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# Quick scan Small scale geothermal plants

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### <span id="page-2-0"></span>**SUMMARY**

As a collaborative research and partnership program of Indonesia (ITB and UI) and the Netherlands (IF Technology) a series of workshops were held to address concerns and interests of making geothermal energy more valuable than it is now. The first workshop was held on April  $7<sup>th</sup>$ , 2016 at Institut Teknologi Bandung and participated by about 60 invited people from industries, universities, research agency, local and central government, representatives of local communities, NGO, as well as small-medium-large enterprises surrounding the geothermal energy potential location. The second workshop held on April  $7<sup>th</sup>$ , 2017 at UI, ITB presented its findings on small scale power plant case study. The presentation consists of technical, financial, and social aspect using low-medium enthalpy resources. Therefore, the studies in Work Package (WP) 3 low-medium enthalpy geothermal continue to a quick scan for feasibility in small scale power plant using low-medium enthalpy geothermal resources.

Previous study, WP 3.01, found that preferable manifestation for small scale in West Java is Cisolok Hot springs based on its geothermal fluids parameter with temperatures of 95°C and flow rate of 5 kg/s. For waste heat brine, Awibengkok-Salak is preferable due to temperature of brine reach 170 °C and categorized as two phase geothermal systems so that brine availability is high. This parameter will be the basis for preliminary design of small scale geothermal power plant. The binary cycle is divided into two cycles: the primary cycle which contain the geothermal fluid and the secondary cycle which enclosed system contain an organic working fluid. Based on secondary fluids selection study, preferable working fluid is Pentane. The selection of turbine pressure design that used in this system is 3 bar using the optimization maximum power output. The net cycle power that can be achieved by this system is 23 kWe. The heat exchanger and pump type that used in this case is shell and tube heat exchanger and centrifugal pump. Required investment for small scale geothermal power plant is 1.7 Million USD. Electricity price vs IRR sensitivity shows that 102 USD cent/kWh of price with IRR is 9.79%.

The power generation in Salak is generated by utilizing the brine separation result from the separator. By simulating the binary cycle output, the total power that can be extracted from the total brine output from the separator is approximately 13 MW. However, by referring to the small-scale project that discussed in previous section so the maximum power generation for

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this case is adjusted to 5 MW. The selection of the turbine pressure design that is used in this system is 8.5 bar with geothermal mass flow rate is 90 kg/s. The pressure of brine output from the separator is still high around 8 bar. Therefore in this this case is no need to use the feeding pump to transport brine to the plant. The total investment to develop a 5 MW geothermal binary plant that utilizes the manifestation in Salak is USD 16.6 Million and minimum electricity price is USD 23.8 cent/kWh. With this price the IRR on Equity would be 9.70% for 30 years project time.

The optimization of geothermal energy utilization is expected to encourage local economic development by adding value of geothermal heat for local products, generating income as tourist attraction, contributing to electricity supply, as an attempt to put an end to excess wasted thermal energy, and as an opportunity for following geothermal projects to come. Even more, produce their own electricity at a competitive price and also become (less) independent form grid electricity, giving a long-term stability. At least in remote areas, can produce more sustainable electricity at lower price (compared to diesel generated electricity). It is expected that the development of small scale geothermal plants can expand the economy. Stakeholders; public, investors and developers, need to get continuous education, so that they can benefit by gaining in depth knowledge of the advantages and conditions of constructing a geothermal energy installation. Investors and developers should know how to effectively deal with the local community to avoid conflict.

This report concludes that small scale geothermal power plant in Cisolok and Awibengkok-Salak can be implemented depend on technical, financial and social assessment with several notes to be considered.



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## <span id="page-5-0"></span>1 INTRODUCTION

### <span id="page-5-1"></span>1.1 GEOTHERMAL RESOURCES: POTENTIALS & UTILIZATION

Primarily low/medium enthalpy geothermal energy is used for direct heating. The best-known forms are bathing, space and district heating, agricultural applications, aquaculture, some industrial uses and geothermal (ground source) heat pumps (see also [Figure 1\)](#page-6-3). The value and feasibility of direct use of geothermal resources can be enhanced through use of waste heat and cascaded system of geothermal energy. There are many options for the potential application of geothermal energy. Next to direct heating, low/medium enthalpy geothermal energy can also be used for cooling and electricity production.

