



REGIONAL TRAINING ON MODEL-BASED INTEGRATED ENERGY AND CLIMATE ANALYSES

Almaty, 24-27 September 2024

Rocco De Miglio, Energy Sector Modelling Expert









Intro





Training sessions for country "modelling units"

Workstream / Tasks	Jul	Aug	Sep	Oct	Nov	Dec
Energy systems modelling						
Establishing local "modelling units"						
Introductory meeting (remote)						
Preparation of the training sessions						
Regional seminar/training 1						
Regional seminar/training 2						
Regional seminar/training 3						
Continuous dialogue and co-working						

By the end of the sessions the trainees will have a good understanding of the theoretical background of complex integrated energy and climate analyses, will be able to critically analyse model-based studies and reports and to formulate comments, and will be able to organise data and key factors for simple national and regional modelling exercises.





Training sessions for country "modelling units"

			PreWorkshop	Workshop1	Homework	Workshop2	Homework	Workshop3	Homework	Total
Name	Position	N. days			up to		up to		up to	
XYZ	Junior country expert - X	Home+Field		4	5	3	5	4	4	25

The specific tasks that will be carried are:

- support the energy (and non-energy) data collection and analysis for quantitative model-based analyses;
- support the collection and interpretation of national energy and climate-related policies and factors (to design the storylines of the explorations);
- support the preparation of reporting material and presentations;
- maintain the share folders (or the equivalent collaborative repositories) where the material of interest (dataset, documents, elaborations) is stored and organised;
- provide feedback and ideas for the future developments of tools (next phase, if needed).

work under supervision of SECCA Team Leader (TL) and in close cooperation with SECCA Experts





Agenda (flexible)

Day 1

9:30 - 12:30:

- •Tour de table / ice-breaker activity
- •The SECCA project country modelling units
- 12:30 13:30 Lunch break
- 13:30 16:30:
 - •Introduction to energy and climate systems analyses
 - •Introduction to energy and climate systems modelling
 - •Discussion, Q&A, and wrap-up

Day 2

9:30 - 12:30:

- •The Reference Energy System
- Key inputs / outputs

12:30 – 13:30 Lunch break

13:30 - 16:30:

- •A model example: "Demo" model
- •Discussion, Q&A, and wrap-up

to present the SECCA proposition (approach, workplan, scope)

to understand the underlying logic of model-based analyses of energy and climate systems

to practice the basic skills and principles of model-based analyses

Day 3

9:30 - 12:30:

- Model-based analysis: demonstration
- Model-based analysis: demonstration

12:30 – 13:30 Lunch break

13:30 - 16:30:

- •Guided exercise and homework (presentation of the assignment)
- Discussion, Q&A, and wrap-up





Training sessions for country "modelling units"

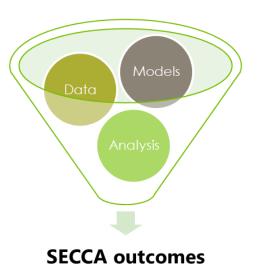
What are your critical strategic questions in the energy&climate domain? The SECCA project can help you formulating and investigating them.

Think "out of the box"

Evidencebased decision making

Environment for Dialogue / Cooperation / Transparency

Inter- and Transdisciplinarity







Modelling is not just about "modelling"

There is a variety of ways, approaches, (modelling) techniques to investigate the evolution of energy and climate KPIs over time. But despite the differences, all rely on a few fundamental basis and principles, like:

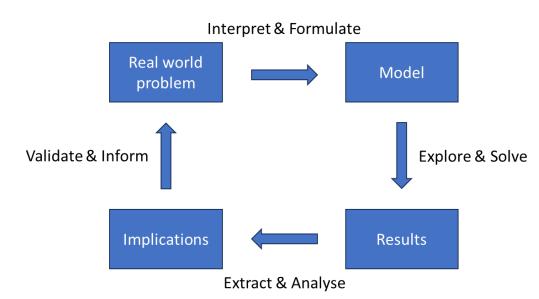
- understand and interpret the complexity of real-world systems;
- collect, understand, organise and use data (quantitative analysis);
- analyse policy instruments that turn the system towards a desired state.





Country "modelling units"

- creating a long-lasting virtuous bridge between the SECCA project activities and the local decision makers;
- improving the local system-thinking and the knowledge based (data-driven) decision making in the energy and climate sectors;
- generating practical impacts that go beyond the duration of the SECCA project



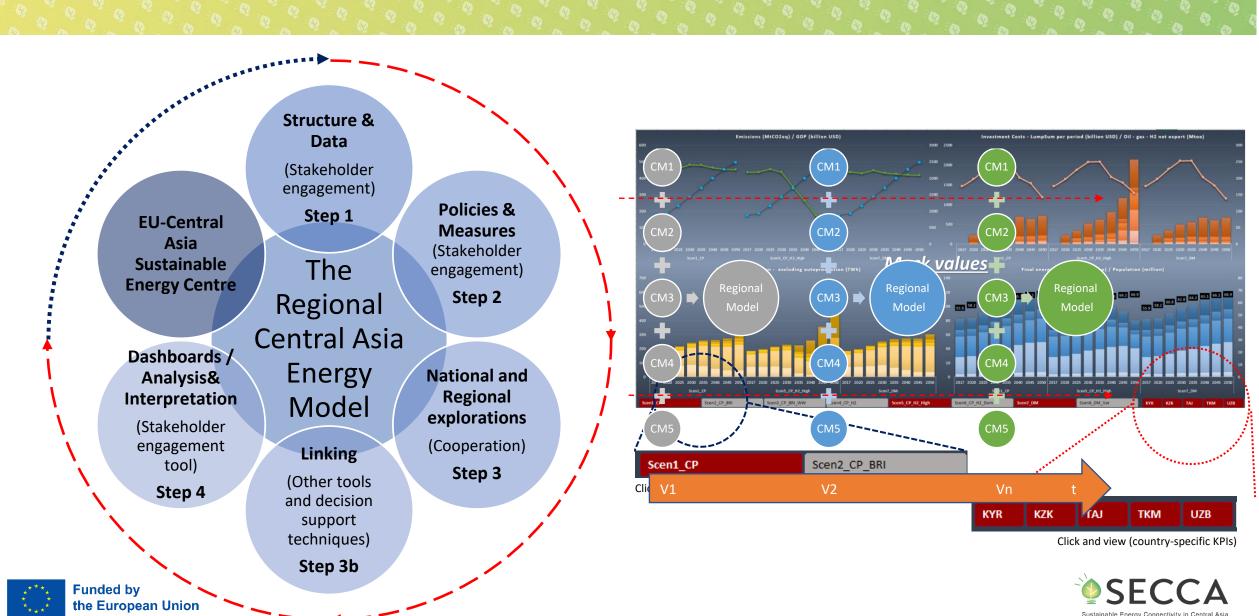


The "way of thinking" is even more important than the "tools"

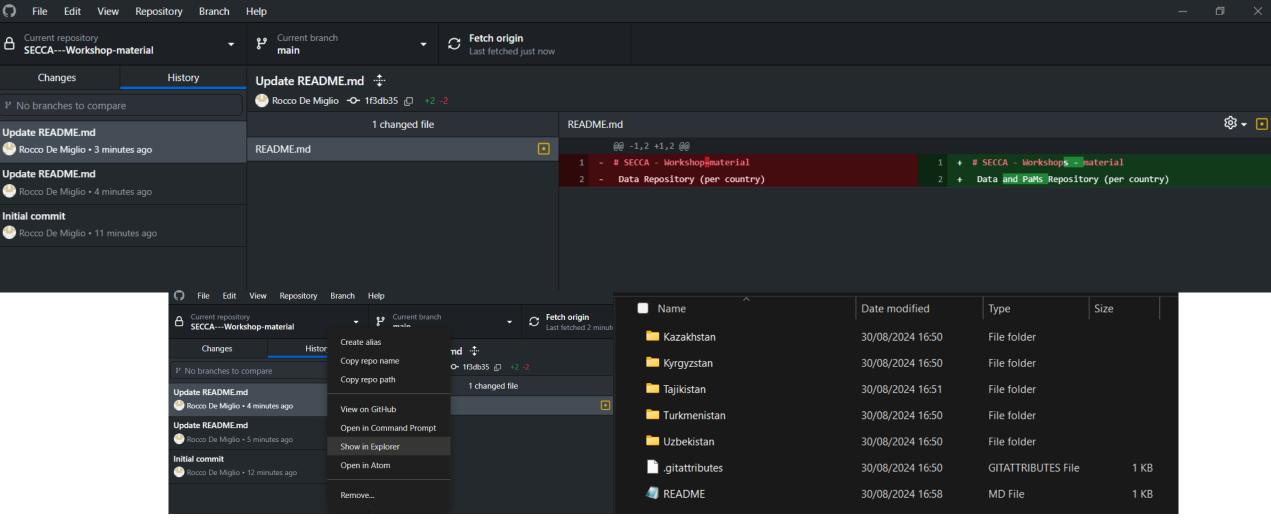




National and Regional analyses (coordination/collaboration)



Country repositories (SECCA project) - Create a github account



https://docs.github.com/en/get-started/start-your-journey/creating-an-account-on-github

Sustainable Energy Connectivity in Central Asia



Model-based analyses - Fundamentals





Energy scenarios VS decision-makers

Issue: gap between "theory and practice"

Goal: to share some elements/experience for your further consideration and discussion

Message: No (standard/unique) methodology for developing model-based scenarios *BUT* some "weak" practices







Decision Science

<u>Decision Science</u> is the collection of quantitative techniques used to inform decision-making at the individual and population levels.

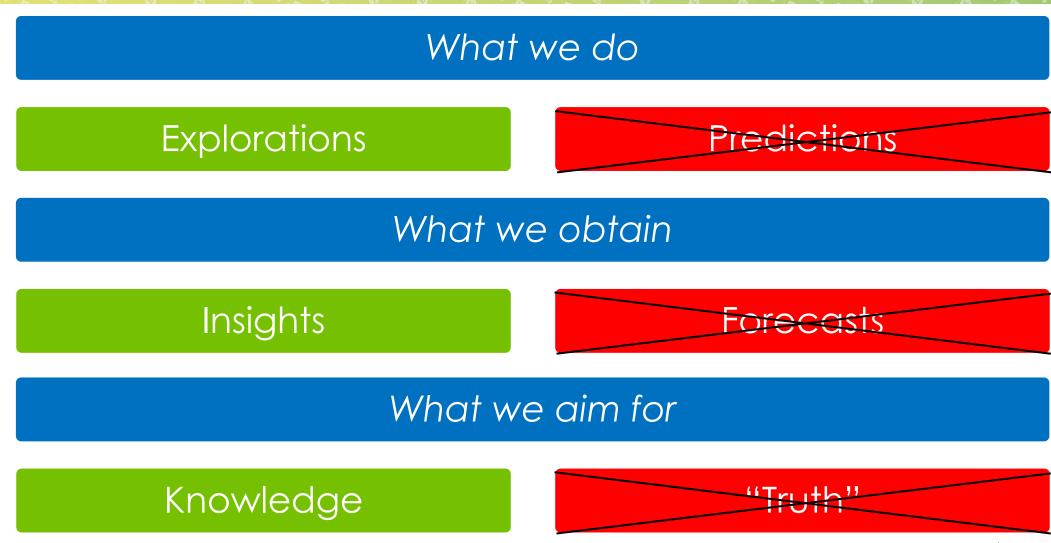
Disciplines involved: risk analysis, costbenefit and cost-effectiveness analysis, optimization / simulation modelling, and behavioral decision theory, microeconomics, statistical analysis, cognitive and social psychology, and computer and data science, ... Operations research (a field of mathematics) focuses on practical applications, it overlaps with other disciplines including industrial engineering and operations management.

Normative models advise people about how they should make "choices", or descriptive models, portraying how they actually make "choices".





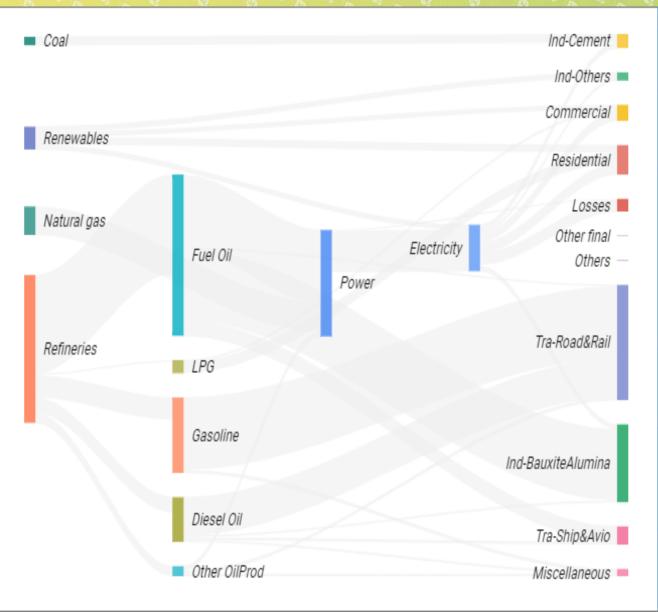
Model-based decision support





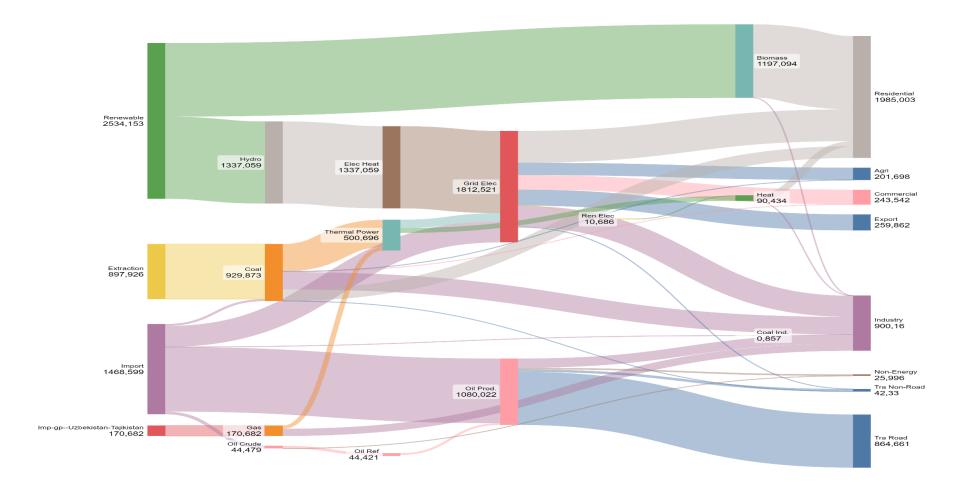


What the problem or issue is?



