

Accepted Manuscript

Scoping the potential usefulness of seasonal climate forecasts for solar power management

Matteo De Felice, Marta Bruno Soares, Andrea Alessandri, Alberto Troccoli



PII: S0960-1481(19)30455-0

DOI: <https://doi.org/10.1016/j.renene.2019.03.134>

Reference: RENE 11406

To appear in: *Renewable Energy*

Received Date: 4 September 2018

Revised Date: 27 March 2019

Accepted Date: 29 March 2019

Please cite this article as: De Felice M, Soares MB, Alessandri A, Troccoli A, Scoping the potential usefulness of seasonal climate forecasts for solar power management, *Renewable Energy* (2019), doi: <https://doi.org/10.1016/j.renene.2019.03.134>.

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Scoping the potential usefulness of seasonal climate forecasts for solar power management

Matteo De Felice¹, Marta Bruno Soares², Andrea Alessandri^{3,1}, Alberto Troccoli⁴

Abstract

Solar photovoltaic energy is widespread worldwide and particularly in Europe, which became in 2016 the first region in the world to pass the 100 GW of installed capacity. As with all the renewable energy sources, for an effective management of solar power, it is essential to have reliable and accurate information about weather/climate conditions that affect the production of electricity. Operations in the solar energy industry are normally based on daily (or intra-daily) forecasts. Nevertheless, information about the incoming months can be relevant to support and inform operational and maintenance activities.

This paper discusses a methodology to assess whether a seasonal climate forecast can provide a useful prediction for a specific sector, in this paper the European solar power industry. After evaluating the quality of the forecasts in providing probabilistic information for solar radiation, we describe how to assess their potential usefulness for a generic user by proposing an approach that takes into account not only their accuracy but also other potentially relevant factors. This approach is called index of opportunity and is then illustrated by presenting an example for the European solar power sector. The index of opportunity provides indications about where and when seasonal climate forecasts can benefit the decision-making in the photovoltaic sector. Even more importantly, it suggests an approach on how to evaluate their

Email address: matteo.defelice@enea.it (Matteo De Felice)

¹ENEA, Roma, Italy

²University of Leeds, School of Earth and Environment, Leeds, UK

³Koninklijk Nederlands Meteorologisch Instituut (KNMI), De Bilt, Netherlands

⁴World Energy & Meteorology Council c/o University of East Anglia, Norwich, NR4 7TJ, UK

usefulness for the user's decision-making. This approach has the advantage of not limiting the definition of the usefulness only to the quality of the forecasts but rather considering, in an explicit way, all the factors that must be combined with the forecast's quality to define what is useful or not for the user.

Keywords: Solar Power, Climate, Climate Services, Forecasting

1 Introduction

The fluctuations of the electricity produced by the majority of renewable energy sources (RES) is closely related to weather and climate variability. Sources like solar and wind power, which together accounted for approximately 12% of the European electricity generation in 2016 [1], are inherently non-dispatchable and influenced by the availability of solar radiation and wind, respectively. In addition, hydro power generation, which produces more than 10% of Europe's electricity, although a more controllable energy source, is also affected by the availability of water in rivers and reservoirs which is tightly linked with precipitation and snow melting.

This strong link between power generation and meteorology implies that an increase in energy produced by RES requires actions by the electric utilities and grid operators to prevent drawbacks and faults due to less favourable weather conditions.

Solar power, specifically photovoltaic power, has a fundamental role in the RES mix. With a global installed capacity increase from 177 GW to about 400 GW between 2014 and 2017⁵, solar power could reach more than 600 GW by 2020 [2]. In Europe, the installed capacity in Europe has grown by 100 GW and solar power currently supplies on average 4% of the Europe's energy demand [2]. The EU Reference Scenario 2016⁶ from the European Commission envisages an increase of solar capacity in 2050 (in relation to 2015) of 116% for Germany, 200% for Italy and 16% for UK [3].

Solar power is affected by the availability of solar radiation making the power supply particularly vulnerable to clouds and, more generally, to the occurrence of low-pressure systems. Furthermore, the efficiency of photovoltaic

⁵<http://www.ren21.net/gsr-2018/>

⁶Available here: https://ec.europa.eu/energy/sites/ener/files/documents/ref2016_report_final-web.pdf

26 panels is directly related to their temperature adding a further dependence
27 to air temperature and wind speed due to cooling effects [4].

28 Forecasting the expected production of solar power for the next hours/days
29 is normally necessary for the scheduling of non-renewable power plants and
30 for decision-making processes within the energy market. However, there are
31 also decisions that are made at longer timescales (e.g. 2-3 months ahead) and
32 influenced by weather/climate such as in relation to system adequacy anal-
33 ysis, hedging, asset management and risk assessment [5]. A tool that could
34 help to predict the climate information at long time-scales is the climate
35 forecast generated by an Earth system model.

36 Seasonal climate forecasts are numerical model-based predictions where
37 each forecast is initiated from an estimate of the initial state of the Earth
38 system derived from Earth observations. Due to advances in the knowledge of
39 the Earth system as well as the dramatic increase of available computational
40 power, their quality has improved significantly in the last decades [6]. These
41 systems are able to provide predictions of the climate up to several months
42 ahead [7, 8]. Although climate forecasts can be perceived as an extension of
43 weather forecasts with respect to the timescale of the information provided,
44 the shift from “weather” to “climate” information leads to two big differences.
45 Firstly, the information covers a longer period (e.g. the next season) and
46 larger areas (e.g. mid-size country). Secondly, climate forecasts provide
47 probabilistic information, as they consist of an ensemble of simulation, a
48 way to deal effectively with the uncertainty.

49 The type of information provided by climate forecasts also requires a
50 different approach when using the information for decision-making in the
51 energy sector. This is due to the different types of resolution (e.g. a seasonal
52 instead than hourly average) and the longer timescales which influence other
53 types of operations than those pursued at hourly or daily timescales.

54 The intrinsic probabilistic nature of seasonal climate forecasts also re-
55 quires different methods to assess the quality of the information which are
56 technically different from the verification methods applied to deterministic
57 (weather) forecasts [9]. Although there is a shared agreement on “why and
58 when” seasonal forecasts are good (see for example [10] and [6]), it is often
59 considered good practice to apply post-processing (e.g. bias correction) or
60 multi-variate statistical methods (e.g. [11]) to enhance the forecasts’ infor-
61 mation.

62 In recent years, many projects in Europe have assessed and analysed the
63 potential usefulness and usability of climate forecasts across a number of sec-

64 tors including energy focusing on long-term climate change scenarios (e.g.
65 [12] and [13]) and seasonal climate forecasts as an input for operational ac-
66 tivities in the renewable energy sector (e.g. [14, 15, 16, 17]). These efforts
67 have been largely underpinned by the need to efficiently manage the renew-
68 able energy sector as it is becoming more prominent in Europe⁷ as well as
69 the opportunities arising from new operational forecasting systems⁸.

70 In the scientific literature, there are only a few studies that have looked
71 into the use of seasonal climate forecasts for RES (e.g. [18, 19, 11, 20]). How-
72 ever, many of those analyse the information provided by the forecasts from a
73 statistical perspective and tend to exclude assessments of how the predicted
74 climate information can be potentially useful to the user, i.e. help to bet-
75 ter inform and support their decisions. An example is [21], which assesses
76 the “goodness” of seasonal climate forecasts at the global level, classifying
77 their usefulness considering their statistical reliability, i.e. its statistical con-
78 sistency, without taking into account explicitly the decision-making of their
79 users.

