Solar Subgroup and Solar Specifications – FAQs

Q: What are the Solar Specifications?

A: The Solar Specifications are Specifications for the Application of the UNFC to Solar Energy Resources.

Q: What is the UNFC?

A: The UNFC is the United Nations Framework Classification for Resources. The UNFC was originally developed to help with comparison of energy and mineral resources classified using different classification schemes. The UNFC is now being used to classify a growing list of resources including renewable energy resources such as geothermal, solar, wind and hydro. The UNFC is also being applied by governments across the world for the reporting and assessment of resources.

Q: What will the Solar Specifications do?

A: The Solar Specifications will provide guidance on how to classify useful energy from solar energy projects in relation to the socio-economic viability of the project, project feasibility (e.g. maturity) and physical confidence of useful energy estimates. It does this by providing UNFC related definitions in the context solar energy. Users will have to use their judgement when applying these definitions to classify solar energy reserves.

Q: What will the Solar Specifications be used for?

A: The Solar Specifications have four key uses, consisting of:

- Pre-feasibility studies in which the useful energy from solar energy projects are classified.
- Government assessments in which the potential Solar Energy Reserves in different areas are classified.
- Facilitating comparisons between competing sources of renewable and non-renewable energy either at the project level or at the national level.
- Facilitating the monitoring and management of energy projects and reserves within energy companies and by governments.

UNFC and related classifications have been used for in these ways for petroleum and coal, but the UNFC has not traditionally been used to classify renewable energy resources or reserves.

Q: Is the purpose of the Solar Subgroup to assess solar energy reserves for projects or countries?

A: No. The Solar Subgroup is only preparing Sola Specifications, not applying them.

Q: Will the Solar Subgroup attempt to demonstrate proof of principle?

A: Yes. As part of the research undertaken by the Solar Subgroup hypothetical case studies will be prepared. Ideally, a limited number of real case studies will also be prepared where real projects or countries have their useful energy figures classified using the UNFC categories. The lessons learned from the case studies will shape the guidance in the Solar Specifications.

Q: Will the Solar Specifications provide guidance on how to estimate the quantity of energy produced (or utilised in the case of direct use) by a solar energy project?

A: No. There are other documents that address how to estimate the quantity of energy produced by a solar energy project. The Solar Specifications only require that the estimated energy should be for the for the lifespan of a project[1].

Q: Will the Solar Specifications include the valuation of solar energy reserves?

A: No. Other documents provide guidance on the valuation of solar energy projects and energy reserves at the national level.

Q: What do I need to do as a member of the Solar Subgroup?

A: Being of member of the Solar Subgroup is voluntary. Essentially there are three levels of engagement (i.e. roles) a member can have within the Solar Subgroup, consisting of:

- Drafting member: either as part of the team drafting the solar specifications, individually drafting hypothetical case studies, individually drafting real case studies, or individually drafting discussion papers;
- Review member: providing written and verbal feedback on case studies, discussion papers and the draft Solar Specifications; and
- Observational review member: Part of the mailing list and may participate in meetings but will mostly provide feedback on key documents such as the draft Solar Specifications.

Q: What else might the Solar Specifications be used for?

A: There are a wide range of other potential applications or benefits that the Solar Specification may contribute to, for example:

- Solar energy reserves could potentially be used in energy company Reserve Replacement Ratios (RRR) facilitating the inclusion of renewable energy investments in accounting measures traditionally used to assess the health of oil and gas companies. This would also facilitate that transition from non-renewable energy to renewable energy sources by large energy companies;
- Government assessments of solar energy reserves classified using the Solar Specifications can be used in physical Natural Resource Accounts under the System of Environmental Economic Accounting (SEEA) which is part of the System of National Accounts (i.e. the system used to estimate GDP among other things);
- The Solar Specifications may lower the cost of assessing solar energy projects by introducing consistency of reporting;
- The Solar Specifications might support the development of standardised Solar Energy Reserves reporting (i.e. disclosure of assets) for public companies. This would be similar to disclosure requirements for oil and gas companies under stock exchange rules; and,
- The reporting of solar energy projects, and reserves, using the UNFC might attract investors that have not traditionally invested in renewable energy projects or companies.

Currently, these are largely hypothetical applications or benefits, although the SEEA already refers to the UNFC.

[1] Lifespan of a new project or remaining lifespan of an established project.