## <span id="page-5-2"></span>1.2 DIRECT USE: CATEGORIES, APPLICATIONS, AND ELECTRICAL POWER GENERATION

The development of lower temperature binary technology has made electric power production from low temperature geothermal resources feasible. Small scale geothermal power plants can encourage geothermal electricity production. Excess or industrial waste heat and lowmedium geothermal resources can be used to build small scale geothermal power plants. Geothermal resources located in rural or remote areas that are off the grid or that currently depend on diesel generators can benefit from the development of small scale power plants. Like most renewable energies, geothermal development carries high initial costs, but costs are lower once the plant is in operation. With small scale power plants revenue faster, they can be cost competitive with diesel generating power enjoyed by neighboring communities enabling market demand growth in the long run.





<span id="page-6-3"></span>Figure 1: Temperature range for potential direct use application

### <span id="page-6-0"></span>1.3 SMALL SCALE GEOTHERMAL POWER PLANT

#### <span id="page-6-1"></span>1.3.1 Definition

According to Vimmerstedt (1998), the definition of a small scale geothermal power plant are small geothermal projects less than 5 MWe while others (Entingh, et al., 1994 and Pritchett 1998) refer to a range of 100 to 1000 kWe as "small". However, in this report, small scale defines as power plant less than 5 MWe.

#### <span id="page-6-2"></span>1.3.2 Source

The source for small scale geothermal power plants can come from:

- hot spring with adequate flow rate;
- well head generating unit of a high enthalpy well;
- waste brine from a high enthalpy power plant;
- low-medium enthalpy wellbore in a volcanic hydrothermal system;
- low-medium enthalpy wellbore in a sedimentary basin system.



#### <span id="page-7-0"></span>1.3.3 Technology

Small scale geothermal power plants use flash steam and binary technology. Whether a flash steam or binary system is used is site specific. Resource temperature, chemical composition of the geothermal fluid and maintenance preferences are considered factors. Flash steam plants in small scale applications are low cost, relatively simple, and require no working fluid. However, compared to binary plants, flash steam plants operate at higher temperatures. Binary plants operate at lower temperatures and use a second working fluid.

The "Onsen" Binary plants in Japan, adopt the concept of Binary geothermal power plants, which use chemical fluids known as a second liquid (e.g., Isobutene and n-Pentane) that boils at a lower temperature than water. Hot spring water passes through a heat exchanger and heats up the second liquid in a closed loop. Heat from the geothermal water causes the secondary fluid to flash to vapour, which then drives the turbines, and subsequently the generators. The vapour is condensed back to liquid and begins the cycle again. Because this is a closed-loop system, virtually nothing is emitted to the atmosphere.

#### <span id="page-7-1"></span>1.3.4 Examples

Numerous papers describing the applications of flash steam and binary system in small scale geothermal developments have been published. They detail the technology under various circumstances. The following text cites several examples of small scale geothermal power plant from hot springs and a wellhead generating unit.

#### Onsen Hot Springs of Japan

In Japan, hot springs alone can attract millions of tourists each year. Particularly near volcanic areas, in several areas the temperatures of some these hot springs are about 90-100°C. They are too high in temperature for bathing but below temperatures for power generation with flash plants.

Typically, hot springs bathing uses temperatures around 42°C. By incorporating a binary power plant upstream of the hot spring system, the excess thermal energy can be used for small scale power generation while cooling the water temperature for bathing. The advantage





of applying this technology is at least two-fold, water temperatures from the hot springs are adjusted for bathing without changing the water quality and electricity can be obtained from existing hot springs without drilling new wells.

An example of application of hot spring power generation concept is the Obama Onsen Energy Plant. The plant uses excess heat from natural hot springs to generate electricity. It is run and funded entirely through collaborating with local people and a company, Koyo Denki Co.



