

# REGIONAL TRAINING ON MODEL-BASED INTEGRATED ENERGY AND CLIMATE ANALYSES

Almaty, 24-27 September 2024

**Rocco De Miglio, Energy Sector Modelling Expert** 















# **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

#### 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

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

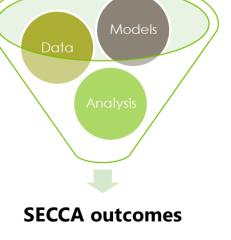




### **Training sessions for country "modelling units"**

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









### Modeling is not just about "modeling"

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.

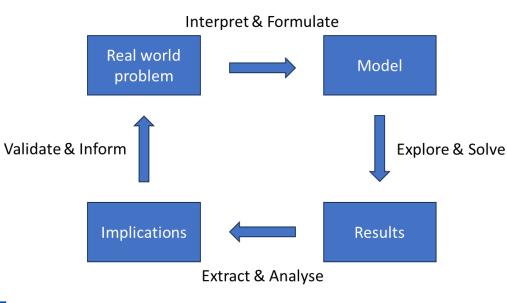


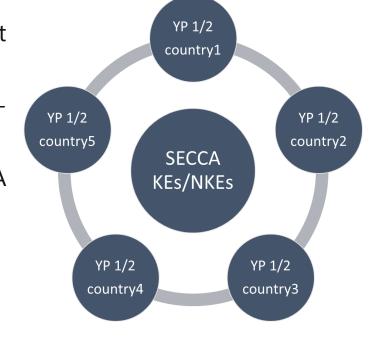
# **Country "modelling units"**

- 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 (datadriven) decision making in the energy and climate sectors;

- generating practical impacts that go beyond the duration of the SECCA project



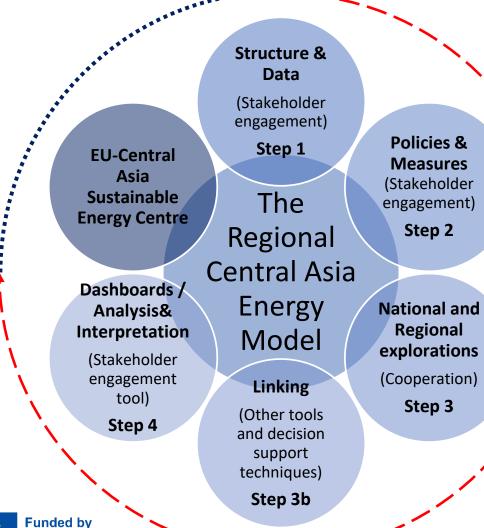


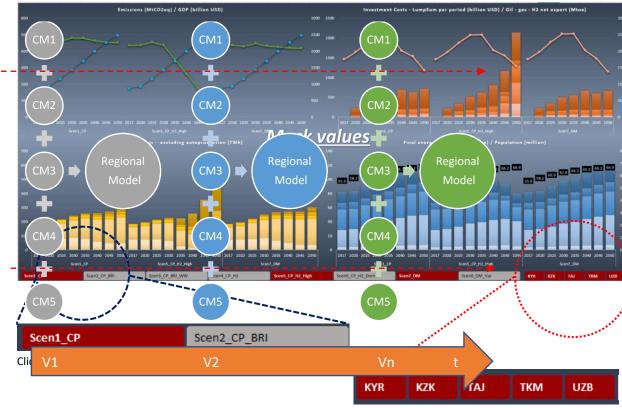
The "way of thinking" is even more important than the "tools"





### National and Regional analyses (coordination/collaboration)





Click and view (country-specific KPIs)





# **Country repositories (SECCA project) - Create a github account**

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



Funded by the European Union

https://desktop.github.com/download/



# **Model-based analyses - Fundamentals**





### **Energy scenarios VS decision-makers**

**Issue**: gap between "theory and practice"

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**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 modeling, 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 we do