	Key Issues	Possible Actions
	minance of oil products in system	Diversification of the mix
	ort dependency (primary secondary commodities)	Reduction of (financial and supply) exposure
ene ene rene gen	rshare of renewable rgy in the total primary rgy supply (contribution of ewable energy in electricity teration accounts for und 10%)	Exploitation of domestic renewable resources
maj	nsport and Industry are the or sectors of energy sumption	Sectoral transformations and advanced technologies
loss elec	nificant electricity T&D ses (even greater than the stricity household sumption)	Refurbishment of the network and decentralised generation
	of solid biomass for king (charcoal stoves)	Ensuring affordable and sustainable energy for all and improving air quality

Example: Sankey diagram – 2019 (ktoe) - Tajikistan







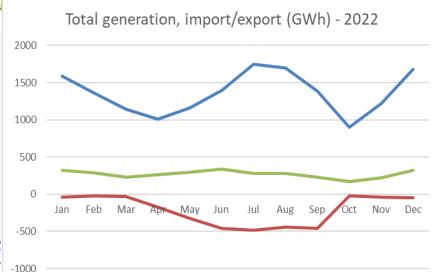


Example: Sankey diagram - 2019 (ktoe) - Tajikistan

Table 2.1 - Targets for coal production in Tajikistan until 2040 (compilation of data from various strategic documents) and actual coal production in 2015 and 2020, million tonnes

strategic documents) and actual coal production in 2015 and 2020, million tonnes						
Source	2015	2020	2025	2030	2040	
National Development Strategy of the Republic of Tajikistan, Industrial Scenario, 2016	1.0 (fact)	4.1 (target)	6.9 (target)	10.4 (target)	-	
National Development Strategy of the Republic of Tajikistan, Industrial-Innovative Scenario, 2016	1.0 (fact)	5.3 (target)	10.3 (target)	15.1 (target)	-	
Concept for the development of the coal industry, 2019	-	-	-	10.4 (target)	15.0 (target)	
Accelerated Industrialisation Programme of the Republic of Tajikistan 2020-2025, 2020	-	2.1 (target)	2.4 (target)	-	-	
National statistics	1.0 (fact)	2.0 (fact)	-	-	-	

Sources: National Development Strategy of the Republic of Tajikistan until 2030, Tajikistan Coal Sector Development Concept until 2040, Accelerated Industrialisation Programme of the Republic of Tajikistan 2020-2025, data provided by the national consultant



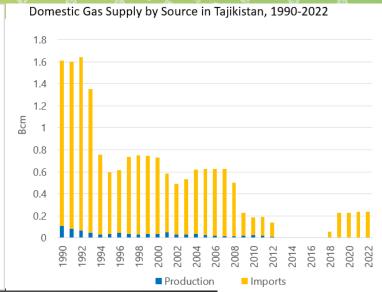
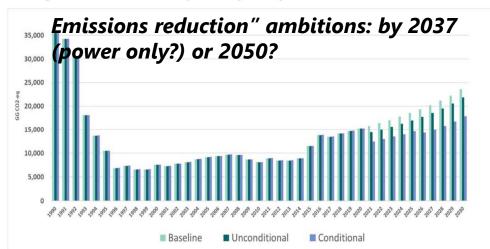
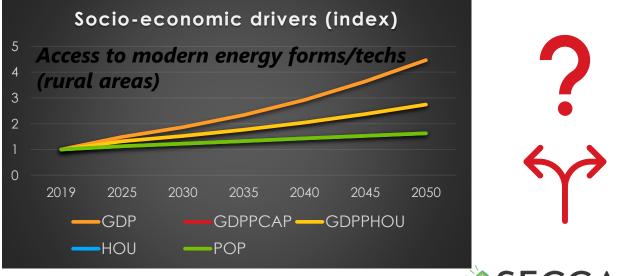


Figure 3: GHG Emissions of the Republic of Tajikistan by scenario







The Policy Development/Delivery Cycle

· Monitor performance · Do we really indicators and expected understand what the Unde rstand problem or issue is? benefits situa ion Evaluation and reporting, and clesired · Are you sure there is a outcomes e.g. GHGs, SDGs gap? · What policy or evidence is already out there and what are other countries doing? 4. Operate, 2. Develop evaluate and and appraise adapt options · Undertake pilots and Understand, quantify collect good practice and analyse impacts, · Benchmark against other costs, risks and benefits schemes of policy options, · Agree and put in place including on GHGs delivery arrangements with · Address evidence gaps 3. Prepare for and identify research and partners and regulators delivery Put in place policy analysis required monitoring, evaluation and reporting mechanisms

In order to be able to properly assess and evaluate these strategic goals and move into the policy-making process, the DM must call on a variety of skill sets and expertise.

Policy making needs input from all analytical professions (statisticians, economists, operational and social researchers), engineers, technical energy specialists and policy advisers.

https://www.iea.org/reports/implementing-a-long-term-energy-policy-planning-process-for-azerbaijan-a-roadmap/key-elements-of-energy-policy-planning





Modelling in policy development - Keyword: integration

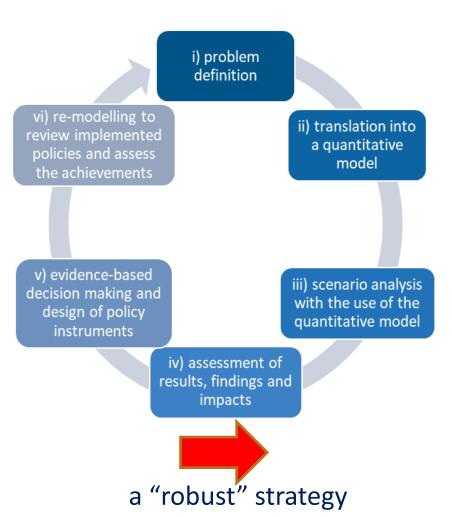
Why do DM need/use models?

- To capture and interpret the complexity of the real world in an understandable (useful for specific scope) form
- To organise large amount of data and information (evidence-based and data-based decision making) in a structured manner.
- To (collectively) explore different assumptions and options under the same (consistent) framework/structure and tradeoffs.



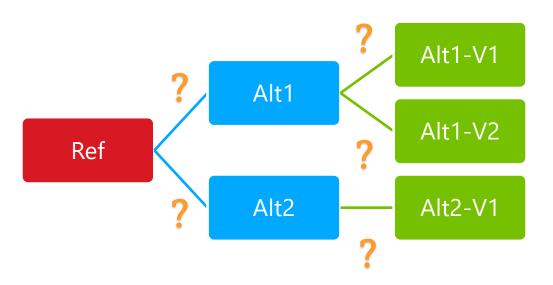
Multiple explorations: learning by exploring / learning by comparing`







Model-based energy-climate scenarios



Energy scenarios serve as **points of comparison** to evaluate sensitivities and multiple outcomes.

Multiple explorations: learning by exploring / learning by comparing

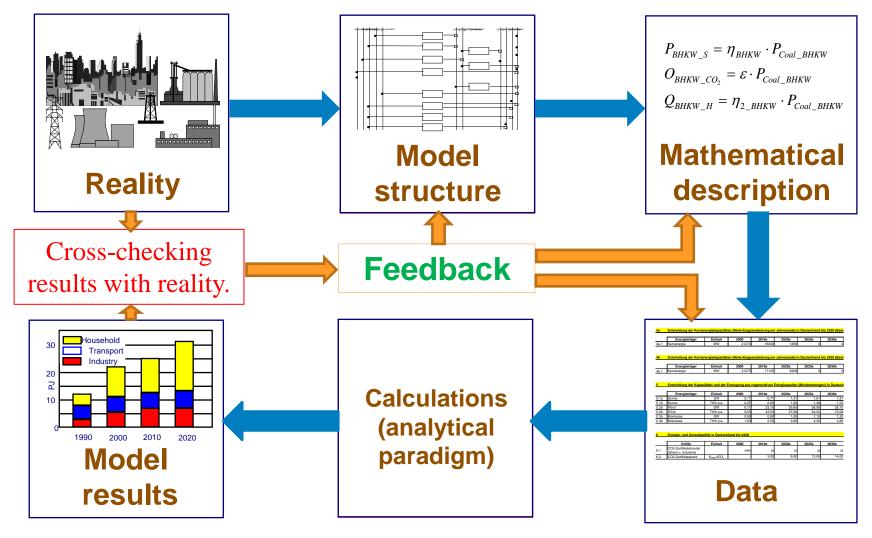
<u>Integrated analysis</u>: based on a holistic approach which addresses **simultaneously** as many perspectives or dimensions of the energy and climate dynamics as possible, and takes into account the cross-cutting nature and **interactions** between those dimensions.

In the context of this analysis we may refer more particularly to the five dimensions of the Energy Union (Decarbonisation, Energy efficiency, Energy security, Internal energy market, Research, innovation and competitiveness).





Energy system modelling – Iterative process







Not just about modelling

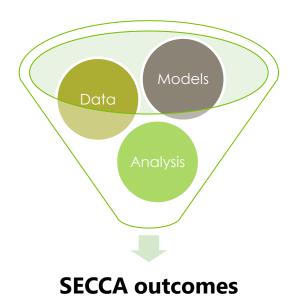
Integrated energy and climate analysis

- Data analysis and statistics
- Technology assessment
- Economic analysis
- Policy design (and simulation)
- Analysis of findings, KPIs, and visualisation
- Uncertainty analysis
- Benchmark with other studies

- ..

Co-evaluation of the needs / priorities in the framework of this technical assistance

(at country- and regional-level)







Weaknesses / Hot topics

Country-specific / Multi-regional CA

Need for Integrated
Analysis
(against standalone/sectoral
analyses)

Energy security

Energy efficiency measures

Advanced Technology

"Watergy" (integration waterenergy) H2 market (I/E)
Promotion of H2
domestic use

Integration with power system analyses (renewables)

Regional integration – cooperation

Trades / Trading schemes

International funds
(eg Belt and Road
Initiative)

Risks (CBAM)

Tariffs (energy subsidies)

Variants/Uncertainties (prices, technologies, targets)





Analytic and Governance Principles – U4RIA

Energy Modelling for Policy Support (EMoPS) is more than simply an analytical activity

the **U4RIA** goals provide a set of guidelines and best practices:

Ubuntu: This "concept" describes a set of closely related Bantu African-origin value systems that *emphasize the* interconnectedness of individuals with their surrounding societal and physical worlds \rightarrow communities should be engaged.

Retrievability: it should be easy to find and access data (though often it is difficult...)

Reusability: the model should be "re-usable"

Repeatability: it should be repeatable and user-friendly

Reconstructabilty: it extends the concept above; instructions on how to (re)build the model should be included

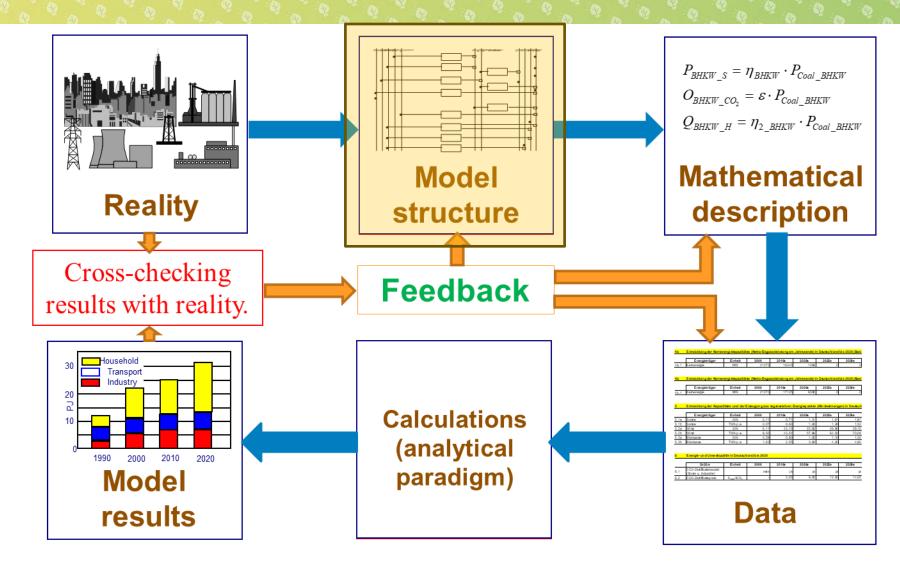
Interoperability: allows for scenario outputs to be both tested by other models or approaches as well as their compatibility to sub-sector or broader integration with other modelling for policy support

Auditability: allows to verify and evaluate the outcomes in a systematic and reliable manner. (Accountability is "the fact of being responsible for what you do and able to give a satisfactory reason for it, or the degree to which this happens)





The RES







The Reference Energy System - RES

The user creates an energy system as a network of processes and commodities, to a fully customizable level of detail. The network shows resource supplies on the left-hand side, and end use demands on the right, with a variety of transformation pathways between.