Figure 2: Hot Spring –Hot Spa Power Generation



© Naturally heated 100℃ water flows into heat exchanger. @The hot water evaporates fluorine. @Electricity is generated by turning a turbine in the power of the steam.@The vapor is cooled back into liquid fluorine with sea water. Graphic courtesy of Obama Onsen Energy.

Figure 3: Obama Onsen Energy Plant





The first binary power plant installed in Japan is located in the town of Shinoshen, home to the Yumura Onsen where two 20kW binary plants are installed. Even a 400 kW Onsen Binary Geothermal Power plant is in operation Tsuchiya, Fukushima. Water from the hot springs is used to heat the binary plant working fluid and cold water from the nearby lake is used to cool the thermal water before re-injection into the ground.

#### Chena Hot Springs

In July 2006, two 200kWe ORC power plant modules were installed for the first time using chiller equipment manufactured by United Technology Corp. The power unit at Chena utilizes geothermal fluids at 74°C to produce the 400 kWe of power for the Resort. Because of the low temperature, the ORC module requires larger equipment size which increased the investment cost. The objective of the project at Chena is to reduce the investment cost of the ORC module. By using the chiller, costs were reduced up to \$1300 per kW (ORMAT \$1800-2000 per kW). The advantage of the ORC chiller module is that it is easily relocated, it has no specific need for location. The binary geothermal plant at Chena is used to for power generation, space heating and cooling, and greenhouse operations.



Figure 4: left: Onsen" Binary Geothermal Systems (2 x 20 kW), Credit: The Town of Shinonsen; right: 400-kW Onsen Binary Geothermal Power Plant at Tsuchiyu, Fukushima Prefecture, Credit: Genki Up Tsuchiyu Company





Figure 5: Modular unit at Chena



Figure 6: ORC module schematic design at Chena

#### Well Head Generating Unit from High Enthalpy Well

The Los Azufres Unit 6 of Mexico is an example of small scale generation from the wellhead generating unit from a high enthalpy well. This small scale module is a 5 MW geothermal



turbine (back pressure type) and capacity factor of 99.3% which first operated in 1987. It successfully is in continuing service for over 29 years. Another example of small scale generation from a wellhead generating unit is located at the Waita Geothermal Plant in Japan which recently started in December 2014. Its output is 2000kW.



Figure 7: Well head generating unit small scale application in Los Azufres Unit 6 Mexico



Figure 8: Waita geothermal plant,Japan



## <span id="page-12-0"></span>2 ASSESSMENT

## <span id="page-12-1"></span>2.1 SWOT ANALYSIS

In the assessment of the small scale power plant we chose to use the SWOT analysis method. Elements of the SWOT analysis consist of the Strength, Weakness, Opportunities, and Threats. We intend to examine and investigate the positive factors that may work together and the potential problems that may need to be addressed.



Figure 9: SWOT Analysis Method

Enlisted in the table below are the potential possibilities that were identified for the initiating development of a small scale power plant.



Table 1: Identified possibilities of SWOT elements



notes: AMDAL : Analisis Mengenai Dampak Lingkungan or Environmental Impact Analysis



## <span id="page-14-0"></span>2.2 CASE STUDY

Binary cycle power plants have been widely applied to several fields that are categorized as low-medium enthalpy. In water dominated high enthalpy geothermal field, binary cycles have also been applied to extract the energy from brine to generate electricity. The main components of a basic geothermal binary cycle power plant are the preheater, evaporator, turbine, condenser and feeding pump. The schematic process of a binary cycle is shown in [Figure 10.](#page-14-1)



<span id="page-14-1"></span>Figure 10 The schematic of binary cycle power plant (Reference: Fuad, 2015)



Figure 11: Cisolok Hot Springs and Awibenkok-Salak brine



#### <span id="page-15-0"></span>2.2.1 Technical Aspect

#### <span id="page-15-1"></span>Geothermal Fluids

This report discusses about the utilization of geothermal manifestation in the Cisolok and brine output from separator in Salak geothermal power plant. Those areas located in West Java.