### Explorations



### What we obtain

Insights



### What we aim for

### Knowledge

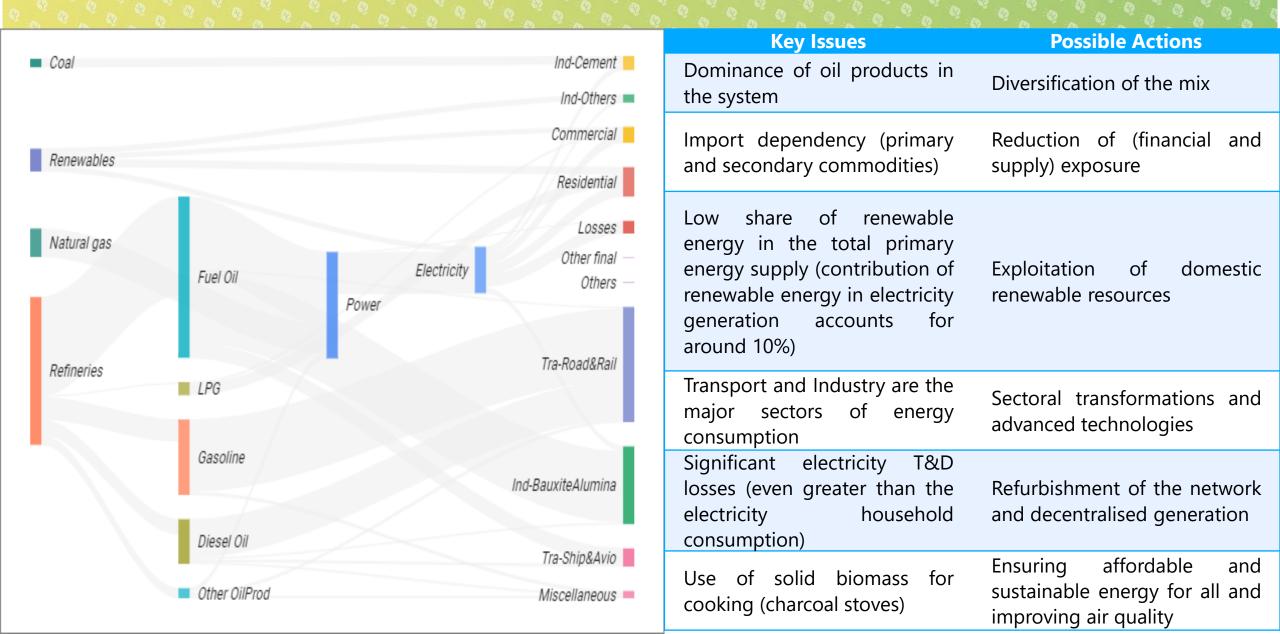




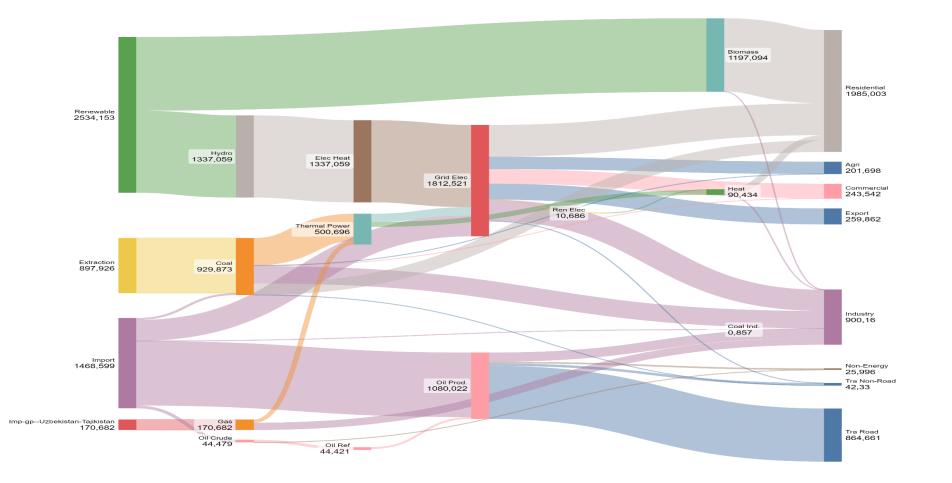




### What the problem or issue is?



### Example: Sankey diagram – 2019 (ktoe) - Tajikistan



<u>Link</u>



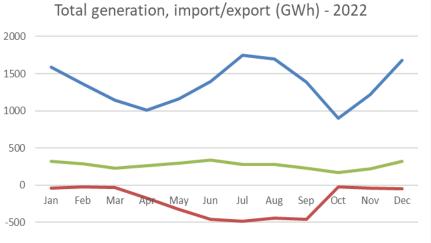


# Example: Sankey diagram – 2019 (ktoe) - Tajikistan

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

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 -1000 national consultant



5

3

2

0

2019

(rural areas)

2025

GDP

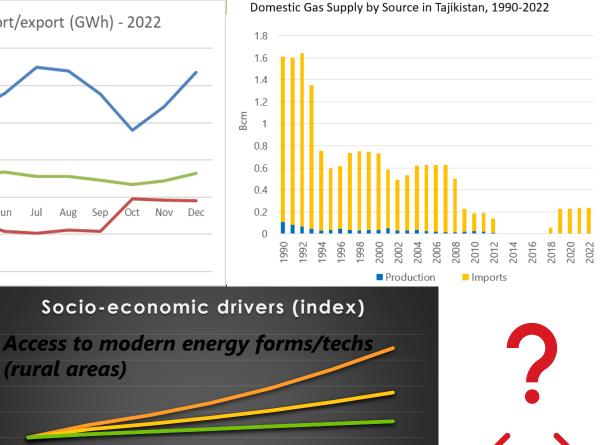
-HOU

2030

2035

----POP

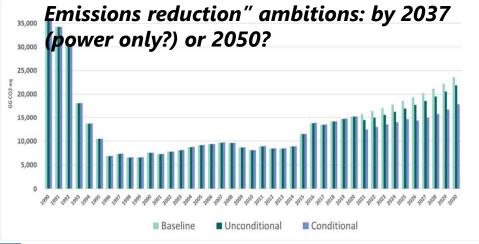
2040



2050

2045

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

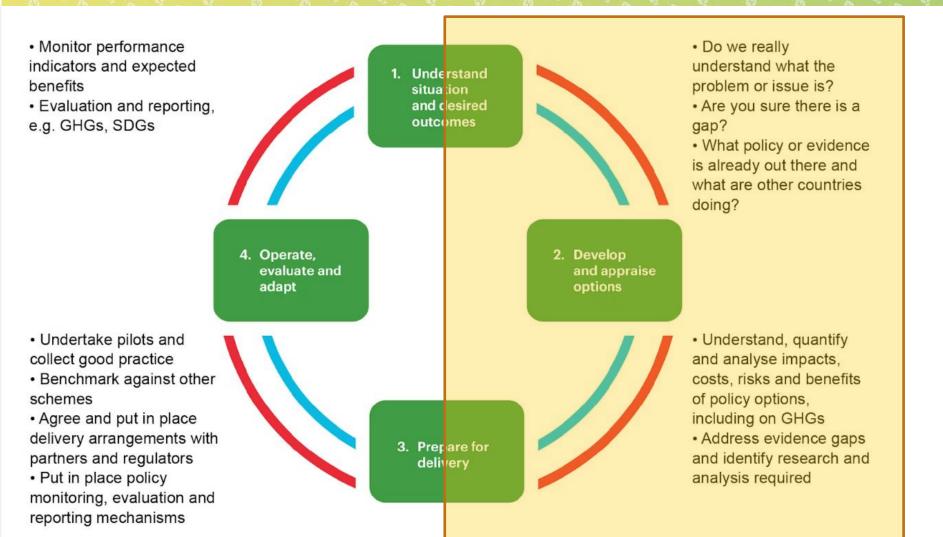


GDPPCAP ---- GDPPHOU



Sustainable Energy Connectivity in Central Asi

# **The Policy Development/Delivery Cycle**



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

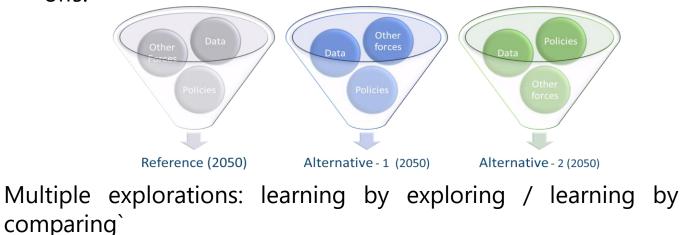


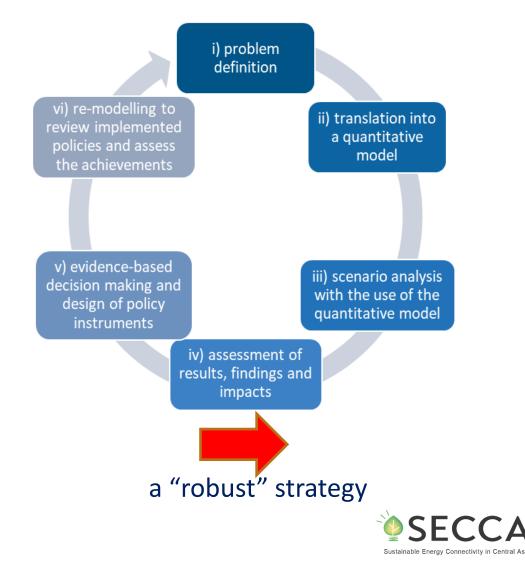


# Modeling in policy development – Keyword: integration

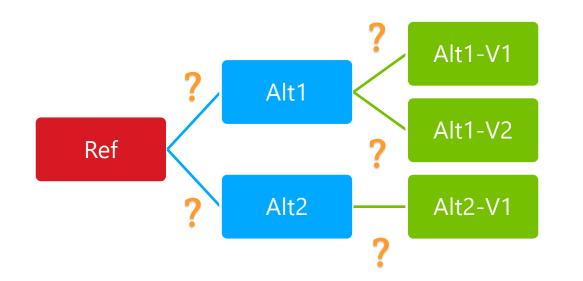
Why do DM need/use models?