Technologies (also called processes) are nodes in the RES network

May represent physical devices: power plants, vehicles, refrigerators, transmission lines, as well as resource supplies May also be "dummy" processes used to change the names of commodities, track commodities for scenario analysis purposes, combine commodities, or otherwise modify network topology

Commodities connect processes in the model topology

A commodity is produced by some process(es) and/or consumed by other process(es) May represent:

Energy carriers, such as fuels and electricity/heat

Energy services, such as lighting or space heating

Others, including: materials, monetary flows, and emissions

Flows are the links between processes and commodities

Flows are attached to a particular process, and are used to track one input or one output of that process For example, electricity produced by wind turbine type A at period p, time-slice s, in region r, is a commodity flow This topology information creates the RES

The energy balance can be used as a starting point to draw the RES. The two key steps are: identification of the energy carriers an identification of the key technologies.

WORKSHOP 2





The Energy Balance – Some definitions

Primary energy is energy as found in nature before it undergoes any transformation (crude oil, coal, gas, biomass, nuclear, wind, solar).

Secondary energy is energy after conversion processes, either chemical or physical (refined fuels like gasoline, electricity from a coal power plant).

Final energy is the energy as it is sold to end users (electricity, refined fuels like gasoline, gas for building heating).

Useful energy is the energy after conversion by the consumer, available to be used (heat in a home, light, mechanical work).

Energy services is what the consumer actually wants: a warm home, transportation from A to B, manufactured goods, etc

V 46 - 40	Φ Δ	W. Car	60	(V	A		en V	- C		20	10
ktoe	EU28	2016	Total all products	Solid fuels	Oil (total)	Gas	Total Renewables	Wastes (non ren.)	Nuclear heat	Derived heat	Electricity
+ Primary production		B 100100	755,389	131,850	74,354	107.238	210,708	14,537	216,703		
+ Primary production receipt		B 100110	9,397		9,397						
+ From other sources (Recovered pro	oducts)	B_100200	4,522	404	3.818	300					
+ Recycled products	,	B 100210	1,044		1,044						
+ Imports		B_100300	1,483,219	134,902	941,564	357,102	16,395	385		6	32.865
Stock changes		B 100400	21,263	11,807	3,423	5,944	89	0			
- Exports		B 100500	579,508	38,239	411,746	87,613	10.574	29		5	31,301
- Bunkers		B 100800	44,152	50,255	44,151	1	20,011				02,002
- Direct use		B 100112	10,559		10.559						
Gross inland consumption		B 100900	1,640,615	240,724	567,142	382,969	216,618	14,893	216,703	1	1,564
Transformation input		B 101000	1,294,958	224,492	654,689	125,132	61,875	11,027	216,703	768	272
+ Conventional Thermal Power Station	ons	B 101001	358,478	165,433	12.820	114,576		9,905		768	
+ Nuclear Power Stations		B_101002	216,703				- 1,511		216,703		
+ Coke-ovens		B 101004	36,597	36,215	355	27			220,100		
Blast-furnaces		B 101006	12.918	12.918							
+ Gas works		B_101007	695	674		21					
+ Refineries		B 101008	640,308		640,308						
District heating plants		B 101009	21.015	3,544	963	8.654	6,459	1.122			272
+ Patent fuel plants		B 101010	219	142	77	0,001	0,100	2,222			272
+ BKB / PB Plants		B_101011	4,385	4,385							
Coal Liquefaction Plants		B_101012	901	901							
+ For Blended Natural Gas		B 101013	391	501	162		230				
+ Charcoal production plants (transfe	ormation)	B_101015	209		101		209				
Gas-to-Liquids (GTL) Plants (transf		B 101015	200				200				
Non-specified Transformation Input		B 101020	2,138	279	4	1,855					
Transformation output		B 101100	963,032	31,378	640,125	20,223	62			59,192	212,054
Conventional Thermal Power Station	ons	8_101101	181,172	02,070	0.101220	20,220				41.319	139.854
+ Nuclear power stations		B 101102	72,303							103	72,200
+ Coke-ovens		B 101104	34,193	27,365		6,828					
Blast-furnaces		8_101106	12,918	2.,,000		12.918					
+ Gas works		B 101107	477			477					
+ Refineries		B_101108	640,125		640.125						
Patent Fuel Plants		B_101110	173	173							
+ BKB / PB Plants		B_101111	3,840	3,840							
+ Charcoal production plants		B 101115	62				62				
District Heating Plants		B 101109	17,770							17,770	
Exchanges and transfers, returns		B 101200	2,969		2,969		-65,240				65,240
Consumption of the energy branch		B 101300	80,128	636	33,402	19,028	654	87		4,913	21,408
Distribution losses		B 101400	26,372	35	53	3,093	24			5,554	17,612
Available for Final Consumption		B 101500	1,205,158	46,938	522,093	255,939	88,886	3,780		47,957	239,565
Final non-energy consumption		B 101600	97,773	1,763	82,480	13,530					
Final energy consumption		B 101700	1,107,818	45,338	437,131	245,284	88,949	3,780		47,932	239,405
+ Industry		B 101800	276,823	33,774	27,513	86,242	22,542	3,524		16,112	87,115
+ Transport		B 101900	367,272	12	344,648	3,284	13,840				5,488
Other Sectors		B 102000	463,723	11,552	64,969	155,758	52,567	256		31,820	146,801
+ Services		B_102035	150,043	923	15,668	46,281	4,889	255		9,274	72,754
+ Residential		B 102010	284,832	9,507	33,139	105,175	45,369			22,148	69,494
+ Agriculture / Forestry		B 102030	24,079	1,082	12,992	3,426	2,132	1		252	4,194
+ Fishing		B 102020	1,426		1,236	2	46	_			142
							~		-		\



From NEB to technologies

The National Energy Balance is the main source for the description of flows and technologies in the energy model.



Breakdown of the balance and calibration of the base-year system according to a «bottom-up» approach.

BALANCE	E Commodity 1	Commodity 2	Commodity 3	Commodity 4	Commodity 5	Commodity 6
item 1	── X 1,1	X 1,2	X 1,3	X 1,4	X 1,5	X 1,6
item 2	X 2,1	X 2,2	X 2,3	X 2,4	X 2,5	X 2,6 ●
item 3	X 3,1	X 3,2	X 3,3	X 3,4	X 3,5	X 3,6
item 4	X 4,1	X 4,2	X 4,3	X 4,4	X 4,5	X 4,6
item 5	X 5,1	X 5,2	X 5,3	X 5,4	X 5,5	X 5,6
item 6	X 6,1	X 6,2	X 6,3	X 6,4	X 6,5	X 6,6
Service	Commodity 1		Commodity 3	-	-	Commodity 6
item A,1	=30%*X 1,1	=50%*X 1,2	=10%*X 1,3	=0%*X 1,4	=30%*X 1,5	=20%*X 1,6
′	-• =40%*X 1,1	=20%*X 1,2	=40%*X 1,3	=70%*X 1,4	=40%*X 1,5	=20%*X 1,6
item C,1	─• =30%*X 1,1	=70%*X 1,2	=50%*X 1,3	=30%*X 1,4	=30%*X 1,5	=60%*X 1,6
item A,2	=10%*X 2,1	=25%*X 2,2	=10%*X 2,3	=20%*X 2,4	=35%*X 2,5	=50%*X 2,6
1,2		FF0/+V/00	-600/*V 2 2	=40%*X 2,4	=35%*X 2.5	=15%*X 2,6
item B,2	=60%*X 2,1	=55%*X 2,2	=60%*X 2,3	-40 /0 X 2,4	-3370 X 2,3	- 13 /0 X 2,0





Conversion factors (energy)

General conversion factors for energy

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To:	TJ	Gcal	Mtoe	MBtu	GWh
From:	multiply by:				
TJ	1	2.388 x 10 ²	2.388 x10 ⁻⁵	9.478 x 10 ²	2.778 x 10 ⁻¹
Gcal	4.187 x 10 ⁻³	1	1.000 x 10 ⁻⁷	3.968	1.163 x 10 ⁻³
Mtoe	4.187 x 10 ⁴	1.000 x 10 ⁷	1	3.968 x 10 ⁷	1.163 x 10 ⁴
MBtu	1.055 x 10 ⁻³	2.520 x 10 ⁻¹	2.520 x 10 ⁻⁸	1	2.931 x 10 ⁻⁴
GWh	3.600	8.598 x 10 ²	8.598 x 10⁻⁵	3.412 x 10 ³	1

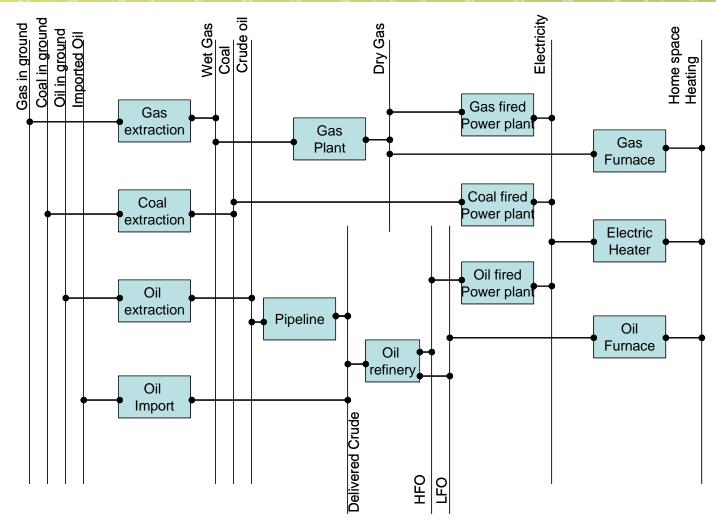
bcm	billion cubic metres	MBtu	million British thermal units
Gcal	gigacalorie	Mt	million tonnes
GCV	gross calorific value	Mtoe	million tonnes of oil equivalent
GW	gigawatt	MWh	megawatt hour
GWh	gigawatt hour	PPP	purchasing power parity
kb/cd	thousand barrels per calendar day	t	metric ton = tonne = 1 000 kg
kcal	kilocalorie	TJ	terajoule
kg	kilogramme	toe	tonne of oil equivalent = 107 kcal
kJ	kilojoule	TWh	terawatt hour
kWh	kilowatt hour	USD	United States dollar

https://www.iea.org/data-and-statistics/data-tools/unit-converter





The Reference Energy System – RES – Examples (1)

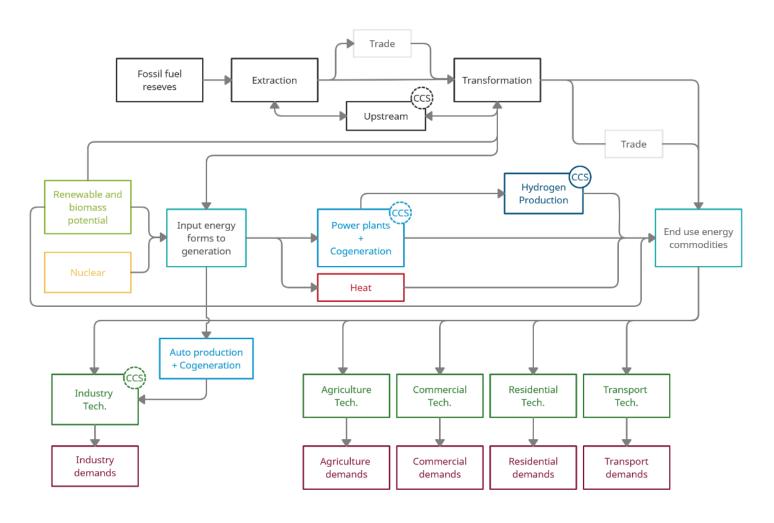








The Reference Energy System – RES – Examples (2)

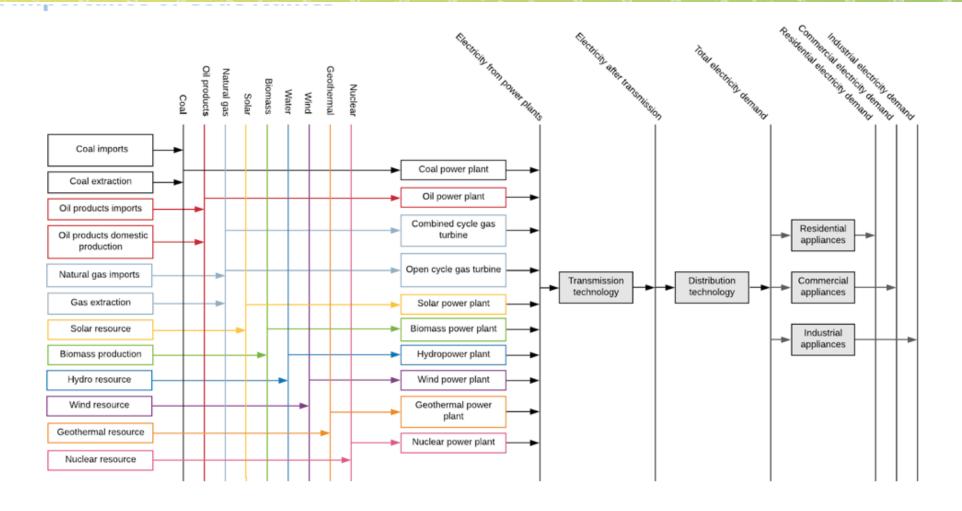




Task: Translate a critical decision problem of your country into a RES scheme



The Reference Energy System – RES – Examples (3)