#### Cisolok Area

The geothermal manifestation in Cisolok area appears at 106°27'13.4" E and 6°56'0.5" S in the Cisolok River. Currently, the geothermal manifestation of Cisolok is used as public bathing place. The thermal water discharging in the Cisolok River has high temperature near boiling temperature, with neutral pH and relatively high discharge rate.



Figure 12 Sketch of NE-SW sections of geothermal manifestations along Cisolok Rivers (without scale). (Reference: Mandradewi, W., and Herdianita, N.R, 2010)

Under the resource assessment (WP 3.1a) survey to Cisolok hot spring has been made. Figures of the field survey are given in [Figure 13,](#page-16-0) [Figure 14,](#page-16-1) and [Figure 15.](#page-17-0) Locations of measurement are divided into 4 areas, which are named 1 (MAP\_CSK\_1), 2 (MAP\_CSK\_2), 3 (MAP\_CSK\_3), 4(MAP\_CSK\_4).





Figure 13 Spouting springs in Cisolok

<span id="page-16-0"></span>

Figure 14 Spouting Springs (MAP\_CSK\_1)

<span id="page-16-1"></span>Table 2 Measurement result in MAP\_CSK\_1

Variable	Spouting Spring (MAP_CSK_1)			
Coordinate (UTM)	$X = 0660552$ ; $Y = 9233322$			
Location		B		
Elevation	93			
Temperature $(°C)$	94,6		96.8	







Figure 15 Spouting spring (MAP\_CSK\_3)

<span id="page-17-0"></span>MAP\_CSK\_2 and MAP\_CSK\_3 are eliminated because the flow rate is relatively small. [Table](#page-17-1) [3](#page-17-1) shows data for MAP\_CSK\_4.



<span id="page-17-1"></span>Table 3 Measurement result in MAP\_CSK\_4





Based on data from the survey, a temperature of 95 °C and mass flow rate of 5 kg/s is used in this study for the Cisolok hot spring.

#### Salak Area



Figure 16 Map of Awibengkok-Salak geothermal field. (Acuna et al., 2008)

The Salak geothermal is categorized as two phase geothermal system. The field is generated by single flash system. According to Acuna et al., 2008, The Salak geothermal field has been producing the steam required for 110-377 MW of power generation for 16 years, with approximately 14,000 to 18,000 kph injected in the production area during this time. Production well produces steam with 10-20% of steam fraction, the total brine production is approximately 1900 kg/s. The wellhead pressure is around 11-12.4 barg. While fluid flows to the separator, the pressure decreased to 8.27-8.62 barg and fluid is separated from brine in



water phase, steam directed to the inlet of the turbine. The brine temperature out from separator is 170 $\degree$ C and the pressure is almost same with separator pressure, after that the brine is re-injected through reinjection well.

#### <span id="page-19-0"></span>Secondary Fluids

The concept of binary cycle power plant refers to an organic working fluid used in a secondary, closed loop. The organic working fluid has a lower boiling point and higher vapor pressure than water or brine (primary fluid). Hot spring water passes through a heat exchanger and heats up the secondary fluid in a closed loop. Heat from the geothermal water causes the secondary fluid to flash to vapour, which then drives the turbines, and subsequently the generators. The vapour is condensed back to liquid, closing the cycle.

The binary cycle is divided into two cycles: the primary cycle which contain the geothermal fluid and the secondary cycle which contains an organic working fluid. In preparing the plant design, a selection of working fluid for the system is one of the most important considerations. Several criteria must be considered during the working fluid selection: a good thermodynamic property, a compatibility with fluid characteristic used, especially in medium-high temperature ranges. Other important considerations are critical temperature and pressure and safety (nonflammable, non-toxicity, ozone depleting potential).

Hydrocarbons such as butane, pentane and propane are good working fluids, in addition to some refrigerants. An appropriate selection of working fluid will result in a high efficiency system, as well as safe and economical operation. The WP 3.06 study concludes R 245-fa as a preferable working fluid. In this study, we also consider n-pentane as a working fluid.



Table 4 The parameter comparison of working fluid

**Notes** 

\* ODP : Ozone Depletion Potential

\*\*GWP: Global Warming Potential



The results based on the assumptions mentioned together with the various working fluids for the ORC Schematic design are demonstrated in the following figure.