- 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 trade-offs.





### **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

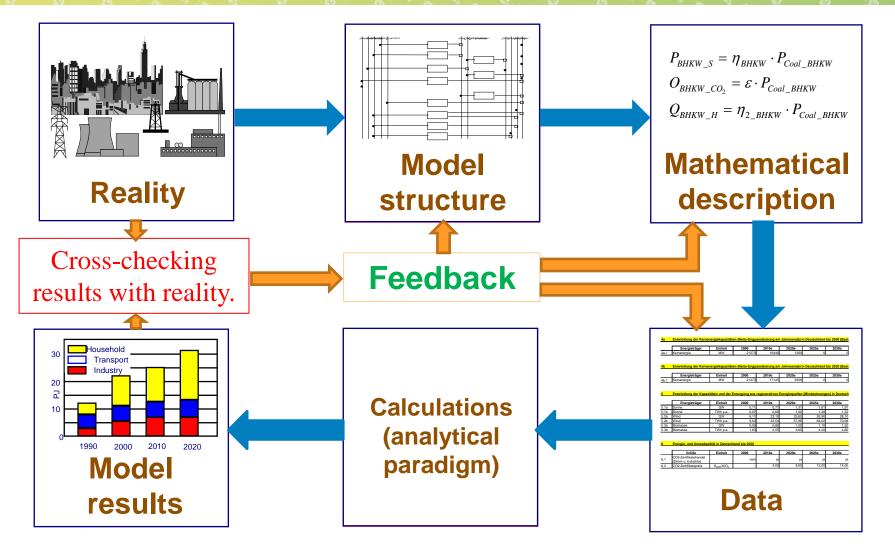
Integrated analysis: based on a holistic approach which addresses **simultaneously** as many perspectives or dimensions of the energy and climate dynamics as possible, and takes into account the cross-cutting nature and **interactions** between those dimensions.

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**





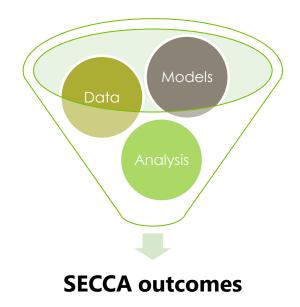


# Not just about modeling

### **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 stand- alone/sectoral analyses)	Energy security	Energy efficiency measures	Advanced Technology		
"Watergy" (integration water- energy)	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

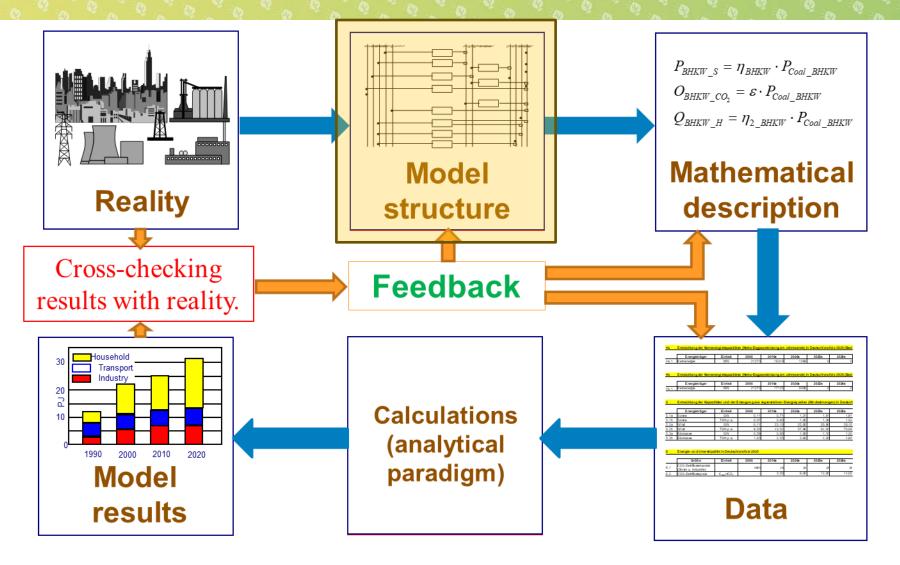
**Interoperability**: allows for scenario outputs to be both tested by other models or approaches as well as their compatibility to sub-sector or broader integration with other modelling for policy support

**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 and identification of the key technologies.  $\rightarrow$  **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

ktoe EU28	2016	Total all products	Solid fuels	Oil (total)	Gas	Total Renewables	Wastes (non ren.)	Nuclear heat	Derived heat	Electricit
+ 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	101,000	9,397	201,200	210,100		220,100		
From other sources (Recovered products)	B_100200	4,522	404	3.818	300					
Recycled products	B 100210	1,044	101	1,044	000					
+ Imports	8_100210	1,483,219	134,902	941.564	357,102	16,395	385		6	32.80
Stock changes	B_100400	21.263	11.807	3.423	5.944	10,000	0			52,01
Exports	B_100400 B_100500	579,508	38,239	411.746	87,613	10,574	29		5	31.30
- Bunkers	-	44,152	30,235	44.151	07,013	10,014	20			51,5
Direct use	B_100800	10.559		10,559	*					
Gross inland consumption	8 100112	1,640,615	240,724	567,142	382,969	216,618	14.893	216,703	1	1,5
Fransformation input	B 100900	1,294,958	2240,724	654,689	125,132	61,875	11.027	216,703	768	2
Conventional Thermal Power Stations	B 101000	358,478	165,433	12.820	114.576		9,905	210,703	768	6
Nuclear Power Stations	B_101001	216,703	105,455	12,020	114,570	54,977	9,905	216,703	/00	
Coke-ovens	B_101002	36,597	36,215	355	27			210,703		
Blast-fumaces	B_101004	12,918	12.918	300	21					
Gas works	B_101006	695	674		21					
+ Gas works + Refineries	B_101007	640,308	074	640.308	21					
District heating plants	B_101008	21.015	3,544	963	8.654	6,459	1.122			2
Patent fuel plants	B_101009	21,015	142	303	0,034	0,455	1,122			
BKB / PB Plants	B_101010	4,385	4,385							
Coal Liguefaction Plants	B_101011	4,305	4,305							
For Blended Natural Gas	B_101012	391	901	162		230				
	B_101013	209		102		230				
Charcoal production plants (transformation)	B_101015	209				209				
Gas-to-Liquids (GTL) Plants (transformation)	B_101016	2,138	279		1.855					
Non-specified Transformation Input  Transformation output	B 101020	963.032	31,378	640.125	20.223	62			59,192	212.0
Conventional Thermal Power Stations	B 101100	181.172	31,370	640,125	20,223	62			41,319	139.8
	8_101101	72,303							41,319	
+ Nuclear power stations	B_101102		07.005		6.828				105	12,2
+ Coke-ovens	B_101104	34,193	27,365		12.918					
Blast-fumaces	B_101106	12,918								
+ Gas works	B_101107	477			477					
+ Refineries	B_101108	640,125	(70	640,125						
Patent Fuel Plants     PKD ( DD Plants	B_101110	173	173							
+ BKB / PB Plants	B_101111	3,840	3,840							
Charcoal production plants	B_101115	62				62			47.775	
District Heating Plants	8_101109	17,770							17,770	
Exchanges and transfers, returns	B 101200	2,969		2,969		-65,240				65,2
Consumption of the energy branch	B 101300	80,128	636	33,402	19,028	654	87		4,913	21,4
Distribution losses	B 101400	26,372	35	53	3,093	24			5,554	
Available for Final Consumption	B 101500	1,205,158	46,938	522,093	255,939	88,886	3,780		47,957	239,5
Final non-energy consumption	B 101600	97,773	1,763	82,480	13,530					
inal energy consumption	8 101700	1,107,818	45,338	437,131	245,284	88,949	3,780		47,932	
Industry	B_101800	276,823	33,774	27,513	86,242	22,542	3,524		16,112	87,1
Transport	B_101900	367,272	12	344,648	3,284	13,840				5,4
Other Sectors	B_102000	463,723	11,552	64,969	155,758	52,567	256		31,820	146,8
+ Services	B_102035	150,043	923	15,668	46,281	4,889	255		9,274	72,7
+ Residential	B_102010	284,832	9,507	33,139	105,175				22,148	69,4
			4 000	40.000	0.400	0.400				
+ Agriculture / Forestry	B_102030	24,079	1,082	12,992	3,426	2,132	1		252	4,1