80 This paper proposes a methodology to understand the usefulness of sea-
81 sonal climate forecasts for the solar power industry considering the main
82 factors that are perceived as relevant to an industry user. In Section 2 we
83 present an analysis on the predictability of solar power in Europe. Section
84 3 presents an approach, called index of opportunity, illustrated with an ex-
85 ample on European solar power. In Section 4 we discuss the results and its
86 potential application on European regions. Finally, in Section 5 we provide
87 some final remarks.

88 2. Predicting solar power in Europe

89 Solar radiation is the most important meteorological driver for photo-
90 voltaic power plants. It can be measured using ground sensors or estimated
91 by satellite measures or atmospheric reanalyses. As the scope of this study
92 is the European continent a homogeneous dataset spanning a long period
93 was required, to this end we opted for a satellite-based product. In addi-
94 tion, the use of satellite data is often preferred with respect to reanalyses

⁷In the period 1990-2014 the production from RES in Europe has increased by 174%.
For more see the recent EUROSTAT statistics available here <http://bit.ly/1TE3Ms5>

⁸An example is the Copernicus Climate Change Service (C3S) seasonal multi-system
freely available at <https://climate.copernicus.eu/seasonal-forecasts>

95 (e.g. MERRA by NASA or ERA-INTERIM/ERA5 by ECMWF) due to
96 their higher accuracy [22].

97 In this study, we use the SARAH (Surface Solar Radiation Data Set-
98 Heliosat) dataset. It was released in 2015 by CM SAF (Satellite Application
99 Facility on Climate Monitoring) and provides data for the period of 1983 to
100 2013 including the hourly to monthly averages in a regular grid at a resolution
101 of $0.05^\circ \times 0.05^\circ$ [23, 24]. Although solar radiation is the prominent variable to
102 estimate the power output of a PV plant, air temperature plays an important
103 role too due to its role in the efficiency of the PV panel [25]. To this end,
104 in our analysis we have used 2-metre temperature data from E-OBS dataset
105 [26].

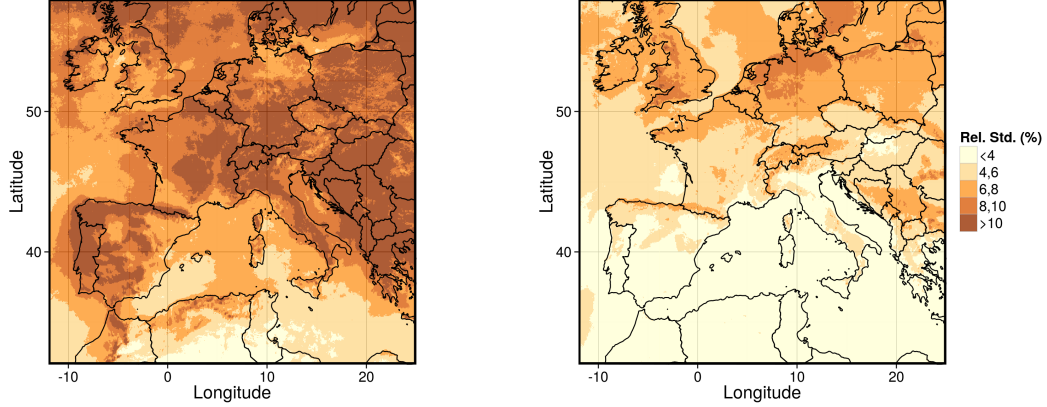
106 Solar radiation shows a strong seasonality in both its average and vari-
107 ability, due to astronomical and atmospheric effects. The inter-annual vari-
108 ability for the winter and summer seasons, expressed as the percentage ratio
109 between the standard deviation and the mean (hereinafter relative standard
110 deviation), is shown in Figure 1. The Mediterranean region shows a lower
111 variability than the rest of Europe due to more frequent clear sky conditions.
112 Another evident characteristic is the higher variability in the mountain re-
113 gions, as for example in the Pyrenees, Apennines, Alps and the Carpathian
114 Mountains.

115 *2.1. Predicting Solar Power using Seasonal Climate Forecasts*

116 The seasonal forecasts used in this work were produced by the ECMWF⁹
117 System 4 forecast system which was operational from November 2011 until
118 November 2017 [27]. The System 4 system provides every month a forecast
119 for the incoming months as a set of different realisations (named ensemble
120 members) with a temporal resolution of 6 hours.

121 Our analysis focuses on the potential predictability of solar power at re-
122 gional level given the difficulty to simulate the actual production at site-level
123 due to the lack of information on existing PV plants (geographical coordi-
124 nates, panel orientation, on-site measurements, solar panels typology, etc.)
125 for all the European countries. We compared for each European region (con-
126 sidering NUTS 2 classification, the second level of the European Nomencla-
127 ture of territorial units for statistics) the: a) solar power potential obtained

⁹The European Centre for Medium-Range Weather Forecasts (ECMWF) is an inter-governmental organisation established in 1975 and supported by 34 states.



(a) Winter (December, January and February)

(b) Summer (June, July and August)

Figure 1: Relative Standard Deviation of daily solar radiation for summer and winter seasons from SARA dataset for the period 1983-2013. It is clearly visible how the Mediterranean regions show a lower variability than the rest of Europe due to a general clearer sky

128 using satellite solar radiation and the observed air temperature, and b) the
 129 solar power potential computed using the same two variables from the sea-
 130 sonal climate forecast output instead.

131 The photovoltaic power potential is a dimensionless metric function of all
 132 the factors affecting solar power production [28]. It is defined as:

$$PV_{pot}(t) = \eta(t) \frac{G}{G_{STC}} \quad (1)$$

133 where G is the solar irradiance (derived from satellite measurements or
 134 climate forecasts) and G_{STC} is the solar irradiance at standard conditions
 135 (the conditions when the PV module produces its nominal power) which is
 136 equal to $1000W/m^2$; $\eta(t)$ is the performance ratio, a coefficient that models
 137 the changes in efficiency of the PV panel, defined as:

$$\eta(t) = 1 + \gamma(T_{cell}(t) - T_{STC}(t)) \quad (2)$$

138 where γ is the temperature coefficient, which is normally provided by the
 139 manufacturer. In our case we set it to $0.0045^\circ C^{-1}$, which is an average value
 140 considering the possible photovoltaics technologies (see Dubey et al. [29] for

141 more details on this aspect). T_{STC} is the temperature at standard conditions
 142 (here $25^{\circ}C$) and T_{cell} is the PV cell temperature that, following the definition
 143 in Ross [30], can be expressed as:

$$T_{cell} = T_{air} + G \frac{NOCT - 20}{800} \quad (3)$$

144 where T_{air} is the air temperature and NOCT is the Nominal Optimal Cell
 145 Temperature that we assume here as $48^{\circ}C$.

146 2.2. Probabilistic Analysis

147 We analyse the seasonal climate forecasts in predicting PV power pro-
 148 duction for a 3-month seasonal average with one month of lead time (i.e.
 149 forecasts issued on the first of February for the spring season, the first of
 150 May for summer, etc.). In this analysis, we focus on the seasonal averages,
 151 derived by averaging all the values of each ensemble member for each season.