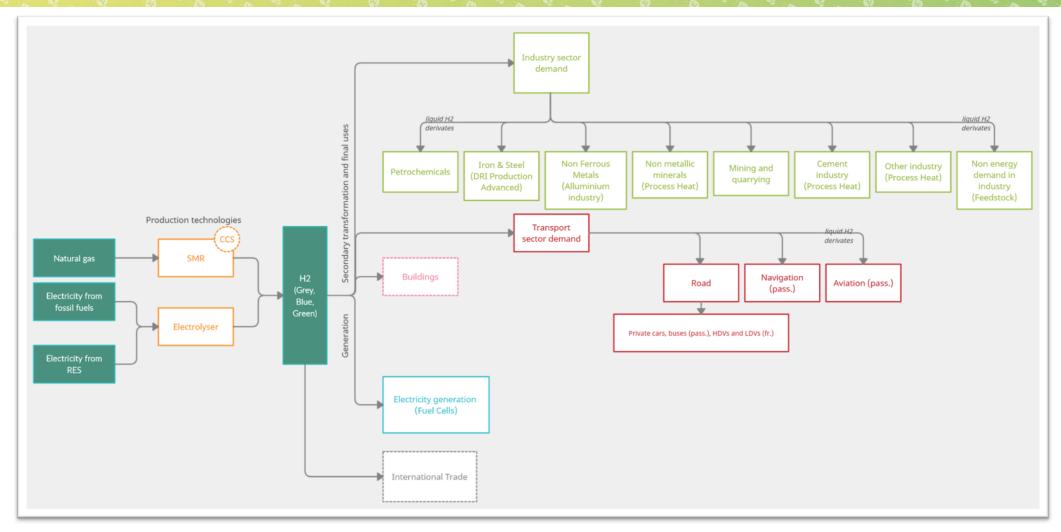






Sustainable Energy Connectivity in Central Asia

The Reference Energy System – RES – Examples (3)

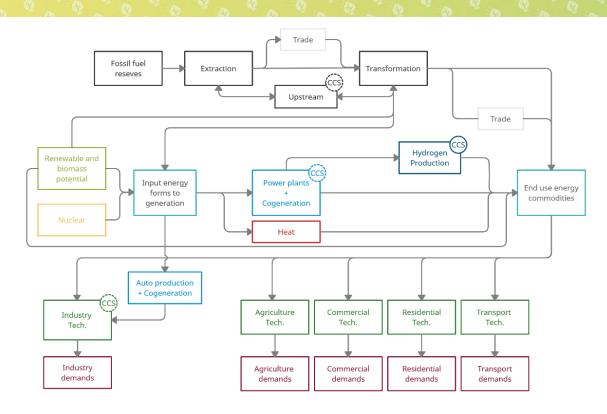


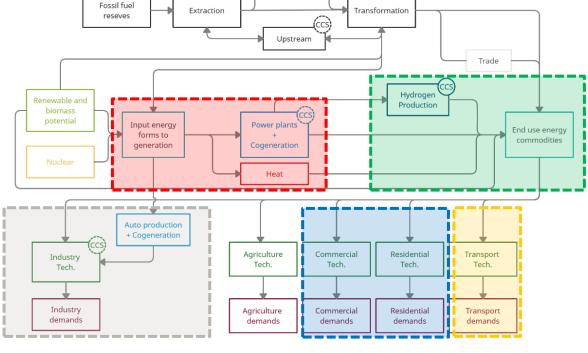






Energy systems modelling: System ≠ sum of the parts





System Analysis (Optimisation)

Energy flows and energy-related emissions per service/sector and for the whole system. Targets/measures can be analysed per service and/or sector and/or system.

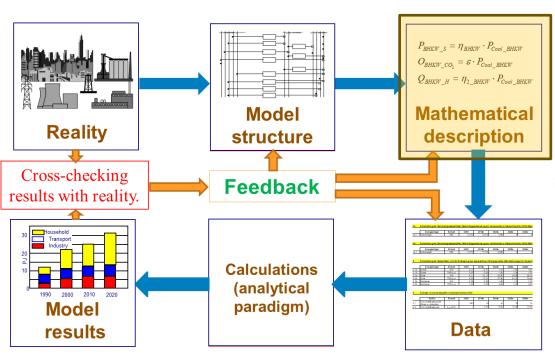
Existing sector-specific analysis (highlighted)

Energy flows and emissions per each standalone sectoral level. No flows between/across sub-sectors.





Mathematical description – Key Equations



Capacity transfer

Tracks total installed capacity for each process by period, vintage, and region

Use of capacity (process availability)

Limits process usage according to its installed capacity and availability

Process efficiencies and flow shares

Establishes efficiency relationships between outputs and inputs, and shares among the ouputs and/or among the inputs

Commodity balance

Limits commodity consumption in each region, period, and timeslice to its total production plus net import

Peak reserve requirement

Requires total capacity of all processes producing a commodity in each time period and region to exceed the average demand in the time-slice where peaking occurs by a specified percentage

User-imposed bounds and constraints

Carbon emissions rate limits

Rules for inter-regional allowance trade

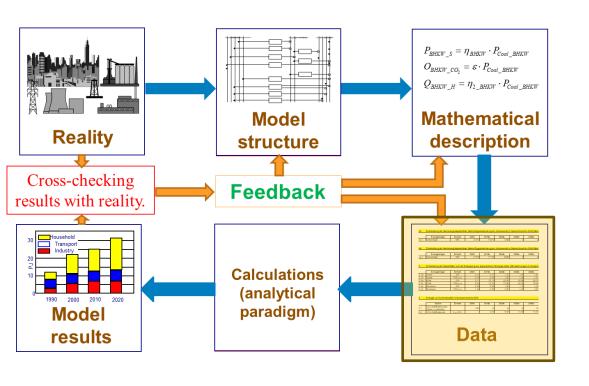
Minimum share of generation and/or capacity that is dispatchable

Constraining the growth rate of a new technology



. .

Mathematical description – Key Inputs



Base Year representation

- NEB 20XX
- Basic statistics (POP, #households, vehicles fleet, physical production of key industries)
- -- Power plants (stock, key operation parameters)
- Import and supply (coal, gas, oil products)
- Service-specific indicators / KPIs, in residential, tertiary
- Service-specific indicators in industry and transport, agriculture

Demand projections

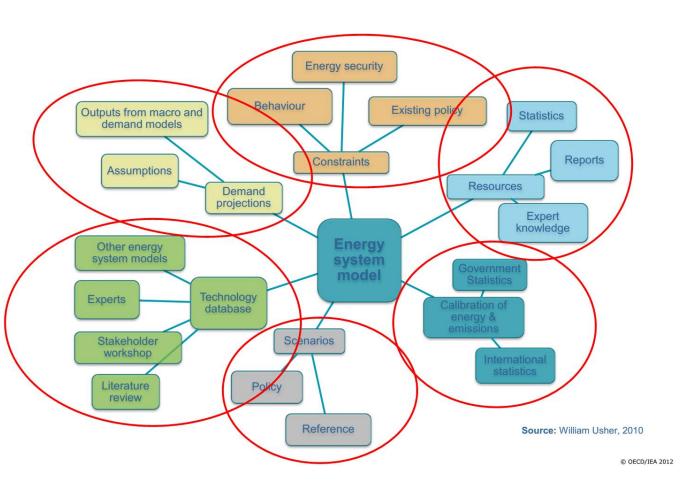
- Population projections
- Other drivers/projections to be assumed

→ Template





Mathematical description – Key Inputs



Technology Database

- Technology-specific data in residential, tertiary (existing and new)
- Technology-specific data in industry and transport, agriculture (existing and new)
- Technology-specific data in power sector (new)

Resources

Potential of RES / minerals (wind, solar, biomass,...)

Policy and measures and other factors

To be discussed





Typical outputs

Greenhouse gas emissions trajectory: per sector (transport, industry, residential, commercial, agriculture, electricity generation, upstream/midstream oil and gas), per fuel (diesel oil, natural gas, lignite etc.), and calculation of key indicators (carbon intensity per unit energy, energy intensity etc.).

Final energy consumption and primary energy supply. Per energy commodity (electricity, lignite, natural gas, diesel oil, gasoline, HFO etc.) and per sector (transport, industry, residential, commercial, agriculture).

Technology mix and evolution over time. Installed capacities per technology type and fuel type in the power sector, capacities of technologies in the demand sectors (industry, residential/commercial buildings, transportation). Changes in technology utilization over time.

Investment costs (and other costs components). Over the year of the time horizon, by technology type and sector (ex-post analysis of breakdown between public/private investments)

Marginal prices. Marginal prices per energy commodity (electricity, lignite, natural gas, diesel oil, gasoline, HFO etc.) and per sector (transport, industry, residential, commercial, agriculture).

Grid electricity production/demand and imports/exports: per year, demand broken down per sector (transport, buildings, industry, agriculture) including the additional demand from electrification of transport, electrification of heating and cooling services, and electrification of industry.

KPIs. Several additional indicators (depending on the type of analysis and the detail of representation)





Energy system models - Classification

Analytical paradigm

Sectoral Coverage

Time horizon

Time resolution

Geographical coverage

Supra-national forces

Technology explicitness

Activity explicitness

Muti-criteria/agents

GHG emissions and environmental impacts

Microeconomic robustness

Capacity to represent macroeconomic feedback

Key driving questions:

- For what???

- For whom???

Capacity to represent non-market preferences

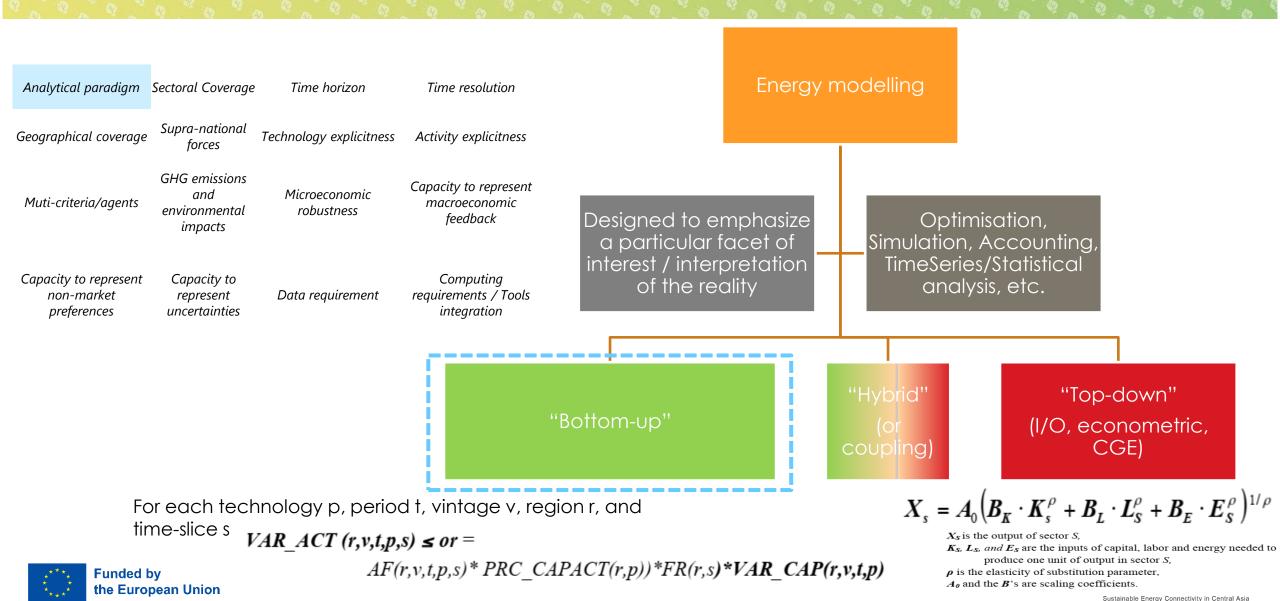
Capacity to represent uncertainties

Data requirement

Computing requirements / Tools integration

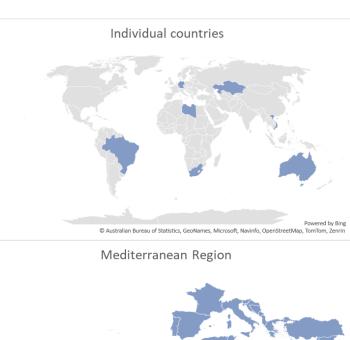






Analytical paradigm Sectoral Coverage Time resolution Time horizon Supra-national Technology explicitness Geographical coverage Activity explicitness forces GHG emissions Capacity to represent Microeconomic and Muti-criteria/agents macroeconomic robustness environmental feedback impacts Capacity to represent Capacity to Computing non-market requirements / Tools represent Data requirement preferences integration uncertainties



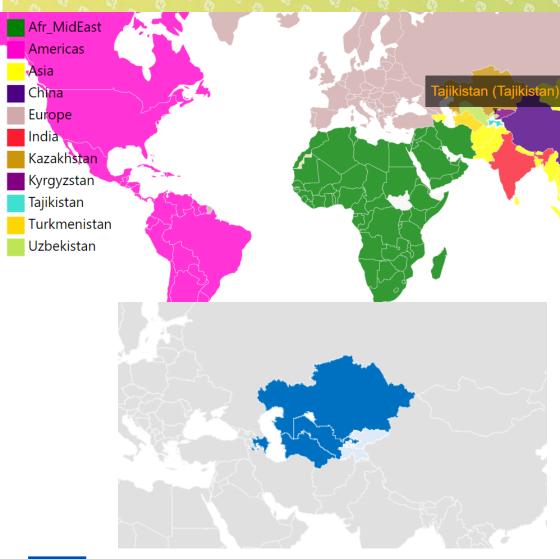


National / Sub-national / Supra-national Single node / Multi nodes





© GeoNames, Microsoft, OpenStreetMap, TomTo



KINESYS-TJ

Global Energy System model based on the TIMES model generator.