### **From NEB to technologies**

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

 $\rightarrow$ 

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

BALANC	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 2	Commodity 3	Commodity 4	Commodity 5	Commodity 6
item A,1	<b>=30%*X 1,1</b>	=50%*X 1,2	=10%*X 1,3	=0%*X 1,4	=30%*X 1,5	=20%*X 1,6
item B,1	● =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 •
item B,2	=60%*X 2,1	=55%*X 2,2	=60%*X 2,3	=40%*X 2,4	=35%*X 2,5	=15%*X 2,6 *
item C,2	=30%*X 2,1	=20%*X 2,2	=30%*X 2,3	=40%*X 2,4	=30%*X 2,5	=35%*X 2,6 •





### **Conversion factors (energy)**

### General conversion factors for energy

Unit abbreviations

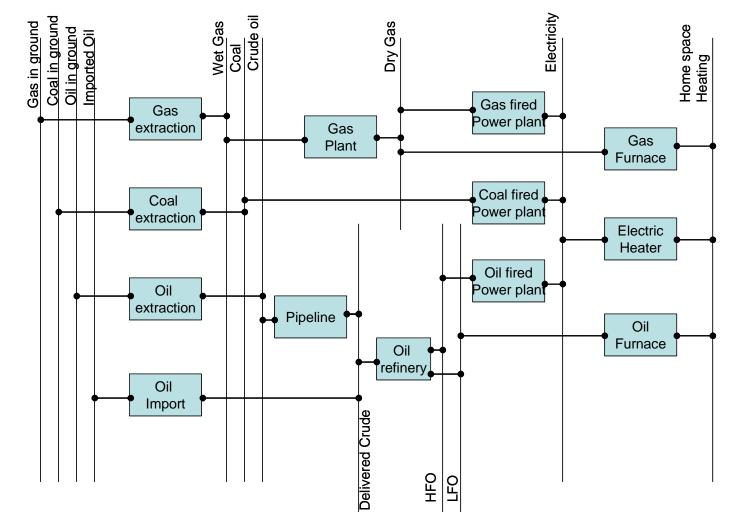
To:	TJ	Gcal	Mtoe	MBtu GWh		bcm	billion cubic metres	MBtu	million British thermal units
						Gcal	gigacalorie	Mt	million tonnes
From:	multiply by:					GCV	gross calorific value	Mtoe	million tonnes of oil equivalent
TJ	1	2.388 x 10 <sup>2</sup>	2.388 x10 <sup>-5</sup>	9.478 x 10 <sup>2</sup>	2.778 x 10 <sup>-1</sup>	GW	gigawatt	MWh	megawatt hour
10	'	2.000 X 10	2.000 x10	0.110 × 10	2.110 x 10	GWh	gigawatt hour	PPP	purchasing power parity
Gcal	4.187 x 10 <sup>-3</sup>	1	1.000 x 10 <sup>-7</sup>	3.968	1.163 x 10 <sup>-3</sup>	kb/cd	thousand barrels per calendar	t	metric ton = tonne = 1 000 kg
Mtoo	4 407 × 404	4 000 × 407	4	$2.000 \times 107$	1 102 × 101		day		
Mtoe	4.187 x 10 <sup>4</sup>	1.000 x 10 <sup>7</sup>	1	3.968 x 10 <sup>7</sup>	1.163 x 10 <sup>4</sup>	kcal	kilocalorie	TJ	terajoule
MBtu	1.055 x 10⁻³	2.520 x 10 <sup>-1</sup>	2.520 x 10⁻ <sup>8</sup>	1	2.931 x 10 <sup>-4</sup>	kg	kilogramme	toe	tonne of oil equivalent = 107 kcal
014/	0.000	0.500 400	0.500 405	0.440.400	4	kJ	kilojoule	TWh	terawatt hour
GWh	3.600	8.598 x 10 <sup>2</sup>	8.598 x 10⁻⁵	3.412 x 10 <sup>3</sup>	1	kWh	kilowatt hour	USD	United States dollar

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





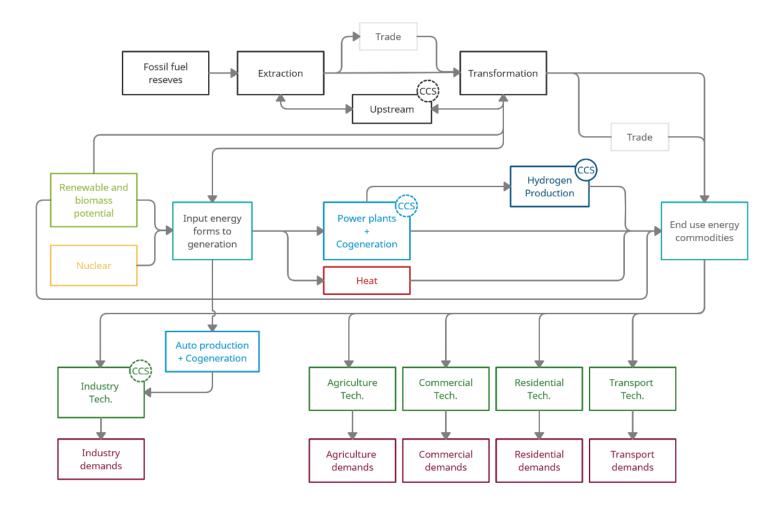
# **The Reference Energy System – RES – Examples (1)**







