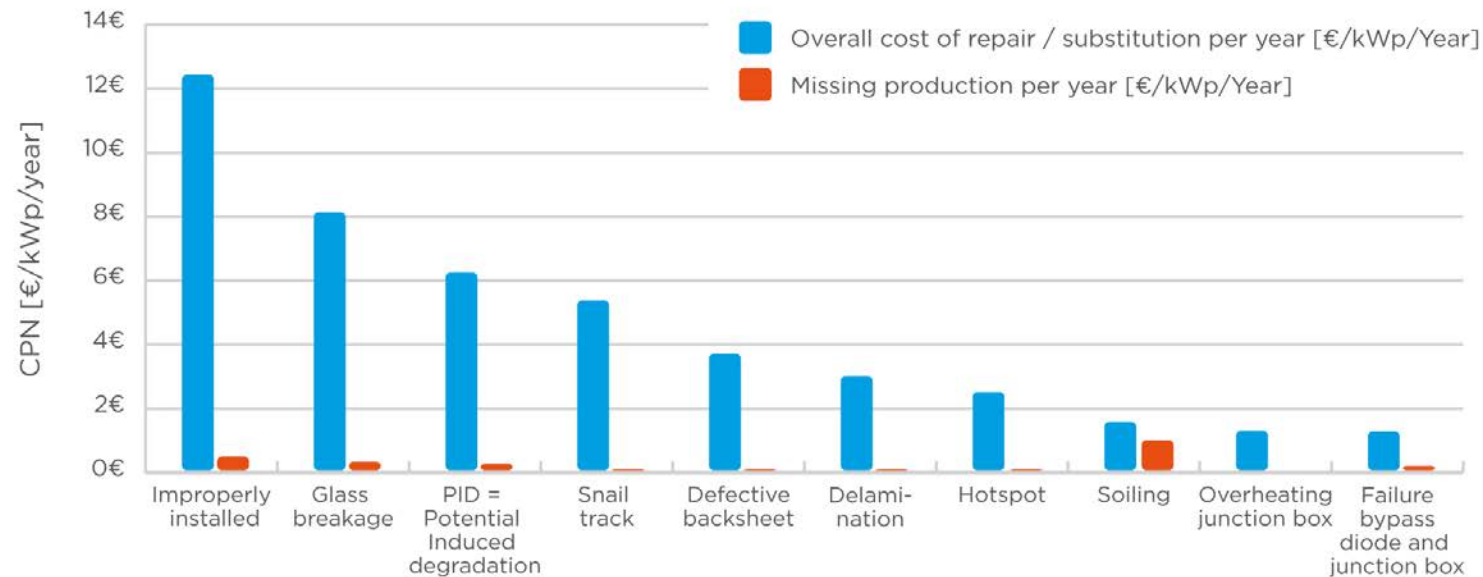
- Failures are equally distributed over time
- No increase in Performance Losses over time
- Yield is considered as an average at national level (not site specific)
- The real scenario would be a combination of the two