All CA countries and key neighbouring countries are represented on a country level.

The remaining countries are grouped in model regions (e.g. Europe, America, ...).

TIMES-CAC

Multiregional energy system model Azerbaijan, Kazakhstan, Turkmenistan, Uzbekistan + (Tajikistan and Kyrgyzstan, implicit)

https://github.com/RDMgit77/TIMES-CAC_VO_Open.git)





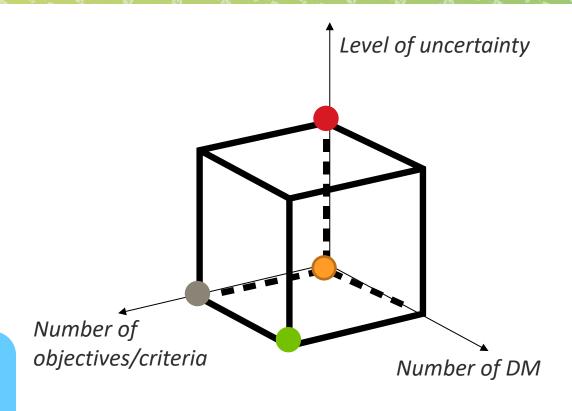
Time resolution Analytical paradigm Sectoral Coverage Time horizon Supra-national Geographical coverage Technology explicitness Activity explicitness forces GHG emissions Capacity to represent Microeconomic and Muti-criteria/agents macroeconomic environmental robustness feedback impacts Capacity to represent Capacity to Computing non-market requirements / Tools represent Data requirement preferences integration uncertainties



Many uncertain parameters

Deep effect on projections, solutions, costs

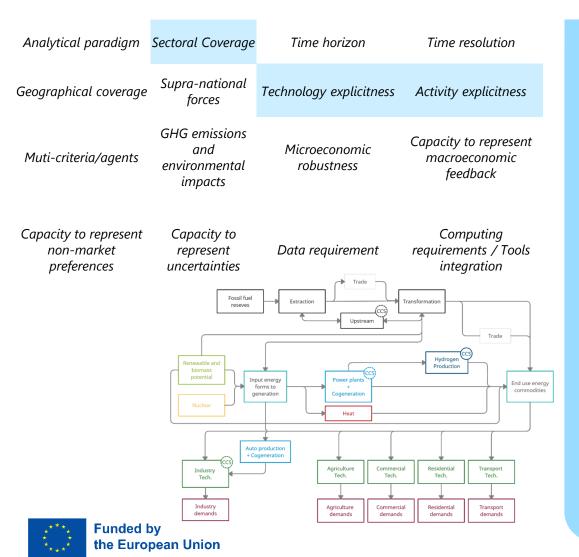
Decision makers are risk averse



- Mathematical programming
- Stochastic programming
- Multi-criteria analysis / Multi-objective programming
- Game theory







Why it is important?

To reflect the ability to explicitly model and assess policies and measures as a function of the technology details of the model.

It allows a finer analysis of the system (e.g. decomposition of emission reduction by type of change).

Why it is important?

"Targeted" policies and measures for key technologies and commodities.



Analytical paradigm Sectoral Coverage Time resolution Time horizon Supra-national Geographical coverage Technology explicitness Activity explicitness forces GHG emissions Capacity to represent Microeconomic and Muti-criteria/agents macroeconomic robustness environmental feedback impacts

Data requirement

Capacity to

represent

uncertainties

Why it is important?

Computing

requirements / Tools

integration

Consumers' decisions are driven by non-economic factors, such as comfort, travel time, size of the car, etc.

Why it is important?

To reflect the ability to represent complex, financially constrained investments decisions.

Why it is important?

Finite budget of consumers

Rebound effect

Effect on GDP, GVA, etc.



Capacity to represent

non-market

preferences



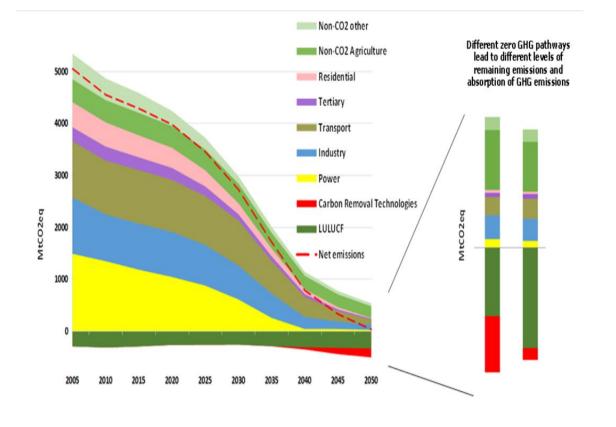
Analytical paradigm Sectoral Coverage Time resolution Time horizon Supra-national Geographical coverage Technology explicitness Activity explicitness forces GHG emissions Capacity to represent Microeconomic and *Muti-criteria/agents* macroeconomic environmental robustness feedback impacts Capacity to represent Capacity to Computing non-market requirements / Tools represent Data requirement preferences integration uncertainties

Why it is important?

Decarbonisation ambitions (drivers for many technology changes)

Water uses: resources extraction, energy crops, hydropower, thermal plants

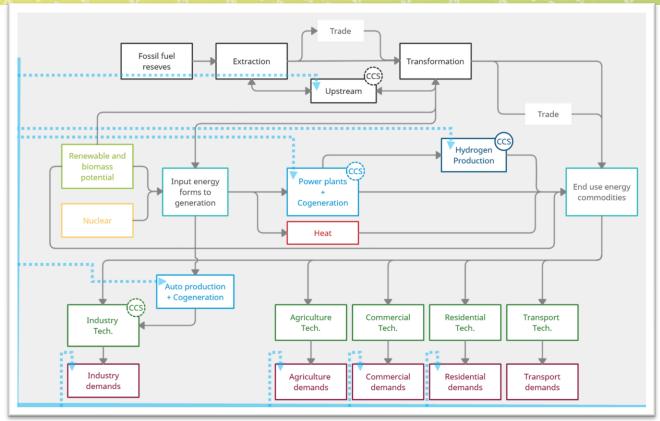
Climate vulnerability / Land Use (competition)







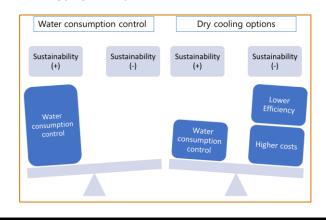
Integration with other dimensions-water



IF/HOW to integrate "water withdrawal" and "water consumption" constraints into the energy system analysis: OPEN point for discussion.

"Integration" can be limited to the power sector only, or extended to other critical technologies of the energy chain (H2, CCS, biofuels, etc).

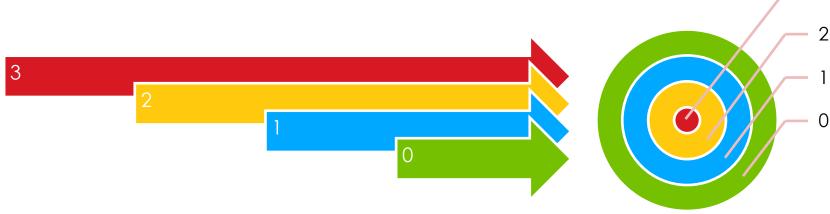
- Water "constraints" can be *implicitly* considered (change in the storylines / deterministic parameters such as availability factors, supply curves, own consumption, etc., per each "water and energy" scenario).
 - → Models "linking".
- Water "constraints" can be (to some extent) explicitly considered so to "endogenise" the water criterion in the optimisation process (note that dry cooling options are less water greedy but generally more energy greedy trade-off).



Boundaries of the integration and other Pros and Cons (computation complexity) to be Funded by the European Union evaluated.



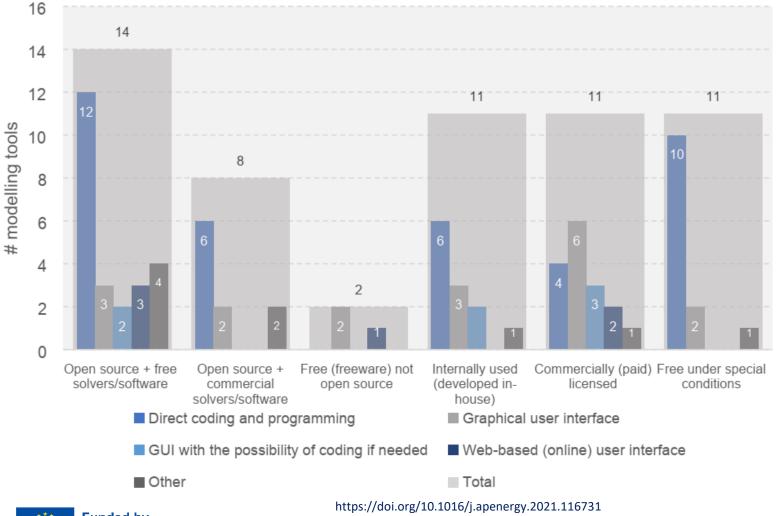
A simplified *ascending* process with multiple steps:

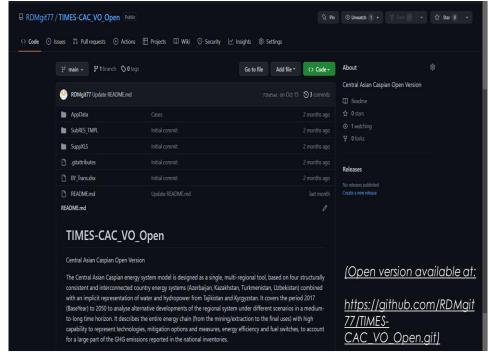


- 0: organise a proper data collection and analysis (at sectoral level)
- $0 \rightarrow 1$: move towards a system-oriented approach and a more explicit representation of the key parts involved
- $1 \rightarrow 2$: design scenarios to explore different combinations of factors (eg goals, policies, uncertainties)
- $2 \rightarrow 3$: integration of non-energy sectors/components to consider multiple dimensions of the sustainability of the strategies.







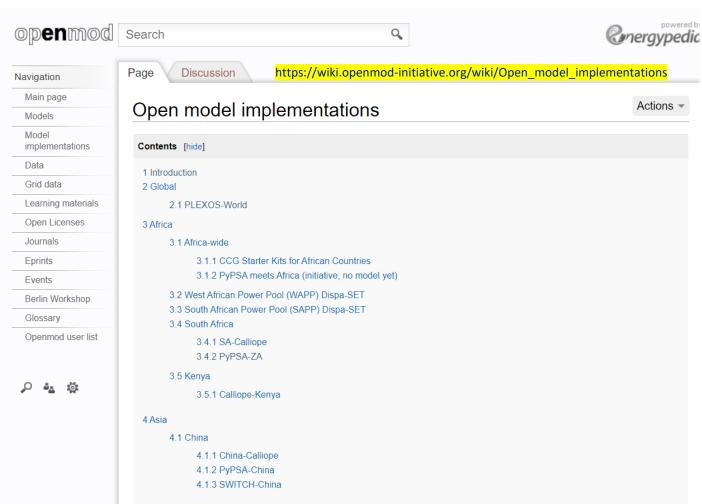


https://github.com/RDMgit77/TIMES-CAC_VO_Open.git)





Open Source and Open Data in energy modelling



https://openenergy-platform.org/factsheets/frameworks/		
MESSAGEix Integrated Assessment Model and the ix modeling platform	false	Apache license 2.0
Model Order Reduction for Gas and Energy Networks	false	Under this license, users can: Use the code
Mosaik	false	commercially: Companies can include the dicensed
OMEGAlpes	false	code in proprietary
Open Electricity Grid Optimization	false	software that they then sell to customers, 3.0
Open Energy Modelling Framework (oemof-solph)	false	MIT
Potsdam Integrated Assessment Modeling Framework (PIAM)	false	GNU Lesser General Public License v3.0
Python for Power System Analysis toolbox (PyPSA)	false	Unknown
Renewable Energy Mix	false	Unknown
SecMOD	false	MIT
SPINE Toolbox	false	Unknown
The Integrated MARKAL-EFOM System	false	GNU General Public

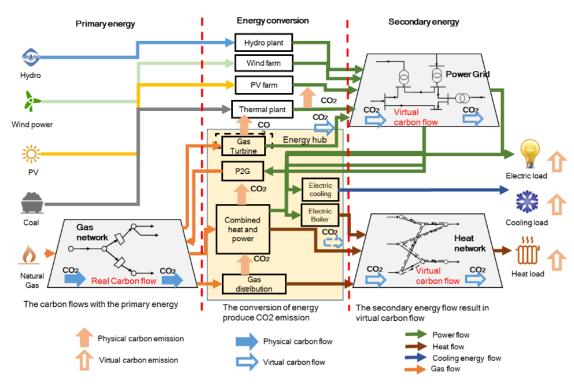
(TIMES) Model Generator





License family

Energy Systems Integrations (complementarity)



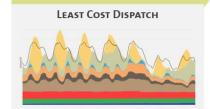
http://www.ningzhang.net/MES.html

- Location problems (space resolution)
- "Watergy" (space and flow resolution)
- Economic structure (general equilibria)