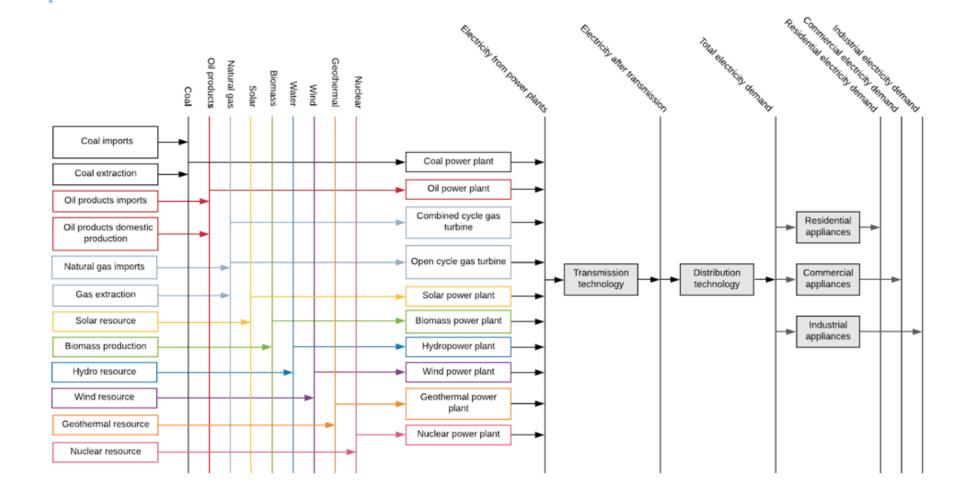
### **The Reference Energy System – RES – Examples (2)**







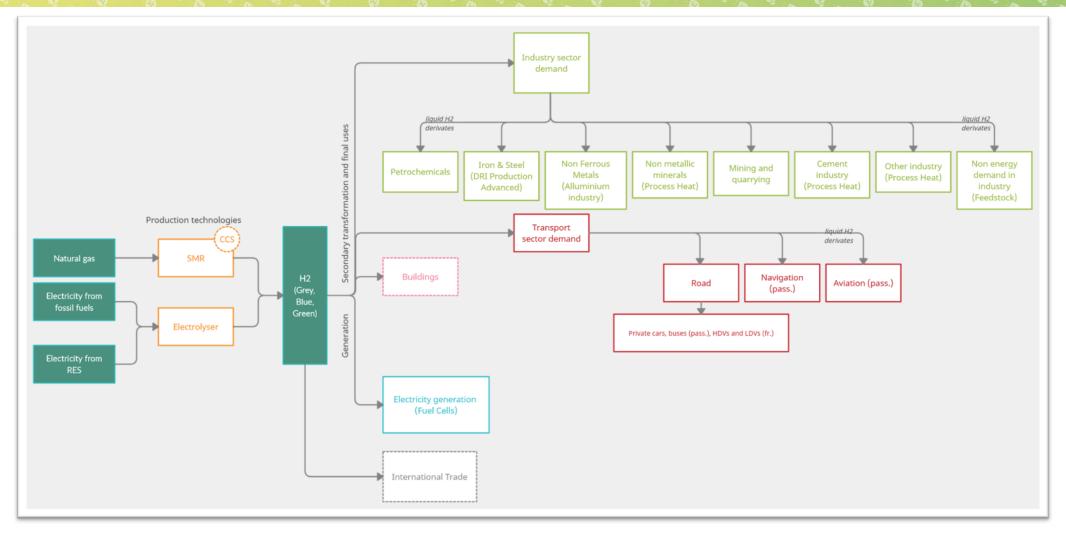
### **The Reference Energy System – RES – Examples (3)**







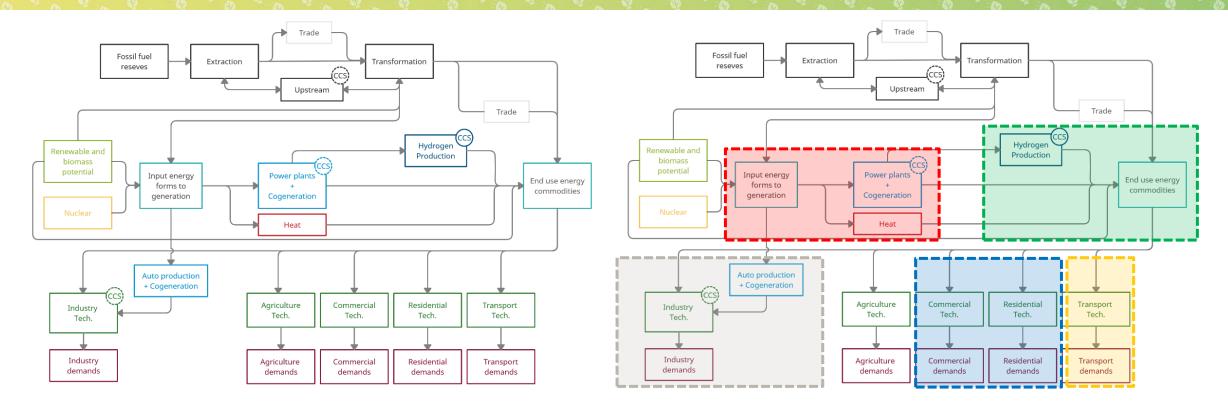
### **The Reference Energy System – RES – Examples (3)**







# **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.

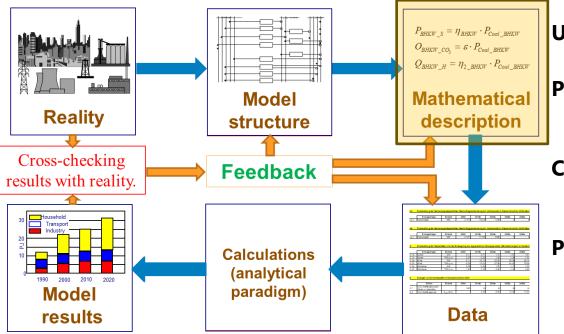
### **Existing sector-specific analysis** (highlighted)

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

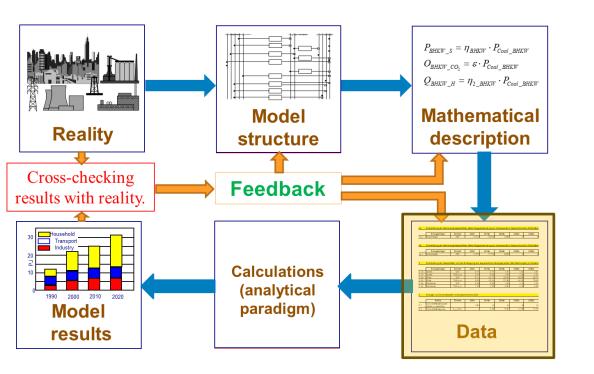
Rules for inter-regional allowance trade