CPN Results - Components and Market Segments



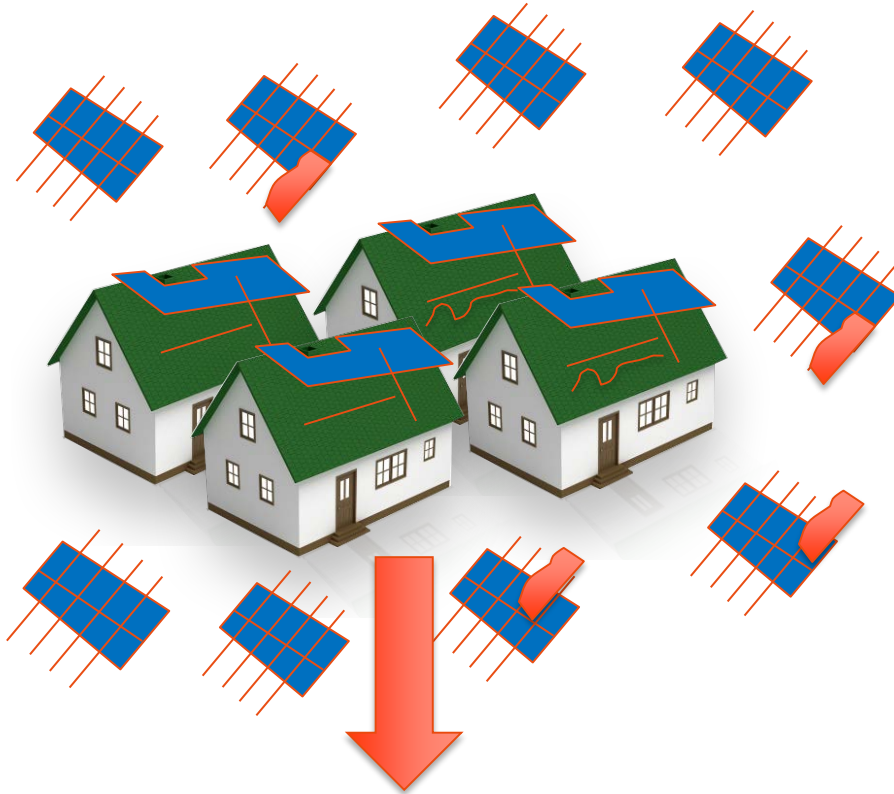
- PV modules - Utility scale



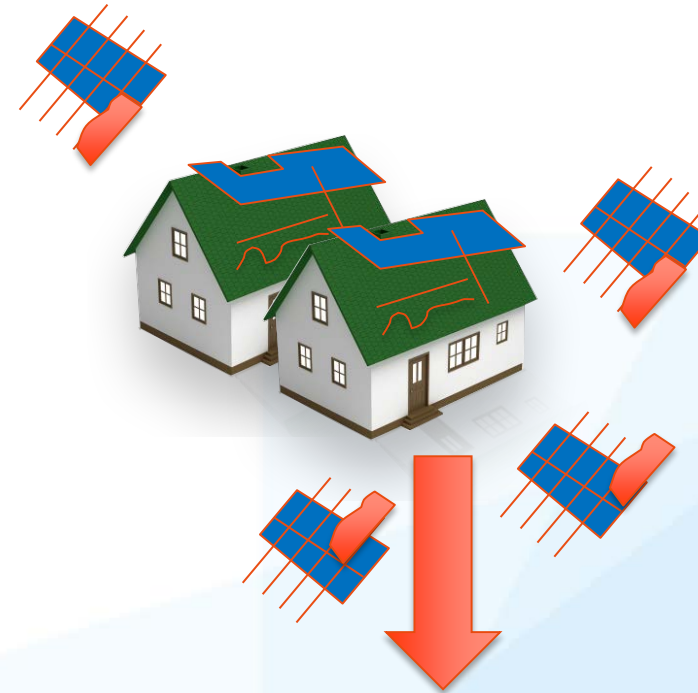
- Highest risk consists of a group of installation failures (mishandling, connection failures, missing fixation, etc.)
- Variety of failures detected by different techniques (VI, IR, EL, IV-Curves)

