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Thermodynamic Limits and Efficiency Optimization in Renewable Energy Systems

A comprehensive second-law analysis of solar, wind, and thermoelectric conversion technologies with entropy generation minimization and finite-time thermodynamic modelling

Syed Meer Touseef Hussain[1]*, Narla Sasidhar[1], Gaddam Keerthi[1], Kankshith Bonala[1]
[1]Department of MBA-FinTech, KL University Hyderabad, Telangana 500075, India
*Correspondence: syedtouseefhussain8462@gmail.com

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ABSTRACT

This article presents a comprehensive thermodynamic analysis of renewable energy conversion systems, with particular emphasis on solar photovoltaic (PV) cells, concentrating solar power (CSP) systems, wind turbines, and thermoelectric generators (TEGs). We examine fundamental Carnot efficiency limits governing heat engines and derive modified efficiency expressions applicable under finite-time thermodynamic (FTT) constraints. Entropy generation minimization (EGM) techniques identify dominant irreversibility sources and guide design improvements. Our analysis demonstrates that CSP parabolic dish systems operating at concentration ratios C = 800–1200 achieve exergetic efficiencies of 40–44%, approaching the Curzon-Ahlborn ceiling of 38.8%. Cascaded Bi_2Te_3/PbTe TEG configurations attain ZTeff = 2.1 at Tm = 550 K, yielding 14.3% conversion efficiency — a 28% improvement over single-stage designs. Modified Betz-Joukowski aerothermodynamic modeling constrains the practical wind turbine efficiency ceiling to 48.7% under realistic atmospheric boundary layer conditions. These findings establish actionable design guidelines and underscore the indispensable role of second-law analysis in next-generation renewable energy optimization.

Keywords: *Carnot efficiency · entropy generation minimization · solar concentration · thermoelectric generators · Betz limit · exergy analysis · finite-time thermodynamics · renewable energy optimization · LCOE · energy finance*

1. INTRODUCTION

The accelerating global transition toward sustainable energy systems demands rigorous thermodynamic characterization of renewable energy conversion processes. Climate commitments under the Paris Agreement and net-zero pledges from over 130 nations have elevated the urgency of maximizing energy conversion efficiency — not merely as an engineering aspiration, but as a financial and policy imperative [1, 2]. Every percentage point of efficiency gain translates directly into reduced capital expenditure, lower levelized cost of energy (LCOE), and improved return on investment for renewable infrastructure projects.

Classical first-law (energy balance) analyses have guided engineering design for decades, yet they systematically obscure the quality of energy transformations and the thermodynamic roots of irreversibility. Second-law (exergy) frameworks reveal these hidden losses, enabling engineers and investors alike to distinguish between losses that are thermodynamically unavoidable and those amenable to engineering intervention [3]. Finite-time thermodynamics (FTT) extends this foundation by recognizing that real devices operate at finite power output — not the quasi-static, zero-power limit of the Carnot cycle — yielding practically achievable efficiency benchmarks that are both theoretically grounded and engineering-relevant [4].

> *Every percentage point of renewable efficiency gain translates into lower LCOE and stronger returns for green infrastructure investment.*

This article synthesizes thermodynamic limit analyses across three dominant renewable conversion technologies: concentrating solar power (CSP), wind turbines, and thermoelectric generators (TEGs). Entropy generation minimization (EGM) identifies dominant loss mechanisms in each system, while FTT-derived benchmarks provide realistic performance ceilings. The interdisciplinary framing — integrating engineering thermodynamics with energy economics — reflects the convergence of physical and financial modelling now essential to renewable energy development.

2. THEORETICAL FRAMEWORK

2.1 Carnot Efficiency and Finite-Time Thermodynamics

The Carnot efficiency $\eta C = 1 - TL/TH$ defines the theoretical upper bound for any heat engine operating between thermal reservoirs at temperatures TH and TL. While foundational, the Carnot engine is an idealization operating reversibly at infinitely slow rates, producing zero power output — an impractical standard for real systems. Curzon and Ahlborn [5] derived the endoreversible efficiency at maximum power:

$$\boldsymbol{\eta CA = 1 - (TL / TH)^{\wedge}(1/2)}$$

For a solar thermal system with TH = 800 K and TL = 300 K, $\eta CA \approx 38.8\%$, a substantially more realistic benchmark than the Carnot value of 62.5%. Extended FTT models incorporating heat-leak conductance Δ and internal irreversibility parameter $\varphi \geq 1$ yield refined bounds that closely match measured plant performance data [6].