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**

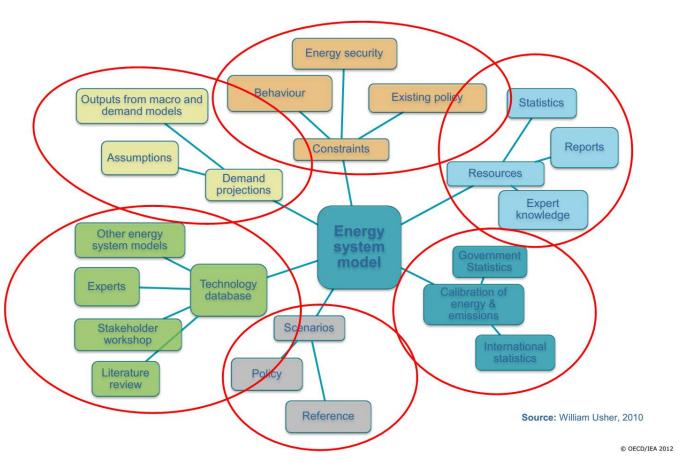
- Population projections
- Other drivers/projections to be assumed

### → 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

Geographical coverage

Supra-national forces

GHG emissions and environmental impacts

Microeconomic robustness

Time horizon

Technology

explicitness

Time resolution

Activity explicitness

Capacity to represent macroeconomic feedback Key driving questions:

For what???For whom???

Capacity to represent non-market preferences

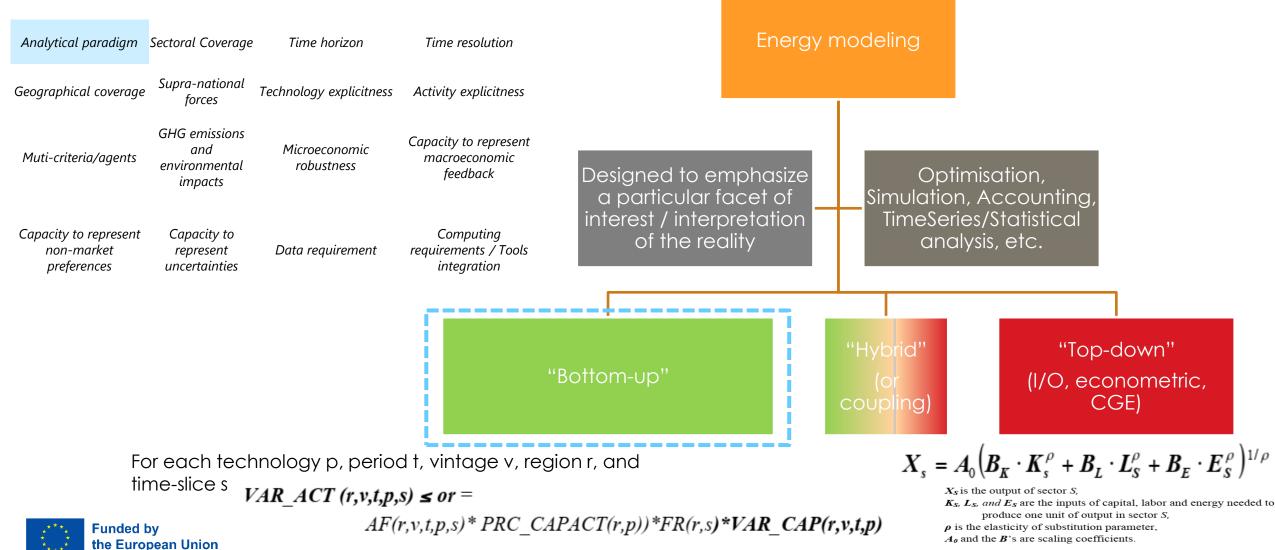
Capacity to represent uncertainties

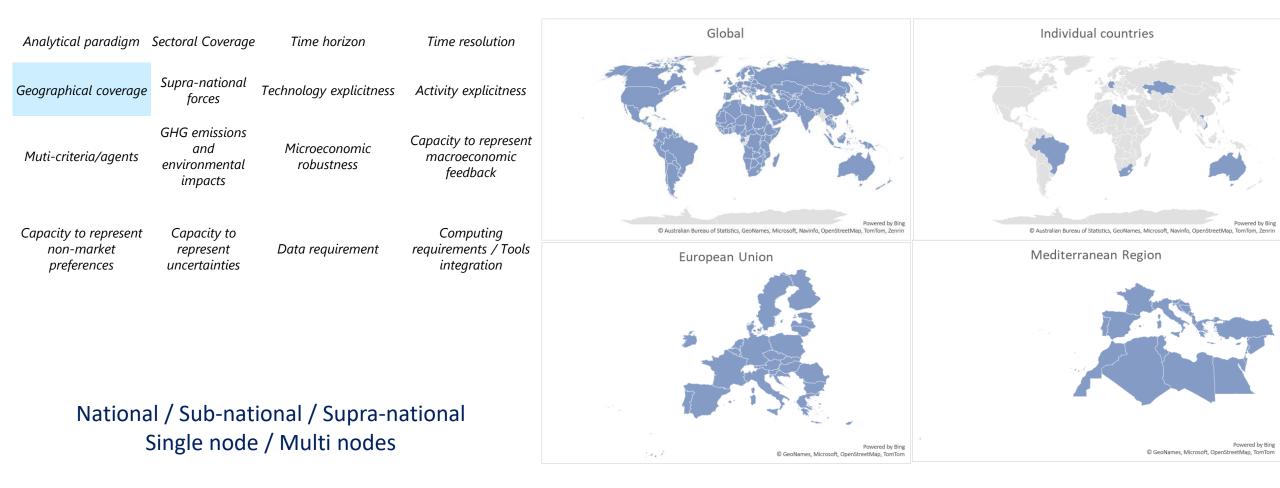
Data requirement

Computing requirements / Tools integration



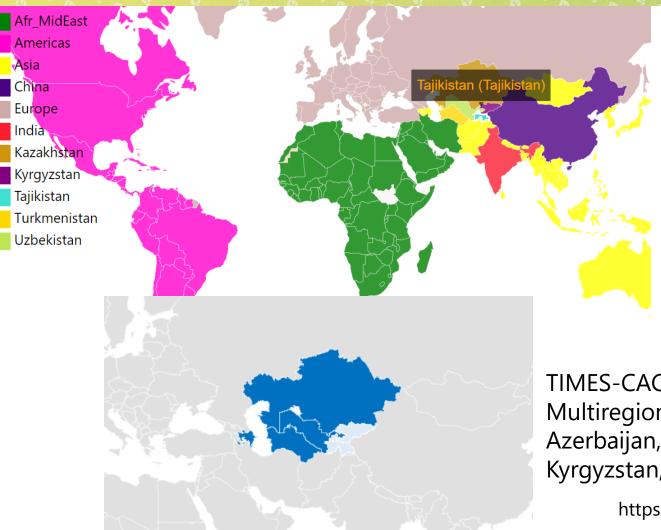












#### KINESYS-TJ

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, ...).