CPN results - Comparison studies

- Affected components vs total components: CPN ratio



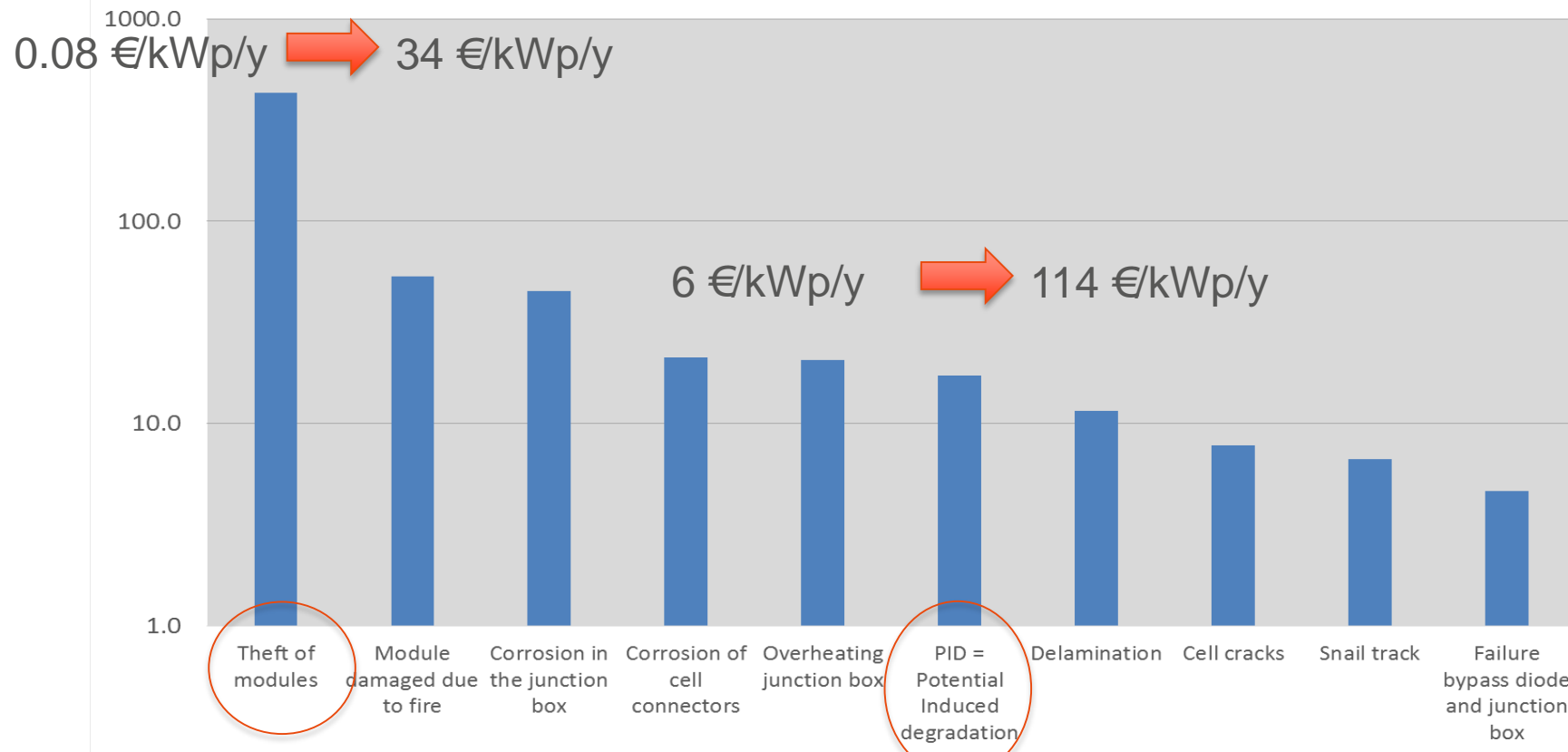
Failures calculated over the whole database



Failures calculated over the affected plants

CPN results - Comparison studies

- Some failures do not occur very often and are not equally spread over the portfolio but when they do, the economic impact is very high

