



ParisTech's Chair Modeling for  
sustainable development

# Planning tools in the climate debate and business opportunities

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MINES ParisTech and Chair Modeling for Sustainable Development

**COP17 Joint Side Event organized by ICC and ParisTech Chair**  
**Long-term prospective of business contribution to low carbon development**

## Prospective versus Prediction

Whilst Prediction **imposes** the future.

Prospective

- **envisions** all the possible futures
- in order to **lighten** tomorrow's consequences of today's choices and decisions

In other words Prospective exercises enable to :

- **be prepared** to unexpected trends or events thanks to the assessment of a **diversity of imagined futures**
- i.e. **to build a prosthesis** for the stake-holders or decision-makers who desire a **calculated adventure**

Tools are needed to think, debate, and to evaluate decisions and measures

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# The class of techno-economical models

## TECHNO-ECONOMICAL MODELS

TECHNICAL	ECONOMIC
energy sector <b>disaggregated</b>	energy sector <b>aggregated</b>
<b>deviations permitted</b> regarding historical trends	<b>no possible deviation</b> regarding historical trends
energy = <b>function (efficiency, usage)</b> <b>energy units</b>	energy = <b>function (GDP, price, inflation)</b> <b>monetary units</b>

## The TIMES model

A technical linear optimization model driven by demand achieving a **technico-economic optimum**

- 1 for the **reference energy system (RES)**
- 2 submit to a set of relevant technical and environmental constraints
- 3 over a **definite horizon** : long-term (50 years)

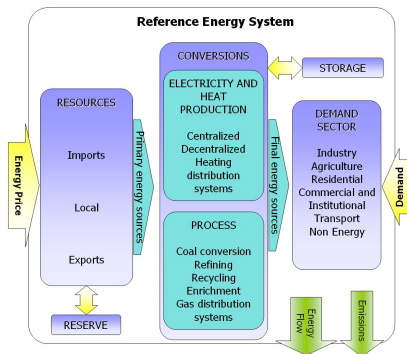


Figure: Reference Energy System

# TIMES as a Prospective tool

"What we have the right to ask a conceptual model is that it seize on the strategic relationships that control the phenomenon it describes and that it thereby permit us to manipulate, i.e., **think about the situation**"

Source: R. Dorfman, P. A. Samuelson, R. M. Solow



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# Competitions, substitutions and technical issues

## *A technological energy-sector model:*

TIMES based on a MARKet ALlocation

- a **highly detailed technological representation** for existing and future technologies enabling:
  - a complete description of consumption trends,
  - a precise analysis of substitutions between types of energy,
  - an interpretation of the notion of energy needs in terms of services and equipments,
  - a better evaluation of renewable energy sources.
- an **open-source** model developed in the framework of **ETSAP**: Energy Technology Systems Analysis Program initiated by the IEA (in 1980)

# Stakes for the energy engineering community and companies

Energy planning modelling approach through TIMES handle issues such as :

- **future investments** for the mix?
- **measures** for the environmental impact?
- what **substitution** between energies?

☞ and the community might question the implementation **relevance** and **plausibility** of the energy mix assessed ?



# Future power mix issues



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# Future power mix : a major issue for the next decades

- **Huge investments** are forecasted in the power sector ▶ Jump to IEA prediction.
- **Electricity environmental impact** are consequent: power generation stands for more than 45% of Carbon Dioxide emissions.

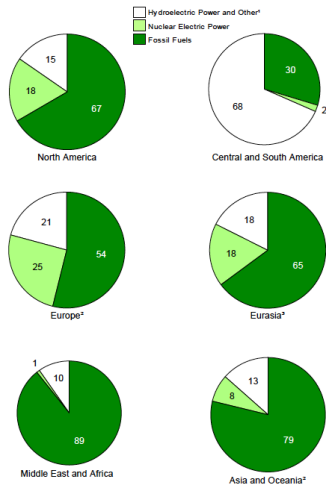


Figure: Power generation by region Source: AER 2009.