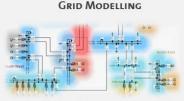
Power system (space and time resolution)

ENERGY MODELLING

- · Cross-sector analysis of optimal energy development in the country as well as through the region
- · Possibility to compare the effectiveness of alternative energy development strategies in different future scenarios and define the most optimal long-term implementation
- Possibility to foresee the cross-sector economic and environmental impact of the energy development strategies



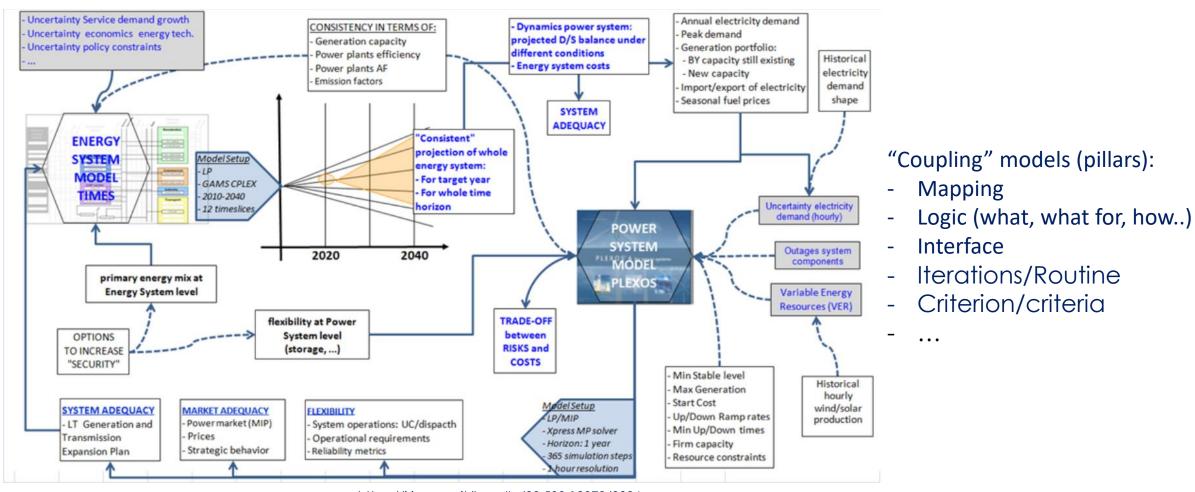
- · Simulating hourly demand and supply, estimating reserve requirements, generation flexibility issues and estimating the necessity of mitigation measures, storage or other technologies
- · Optimization of available primary energy resources and analysis of generation adequacy for development scenarios
- With the complex dispatch model. calculation of the total cost of generation. operation, curtailment (if any), shadow prices and other indicators



- · Identification of the most severe scenarios based on realistic assumptions and analyzing them with highly accurate nonlinear steady-state and dynamic models
- Ensuring network loadings, voltages. system frequency, and power quality in globally applied permissible boundaries in normal and emergency cases
- · Assessment of various smart grid technologies for ensuring stability and reliability in isolated as well as parallel regional operation



"Coupling" Energy System Models with Electricity market models









Model-based decision support

In the context of (model-based) long-term energy system analyses:

TO USE

Exploration/Scenario

Control variables

Robust assumptions / Self-consistent storyline

Scenario results: Useful/Utility

Support decision-making process

Reference(s)

TO AVOID

Prediction

Forecast variables

Realistic scenario / Most-likely scenario, etc.

Scenario results: True/Truth

Replace decision-making process

(BaU)









Exploring the impacts of different factors

Supranational - elements

- International fossil fuel prices
- Behaviour of other players
- Technology costs
- International standards

-

National - elements

- Structure of the socioeconomic sector
- Energy service demands
- Domestic energy resources
- Other factors and constraints (eg technologies, market, etc.)

National - objective and policies

- Targets (overall, sectoral, etc.)
- Measures (commodity, technology, etc.)

- ...

Uncertainties

Controllability (Decision Makers)





National objectives and targets*

1 (what?)

Include "targets" which must be met in the scenarios

(e.g. EE target, RES target or Emission targets, etc.).

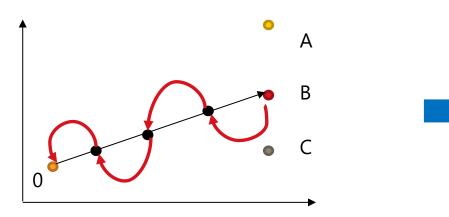
Policies and measures*

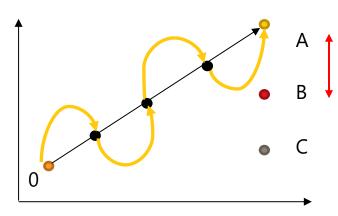
2 (How?)

Include a set of policy "mechanisms"

(e.g. CO2 tax, Feed-in tariffs, standards, etc.) and explore the effects on the energy- and environmental-related indicators.

*Measures are instruments to implement the policies.







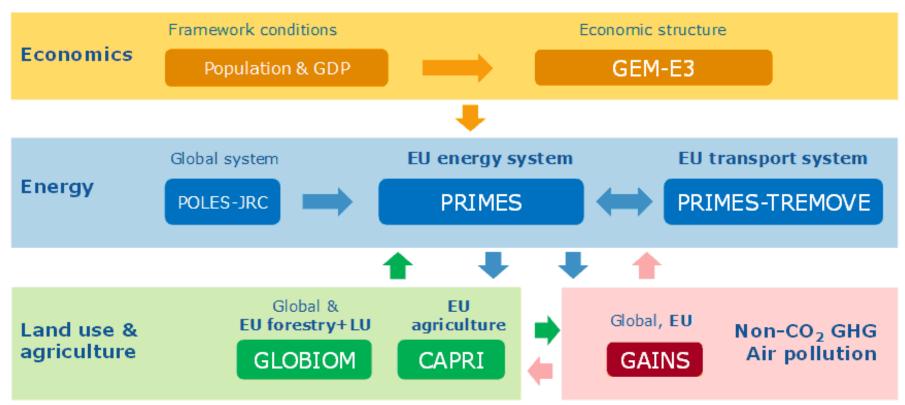


^{*}Targets define specific quantitative "thresholds" that must be achieved.

Modelling framework for energy-climate analyses - Example

Model-based scenario quantification supports the European Commission in impact assessments and analysis of "policy" options.

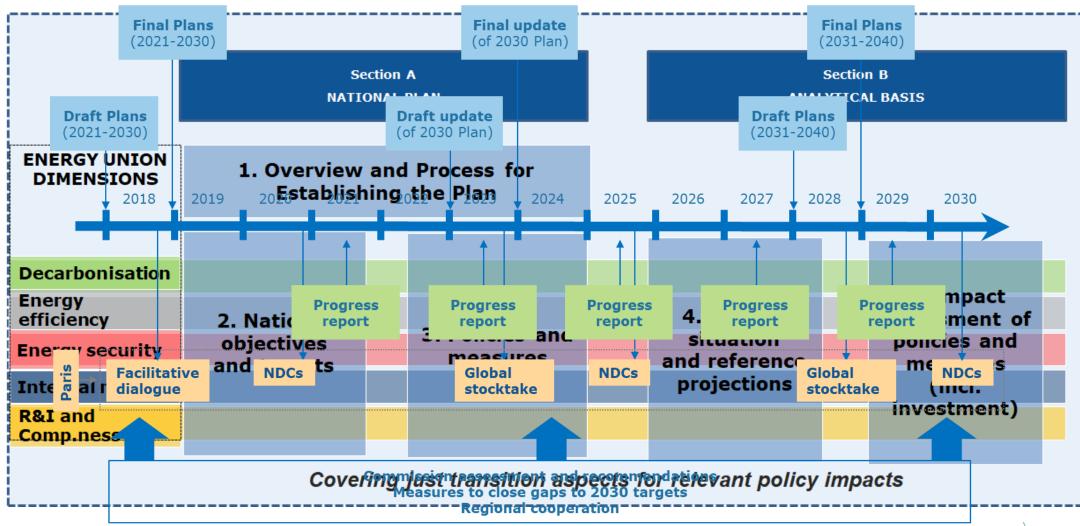
Tools are linked with each-other to ensure consistency ("integration")



https://climate.ec.europa.eu/eu-action/climate-strategies-targets/economic-analysis/modelling-tools-eu-analysis en











GENERAL FRAMEWORK FOR INTEGRATED NATIONAL ENERGY AND CLIMATE PLANS

SECTION A: NATIONAL PLAN

- 1. OVERVIEW AND PROCESS FOR ESTABLISHING THE PLAN
- 2. NATIONAL OBJECTIVES AND TARGETS
- 3. POLICIES AND MEASURES

SECTION B: ANALYTICAL BASIS

- 4. CURRENT SITUATION AND PROJECTIONS WITH EXISTING POLICIES AND MEASURES
- 5. IMPACT ASSESSMENT OF PLANNED POLICIES AND MEASURES

List of parameters and variables, NEB, key indicators

→ WORKSHOP 3

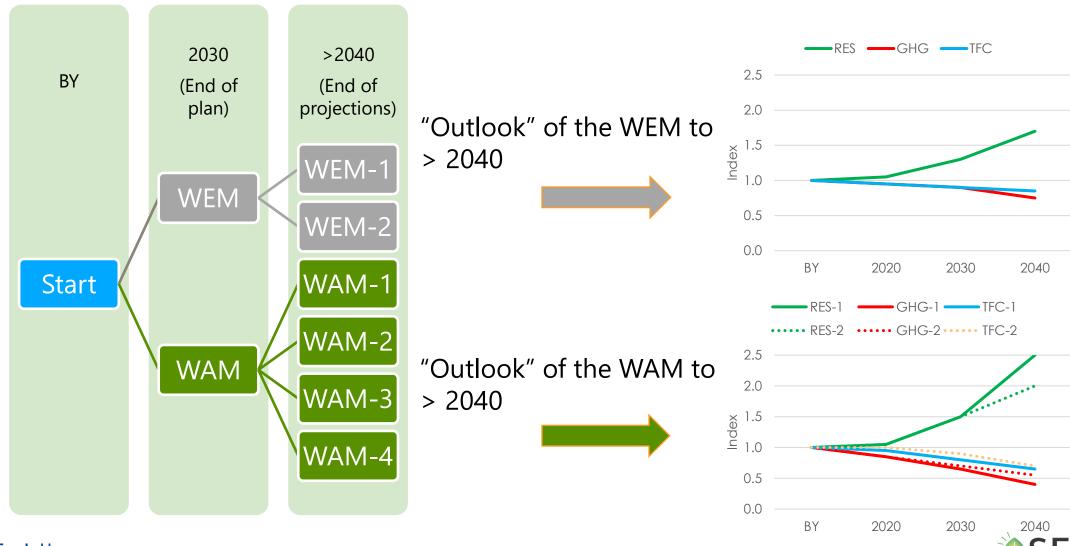




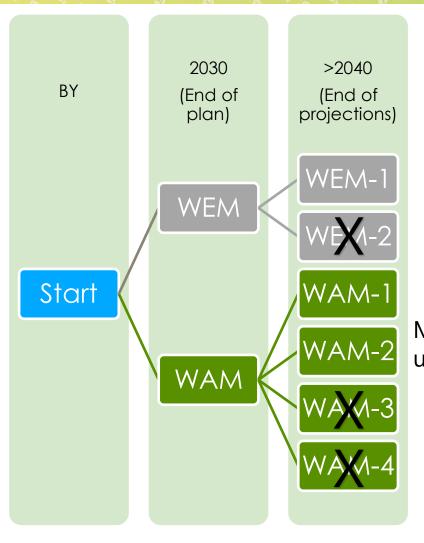


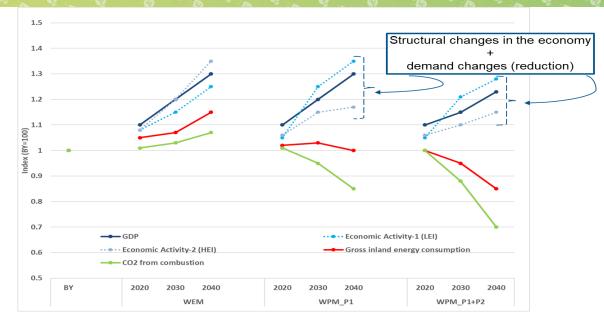






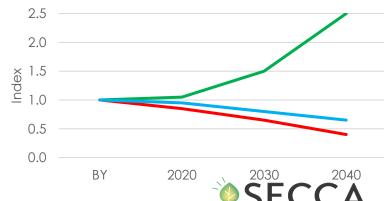






Multiple explorations / Continuous parsing of the "exploratory tree" until a "robust" path is found.

"Robust outlook" of the WAM > 2040 (against multiple criteria)



Sustainable Energy Connectivity in Central Asia



WB- Country Climate and Development Reports (CCDRs)

New core diagnostic reports that integrate climate change and development considerations. They will help countries prioritize the most impactful actions that can reduce greenhouse gas (GHG) emissions and boost adaptation, while delivering on broader development goals.

As public documents, CCDRs aim to inform governments, citizens, the private sector and development partners and enable engagements with the development and climate agenda. CCDRs help attract funding and direct financing for high-impact climate action.

https://www.worldbank.org/en/publication/country-climate-development-reports







Example – SECCA - KZ





Highlights

Scope of the work: Explore the role of coal in the energy system of Kazakhstan against the emission

reduction ambitions.

Provide a test-bed for the development of additional/alternative assessments.