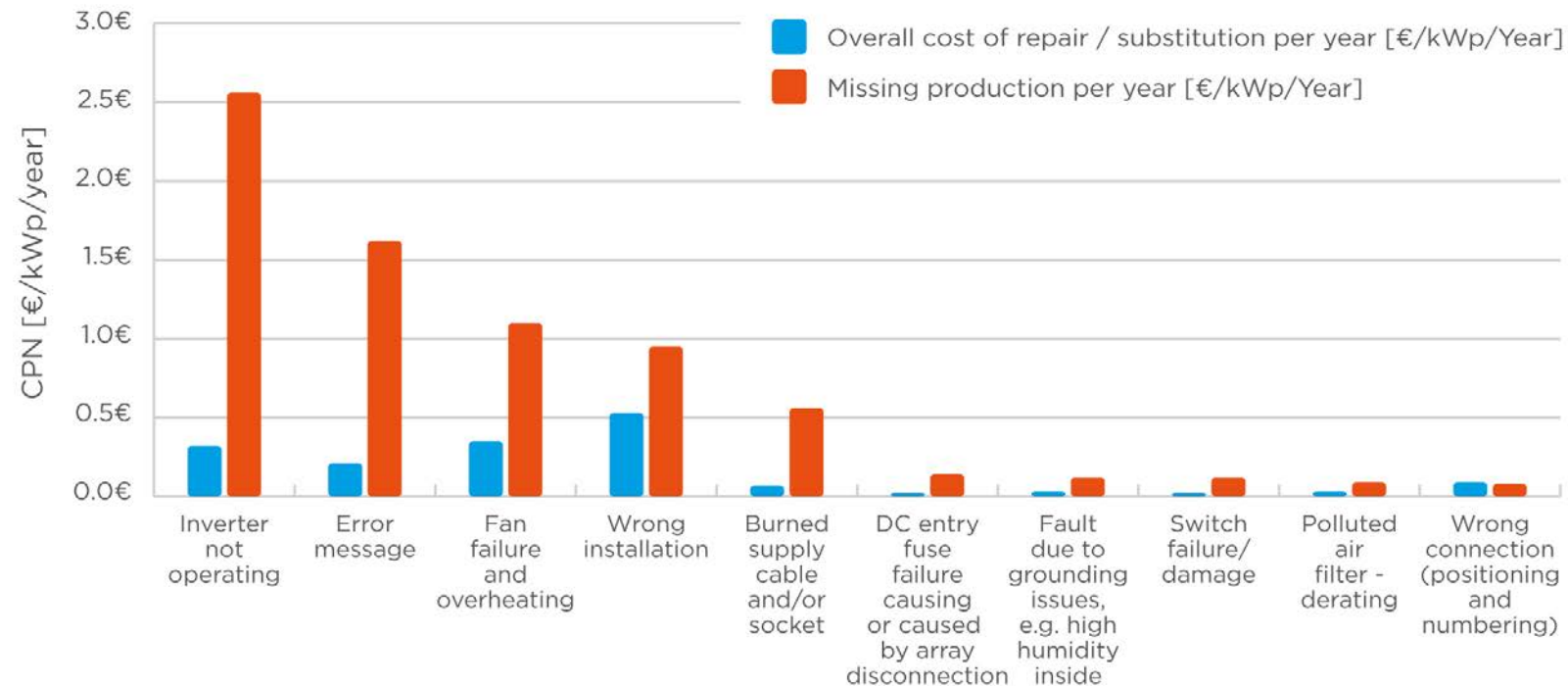


- High CPN ratio for product failures or non technical factors

CPN Results - Components and Market Segments



- Inverters



Technical risk framework



A	Risk identification
B	Risk assessment
C	Risk management
D	Risk controlling

Risk Mitigation

Risk Transfer

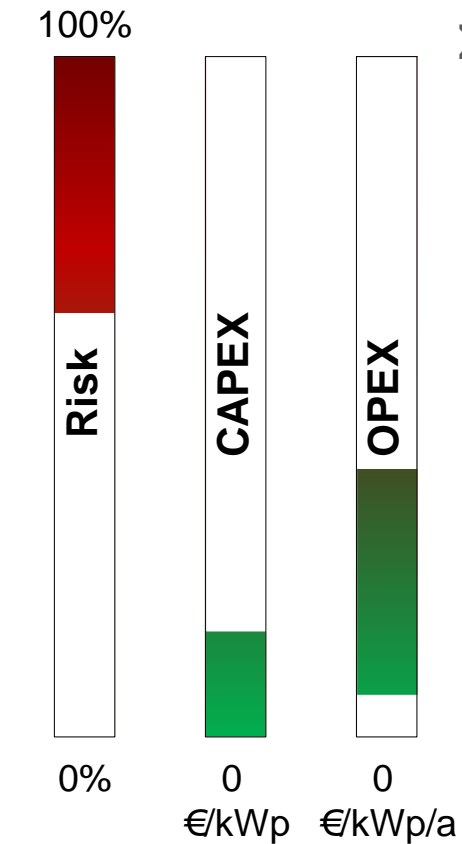


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Risk mitigation

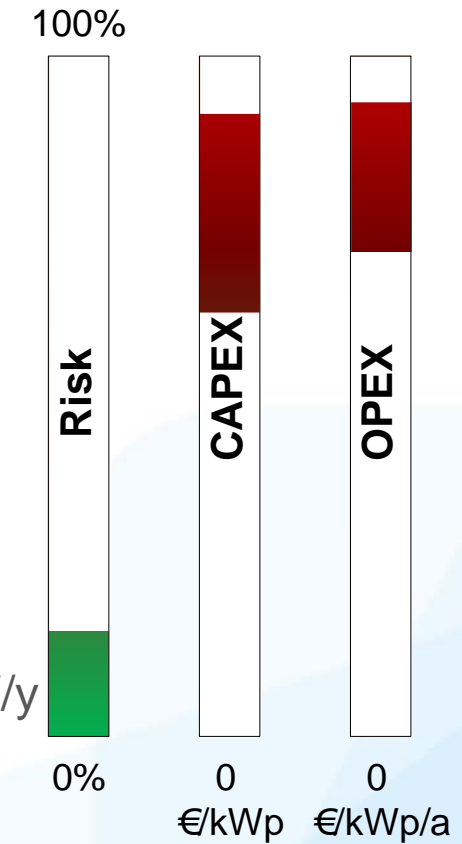


$\Sigma\text{CPNs} = \sim 120 \text{ Euros/kW/y}$

Who bears the cost?
Who bears the risk?