# Future Power System : generation mix

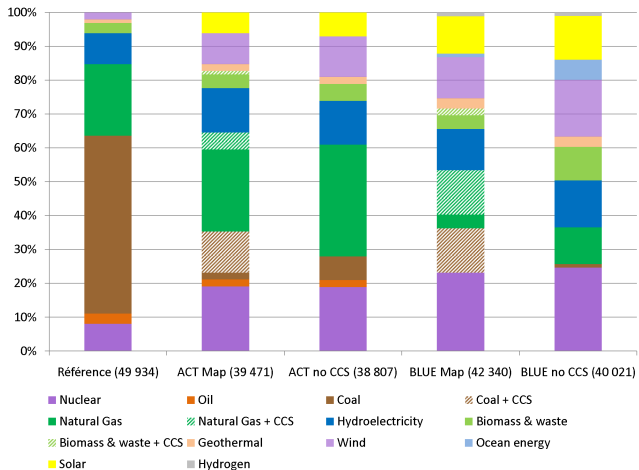
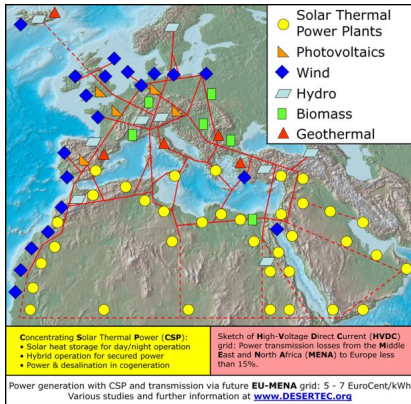


Figure: ETP 2008

# Future Power System : network issues



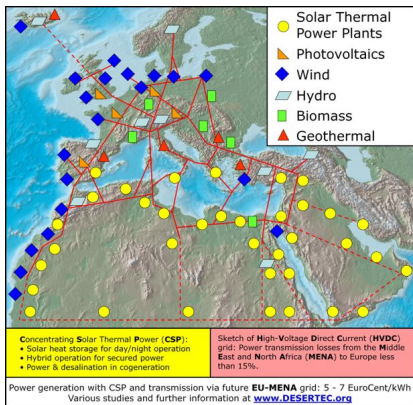
## Major Technical and Economics challenges

☞ Renewable and distributed energy sources are attractive alternatives for power generation

- ① Water Issues.
- ② Intermittency issues.

**Figure:** All-Renewable Electricity Generation in 2050. Source: DESERTEC.

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# Water impacts of power generation



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# Policies dealt separately but... interdependency

## Growing issues for water and energy

- Energy sector: depletion of fossil resources, environmental impacts
- Water supply: availability and sustainability of water resources



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- Energy sector: depletion of fossil resources, environmental impacts
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### Water for energy

- Cooling systems
- Hydropower
- Extraction and mining
- Fuel production
- Emission controls



### Energy for water

- Pumping
- Transport
- Treatment
- Desalination



## Water impact of the assessed Power mix

In order to analyze the influence on water of the assessed power mix we consider scenarios reflecting

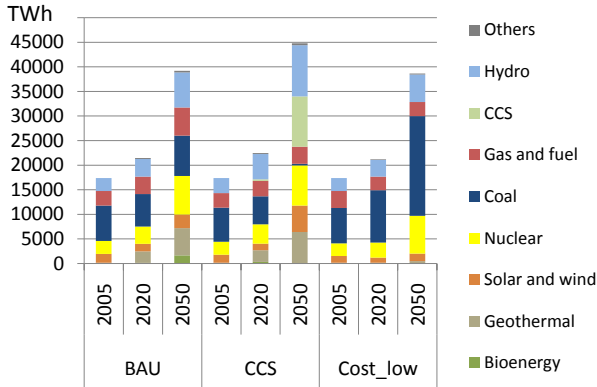
- 1 Environmental policies and extraction costs
- 2 Water as a constraint

where Water factor for each technology mainly depends on :

- *Upstream*: type of coal mine, ratio onshore/offshore etc.
- *Electricity*: cooling systems, efficiency, FGD etc.

# Environmental policies and decrease of extraction costs

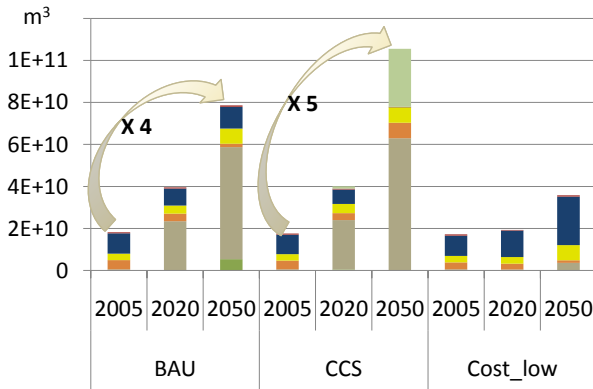
## World Electricity Generation Mix



- CCS : constraint the energy system to a maximum increase of temperature of 2°C in 2100
- Cost\_low : decrease of extraction cost of fossil energy

