Overview of Contributors to the Cost of Geothermal Power Production

Greg Mines

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Development of Geothermal Power

Consists of successive phases including:

- Exploration
- Confirmation
- Site Development
 - Well Field Construction
 - Plant Construction
- Operation: power generation

Risk is highest in the early phases. Cost is highest during the well field development and plant construction



Exploration and Confirmation

Activities:

 Exploratory work to target resource; drill exploration wells; drill confirmation wells; flow test

Factors influencing cost:

- New vs expansion of existing field
- Drilling (lithology, depth, temperature, etc.)
- Location (remoteness, topography, etc.)
- Size of resource
- Time delay to start of power generation



Well Field Development

Factors influencing cost:

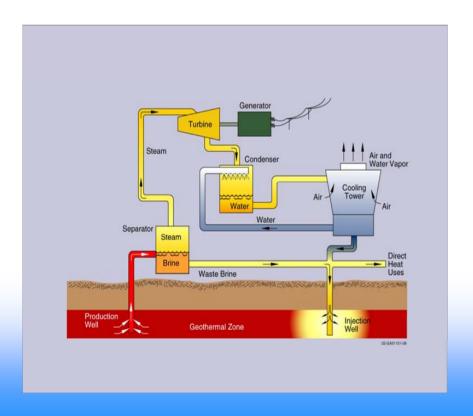
- Drilling
 - lithology
 - depth
 - temperature
 - rig availability
 - Location
- Number of wells
 - Project size
 - Success rate
 - Injection required?
 - Well productivity
 - Plant performance

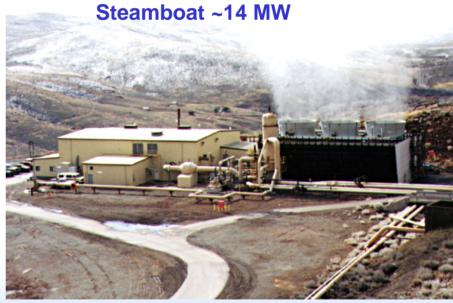


Selection of Conversion System

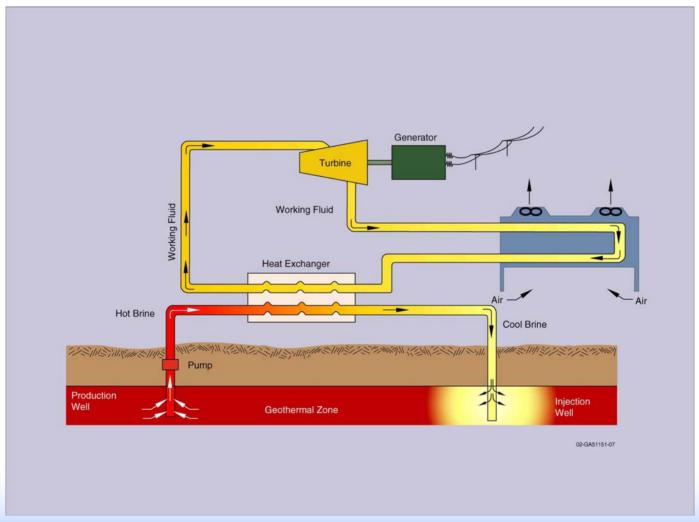
Flash Steam

- Higher temperature resources (>~175C)
- Plants tend to be larger (10- 60 MW)
- Capital costs ~\$1,000/kW (larger, higher temperature plants)





Binary Conversion System





Binary Power Plants



Mammoth: 2



Binary Plant Cost and Performance Factors

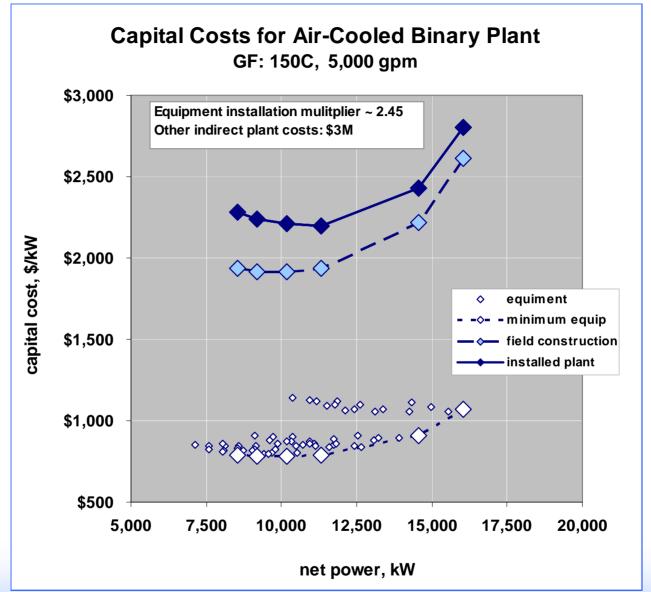
- Resource temperature
 - generally used < 175C</p>
 - cost (\$/kW) tend to increase with decreasing temperature
 - efficiencies decrease
 - required heat exchanger areas and/or flow rates increase
 - performance decreases with decreasing temperature
- Size
 - range: ~500 kW up to ~15 MW
 - cost (\$/kW) tend to decrease with increase size