Approach: **Analysis** organised in а model-based "large strategic exercise" with 240 cases to investigate the impact "combined" following the influencing factors: CO2 prices, CCS potential, development of nuclear energy, support of coal-fired stations, costs of RES and H2, contribution of emission offset options.

Findings: the role of coal differ "case by case" depending on specific the combination of factors. Even under the most favourable conditions, the coal consumption in the medium-long term is hardly compatible medium-deep emissions mitigation ambitions.

Material: full spreadsheet-based dashboard (to navigate the 240 cases and the "key" outputs of each case).

Model files: hosted a cloud-based platform for collaborative development and control. version be Access can granted to local experts and Institutions for further development (and use) in the framework of the SECCA project ("codevelopment"), and/or for independent utilisations.

Next steps: ideas, proposals and discussion



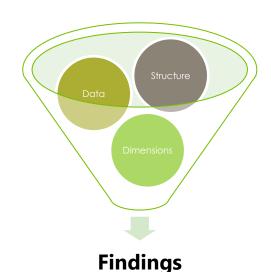


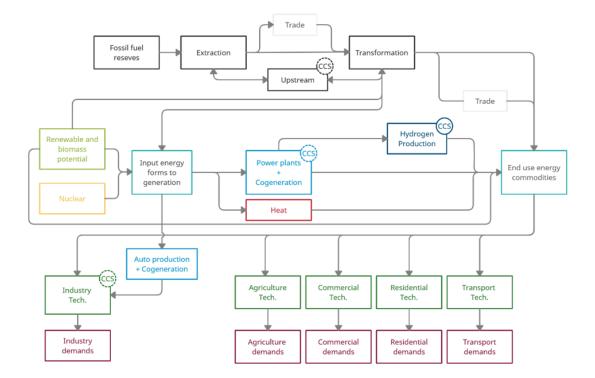
Scope of the work: interpretation

Integrated analysis: based on a holistic approach which addresses simultaneously as many perspectives or dimensions of the energy and climate dynamics as possible, and takes into account the cross-cutting nature and interactions between those dimensions.

<u>Multiple explorations</u>: learning by exploring / learning by comparing.

Energy scenarios serve as points of comparison to evaluate sensitivities and multiple outcomes.









Approach: design of a large strategic exercise

- 5 different CO2 prices (to mimic different emission reduction ambitions, from "no" to "decarbonisation")
- 3 different assumptions on CCS (uncertainty covering the storage potential and the rate of capture)
- 2 different assumptions for nuclear
- 2 different assumption for IGCC (CAPEX and subsidy)
- 2 different cost of renewable techs and H2 techs (uncertainty for CAPEX)
- 2 different contribution of other offset options (DAC and natural)

- ---> Very Low / Low / Medium / High / Very High (EU decarbonisation)
- ---> No / Medium / Large
- ---> No / Yes (up to 12 GW in 2060)
 Default values / -25% CAPEX and subsidy covering the variable costs
- ---> (excluding fuel)
- ---> Default / High (+33% CAPEX)
- ---> Default / Low (-40% CAPEX)

240 Total number of cases

Combinatorial method to explore scenarios (by permutating and combining influencing factors)

Example (12): Low CO2 price; Large CCS potential, no nuclear, no support for IGCC, default costs for RES and H2, default costs for CO2 offset technologies

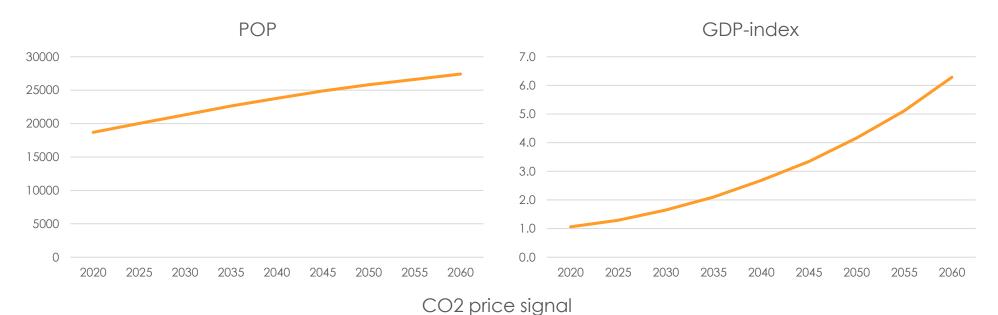
Example (46): Very low CO2 price; NO CCS potential, YES nuclear, YES support for IGCC, default costs for RES and H2, default costs for CO2 offset technologies

Example (240): Very high CO2 price; Large CCS potential, YES nuclear, YES support for IGCC, High costs for RES and H2, Low costs for CO2 offset technologies





Approach: key drivers





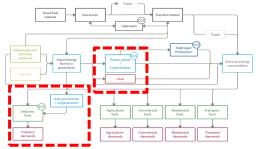
~450 \$/t similar to the EU value (to reach the EU 2050 climate neutrality in the FF55 package analysis)

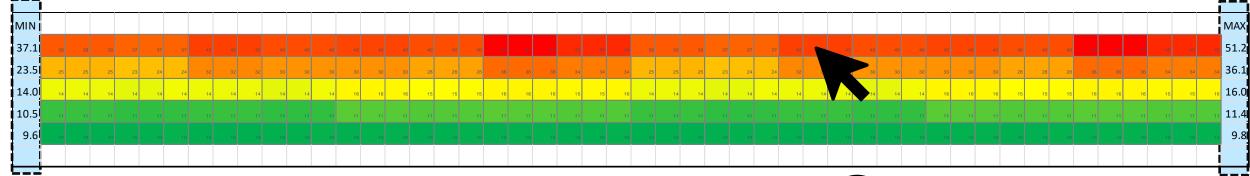




Findings (spreadsheet-based navigator)

KPI: Coal usage (in generation and industry) in the time horizon (2020-2060). Expressed in terms of equivalent n. of years of 2020 consumption





Dark red cells: high number of years Orange/Yellow cells: intermediate Dark green cells: low number of years

A tooltip displays the description of the case when users point the corresponding cell.



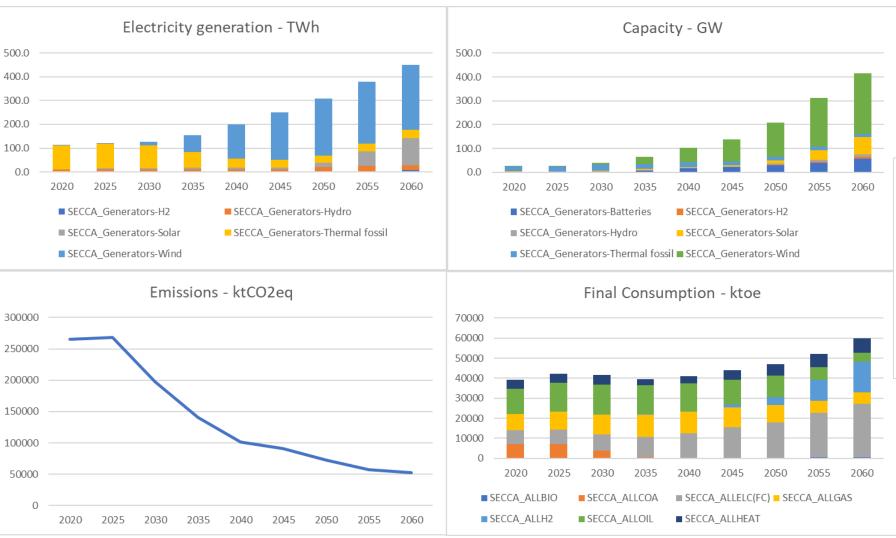


Two click away from case specific results:

- Generation capacity
- Electricity generation
- Total emissions
- Final consumption
- System Costs (relative)



Findings (navigator) - Case X

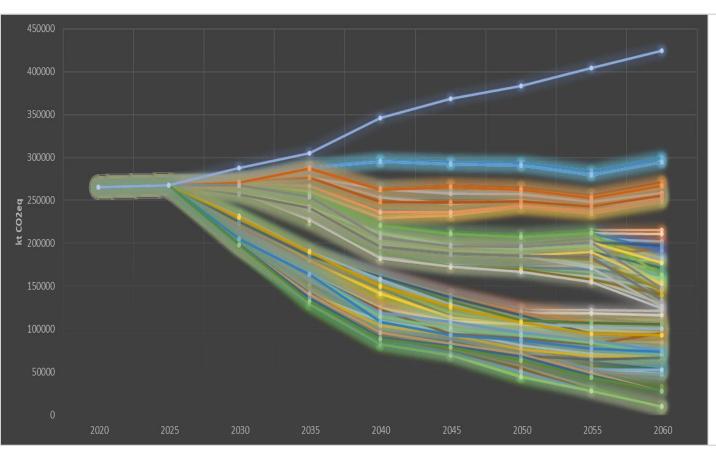


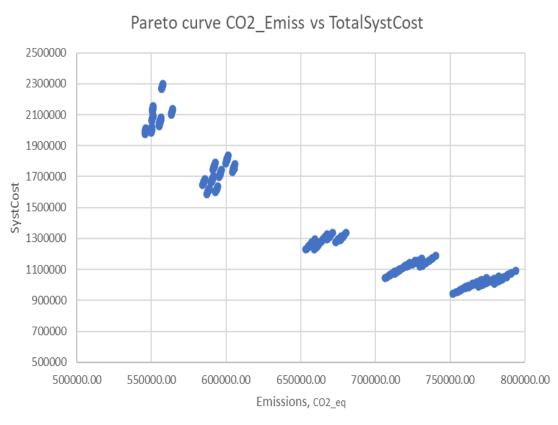






Findings (navigator) - Spectrum of emissions and tradeoffs









Strategic insights

Under the undertaken exploration:

- Cumulative coal usage over the period (2020-2060) ranges between (around) 10 years and 51 years of 2020 equivalent consumption.
- None of the identified influencing factors makes a long-term utilisation of coal compatible with deep mitigation (nearly zero) trajectories.
- Even for mild mitigation targets (eg around -50% wrt to 2020), the annual (average) consumption of coal over the next 40 years is projected to be around 1/3 of today's values.
 - There is high risk of "stranded" assets (if new coal-based plants/facilities are built in the next years).
 - High risk of loss of competitiveness (to be further investigated)





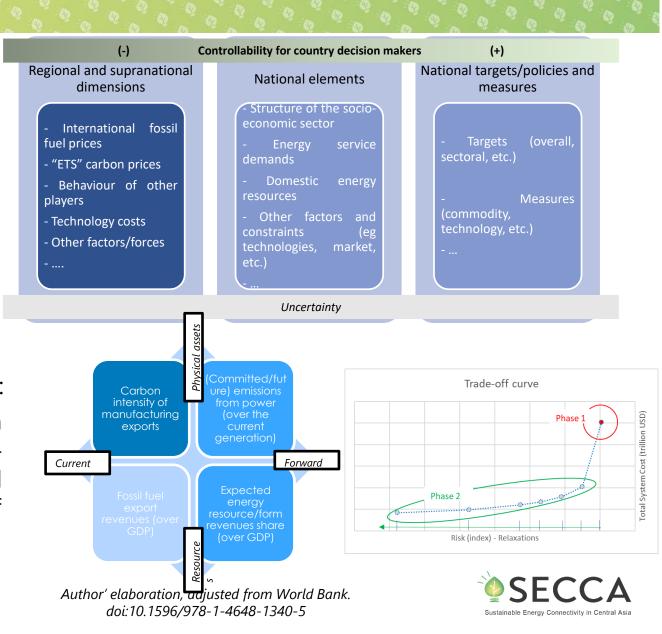
Limitations

<u>Base year data</u> (households surveys, industry, transport, energy balance, ...) and short-term decisions.

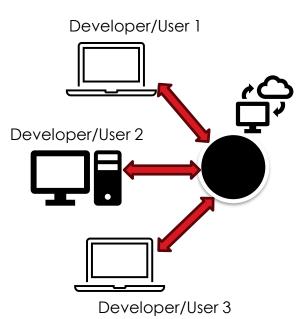
<u>Scenario/Variant</u> design (engagement and cocreation).

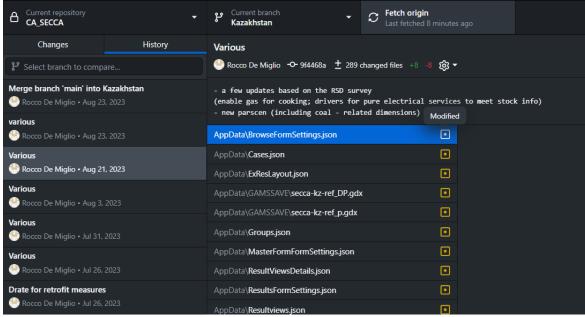
Alternative interpretations of the strategic question: "mimic" the inclusion of an additional criterion (multi criteria analysis) in the strategic decision-making process, to define a mathematical expression that captures "risky configurations of energy mix".





Collaboration and co-development



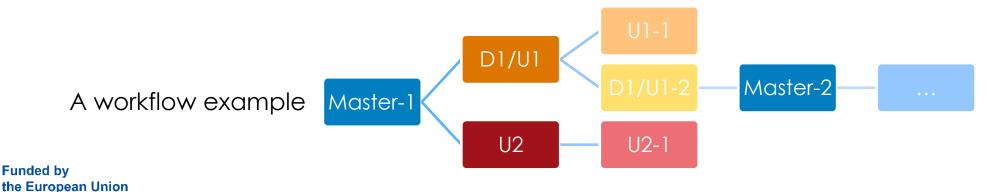


For hosting the model files and collaborating with the team.