152 Given the probabilistic nature of seasonal forecasts we followed the ap-
 153 proach and skill measures described in Wilks [31] particularly the Brier Skill
 154 Score (BSS), a well-known and widely used skill metric for the probabilistic
 155 forecasts [10, 32]. Although there are several frameworks and metrics that
 156 can be potentially applied to assess the quality of a probabilistic forecast,
 157 we opted for the use of the Brier Score [33] for a binary event. We decided
 158 to focus our analysis on a binary event (e.g. solar power production higher
 159 than normal), rather than on a continuous variable (e.g. the amount of gen-
 160 erated electricity), to be able to simplify the decision-making model to better
 161 concentrate this work on the link between the quality of a forecast and its
 162 perceived usefulness for a user, as we will see later in Section 4. Using a cate-
 163 gorical (e.g. binary) predictand instead of a continuous one also makes easier
 164 the analysis of the joint distribution of observations and forecasts. Moreover,
 165 the Brier Score is used also for its useful reliability-sharpness decomposition
 166 [31] and for the fact of being a proper score [34].

167 The BSS is based on the Brier Score (BS), that basically corresponds
 168 to the mean squared error of the probability forecast in predicting a binary
 169 event. The formula for the BS is the following:

$$BS = \frac{1}{n} \sum_{k=1}^n (y_k - o_k)^2 \quad (4)$$

170 where o is the observation, with $o = 1$ when the event occurs and $o = 0$
 171 when it does not. Instead y is the probability forecast, with k the index for
 172 the n time steps.

173 The skill score (BSS) is obtained comparing the BS of the forecast with the
 174 BS of a reference forecast, in this case the climatological relative frequency.
 175 A BSS of 1 indicates a perfect forecast while a score of 0 means no difference
 176 between the forecast and the reference forecast. When the value is negative,
 177 it means that the forecast performs worse than the reference forecast. The
 178 formula for the BSS is then:

$$BSS = 1 - \frac{BS}{BS_{ref}} \quad (5)$$

179 where BS and BS_{ref} are respectively the Brier Score of the forecast and
 180 the reference forecast.

181 All the datasets here used have been interpolated on a common grid, the
 182 one of the SARAH dataset. Consequently, also the PV power potential is
 183 computed point by point on a regular grid and then we choose to aggregate
 184 it, using the mean, at regional level. Moreover, to make this analysis
 185 more realistic and therefore meaningful for each region we average only the
 186 grid points where, based on the land-cover information, PV panel may be
 187 installed. This is based on the methodology proposed by Hansen and Thorn
 188 [35] and it consists of an analysis of the potential for PV farms per square
 189 km in Europe using the Corine Land Cover data (CLC2006). This potential
 190 represents an estimate of the regional PV energy suitability (i.e. the area
 191 available for PV) taking into account geographical and physical conditions.
 192 After estimating the potential density of PV panels we classify all the grid
 193 points as suitable (or not) for PV power installation (see Figure 2), we filter
 194 out all the grid points that are not suitable (i.e. where the density of PV
 195 panels is zero as for example in mountain areas) from the regional averages.
 196 Figure 2 shows a map illustrating, with one km resolution, all the areas that
 197 are suitable for PV panels, i.e. when the potential for PV farms is greater
 198 than zero.

199 The BSS is used here to measure the skill of the seasonal forecast in
 200 predicting two binary events: *upper event* and *lower event*. The two events
 201 are defined according to the lower and upper terciles of the average regional
 202 PV power potential, i.e. the upper (lower) event is defined when the PV
 203 potential is above (below) the 66th (33th) percentile of all the PV potential
 204 observed in the considered period (1983-2013).

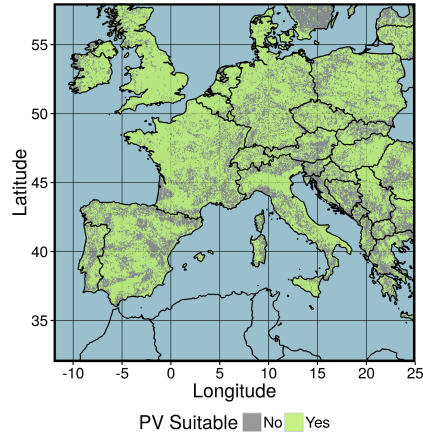


Figure 2: Areas suitable for PV-panel installation. The map has a 1 km of resolution and it is based on Corine Land Cover Data (CLC2006) following the procedure proposed by Hansen and Thorn [35]. The grey grid points represent the areas where the potential density of PV is zero.

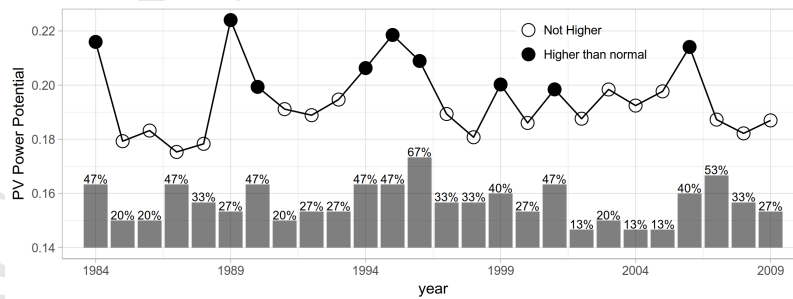


Figure 3: Example for West Midlands in summer. The line represents the PV power potential (see Eq. 1) based on the observed meteorological variables. The bar plot instead shows the probability given by the seasonal climate forecasts issued in May of a PV power potential higher than normal (i.e. greater than the 66th percentile) for the incoming summer.

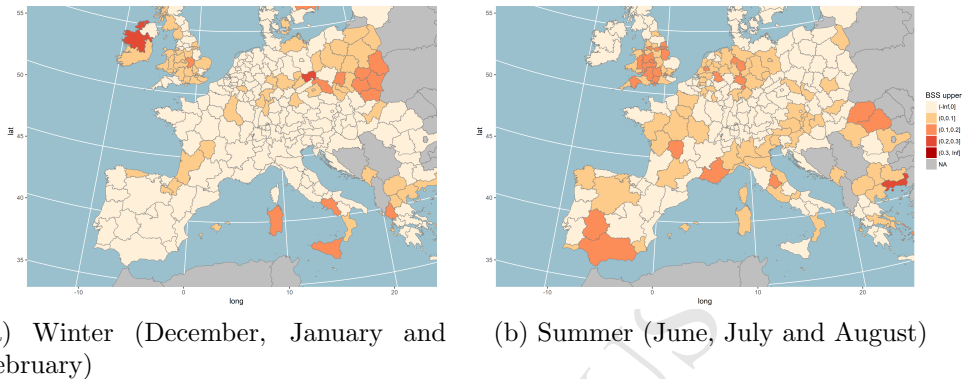


Figure 4: Brier Skill Score for the PV power potential higher than normal (i.e. above the 66th percentile).

205 An example on how the events are defined is in Figure 3, where the
 206 photovoltaic power potential is shown for a county in the West Midlands
 207 region (England) for the summer. The black dots represent the *upper event*,
 208 i.e. when the potential is above the 66th percentile (0.20 in this example). The
 209 bar plot at the bottom indicates the probability predicted by the seasonal
 210 forecast for having the PV power potential higher than normal. In this
 211 example the skill score is equals to 0.27.

212 The BSS of the seasonal forecast for the two events is shown for all the
 213 European regions in Figures 4 and 5.

214 The coloured areas represent the regions where the seasonal forecast pro-
 215 vides probabilistic information that is better than climatology i.e. the in-
 216 formation coming from the observed frequency of the event in the past. In
 217 both of these figures we can see that in some areas of Europe there is skill in
 218 multiple regions such as in the Iberian Peninsula during summer months for
 219 both of the events or in the United Kingdom for the higher event (i.e. the
 220 prediction that the PV output will be higher than normal).