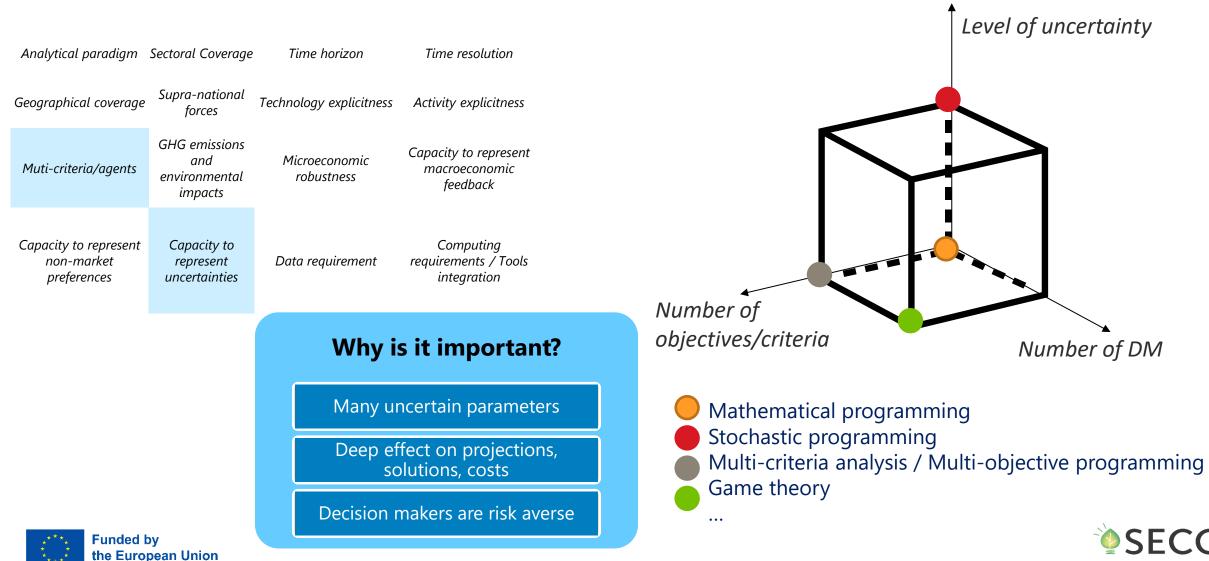
### TIMES-CAC

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

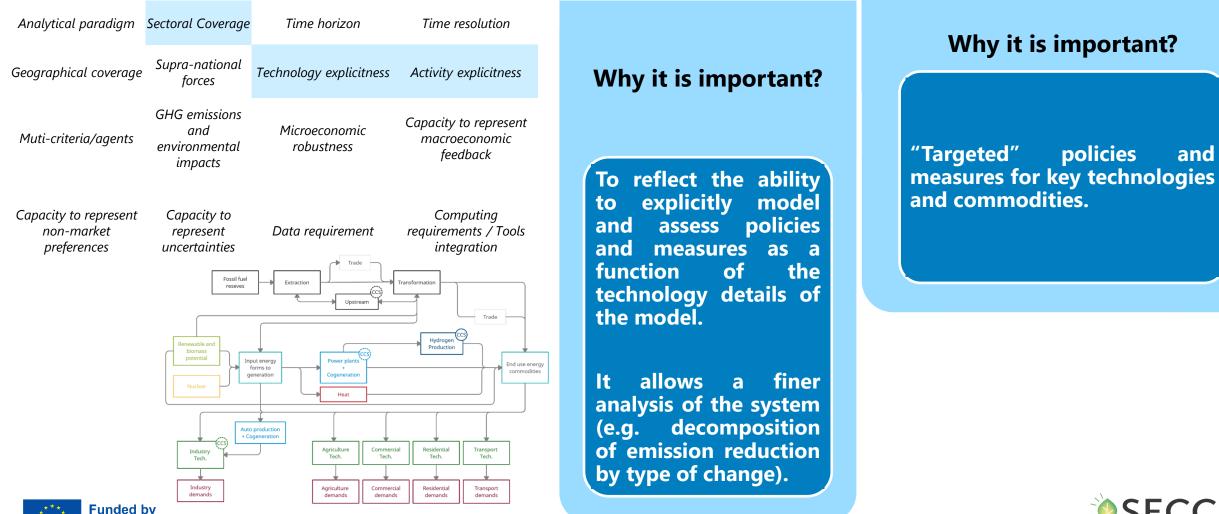
https://github.com/RDMgit77/TIMES-CAC\_VO\_Open.git)