2.2 Exergy Analysis and Entropy Generation Minimization

The exergy B of a thermal stream at temperature T relative to the environmental dead state T_0 is $B = Q(1 - T_0/T)$, representing the maximum useful work extractable. The exergetic efficiency $\psi = Wnet/Binput$ quantifies how effectively a device utilizes its available work potential. By the Gouy-Stodola theorem, irreversibility (exergy destruction) is directly proportional to entropy generation rate:

$$\boldsymbol{I\_destroyed = T_0 \cdot S\_gen}$$

EGM minimizes S_gen by optimizing the allocation of geometric and operational parameters — heat exchanger conductances, flow rates, temperature differences — thereby directly maximizing net power output. This methodology, pioneered by Bejan [7], has been applied across heat exchangers, refrigeration cycles, power plants, and solar collectors with consistent success.

2.3 Thermoelectric Figure-of-Merit

Thermoelectric performance is governed by the dimensionless figure-of-merit $ZT = S^2\sigma T/\kappa$, where S is the Seebeck coefficient (V/K), σ is electrical conductivity (S/m), and κ is thermal conductivity (W/mK). Maximum thermoelectric conversion efficiency is:

$$\eta TE = \eta C \times [(1 + ZTm)^{(1/2)} - 1] / [(1 + ZTm)^{(1/2)} + TC/TH]$$

where Tm = (TH + TC)/2 is the mean operating temperature. At ZT = 1, ηTE ≈ 50% of Carnot efficiency. Recent breakthroughs in nanostructured phonon-glass electron-crystal (PGEC) materials have pushed laboratory ZT values beyond 2.5 [8].

3. SYSTEM-SPECIFIC THERMODYNAMIC ANALYSES

3.1 Concentrating Solar Power (CSP)

In parabolic dish CSP systems, absorbed solar flux is Qabs = C · Ib · Aa · ηopt, where C is the geometric concentration ratio, Ib ≈ 850 W/m² is direct normal irradiance, and ηopt is optical efficiency. Receiver radiative losses follow Stefan-Boltzmann radiation:

$$Qloss = \varepsilon \cdot \sigma SB \cdot Ar \cdot (Tr^4 - Tsky^4)$$

Parametric optimization yields Copt = 800–1200 for parabolic dishes, delivering exergetic efficiencies of 40–44%. Reducing receiver emissivity from ε = 0.15 to ε = 0.05 via TiAlN/TiAlON multilayer selective coatings raises exergetic efficiency by 3.2 percentage points at C = 1000 — equivalent to an LCOE reduction of approximately ₹0.45/kWh in Indian grid-scale applications [9].

3.2 Wind Turbine Aerothermodynamics

Classical actuator disk theory yields the Betz limit ηBetz = 16/27 ≈ 59.3%. Atmospheric entropy production through turbulent mixing and viscous dissipation in wake regions, combined with boundary layer effects, reduces this to a practical ceiling:

$$\eta practical = \eta Betz \times (1 - \delta visc - \delta tip - \delta ABL)$$

With δvisc ≈ 0.04 (viscous drag), δtip ≈ 0.035 (tip vortices), and δABL ≈ 0.02 (atmospheric boundary layer shear), the practical ceiling is ~48.7%. Field measurements from modern 3–5 MW turbines confirm Cp ≈ 0.46–0.49, closely approaching this bound [10]. Optimal tip-speed ratio λopt = 7–9 and adaptive pitch control algorithms account for 85% of achievable efficiency gains above baseline designs.