221 A detailed skill assessment of solar power generation (and, more in gen-
 222 eral, energy and climate variables) can be found instead in two deliverables of
 223 the ECEM contract [36, 37]. Both the documents focused on solar irradiance
 224 given that, for seasonal averages, it is highly correlated with the solar power
 225 production. The assessment in [36] is based both on the point-by-point cor-
 226 relation between the seasonal forecasts and the ERA-INTERIM reanalysis
 227 for solar irradiance (Figure 16 of [36]) and on the use of a set of skill-scores

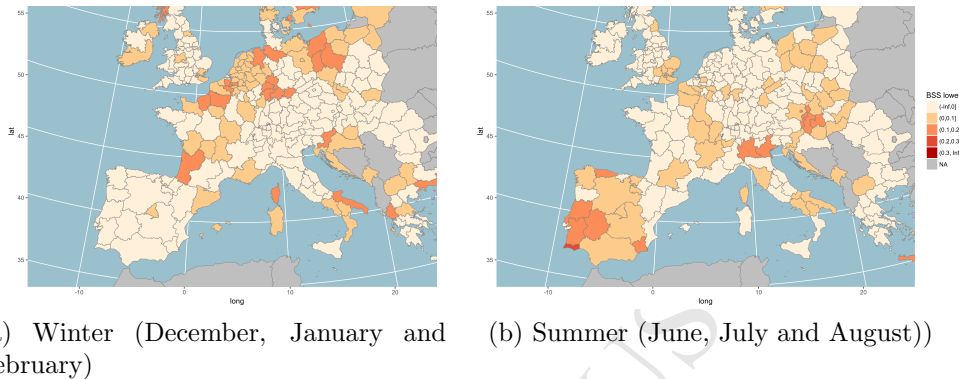


Figure 5: Brier Skill Score for the PV power potential lower than normal (i.e. below the 33th percentile).

228 for country averages. In the latter analysis (shown in Table 2 and 3 of [36])
 229 they have found that for the winter forecasts the correlation is significantly
 230 greater than zero for Eastern Europe (Albania, Bosnia-Herzegovina, Bul-
 231 garia, Croatia, Czechia, Greece, Hungary, Macedonia, Montenegro, Serbia,
 232 Slovakia) and instead for ROC skill-score (see Wilks [31] for the description
 233 of this metric) only in Serbia and Poland. On the contrary, the authors have
 234 found that for summer forecasts no areas shows a skill-score significantly
 235 greater than zero.

236 A proper skill assessment is a vital step to evaluate a seasonal climate
 237 forecast, however, skill metrics alone are not enough to define if a forecast
 238 is useful or not for a user. In the following section we discuss and present
 239 an approach for calculating an index of opportunity of seasonal forecasting,
 240 based on multiple factors including a skill score, to help inform and improve
 241 the operational decisions of a target generic user.

242 **3. Index of opportunity: a hypothetical example for the solar** 243 **power industry**

244 As mentioned above, seasonal climate forecasts can be potentially used
 245 as a tool to improve the decision-making in sectors where climate plays an
 246 important role (see [20]). However, as emphasized by [38], for seasonal fore-
 247 casts to be useful should be able to influence the decision-making: assessing
 248 their accuracy (as we did in Section 2.1) is generally not sufficient. As such,
 249 it is critical to understand how this type of forecasts can potentially help

250 to inform the operations and decision processes within the solar power in-
251 dustry. In this context, the potential usefulness of seasonal forecasts to the
252 end-users will be influenced by a number of aspects such as how much is the
253 information provided by the forecast needed to inform the user's operations
254 and decisions; what is the impact of a good (bad) forecast to the user; how
255 precise and accurate does the forecast needs to be to be applied by the user
256 [38, 39, 40]. Furthermore, broader aspects related to the specific organisa-
257 tional context within which the forecasts are to be applied (e.g. governance
258 structures, institutional and regulatory contexts, trusting relationships with
259 the forecasts' providers) also influence how potentially useful and, ultimately,
260 usable seasonal forecasts can become [39, 40, 41].

261 However, the use of seasonal forecasts to inform activities within the solar
262 energy sector in Europe is limited. To evaluate the potential usefulness of
263 seasonal climate forecasts, we propose an index that, taking into account
264 multiple factors, can help understand the capability of the seasonal forecast
265 information to inform the solar power industry.

266 The main premise of this index is that it is based on the user's organisa-
267 tional context and knowledge in order to capture the factors most relevant to
268 the user. This means that the index is an indicator tailored to a specific user
269 and a specific decision-making process and, as result, it is not a generalised
270 index of usefulness. The first step is therefore to understand what are the
271 critical factors to the user which can include, for example the need to detect
272 periods with anomalous low generation or to give priority to the regions with
273 the greater installed capacity.

274 Such index models a specific decision-making process in a particular or-
275 ganisational setting. As such, the construction of the index can be considered
276 as part of the tailoring process characteristic of a climate service [42, 43, 44].

277 Here we propose a hypothetical index based on the following three as-
278 sumptions:

- 279 • Skill: we assume that the more skillful the forecast is the more useful
280 it is. On the contrary, we consider a forecast with zero or negative skill
281 useless;
- 282 • PV potential capacity: we assume that in a region where there is a
283 large amount of potential PV installed capacity a good forecast will be
284 potentially more useful than in areas with a low potential;
- 285 • Inter-annual variability of solar power potential: we assume that a

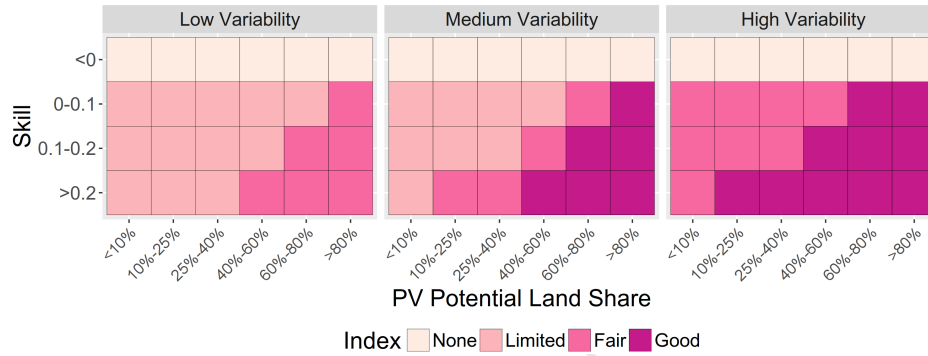


Figure 6: Index of Opportunity: the three panels refers to the variability of PV power potential (low, medium and high variability).

286 seasonal forecast should help to cope with the high variability of solar
 287 power generation (i.e. a large standard deviation).

288 These three aspects are the “information layers” that have been combined
 289 to create the index shown in Figure 6. Each of these aspects is associated
 290 to a specific factor: *Skill*, *PV Potential Land Share*, and *Variability*. The
 291 factors have been divided into categories through the following procedures:

292 *Skill*. The skill for power production has been presented in Section 2.1 by
 293 using the Brier Skill Scores for two events represented by the upper and lower
 294 terciles (i.e. PV power production above and below normal). We summarise
 295 the skill by considering the average between the two values, therefore as-
 296 suming that the prediction of upper and lower events has the same level of
 297 importance for the user. We make two assumptions: 1) any positive score
 298 is useful to some extent, because it means that the climate forecast provides
 299 probabilistic information more accurate than the climatology, i.e. the ob-
 300 served past; 2) a forecast is never useful when its skill is negative. Based on
 301 those assumptions, this factor has been divided in four categories: negative
 302 score, score between 0 and 0.1, between 0.1 and 0.2, and score greater than
 303 0.2. The choice of the intervals is arbitrary, considering that what is being
 304 proposed is an example for a generic user.