Fluid	$P_{crit}$	$T_{\text{crit}}$	ODP	<b>GWP</b>	Flammability	<b>Toxicity</b>
	<b>MPa</b>	$^{\circ}$ C				
Isopentane	3.38	187.20	0	3	very high	low
<b>Butane</b>	3.80	151.98	0		very high	low
R123	3.66	183.68	0.012	120	low	toxic
R245ca	3.93	174.42	0	610	low	toxic
R <sub>245fa</sub>	3.65	154.01	0	950	low	low

Table 5: Results of various working fluids for the ORC Schematic Design

The sensitivity of flow rate and temperature to net power generation for the hot spring and waste brine case study are demonstrated in the figures below.



Figure 17: Left: The sensitivity of flow rate at temperature of 100°C to net power. Right: Sensitivity of temperature at flow rate of 1.5 kg/s to net power





Figure 18: The sensitivity of flow rate and temperature to net power generation for waste heat brine

These figures show performance of the working fluids for the ORC systems in the Cisolok Hot Springs and Awibengkok-Salak Brine case study. Based on the diagrams, the selected working fluid deemed most appropriate for the Cisolok Hot Spring ORC system is R-245fa or pentane and Butane for the Awibengkok-Salak system. R-245fa and Butane for the respective case studies, both display higher net power generated among the other working fluids. From the perspective of HSE aspects, both selected working fluids are lower in toxicity and do not contribute to ozone depletion. A potential problem for Butane as a working fluid is that it is highly flammable, while R-245fa when emitted to the environment may pose as a potential cause for global warming. A financial analysis of the small scale power plant is conducted to determine the feasibility of this case study. In this financial analysis, financial parameters and power generation factor are the main constituents for consideration. The financial parameters include tax, royalty, interest, declining balance asset, tangible depreciation, and IRR. The declining balance here is calculated for the duration of 7 years. The power generation factor covers the life span of the system and capacity factor. Details for the individual financial parameters and power generation factors are stated below, followed by results of the financial analysis.



#### <span id="page-22-0"></span>Calculation Result and Preliminary Design

#### Cisolok Power Generation

[Figure 19](#page-22-1) shows the process flow diagram of Cisolok binary cycle which built in HYSYS v8.8 software. The flow diagram describes the hot water, working fluid cycle, and cooling water line. The comparison operational conditions between n-pentane and R245fa working fluid and several assumptions that are used in the calculations are shown in [Table 6.](#page-22-2) The selection of the turbine pressure design that is used in this system is 3 bar for n-pentane and 5 bar for R245fa, based on the optimization maximum power output. In this case, the additional feed pump is needed to transport the manifestation fluid to the plant. The parasitic load energy is described in [Table 7.](#page-23-0)



<span id="page-22-1"></span>Figure 19 Process flow diagram of Cisolok binary cycle

<span id="page-22-2"></span>







<span id="page-23-0"></span>Table 7 The power generation and the utilization energy requirement in Cisolok power plant.



The net cycle power that can be generated by Cisolok system is 23 kWe for n-pentane and 22 kWe for R 245 fa. With lower design turbine pressure and lower working fluid mass flow rate, n-pentane generates a net power output almost comparable with R245fa. Due to lower working pressures, less investment cost has to be spent for n-pentane. Besides, a comparison of n-pentane and R245fa parameters are given in Table 3. In conclusion, n-pentane is preferable to R245fa. The output parameters and the operational condition during evaporating, pre-heating, and condensing process as shown in [Figure 19](#page-22-1) are used as a base for designing and sizing the heat exchanger.

#### Salak Power Generation

The power generation in Salak is generated by utilizing the brine separation result from the separator. By simulating the binary cycle output using HYSYS software, the total power that can be extracted from the total brine output from the separator is approximately 13 MW, however, by referring to the small-scale project that we discussed, so the maximum power generation for this case is adjusted to 5 MW. The process flow diagram of Salak binary cycle is shown in [Figure 20.](#page-24-0) The operational condition and several assumptions that we use to calculate the binary power cycle are showed in [Table 8](#page-24-1) and [Table 9.](#page-25-0) The selection of the



turbine pressure design that is used in this system is 8.5 bar for n-pentane and 12 bar for R 245 fa, based on the maximum 5 MW power output. The pressure of brine output from the separator is still high around 8 bar, therefore in this this case is no need to use the feeding pump to transport brine to the plant.