# Environmental policies and decrease of extraction costs

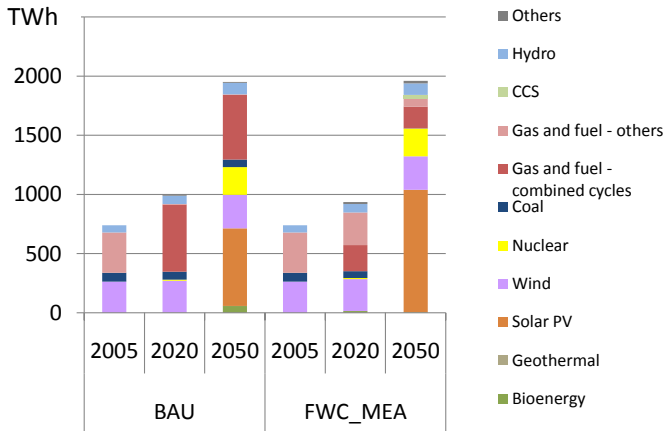
## Fresh water consumptions



■ Bioenergy 
 ■ Geothermal 
 ■ Solar 
 ■ Nuclear 
 ■ Coal 
 ■ Gas and fuel 
 ■ CCS

# Water as a constraint

## Middle East Electricity Generation Mix



- FWC\_MEA: fresh water consumptions in Middle East until 2100  $\leq$  consumptions in 2005

# Reliability issues



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# Future Power System : Reliability of electricity supply



**Figure:** Europe from orbit during the Italian blackout (Sept. 28<sup>th</sup>, 2003). Source: French TSO.

Technical constraints binding the operation of the future power system are related to:

- the given **level and spatial distribution** of loads and capacities;
  - the expected **level of reliability** to prevent from power outages.
- ☞ Where **reliability** is the capability of the power system to withstand sudden disturbances due to load fluctuations.

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# Assesing future power systems : dynamics issues

## Stability studies

involve time scales ranging from a few milliseconds to a few hours

## Long-term planning models

deal with several years or decades

The level of reliability of the power system can be derived from

- the **dynamic properties** of the installed capacities
- the associated inertia of the system (kinetic and magnetic)
- the load profile.

characterized by  $H$  :

the time you have to recover the stability of the system after a load fluctuation by monitoring its reserves.



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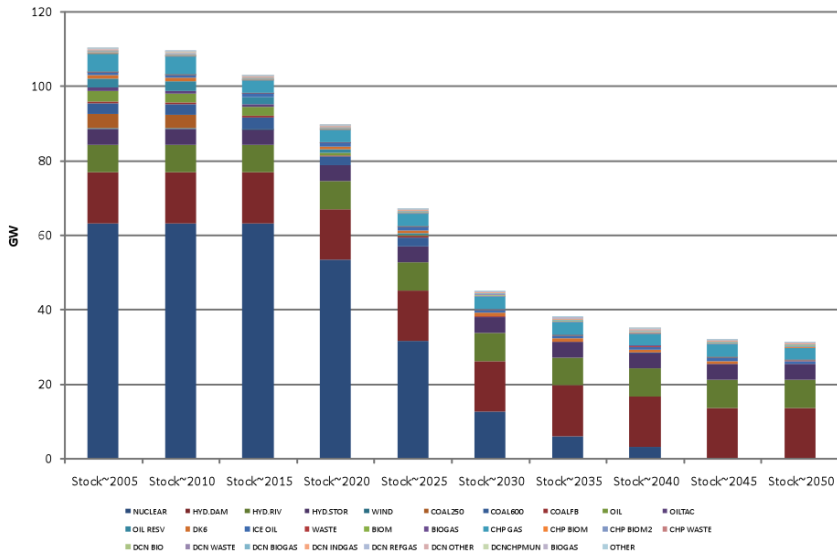
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# French electricity paradigm



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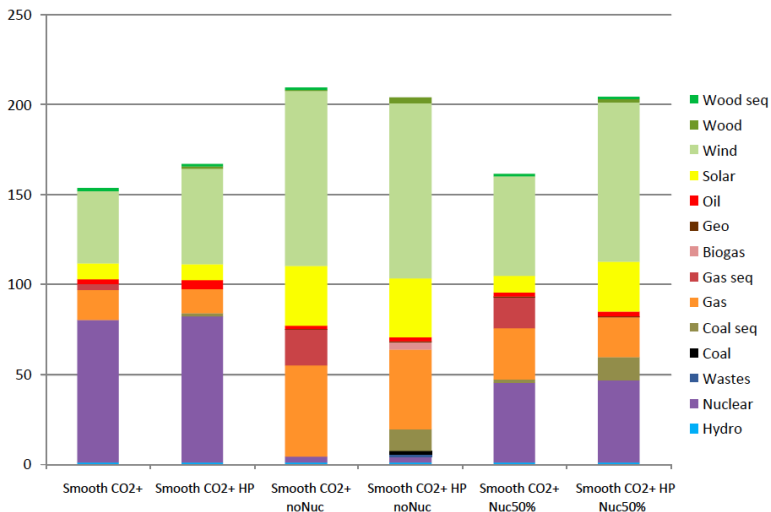
# Nuclear power replacement is the main driver for the future