305 *PV Potential Land Share*. To estimate the potential land share of PV we have
 306 used the data presented in Section 2.1 (see Figure 2) and we have aggregated

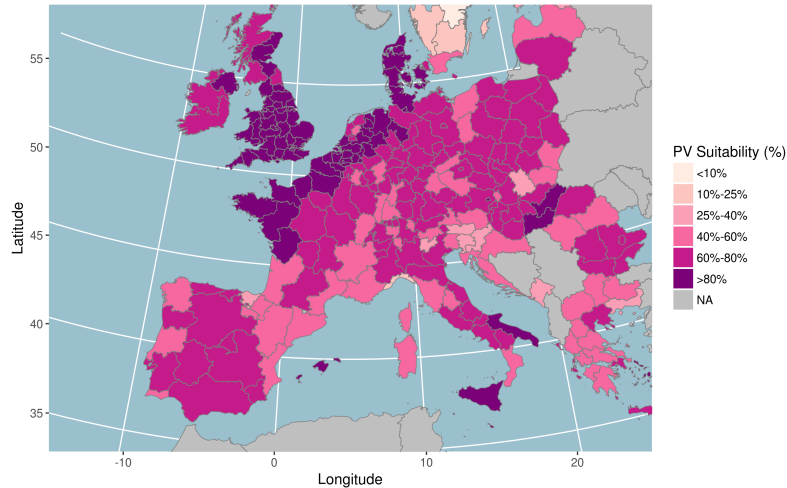


Figure 7: Percentage of land suitable for PV panels for each European region (NUTS2). The suitability is defined as the percentage of the grid points that are suitable for PV panels (see Figure 2).

307 the values at regional level, therefore obtaining for each European region the
 308 share of land that is potentially suitable for PV installations (see Figure 7).
 309 This factor has been divided into six categories to try to characterise the
 310 diverse suitability for PV installation of the European regions.

311 *Variability.* This factor represents the inter-annual variability of solar power
 312 potential. The relative standard deviation has been used to measure the
 313 variability, as done for the solar radiation in Section 2. We have divided
 314 the variability in three categories, according to the terciles computed on the
 315 entire distribution for all the seasons, i.e. high (low) variability is defined as
 316 the relative standard deviation above (below) the 66th (33th) percentile of all
 317 the relative standard deviations in all the seasons. The calculation has been
 318 done considering regional aggregated data and the output is shown in Figure
 319 8. The thresholds have been set to have each category of the same size.

320 The three factors are combined based on the function depicted in the
 321 diagram in Figure 6. For a specific region, we can obtain the value of the index
 322 firstly selecting one of the three panels according the inter-annual variability
 323 of the region (Low, Medium or High) and then looking at the color in the row
 324 and columns according to, respectively, the forecast skill and the PV potential
 325 land share in the specific region. The potential usefulness is classified in four

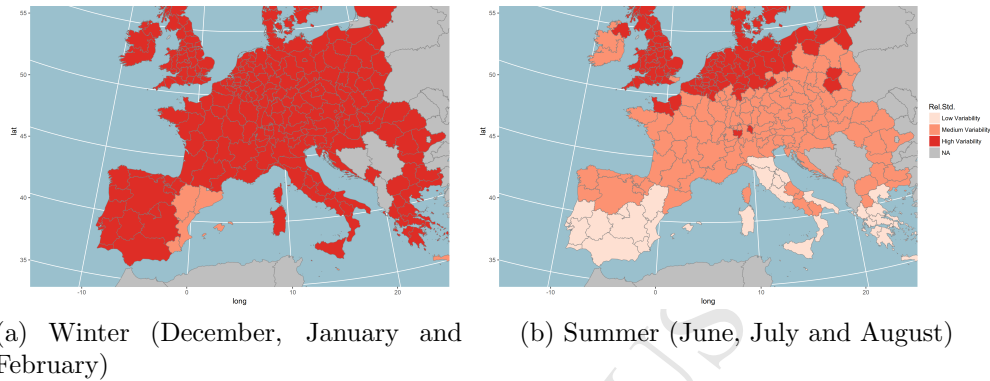


Figure 8: Relative standard deviation of PV potential production at regional level. The three categories are defined according to the terciles of all the values of relative standard deviation for all the regions and all the seasons. We can observe how the variability is higher during the winter period due to more frequent cloudy conditions.

326 levels, ranging from ‘None’ (the lightest shade) to ‘Good’ (the dark purple),
 327 according to three variables. As stated before, this index is a specific example
 328 and it reflects the idea that: 1) a forecast is never useful when its skill is
 329 negative; 2) a forecast is more useful in the regions where the potential land
 330 share is high (for example when it is higher than 80% the index is always
 331 at least ‘Fair’); 3) the higher the observed generation variability, the more
 332 useful is the forecast (in Figure 6 we can see that the index is never ‘Good’
 333 when we have Low Variability, on the opposite when the variability is High,
 334 the usefulness is always at least ‘Fair’);

335 The index of opportunity has been computed for all the European regions
 336 at NUTS 2 level.

337 4. The potential usefulness of seasonal climate forecasts for solar 338 power

339 The index of opportunity proposed in the previous section is illustrated
 340 in Figure 9 for the two main seasons – winter and summer – across European
 341 NUTS 2 level regions.

342 According to our example, the index indicates that seasonal forecasts
 343 can provide some potential benefits during both seasons in different parts of
 344 Europe. For example, during winter months, the forecasts are potentially
 345 useful in areas such as Poland and, in general, in the Northwestern Europe.

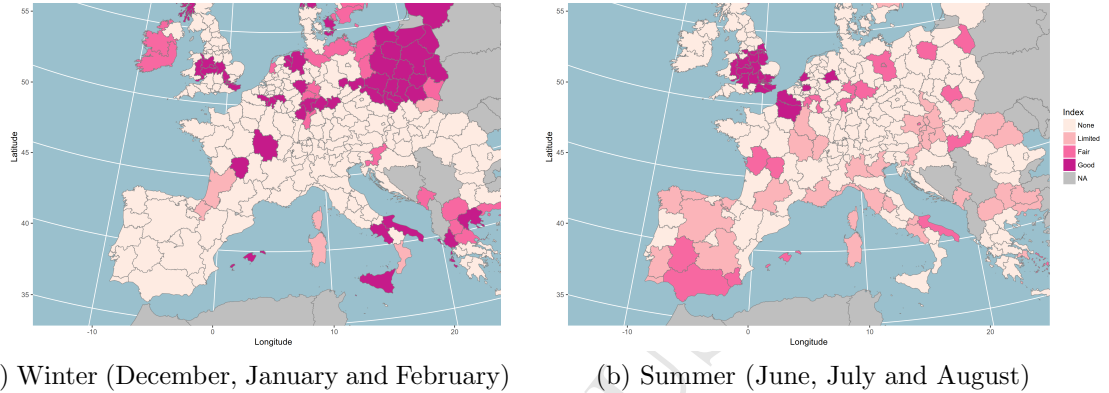


Figure 9: Index of Opportunity proposed in Section 3 across European NUTS 2 regions.

346 In the southeastern part of the continent, the index highlights some potential
 347 benefits in Greece and in the southern Italian regions. During summer
 348 months, the areas with a fair-to-good value of the index are located in the
 349 Iberian Peninsula, in the central-southern England regions and in the north
 350 of France. In general, during summer the index shows potential benefits in
 351 most of the Mediterranean areas.