<span id="page-24-0"></span>Figure 20 Process flow diagram of Salak binary cycle

<span id="page-24-1"></span>Table 8 The operational conditions of binary cycle using Salak brine separator output





<b>Fluids</b>	Mwf	<b>Net</b> Power	nthermal	Gross Power	Feed Pump Power	Cooling Tower Pump
	kg/s	kWe	%	kW	kW	kW
n-pentane	89	5042	11.3	5279	132	105
R 245 fa	183	5037	9.0	5294	164	93

<span id="page-25-0"></span>Table 9 The power generation and the utilization energy requirement in Salak power plant

By the power output result of the two system which is almost comparable, the system design using n-pentane as working fluid has lower design turbine pressure and working fluid flow rate requirement. Therefore, the selection of n-pentane as working fluid is more suitable than R-245fa due to less investment cost and the availability stock in the market.

The next step is the process equipment design and selection, which is based on the amount and requirement of heat and mass transfer. From the simulation result which is shown in [Table](#page-23-0)  [7](#page-23-0) and [Table 9,](#page-25-0) The sizing and design of the equipment is need to rate up to match the design requirement. The equipment that is to be reviewed is heat exchanger (HE) and pump. [Table](#page-27-0)  [10](#page-27-0) to [Table 13](#page-28-2) show the equipment design of heat exchanger and pump for each case. The type of HE and pump used in this case are a shell and tube heat exchanger (STHE) and a centrifugal pump. The selection of the STHE is determined by the following aspects:

- Size: STHE has larger heat transfer surface area and has a shorter length due to the presence of multiple tubes.
- Heat Duty: STHE provide higher overall heat transfer coefficient so can handle wide temperatures and pressures.
- Versatility: the number of tubes and pitch can be selected according to the operating conditions and baffle cut and spacing can be used to influence the overall heat transfer coefficients.

Commonly there are two main combinations of shell and tube exchanger i.e. a fixed tube or a U-tube exchanger. In a fixed tube exchanger, the tube sheet is welded to the shell. This results in a simple and economical construction and the tube bores can be cleaned mechanically or chemically. However, the outside surfaces of the tubes are inaccessible except to chemical cleaning. In a U-Tube exchanger any of the front header types may be used and the rear



header is normally an M-Type. The U-tubes permit unlimited thermal expansion, the tube bundle can be removed for cleaning and small bundle to shell clearances can be achieved. However, since internal cleaning of the tubes by mechanical means is difficult, it is normal only to use this type where the tube side fluids are clean. The design of a shell and tube exchanger and centrifugal pump are shown at [Figure 21](#page-26-0) and [Figure 22.](#page-26-1) The requirements and design of the heat exchanger and pump are summarized in [Table 10](#page-27-0) and [Table 11.](#page-27-1)



<span id="page-26-0"></span>Figure 21 Shell and tube heat exchanger type. (a) Fixed-tubesheet heat exchanger (b) U-tube heat exchanger



<span id="page-26-1"></span>Figure 22 Centrifugal pump design



<span id="page-27-0"></span>Table 10 The design of pump in Cisolok binary cycle

	<b>Feed Pump (working</b>	<b>CT Pump</b>	<b>Feed Pump</b>
	fluid)		(manifest Pump)
Flow rate $(m^3/s)$	10	30	30
Power (kW)			
Quantity			

<span id="page-27-1"></span>Table 11 The design of heat exchanger in Cisolok binary cycle



Table 12 The design of pump in Salak binary cycle







<span id="page-28-2"></span>Table 13 The design of heat exchanger in Salak binary cycle

Overall, the study result of brine utilization from surface manifestation or brine separator output is reliable to conduct the generation. In comparison, between R245fa and pentane working fluid, the higher geothermal fluid temperature the more significant R245fa working fluid requirement. Therefore, the use of pentane as the working fluid for higher temperature operation is more suitable. In designing the process equipment for sizing, the difference value between temperature in and out of hot and cold side determines the bigger or smaller of the required heat transfer area. the heat transfer during evaporation process is larger than preheating process.

