# **Energy systems modelling for renewable energy integration and policy design**

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## **Energy system models by DLR**

# **REMix Modelling Framework**

#### **REMix-EnDAT**

Calculation of global potentials and hourly availability of RE technologies



#### **REMix-OptiMo**

LP optimization model with focus on sectorcoupling and flexibility options for large interconnected RE dominated energy systems

#### **REMix-CEM**

MILP optimization model with focus on identifying **concerted** transition pathways for national power systems with strongly growing electricity demand

Modelling detail

System size

EnDAT: Energy Data Analysis Tool
OptiMo: Optimization Model
CEM: Capacity Expansion Model



# Questions of national energy planning authorities

- Capacity expansion planning:
- · Which?
- When?
- Where?
- How much?
- Associated costs?

Integration of RE:

- Where are favorable sites?
- How can RE be integrated into the existing system efficiently?
- How will RE influence conventional generators and transmission grids from a long-term planning and short-term operation perspective?
- Support by REMix-CEM:
- Identifying concerted and reliable transition pathways for a sustainable energy supply



- LCOE of VRE are very competitive today
- · Low capacity credits of VRE
- Low variable generation costs of VRE
- Decreasing utilization of dispatchable units (Utilization Effect)

  Adequacy impacts

  Long-term system planning issues

  Short-term system operation issues

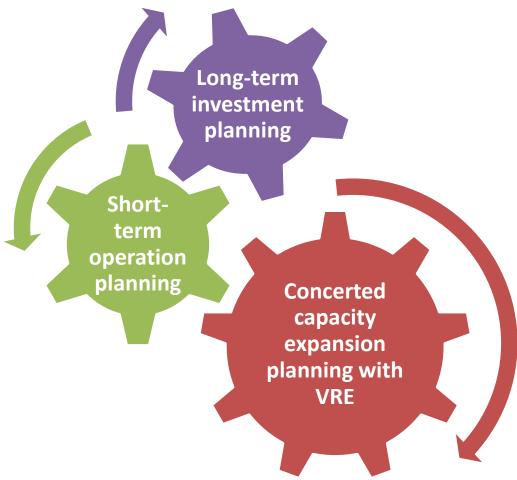
  VRE integration

  Grid-related impacts
- · Higher variability of residual load
- → More cycling of dispatchable units (Flexibility Effect)
- → Higher needs for operating reserve

- Site-specific characteristics
- (V)RE often far away from demand centers
- → Grid extensions and reinforcements necessary



### REMix-CEM combines...



- Path-optimization over planning horizon to consider utilization effects caused by VRE
- Adequacy and operating reserve restrictions to maintain a reliable system design
- High temporal resolution to account for the time-of-delivery energy value of VRE
- High spatial resolution to consider site-specific nature of VRE (multinode model)
- Unit commitment constraints of dispatchable units to consider balancing impacts caused by VRE



## Modelling approach

#### Input

Climate and weather data, techno-economic parameters, scenario assumptions

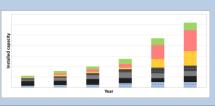




# **Capacity Expansion Model REMix-CEM**

#### **Capacity Expansion Planning**

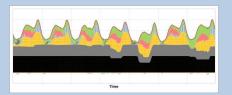
<u>Multi-annual</u> least-cost capacity expansion optimization with <u>selected unit commitment</u> constraints and representative hourly time-slices



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#### **Unit Commitment Optimization**

Annual dispatch optimization with <u>full set</u> of unit commitment constraints (rolling horizon)





#### **Output**

Capacity expansion plan, hourly system operation, system and single unit costs, GHG emissions