352 If we take into account in our analysis the actual installed capacity of
 353 solar PV, we can also observe that the benefit of the climate forecast can
 354 be seen as a support to a higher penetration of PV in the areas where the
 355 installed capacity is still low compared to the other regions. Poland for
 356 example, according to the Polish Energy Regulatory Office, has 100 MW of
 357 installed solar power in 2017, a number about 400 times lower than Germany
 358 and about 100 times lower than the UK, two countries that shows a similar
 359 solar potential [45].

360 In addition, despite the interconnection between European power grids,
 361 multiple electricity markets exist, varying in geographical scope and in the
 362 typology of the performed operations and the implemented regulations. This
 363 diversity of the policy and governance structures across countries/regions re-
 364 quires a closer attention to the underlying assumptions (i.e. the considered
 365 factors) to be included in an index of opportunity. In this study, the as-
 366 sumptions included in the index have been selected in order to exemplify the
 367 approach. However, these should ultimately be discussed and defined with
 368 the end-users, according to what they regard as critical aspects in their spe-
 369 cific decision-making processes and in order to fit their information needs.

370 As such, future research efforts should aim to develop and test the proposed
371 index of opportunity with decision-makers within the solar power industry
372 in Europe to ascertain the usability of such approach in helping them make
373 better informed decisions supported by seasonal climate forecasts.

374 *4.1. Remarks on the choice of the skill score*

375 In the proposed index the skill score is an important factor because it
376 summarises the capability of the forecast to provide an accurate estimate
377 of the potential generation. Here we have used the Brier Skill Score met-
378 ric considering two possible events: generation above the second tercile (i.e.
379 66th percentile) and below the first tercile (i.e. 33th percentile). However,
380 there exists a wide range of skill scores, each one focusing on a different as-
381 pect. Providing a summary of the most common used scores for probabilistic
382 forecasts is not in the scope of this paper, for an in-depth description and
383 discussion, the authors refer to Wilks [31] and, for a applicative comparison
384 for the energy sector, to the results of the C3S ECEM contract [36, 37].

385 As for the other factors, the choice of the skill score and the thresholds
386 used to categorise it should be carried out in collaboration with the user
387 trying to define which are the statistical features of the forecast most relevant
388 for the specific decision-making. An example showing the results of the
389 application of different skill scores on the PV power potential is given in the
390 Supplementary Material in Fig. S2.

391 **5. Concluding remarks**

392 This paper describes how to create an index of opportunity, designed to
393 be able to combine multiple factors related to the usefulness for a specific user
394 of a forecast in predicting the seasonal PV potential production. A specific
395 hypothetical example based on the authors' experience is presented to help
396 illustrate the potential for using such an index. However, the development of
397 this type of index should always be pursued in close collaboration with the
398 users of the seasonal climate forecasts.

399 This study provides some insights on where and when seasonal climate
400 forecasts can benefit the decision-making for the photovoltaics sector and,
401 more important, it suggests an approach on how to evaluate their usefulness
402 for the user's decision-making. This approach has the advantage of not lim-
403 iting the definition of the usefulness only to the quality of the forecasts but

404 rather considering, in an explicit way, all the factors that must be combined
405 with the forecast's quality to define what is useful or not for the user.

406 This approach can also be regarded as a step needed for an effective
407 integration of seasonal climate forecasts in the decision-making processes in
408 the European renewable energy sector, especially considering the challenges
409 that the European power systems operators are facing with the increasing
410 penetration of PV power and, in general, renewable energy sources.

411 This work is also motivated by the fact that the use of the seasonal
412 climate information by the solar power industry is probably going to increase
413 due to the recent improvements of seasonal forecasting systems in predicting
414 phenomena like the North Atlantic Oscillation [46] that are well-known to
415 have an impact of solar irradiance and therefore PV power [47, 48].

416 **6. Acknowledgments**

417 EUMETSAT Satellite Application Facility on Climate Monitoring (CM
418 SAF) intermediate products were used by permission of Deutscher Wetter-
419 diens. We also acknowledge the E-OBS dataset from the EU-FP6 project
420 ENSEMBLES (<http://ensembles-eu.metoffice.com>) and the data providers
421 in the ECA&D project (<http://www.ecad.eu>). The authors thank Dr. Mau-
422 rizio Pollino for the GIS analysis on the CLC2006 dataset.

- 423 [1] Eurostat, [http://ec.europa.eu/eurostat/web/energy/data/
424 shares](http://ec.europa.eu/eurostat/web/energy/data/shares), 2017 (accessed 21/07/2017).
- 425 [2] SolarPower Europe, Global Market Outlook for Solar Power 2016-2019,
426 Technical Report, SolarPower Europe, 2016.
- 427 [3] "European Commission", "DG ENER", "DG CLIMA", "DG MOVE",
428 EU Reference Scenario 2016: Energy, Transport and GHG emissions.
429 Trends to 2050, Technical Report, European Commission, 2016.
- 430 [4] C. Schwingshackl, M. Petitta, J. Wagner, G. Belluardo, D. Moser,
431 M. Castelli, M. Zebisch, A. Tetzlaff, Wind Effect on PV Module Tem-
432 perature: Analysis of Different Techniques for an Accurate Estimation,
433 Energy Procedia 40 (2013) 77 – 86.
- 434 [5] D. S. Kirschen, G. Strbac, Fundamentals of power system economics,
435 John Wiley & Sons, 2004.
- 436 [6] F. J. Doblas-Reyes, J. García-Serrano, F. Lienert, A. P. Biescas, L. R. L.
437 Rodrigues, Seasonal climate predictability and forecasting: Status and
438 prospects, Wiley Interdisciplinary Reviews: Climate Change 4 (2013)
439 245–268.
- 440 [7] T. Palmer, R. Hagedorn, Predictability of weather and climate, Cam-
441 bridge University Press, 2006.
- 442 [8] J. Shuila, J. Kinter III, Predictability of seasonal climate variations: A
443 pedagogical review (2006).
- 444 [9] T. Gneiting, M. Katzfuss, Probabilistic forecasting, Annual Review of
445 Statistics and Its Application 1 (2014) 125–151.
- 446 [10] A. Alessandri, A. Borrelli, A. Navarra, A. Arribas, M. Déqué, P. Ro-
447 gel, A. Weisheimer, Evaluation of Probabilistic Quality and Value of
448 the ENSEMBLES Multimodel Seasonal Forecasts: Comparison with
449 DEMETER, Monthly Weather Review 139 (2011) 581–607.
- 450 [11] M. De Felice, A. Alessandri, F. Catalano, Seasonal climate forecasts
451 for medium-term electricity demand forecasting, Applied Energy 137
452 (2015) 435–444.