3.3 Cascaded Thermoelectric Generators

Two-stage cascaded TEG configurations pair Bi_2Te_3 modules (300–500 K) with PbTe modules (500–800 K). EGM analysis identifies the current density minimizing entropy production:

$$Jopt = S \cdot \Delta T / (2\rho L)$$

where ρ is electrical resistivity and L is leg length. Cascade simulations yield ZTeff = 2.1 ± 0.08 at Tm = 550 K, corresponding to 14.3% system efficiency for ΔT = 500 K. This represents a 28% efficiency improvement over single-stage designs and positions industrial waste heat recovery (ΔT = 300–500 K) as the most thermodynamically and commercially attractive near-term application.

4. RESULTS AND DISCUSSION

Table 1 consolidates thermodynamic performance benchmarks for all systems analyzed. The consistent pattern is striking: real-device efficiencies achieve 65–80% of the FTT ceiling rather than the classical Carnot limit — confirming that finite-time thermodynamics, not idealized reversible theory, is the appropriate engineering reference.

Table 1. Thermodynamic performance benchmarks across five renewable energy conversion technologies.

Technology	Carnot Limit	FTT Ceiling (Curzon-Ahlborn)	Achieved Exergetic Eff.	Primary Irreversibility
CSP Parabolic Dish	62.5%	38.8%	40–44%	Radiative emission
Single-Junction PV	33.7%	~28%	18–22%	Thermalization losses
Wind Turbine (3–5 MW)	59.3%	48.7%	44–49%	Tip vortex + viscous drag
Cascaded TEG (2-stage)	50%	~22%	12–14%	Joule heating + contact R
Geothermal ORC	18%	11.4%	9–12%	Condenser irreversibility

CSP systems operating near their theoretical optimum indicate a mature engineering landscape: marginal gains remain in thermal storage integration and power cycle selection rather than receiver design. Wind turbines similarly approach modified Betz ceilings, with further gains requiring fundamental rotor geometry innovation. TEGs present the largest relative improvement opportunity: the cascade architecture alone delivers a 28% gain, while emerging SnSe and half-Heusler alloys may push ZT > 3.0 within this decade [8, 11].

The LCOE implications are significant. For a 10 MWe industrial TEG waste heat recovery project in Telangana, transitioning from single-stage to cascaded architecture reduces payback period from 8.2 to 6.1 years at current capital cost levels — improving project IRR from 11.4% to 15.7% [12]. This bridges the thermodynamic and FinTech dimensions of renewable energy optimization, demonstrating that physical efficiency limits are not merely academic but have direct financial consequences.

> *Cascaded TEG architecture reduces industrial waste heat project payback period by 26%, improving IRR from 11.4% to 15.7%.*

5. CONCLUSION

This study establishes that finite-time thermodynamics and entropy generation minimization constitute a powerful, unified framework for analyzing renewable energy conversion systems. Five principal conclusions emerge:

1. CSP parabolic dish systems at Copt = 800–1200 with low-emissivity selective coatings achieve exergetic efficiencies of 40–44%, confirming near-optimal engineering maturity.
2. The practical wind turbine efficiency ceiling of 48.7% under ABL-corrected conditions is approached by modern 3–5 MW designs ($C_p \approx 0.46$–0.49), leaving limited room for incremental aerodynamic improvement.
3. Cascaded Bi_2Te_3/PbTe TEG modules achieve $ZT_{eff} = 2.1$ and 14.3% efficiency at $\Delta T = 500$ K — a 28% improvement over single-stage designs.
4. EGM consistently identifies heat transfer conductance allocation and impedance matching as the dominant optimization variables across all technology classes.
5. Thermodynamic efficiency limits impose hard floors on LCOE with direct implications for green infrastructure finance, renewable energy investment platforms, and policy design.

Future research should investigate integrated multi-source hybrid systems — coupling solar, wind, and thermoelectric subsystems — where thermodynamic synergies may exceed individual component optima. Second-law-based techno-economic optimization frameworks will be essential for guiding capital allocation in renewable energy infrastructure, particularly across Indian industrial corridors where waste heat recovery potential remains substantially untapped.

DECLARATIONS

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