**Risk
minimization**

$\Sigma\text{CPNs} = \sim \text{XX Euros/kW/y}$



Mitigation Measure Approach



List of 8 defined MMs, their mitigation factors and affected parameters

- **Preventive measures**

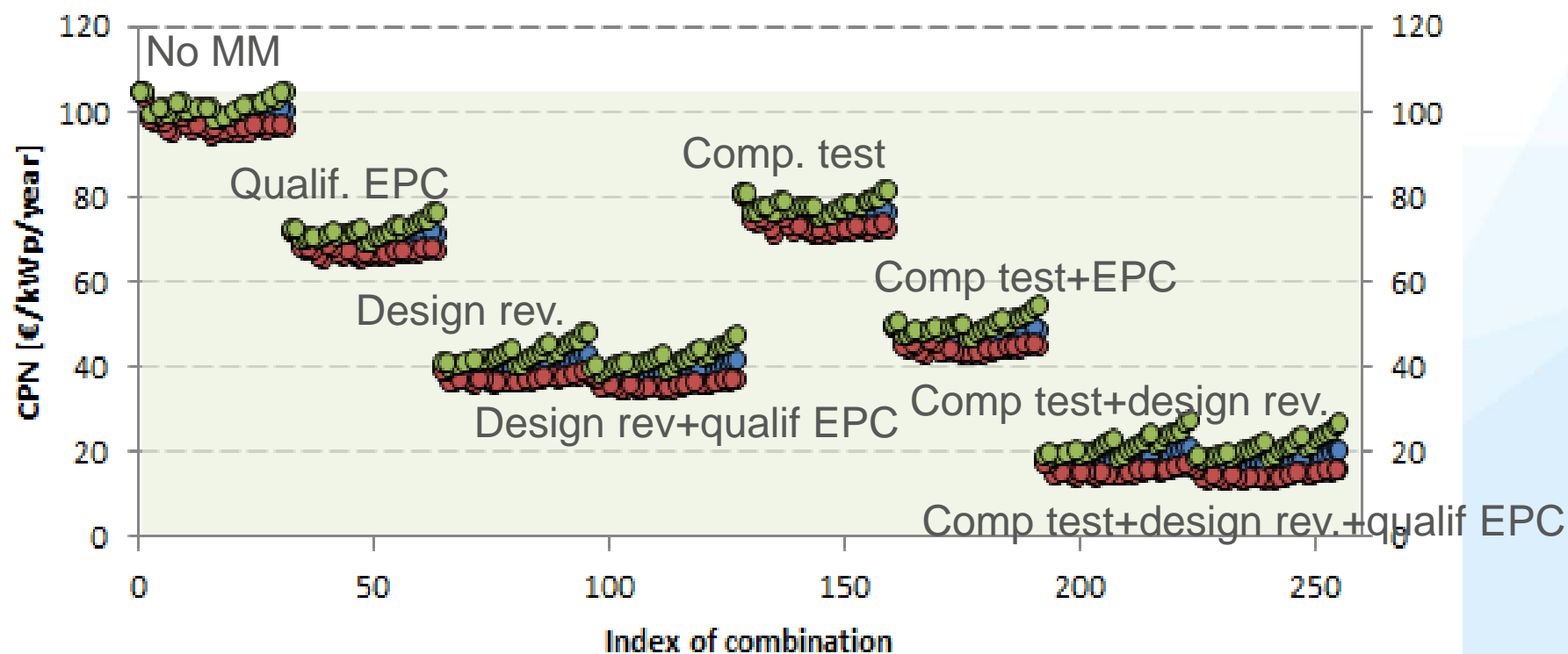
- **Corrective measures**

Component testing – PV modules	number of failures
Design review + construction monitoring	number of failures
Qualification of EPC	number of failures
Advanced monitoring system	time to detection
Basic monitoring system	time to detection
Advanced inspection	time to detection
Visual inspection	time to detection
Spare part management	time to repair/substitution