- 453 [12] CLIM-RUN Project - Climate Local Information in the Mediterranean
454 region Responding to User Needs, 2011-2014. [Online; accessed 14-
455 September-2016].
- 456 [13] ECLISE: Enabling CLimate Information Services for Europe, 2011-2013.
457 [Online; accessed 14-September-2016].
- 458 [14] SPECS: Seasonal-to-decadal climate Prediction for the improvement of
459 European Climate Services, 2012-2017. [Online; accessed 14-September-
460 2016].
- 461 [15] EUPORIAS: European Provision Of Regional Impacts Assessments on
462 Seasonal and Decadal Timescales, 2012-2017. [Online; accessed 14-
463 September-2016].
- 464 [16] CLIM4ENERGY - A service providing climate change indicators tailored
465 for the energy sector, 2015-2017. [Online; accessed 14-September-2016].
- 466 [17] A. Troccoli, C. Goodess, P. Jones, L. Penny, S. Dorling, C. Harpham,
467 L. Dubus, S. Parey, S. Claudel, D.-H. Khong, P. E. Bett, H. Thornton,
468 T. Ranchin, L. Wald, Y.-M. Saint-Drenan, M. De Felice, D. Brayshaw,
469 E. Suckling, B. Percy, J. Blower, Creating a proof-of-concept climate
470 service to assess future renewable energy mixes in europe: An overview
471 of the C3S ECEM project, *Advances in Science and Research* 15 (2018)
472 191–205.
- 473 [18] M. B. García-Morales, L. Dubus, Forecasting precipitation for hydro-
474 electric power management: how to exploit GCM's seasonal ensemble
475 forecasts, *International Journal of Climatology* 27 (2007) 1691–1705.
- 476 [19] D. J. Brayshaw, A. Troccoli, R. Fordham, J. Methven, The impact of
477 large scale atmospheric circulation patterns on wind power generation
478 and its potential predictability: a case study over the UK, *Renewable*
479 *Energy* 36 (2011) 2087–2096.
- 480 [20] M. B. Soares, S. Dessai, Barriers and enablers to the use of seasonal
481 climate forecasts amongst organisations in Europe, *Climatic Change*
482 (2016) 1–15.
- 483 [21] A. Weisheimer, T. Palmer, On the reliability of seasonal climate fore-
484 casts, *Journal of The Royal Society Interface* 11 (2014) 20131162.

- 485 [22] A. Boilley, L. Wald, Comparison between meteorological re-analyses
486 from ERA-Interim and MERRA and measurements of daily solar irra-
487 diation at surface, *Renewable Energy* 75 (2015) 135–143.
- 488 [23] R. Müller, U. Pfeifroth, C. Träger-Chatterjee, R. Cremer, J. Trentmann,
489 R. Hollmain, Surface Solar Radiation Data Set - Heliosat (SARAH),
490 2015.
- 491 [24] R. Müller, U. Pfeifroth, C. Träger-Chatterjee, J. Trentmann, R. Cre-
492 mer, Digging the METEOSAT Treasure—3 Decades of Solar Surface
493 Radiation, *Remote Sensing* 7 (2015) 8067–8101.
- 494 [25] M. De Felice, M. Petitta, P. M. Ruti, Short-term predictability of pho-
495 tovoltaic production over Italy, *Renewable Energy* 80 (2015) 197–204.
- 496 [26] M. Haylock, N. Hofstra, A. Klein Tank, E. Klok, P. Jones, M. New,
497 A European daily high-resolution gridded data set of surface tempera-
498 ture and precipitation for 1950–2006, *Journal of Geophysical Research:*
499 *Atmospheres* 113 (2008).
- 500 [27] F. Molteni, T. Stockdale, M. Balmaseda, G. Balsamo, R. Buizza, L. Fer-
501 ranti, L. Magnusson, K. Mogensen, T. Palmer, F. Vitart, The new
502 ECMWF seasonal forecast system (System 4), ECMWF Technical Mem-
503 orandum 656 (2011).
- 504 [28] F. Mavromatakis, G. Makrides, G. Georghiou, A. Pothrakis, Y. Franghi-
505 adakis, E. Drakakis, E. Koudoumas, Modeling the photovoltaic potential
506 of a site, *Renewable energy* 35 (2010) 1387–1390.
- 507 [29] S. Dubey, J. N. Sarvaiya, B. Seshadri, Temperature dependent photo-
508 voltaic (PV) efficiency and its effect on PV production in the world—a
509 review, *Energy Procedia* 33 (2013) 311–321.
- 510 [30] R. Ross, Flat-plate photovoltaic array design optimization, in: 14th
511 IEEE Photovoltaic Specialists Conference, San Diego, CA, pp. 1126–
512 1132.
- 513 [31] D. S. Wilks, *Statistical Methods in the Atmospheric Sciences*, volume
514 100, Academic Press, 2011.

- 515 [32] E. Becker, H. Van Den Dool, Probabilistic seasonal forecasts in the
516 North American Multimodel Ensemble: A baseline skill assessment,
517 *Journal of Climate* 29 (2016) 3015–3026.
- 518 [33] G. W. Brier, Verification of forecasts expressed in terms of probability,
519 *Monthly weather review* 78 (1950) 1–3.
- 520 [34] J. Bröcker, L. A. Smith, Scoring probabilistic forecasts: The importance
521 of being proper, *Weather and Forecasting* 22 (2007) 382–388.
- 522 [35] A. C. Hansen, P. Thorn, PV potential and potential PV rent in European
523 regions, ENSPAC Research Papers on Transitions to a Green Economy,
524 Roskilde University, 2013.
- 525 [36] ECEM, D2.2.1: Skill assessment of energy-relevant climate variables
526 in a selection of seasonal forecast models. Report using final data
527 sets., Technical Report, Copernicus Climate Change Service, 2018.
528 <https://doi.org/10.5281/zenodo.1293863>.
- 529 [37] ECEM, D3.4.1: Assessment of seasonal forecasting skill for energy vari-
530 ables, Technical Report, Copernicus Climate Change Service, 2018.
- 531 [38] A. H. Murphy, What Is a Good Forecast? An Essay on the Nature of
532 Goodness in Weather Forecasting, *Weather and Forecasting* 8 (1993)
533 281–293.
- 534 [39] J. Clements, A. Ray, G. Anderson, The value of climate ser-
535 vices across economic and public sectors: A review of rele-
536 vant literature, United States Agency for International De-
537 velopment (USAID): Washington. [http://www. climate-services.
538 org/wp-content/uploads/2015/09/CCRD-Climate-Services-Value-
539 Report_FINAL. pdf](http://www.climate-services.org/wp-content/uploads/2015/09/CCRD-Climate-Services-Value-Report_FINAL.pdf) (accessed 9 December 2015) (2013).
- 540 [40] M. Bruno Soares, M. Daly, S. Dessai, Assessing the value of seasonal
541 climate forecasts for decision-making, *Wiley Interdisciplinary Reviews:
542 Climate Change* 9 (2018) e523.
- 543 [41] M. C. Lemos, C. J. Kirchhoff, V. Ramprasad, Narrowing the climate
544 information usability gap, *Nature climate change* 2 (2012) 789.

- 545 [42] C. Vaughan, S. Dessai, Climate services for society: origins, institutional
546 arrangements, and design elements for an evaluation framework, Wiley
547 *Interdisciplinary Reviews: Climate Change* 5 (2014) 587–603.
- 548 [43] C. Buontempo, H. M. Hanlon, M. B. Soares, I. Christel, J.-M. Soubey-
549 roux, C. Viel, S. Calmanti, L. Bosi, P. Falloon, E. J. Palin, et al., What
550 have we learnt from EUPORIAS climate service prototypes?, *Climate*
551 *Services* (2017).
- 552 [44] P. Falloon, M. B. Soares, R. Manzananas, D. San-Martin, F. Liggins,
553 I. Taylor, R. Kahana, J. Wilding, C. Jones, R. Comer, et al., The
554 land management tool: Developing a climate service in Southwest UK,
555 *Climate Services* (2017).
- 556 [45] M. Šúri, T. Huld, E. D. Dunlop, H. Ossenbrink, Potential of solar elec-
557 tricity generation in the European Union member states and candidate
558 countries, *Solar Energy* 81 (2007) 1295–1305.
- 559 [46] A. Scaife, A. Arribas, E. Blockley, A. Brookshaw, R. Clark, N. Dun-
560 stone, R. Eade, D. Fereday, C. Folland, M. Gordon, et al., Skillful long-
561 range prediction of European and North American winters, *Geophysical*
562 *Research Letters* 41 (2014) 2514–2519.
- 563 [47] D. Pozo-Vázquez, NAO and solar radiation variability in the European
564 North Atlantic region, *Geophysical Research Letters* 31 (2004) 1–4.
- 565 [48] B. François, Influence of winter north-atlantic oscillation on climate-
566 related-energy penetration in europe, *Renewable Energy* 99 (2016) 602–
567 613.