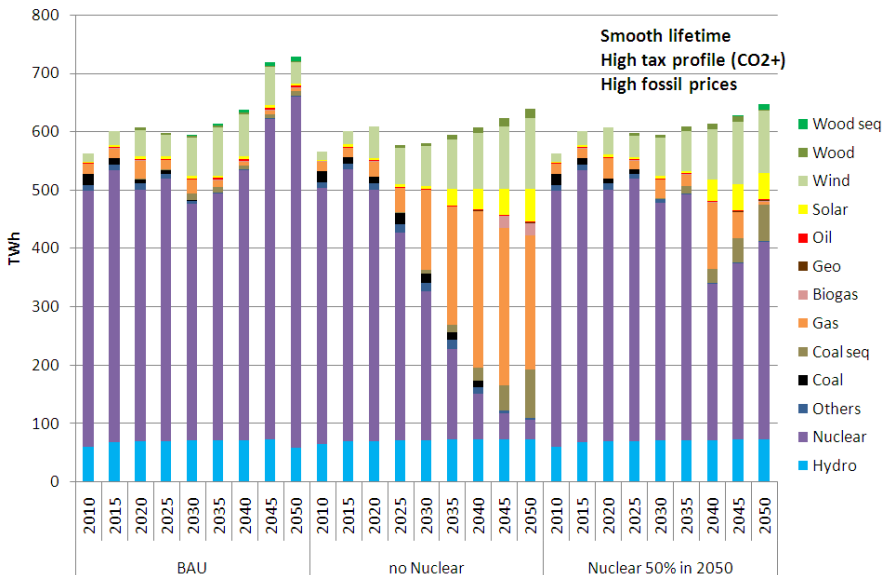
# Huge investments are needed



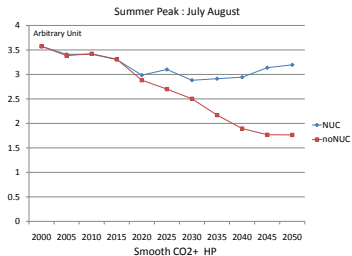
new generation capacities to secure power supply



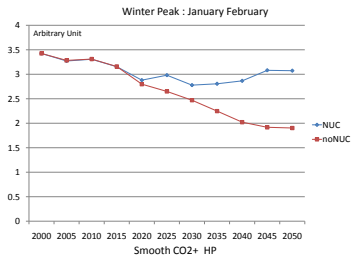
# Fossil price and CO<sub>2</sub> tax sensitivity : High Prices, High Tax



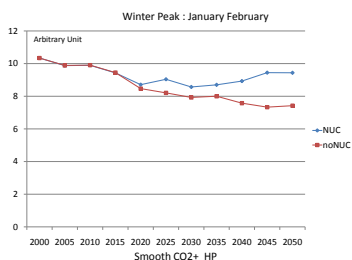
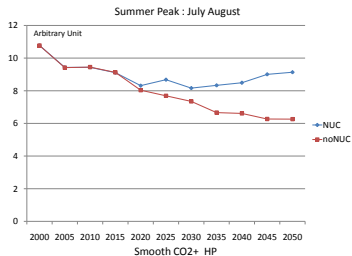
# Reliability robustness of the power mix : nuclear sensitivity



## Kinetic reserves



## Magnetic reserves



## Technical plausibility of power generation assessed scenarios

In order to cope with environmental issues, some technological options are highly recommended.

Strategic factors impact technical feasibility and relevance of future power mix

- 1 **Water** as an output commodity and as a constraint
- 2 **Level of reliability** of an assessed power mix system

Prospective issues have been raised using planning tools : the power mixes must fulfill a balance :

a global optimum associating water and energy  
between reliability issue and the spread of renewable  
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## Web Site

[http://www.modelisation-prospective.org/index\\_en.html](http://www.modelisation-prospective.org/index_en.html)



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