Impact of Applied Mitigation Measures

New CPN results of mitigation measure combinations for different cost scenarios compared to CPN without mitigation measures

Preventive measures have higher impact

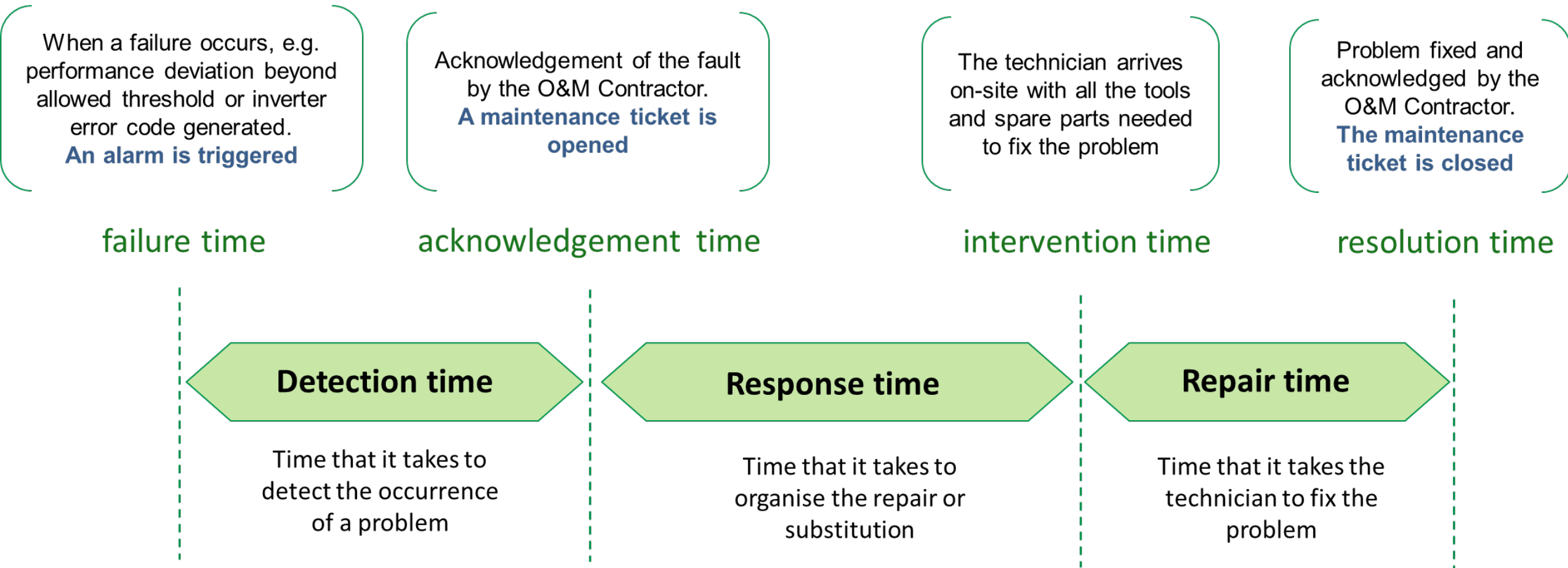


■ FIX Reference
 ● FIX Scenario 1
 ● FIX Scenario 2
 ● FIX Scenario 3

3 MM cost scenarios

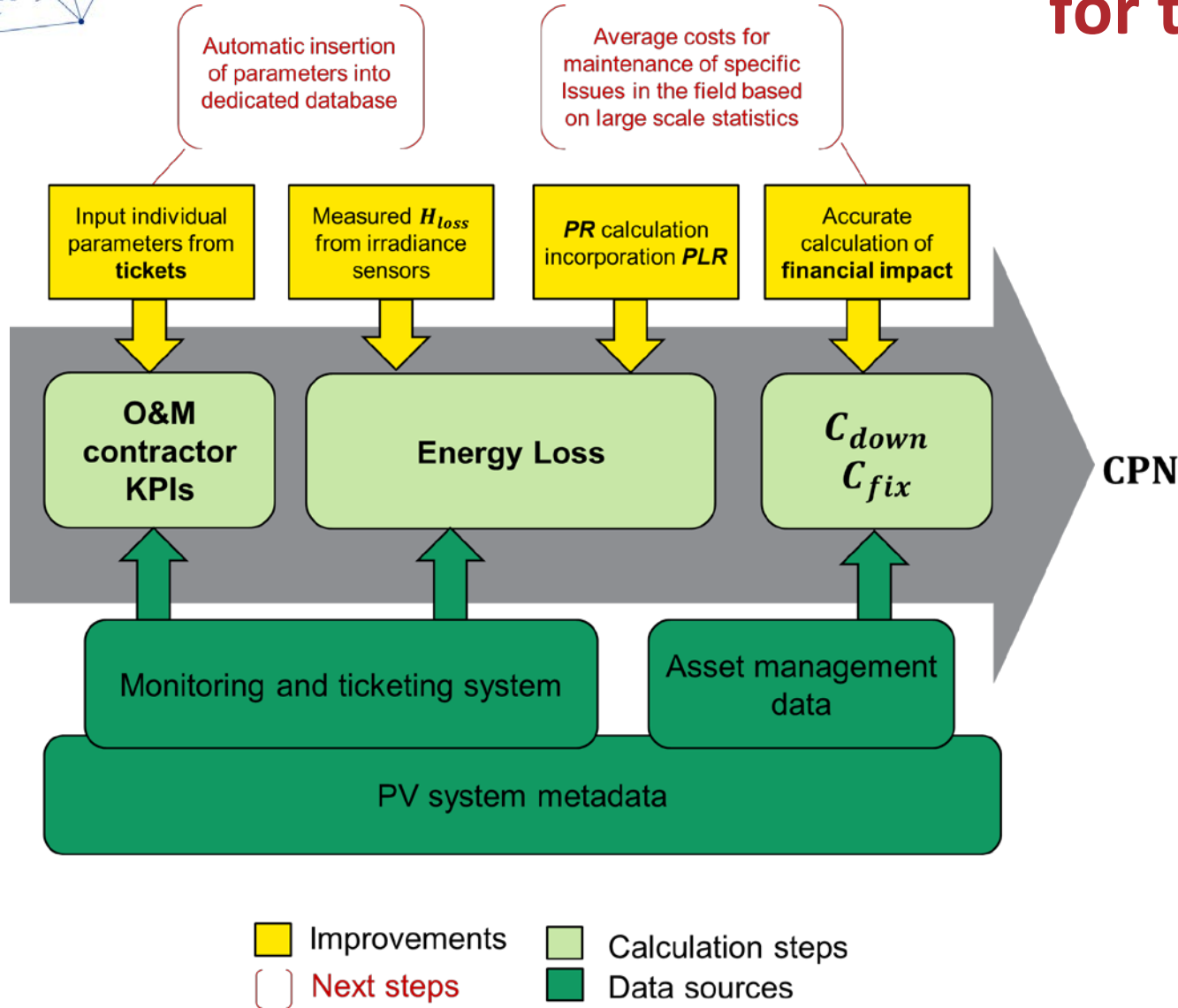
From theory to practice

Improved CPN methodology for the needs of O&M operators



OPTIMIZATION OF THE COST PRIORITY NUMBER (CPN) METHODOLOGY TO THE NEEDS OF A LARGE O&M OPERATOR, G. Oviedo Hernandez et al, EUPVSEC 2019, Marseille 5CV.4.19

Improved CPN methodology for the needs of O&M operators



Development of an automated and therefore time-efficient solution for extracting key parameters from maintenance tickets to gain statistical insights from a large number of PV plants.

Development of a software tool for field technicians that would allow the precise and error-free recording of standardised parameters for the calculation of the O&M contractors KPIs necessary for an efficient implementation of the methodology

The O&M field practices must definitely move away from a manual input of tickets in text format and adopt a more standardised approach when human intervention is limited

- Link high quality to low risk in PV project financing
- Risk categorisation
- Common nomenclature
- Standardised quantification
- Availability of large datasets is key (field inspections, monitored data, O&M tickets, etc)
- Dataset interoperability through digitalisation
- Improved Yield Assessment (reduction of uncertainty)

eurac research

Thank you!

**“We ensure quality and sustainability in
a PV driven energy transition”**

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