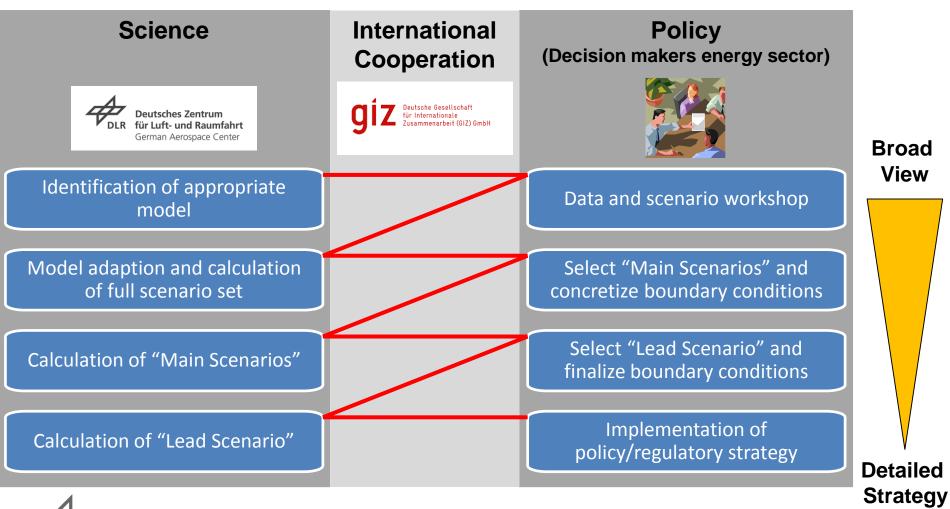




### **Policy Design**

Long-term and short-term RE targets, design of power purchase agreements, feed-in-tariffs, etc.

# Process of scientific based policy advise for national energy planning authorities





### Does detailed modelling matter...

A small case study:

Generation expansion optimization for conventional thermal generators in a 50% VRE scenario until 2050

Objective: Identification of least cost generation expansion plan to meet residual demand over planning horizon

Run 1: without unit commitment constraints (UCC)

Run 2: with UCC

Planning horizon: 2015 – 2050 (demand increases by a factor of 3)

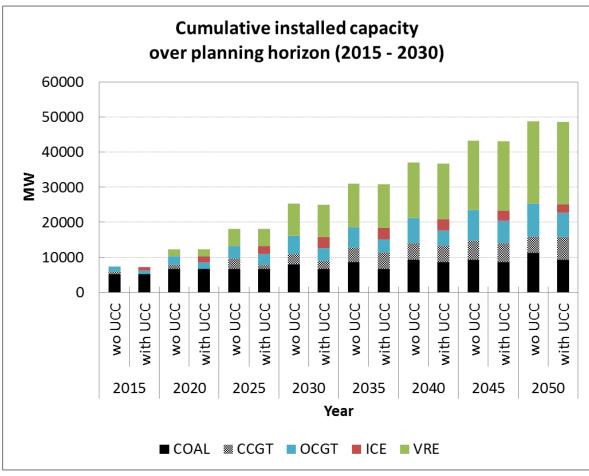
Candidate units: COAL, CCGT, OCGT, ICE (motors)

Temp. resolution: 672 time-slices per year

(4 seasons, 1 week per season with hourly time-slices)



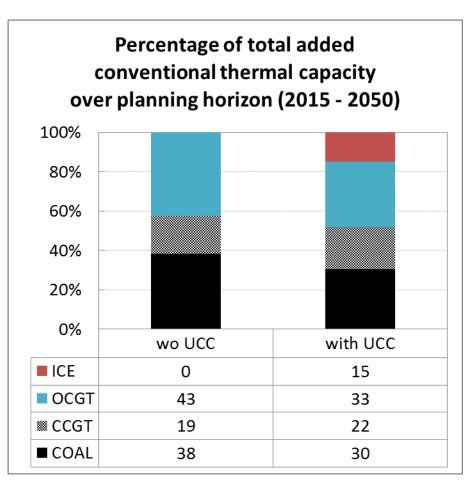
# Results case study 1: Cumulative installed capacity



 Significant expansion of conventional thermal power plants despite large-scale integration of VRE (50% until 2050)



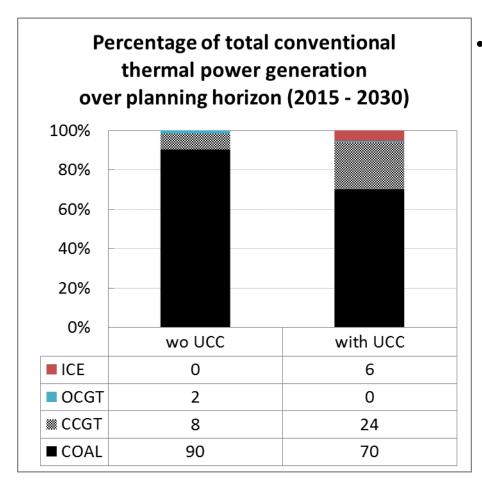
# Results case study 1: Investments in conventional thermal power plants



- Share of investments in less flexible coal decreases significantly when UCC are considered directly in least-cost capacity expansion planning
- Share of investments in more flexible technologies increases significantly when UCC are considered
- OCGT preferred option to back-up VRE due to lowest investment costs



### Results case study 1



 Share of power generation by coal to meet residual demand over planning horizon decrease from 90% to 70% when UCC are considered