Binary Plant Cost and Performance Factors

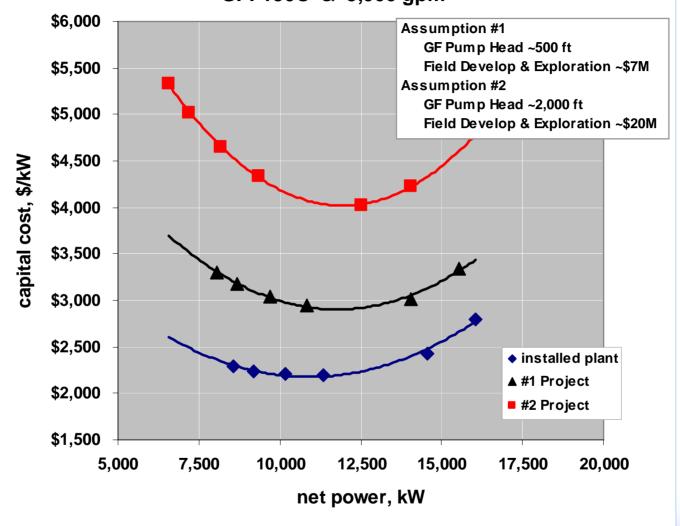
- Heat rejection
 - ~90% Of heat added is rejected
 - evaporative vs sensible heat rejection
- Chemistry
 - material of construction
 - scale
- Working fluid
- Heat exchanger pinch point







Air-Cooled Binary Project Costs GF: 150C & 5,000 gpm





Operating Costs

- Labor
 - more significant for smaller plants
 - automated vs manned operation
- Chemicals
 - corrosion & scale inhibitors
 - working fluid makeup
- Availability 95%+
- Replacement wells & well work-over
- Submersible pump repair/replacement
- Royalties

Annual O&M costs: $1-\frac{1}{2}$ to $2-\frac{1}{2}$ cents/kW-h

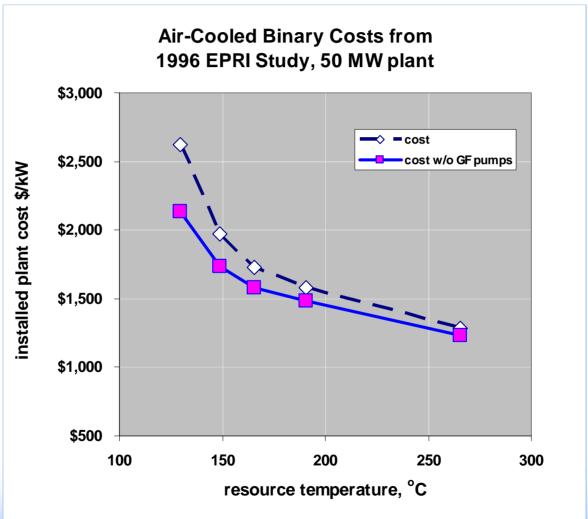


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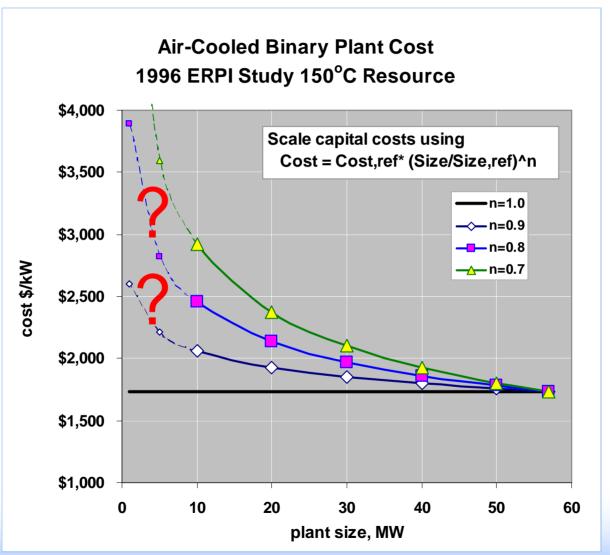


Effect of Temperature on Plant Cost





Effect of Size on Plant Cost



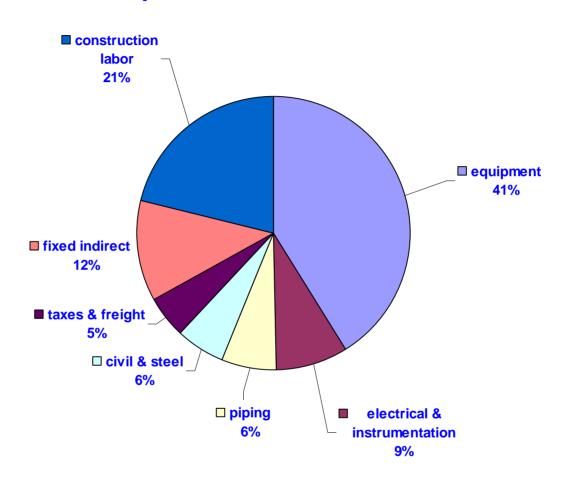


Summary

- Exploration and Well Field Development costs
 - Drilling costs
 - Well productivity
- Conversion System costs
 - Resource temperature
 - Type of conversion system
 - Performance and cost tradeoff
 - Plant size
- Operating & Maintenance cost
 - Labor
 - Conversion system
 - Self-flowing vs pumped wells



Air-Cooled Binary Power Plant Capital Cost Distribution





Cost of Power Estimate Air Cooled Binary 150C, LCOE ~\$0.085 per kW-h