#### <span id="page-28-0"></span>2.2.2 Financial Analysis

#### <span id="page-28-1"></span>Cisolok Financial Calculation

The financial calculation for Cisolok is done using several assumptions as:

- Power generated 22.7 kW (rounded to 23 kW) based on previous analysis
- No loan required
- No added area required, all equipment is in existing area



#### • No drilling well

#### Investments required to build a geothermal binary at the manifestation in Cisolok can be found in [Table 14.](#page-29-0)

<span id="page-29-0"></span>Table 14 Investment for Cisolok Small Scale Geothermal Power Plant



The total investment to develop a 23 kW geothermal binary plant that utilizes the manifestation in Cisolok is USD 1,688,636. The number had considered the Value Added Tax 10% as applied in Indonesia. The binary turbine price is assumed for single stage ORC cycle with temperature up to 100° C and up to 250 kW capacity as USD 1.5 Million (Iceida, 2014) costs USD 1.5 Million.

Calculation using above assumptions found that the minimum electricity price for this scenario is more than USD 100 cent/kWh. With electricity price USD 102 cent/kWh the IRR

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would be 9.79% per year. The price is very high and above the average of electricity price in Indonesia. The high price explains that this project is not feasible.

#### <span id="page-30-0"></span>Salak Financial Calculation

The financial calculation for Salak is done using several assumptions as:

- Power generated 5 MW based on previous analysis
- No loan required
- No added area required, all equipment is in existing area
- No drilling well

Investments required to build a geothermal binary at the manifestation in Salak can be found

#### in [Table 15.](#page-30-1)

<span id="page-30-1"></span>Table 15 Investment for Salak Small Scale Geothermal Power Plant







The total investment to develop a 5 MW geothermal binary plant that utilizes the manifestation in Salak is USD 16,6 Million. The number had considered the Value Added Tax 10% as applied in Indonesia. The binary turbine price is assumed for single stage ORC cycle with temperature up to 100 $\degree$  C and 5 MW capacity as USD 5 million/Mwh (Iceida, 2014).

Calculation using above assumptions found that the minimum electricity price for this scenario is USD 23.8 cent/kWh. With this price the IRR on Equity would be 9.70% for 30 years project time.

## <span id="page-31-0"></span>3 SOCIAL ENGAGEMENT AND PARTICIPATION

Social engagement and partnership is essential in development of projects, small scale power plants included. Participation from the community, partnership of the stakeholders involved, protection, and achieving a win-win solution for all are integral.

### <span id="page-31-1"></span>3.1 PARTICIPATION–GETTING THE LOCAL COMMUNITY INVOLVED

Another important part is the involvement of the local population. We need to approach the local community in a very early phase and develop the project together. This is very important as it not only creates a shared responsibility, but it also means that local knowledge about the area can be incorporated in the plans. The local people's participation can give valuable inputs. Because they live in the area, they know best. It can mean the difference between a successful and a failed project. A great participation from the local community also means whether we have proven this idea works and that makes the other projects easier. Community participation is important to achieve sustainable development. Building a strong relationship with the locals so that they know they have valuable energy resources in their living area in which they also can have access to some part of energy for their economic development.





Figure 23: The local community of Fujimaehigata, Japan participates in routine surveys of tidal flats to allow immediate detection of environmental change. Conducting this survey is a means to raise awareness on importance of conservation and wise use.

## <span id="page-32-0"></span>3.2 PARTNERSHIP-SOCIAL CAPITAL AND COMMUNAL DECISION **MAKING**

Shared responsibility is the key to "Social capital", in which the local people also "invest" in the community development project using geothermal energy as the energy resource. Studies suggested that communities with high levels of social capital are more likely to have extensive community participation. In that way, the people will also feel they have their capital invested and therefore have eagerness to maintain the use of the system for sustainable system and future generation. Mutual benefit for related stakeholders, such as business entities, community groups, conservation organization, and local government, will gain by management strategies and proper business scheme.