Access can be granted to local Organisations (with previous modelling experience):

ERI
Zhasyl Damy
Astana IT
Nazarbayev University

. . .





Energy Efficiency





Defining Energy Efficiency Improvements - Indicators

Consume LESS (-) energy to provide SAME (=) service

Consume SAME (=) energy to provide MORE (+) service

Consume LESS (-) energy because of CHANGE (≠) in service

Consume LESS (-) energy and provide LESS (-) service

Are all the above energy efficiency improvements?

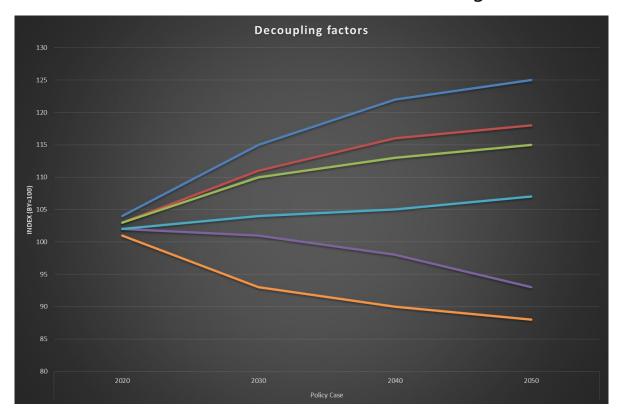


Generic energy efficiency indicator: $\frac{Energy\ Consumption\ (t)}{Activity\ (t)}$

Generic energy efficiency indicator: Energy consumption (x,t) - Energy consumption (B,t)

"Decoupling" is when two variables stop moving together:

- the correlation between them remains positive (relative)
- the correlation between them becomes zero, or negative (absolute)







EE1st at the EU level

Article 2(18) of the Regulation on the Governance of the Energy Union and Climate Action

EE1st, as a horizontal "**guiding principle**" of the European climate and energy governance and beyond, should ensure, while taking full consideration of security of supply and market integration, that <u>only the energy **needed** is produced and that investments in stranded assets are avoided</u> in the pathway to achieve the climate goals.

Member States are required to take into account the principle in the integrated National Energy and Climate Plans (NECPs).

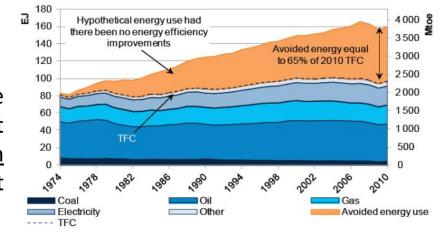
The principle aims to treat energy efficiency as the "first fuel", that is a source of energy in its own right

"save before you build/produce"

The EE1st principle implies adopting a holistic approach which takes into account the <u>overall efficiency of the "integrated energy system" (holistic)</u> and promotes the most efficient solutions for climate neutrality across the <u>value chain</u> (from energy production, network transport to final energy consumption) so that efficiencies are achieved both in primary and final energy consumption.

This includes giving **priority to "demand-side"** solutions whenever they are more cost-effective than investments in energy infrastructures.







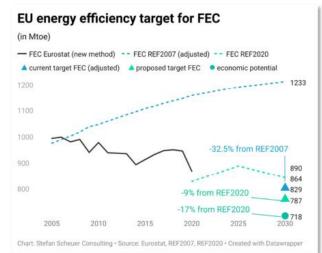
Overall energy efficiency target - Revision of the EED - EC

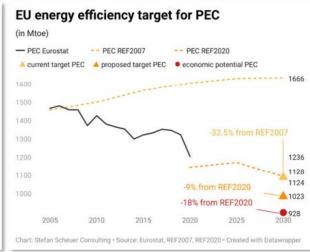
The EU has set ambitious energy efficiency targets for 2020 and 2030 to reduce **primary** and **final** energy consumption as part of its 2050 decarbonisation objectives.

Initial (2018): headline EU energy efficiency target for 2030 of at least 32.5% (compared to projections of the expected energy use in 2030). 32.5% target translates into a final energy consumption of 956 Mtoe and/or primary energy consumption of 1273 Mtoe in the EU by 2030.

More recently (2022, in the context of the REPowerEU plan)

	Modelling analysis for the EED recast	New modelling analysis	
	Full Package Scenario 9%EE/40%RES	REPowerEU 13%EE/45%RES	REPowerEU 19%EE/45%RES
Energy consumption			
EU FEC target (wrt. REF2020 scenario)	9%	13%	19%
Final energy consumption (Mtoe)	787	751	701
EU PEC target (wrt. REF2020 scenario)	8%	10%	13%
Primary energy consumption (Mtoe)	1,033	1,006	979





Model-based analyses





Understanding energy efficiency – Indicative steps

Cost

- Understand how energy is used across system/sectors

Need end-use information beyond the energy balance

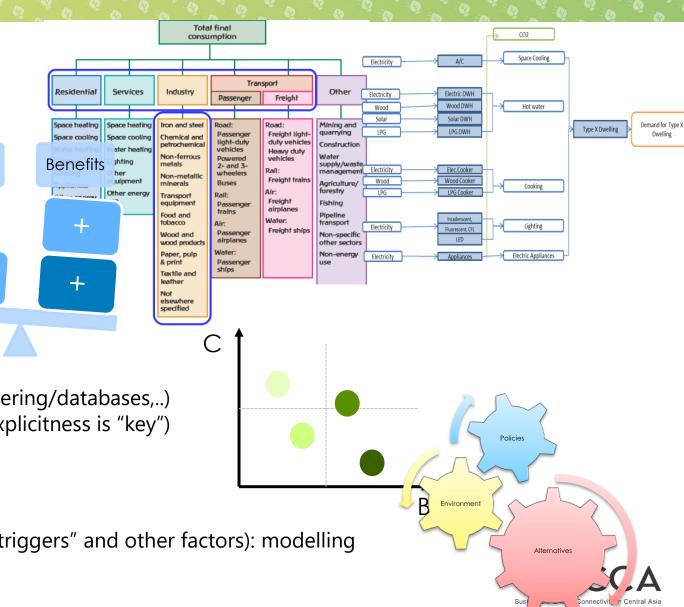
| Space healing | Space healing | Space cooling | S

- Define evaluation methodology/rationale

- Information collection (statistics/surveys/metering/databases,..) Select and assess alternatives (technology explicitness is "key")

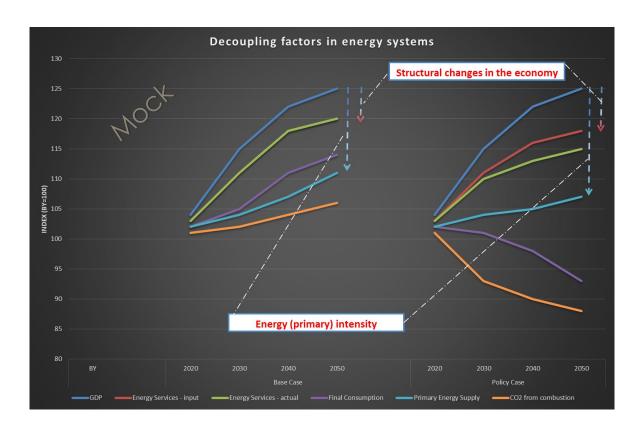
- Explore and project energy variables (EE "triggers" and other factors): modelling

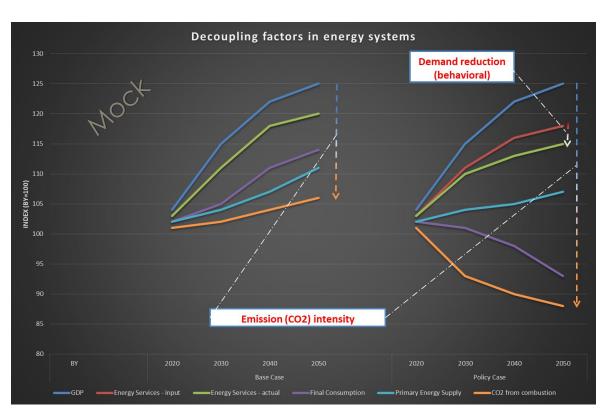




Unveiling and understanding energy efficiency indicators

The importance of disentangling "efficiency improvements" from "structural changes" of the economy and behavioural changes



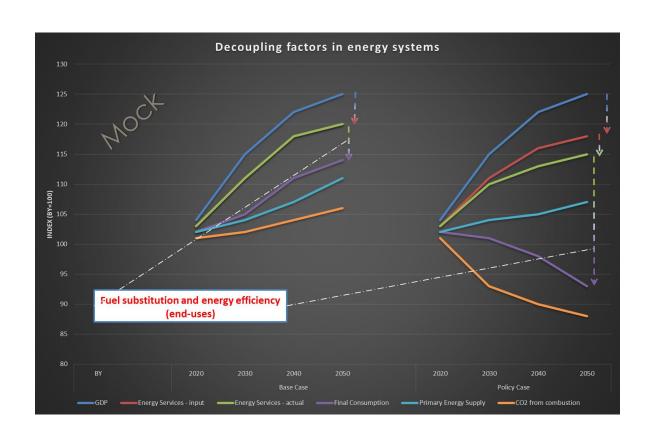


Uzbekistan's economy and population is expected to grow at high rates of over 4% and 1.5%, respectively, Unmet demand is an issue!





Unveiling and understanding energy efficiency indicators



Examples:

Final Energy per Inhabitant (toe/capita) Energy use for Residential Space Heating (per sqm) Energy Intensity
Passenger
Transport (per
pass-km)

Final Energy per household (toe/household) Energy use for Tertiary Space Heating (per sqm) Energy Intensity
Freights Transport
(per t-km)

Final Energy per sectoral value added (toe/M\$) Energy use for Residential Lighting (per dwelling) Energy use for Cement production (toe/t)

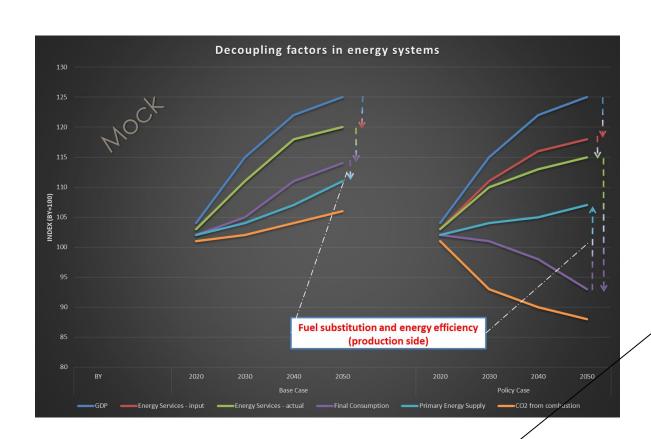
Electric vs biofuelled vehicles (over the chain)

Energy use for Public Lighting (per number) Energy use for Iron&Steel production (toe/t)

Relative indicators need to be carefully interpreted!



Unveiling and understanding energy efficiency indicators



Examples:

Primary Energy Supply per Inhabitant (toe/capita)

Efficiency of Thermal Electricity Generation CO2 emissions from the power sector per unit of electricity produced (kgrCO2/kWh)

Primary Energy Intensity (toe/k\$) Electricity transmission and distribution efficiency CO2 Emissions
Intensity per unit of
Primary Energy Supply
(kg CO2 from Energy
Sources / \$ GDP)

Primary Energy over Final Energy

(toe/toe)

Best = 1

District Heat distribution efficiency

Per value added carbon intensity (kgCO2/\$)

Electric vs biofuelled vehicles

(over the chain)

Average Capacity
Factor of
Conventional Power
Plants

H2 vs electricity in industry

(over the chain)

Relative indicators need to be carefully interpreted!

Single indicators can be misleading!



1.4<UZ<1.55 KZ>1.65

EU (average): 1.35

References

Energy efficiency indicators

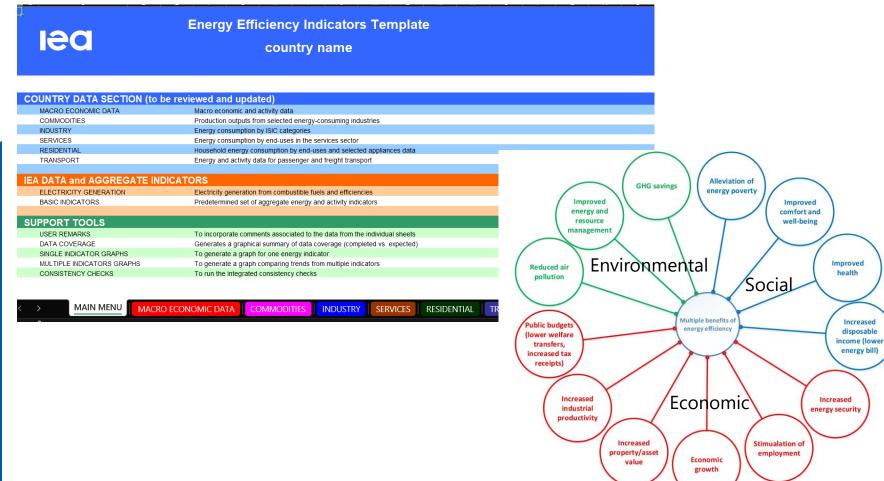
Database documentation

December 2021 edition

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lea

https://www.iea.org/data-and-statistics/data-product/energy-efficiency-indicators



https://iea.blob.core.windows.net/assets/6d9daa77-45f0-41c9-978b-c23a3759b073/Efficiencyindicators_Documentation_December2021.pdf



Source: European Commission based on Odyssee-Mure



THANK YOU!

Eng. Rocco De Miglio Energy systems modeller and analyst