568 **Supplemental Materials: Scoping the potential**
569 **usefulness of seasonal climate forecasts for solar power**
570 **management**

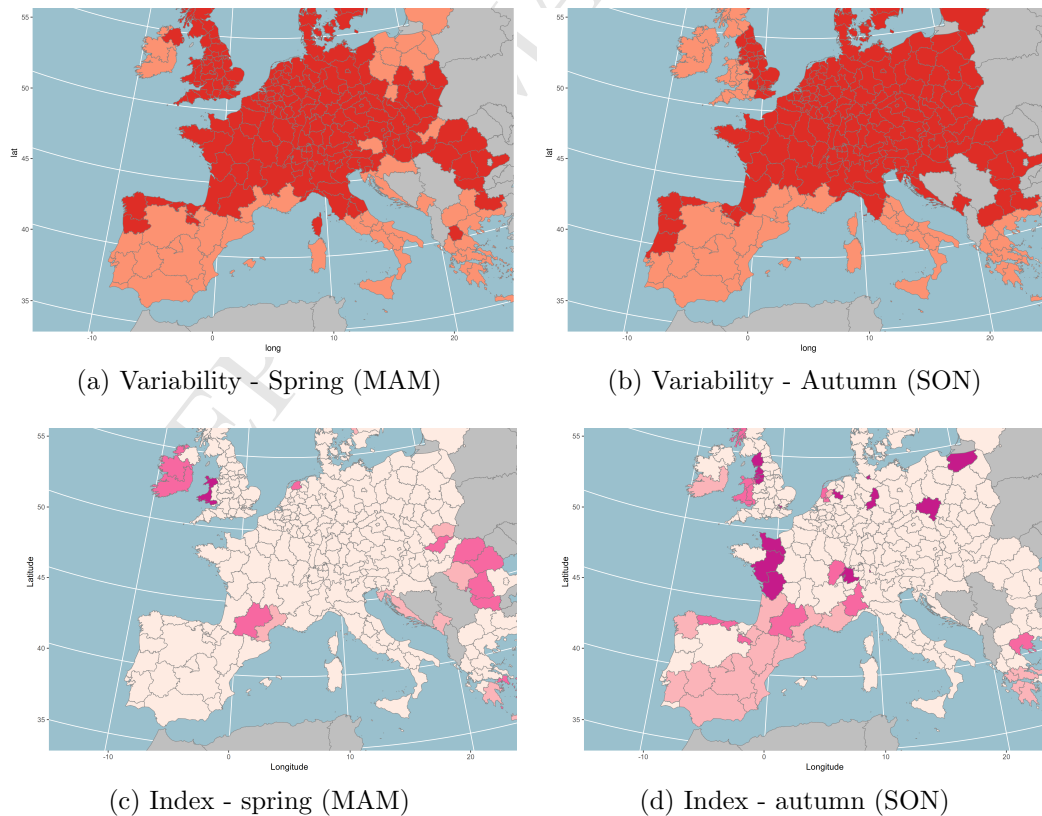


Figure S1: Inter-annual variability and Index of Opportunity for spring and autumn seasons.

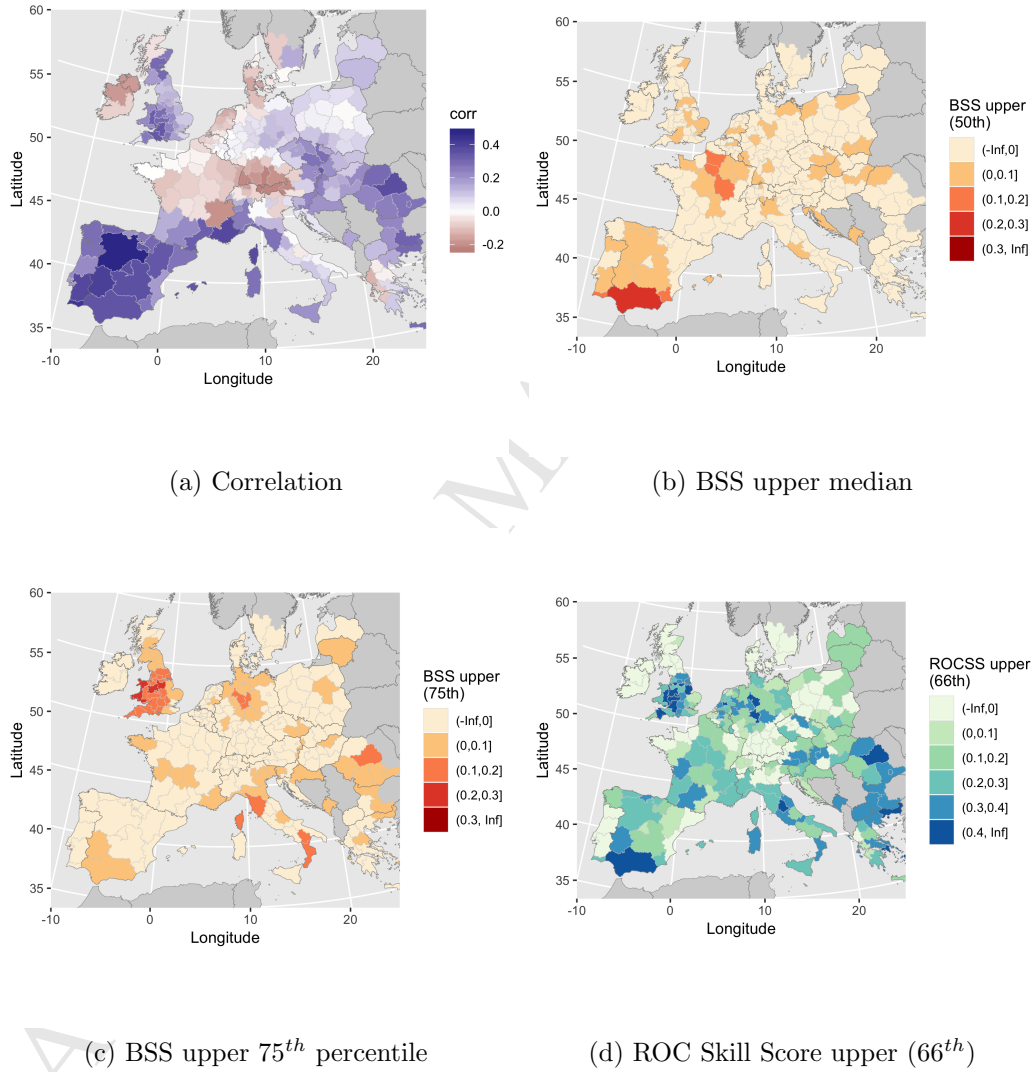


Figure S2: Four different metrics are used to compare the forecast of PV power potential as done in Figures 4 and 5. a) The correlation is applied on the mean of all the ensemble members, it is not a probabilistic skill but however is widely used; b) The Brier Skill Score with the event defined as the generation above the median; c) Same as b) but using the 75th percentile; d) The ROC skill score for the generation above the second tercile.

- This work explains how to use better climate forecasts in the energy sector
- To assess the usefulness of climate forecasts estimating the accuracy is not enough
- This approach considers many factors to assess the usefulness of climate forecasts

ACCEPTED MANUSCRIPT