### <span id="page-32-1"></span>3.3 PROTECTION

Geothermal is competitive with other energy technologies when environmental costs are considered (Kagel, 2007). These fact can be concern of the participating stakeholders involved



consisting of businesses, community groups, and conservation groups. Partnership among stakeholders is maintained by looking after mutual interests.

## <span id="page-33-0"></span>3.4 WIN-WIN SOLUTION

Mutual benefits are maintained through the interest of the stakeholders involved. Regulations which attract investment will foster projects and geothermal development to meet the government projection. Community awareness of the surrounding environment is cultivated by the benefits gained from geothermal development. Community acceptance provides supportive outlook for the future development. Decision makers, investors, and the public form a strong partnership prepared with the knowledge and commitment to carry out their functions.



## <span id="page-34-0"></span>4 CONCLUDING REMARKS

The optimization of geothermal energy utilization is expected to encourage local economic development by adding value of geothermal heat for local commodities, generate income as tourist attraction, contribute to electricity supply, as an attempt to put an end to excess wasted thermal energy, and open opportunities for following geothermal projects to come. Other advantage is production of electricity at a competitive price and also become less independent form grid electricity at least in remote areas, the can produce more sustainable electricity at lower price.

Based on technical assessment, Cisolok Hot springs reaches temperatures of 95°C with flow rate of 5 kg/s. This parameter used to design small scale geothermal power plant. Based on secondary fluids selection study, preferable working fluid is Pentane. The selection of turbine pressure design that used in this system is 3 bar using the optimization maximum power output. The net cycle power that can be achieved by this system is 23 kWe. The heat exchanger and pump type that used in this case is shell and tube heat exchanger and centrifugal pump. Required investment for small scale geothermal power plant is 1.7 Million USD. Electricity price vs IRR sensitivity shows that 102 USD cent/kWh, IRR is 9.79%. Other case study uses Awibengkok-Salak which generated electricity by utilizing the brine separation result from the separator. By simulating the binary cycle output, the total power that can be extracted from the total brine output from the separator is approximately 13 MW, however, by referring to the small-scale project that discussed in previous section so the maximum power generation for this case is adjusted to 5 MW. The selection of the turbine pressure design that is used in this system is 8.5 bar with geothermal mass flow rate is 90 kg/s. The pressure of brine output from the separator is still high around 8 bar, therefore in this this case is no need to use the feeding pump to transport brine to the plant. The total investment to develop a 5 MW geothermal binary plant that utilizes the manifestation in Salak is USD 16.6 Million and minimum electricity price is USD 23.8 cent/kWh. With this price the IRR on Equity would be 9.70% for 30 years project time.

The optimization of geothermal energy utilization is expected to encourage local economic development by adding value of geothermal heat for local products, generate income as tourist



attraction, contribute to electricity supply, as an attempt to put an end to excess wasted thermal energy, and open opportunities for following geothermal projects to come. Even more, produce their own electricity at a competitive price and also become (less) independent form grid electricity, giving a long-term stability. At least in remote areas, the can produce more sustainable electricity at lower price (compared to diesel generated electricity). It is expected that the development of small scale geothermal plants can expand the economy. For this to happen there needs to be continuous education of the public, investors and developers, and decision makers. The public can benefit by gaining in depth knowledge of the advantages and conditions of constructing a geothermal energy installation. Investors and developers should know how to effectively deal with the local community to avoid conflict.

This report concludes that small scale geothermal power plant in Cisolok and Awibengkok-Salak can be implemented depend on technical, financial and social assessment with several notes to be considered. It is expected that the development of small scale geothermal plants can expand the economy. For this to happen there needs to be continuous education of the public, investors and developers, and decision makers. The public can benefit by gaining in depth knowledge of the advantages and conditions of constructing a geothermal energy installation. Investors and developers should know how to effectively deal with the local community to avoid conflict.