# **Conclusions and challenges**

- Energy system models can support policy makers to identify concerted and reliable transition pathways for a sustainable energy supply
- In order to identify concerted transition pathways, energy system model must combine long-term system planning and short-term system operation issues
- Energy system models require a high modelling detail (high temporal & spatial resolution, inter-temporal constraints on system and single unit level) in order to take into account impacts of VRE
- Detailed models are computational demanding Innovations in the field of energy system modelling are required to apply detailed modelling approaches also for large interconnected systems
- Detailed models rely on detailed input data A big challenge in many cases



# Thank you very much!

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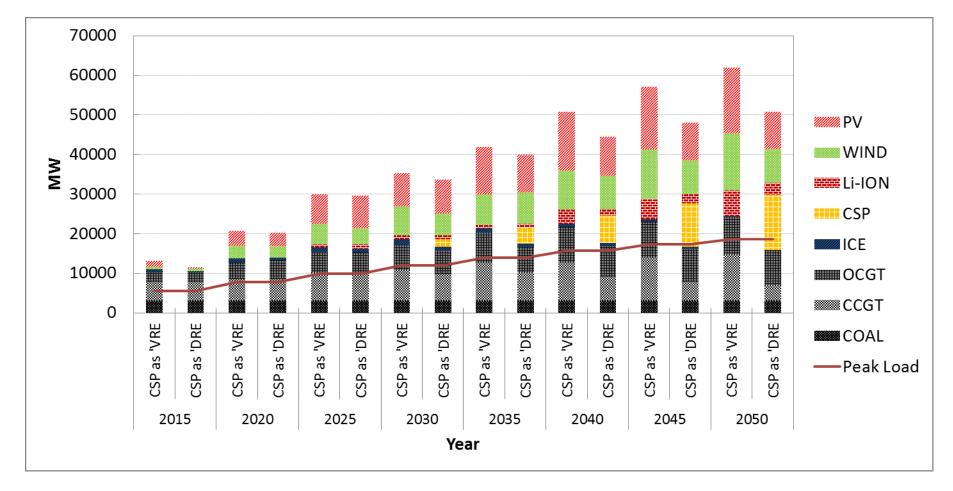


### Does detailed modelling matter...

- Two small case studies
  - 1. Generation expansion optimization for conventional thermal generators in a 50% VRE scenario until 2050.
    - Run 1-1: w/o unit commitment constraints (UCC)
    - Run 1-2: with selected UCC: start-up costs, min. generation level
    - Run 1-3: with full set of UCC
  - 2. Considering technical capabilities of CSP in capacity expansion planning
    - Run 2-1: Modelling CSP as VRE
    - Run 2-2: Modelling CSP as DRE (dispatchable renewable energy)



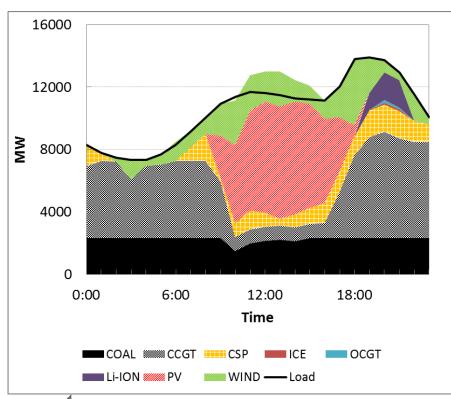
# Results case study 2: Considering technical capabilities of CSP

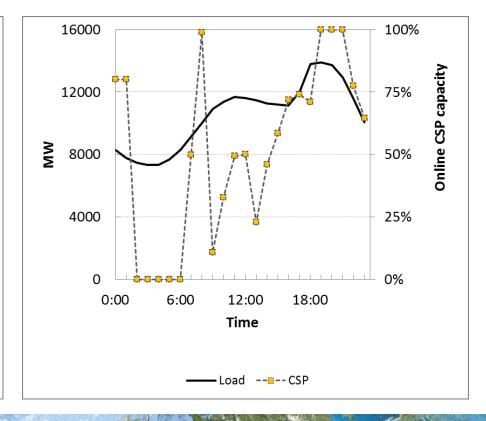




## Results case study 2:

 CSP complements power generation from VRE and offers dispatchable and firm capacity







## Model set-up

• Planning horizon: 2015 – 2050, path-optimization with five year steps

• Temp. resolution: 4 seasons per year x 1 week per season x 168 h per week = 672 time-slices per year

Candidate units: Coal, CCGT, OCGT, ICE (motors)

•		2015	2020	2025	2030	2035	2040	2045	2050
	Demand [TWh]	35	49	62	76	88	99	110	118
	VRE Share [%]	0	10	20	30	35	40	45	50

• Objective: Least cost generation expansion plan to meet residual demand over planning horizon