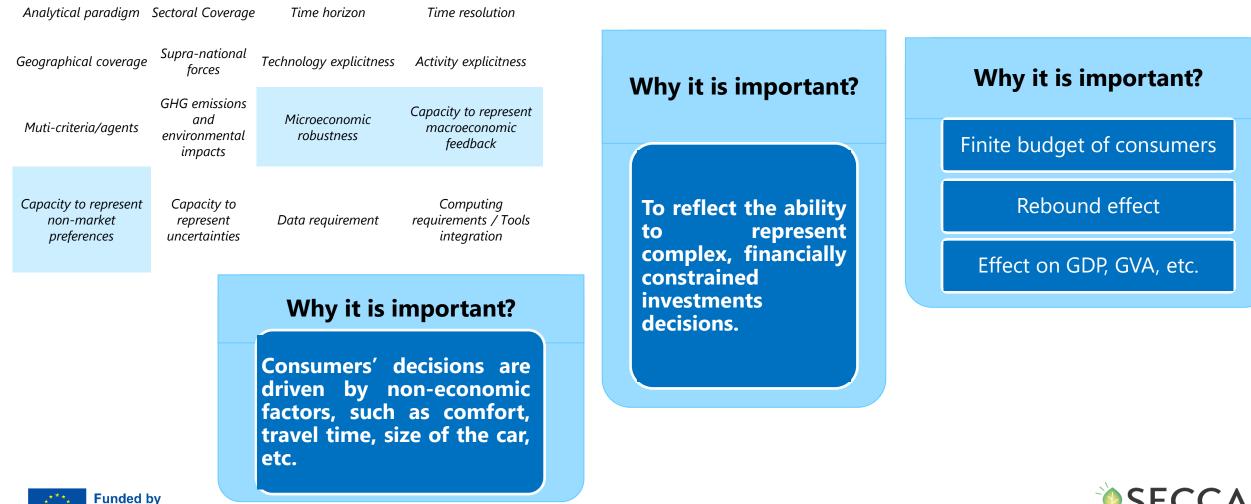




Sustainable Energy Connectivity in Central Asi

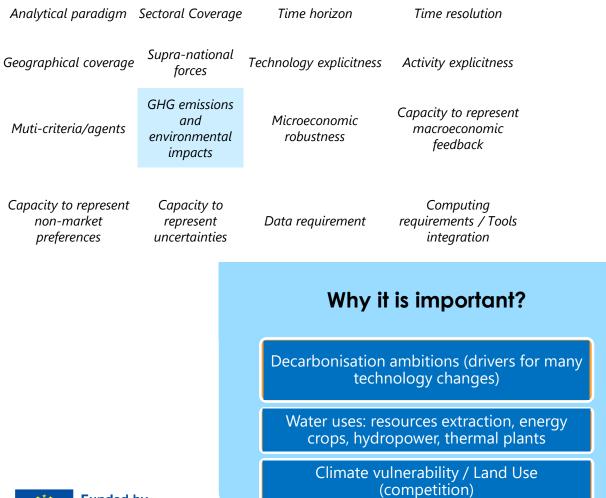


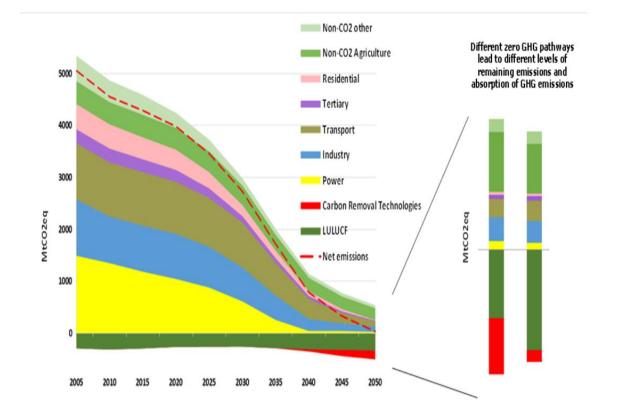




Sustainable Energy Connectivity in Central Asi,



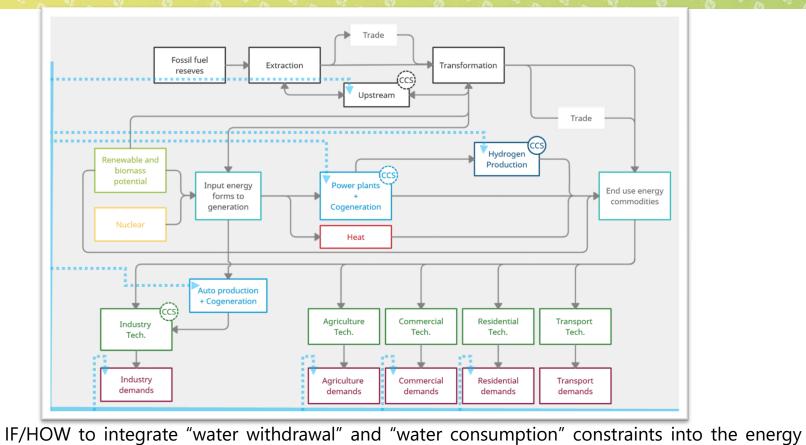






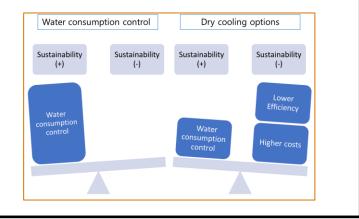


### **Integration with other dimensions-water**



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*).



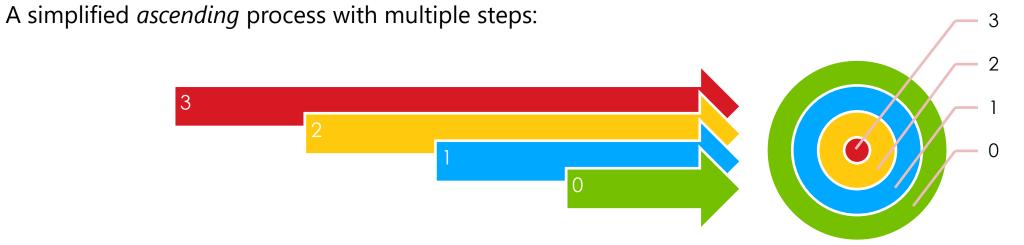
of the energy chain (H2, CCS, biofuels,etc).

system analysis: OPEN point for discussion.

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

"Integration" can be limited to the power sector only, or extended to other critical technologies



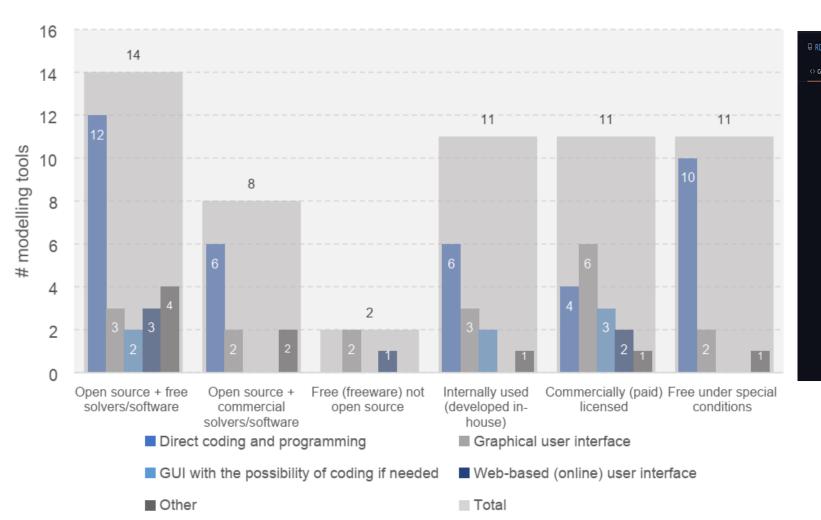


0: organise a proper data collection and analysis (at sectoral level)

- $0 \rightarrow 1$ : 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.







P main → P1 branch ©0 tag		Go to file Add file * <> Code -	About	
RDMgit77 Update README.md		726d5ad on Oct 15 🔞 commits	Central Asian Caspian Open Ve	ersion
AppData			☆ 0 stars	
SubRES_TMPL				
SuppXLS				
gitattributes				
BY_Trans.xlsx			Releases	
README.md			Create a new release	
README.md				
TIMES-CAC_VO	_Open			

https://github.com/RDMgit77/TIMES-CAC\_VO\_Open.git)



Funded by the European Union

https://doi.org/10.1016/j.apenergy.2021.116731

# **Open Source and Open Data in energy modelling**

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lavigation	Page Discussion ht	tps://wiki.openmod-initiative.org/wiki/C	Open_model_implementations
Main page			A 11
Models	Open model imple	mentations	Actions -
Model implementations	Contents [hide]		
Data	1 Introduction		
Grid data	2 Global		
Learning materials	2.1 PLEXOS-World		
Open Licenses	3 Africa		
Journals	3.1 Africa-wide		
Eprints	3.1.1 CCG Starter Kits	for African Countries	
Events	3.1.2 PyPSA meets Afr	ica (initiative, no model yet)	
Berlin Workshop	3.2 West African Power Pool		
Glossary	3.3 South African Power Pool 3.4 South Africa	(SAPP) Dispa-SET	
Openmod user list	3.4.1 SA-Calliope		
	3.4.2 PyPSA-ZA		
	3.5 Kenya		
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	4.1.1 China-Calliope		
	4.1.2 PyPSA-China		
	4.1.3 SWITCH-China		

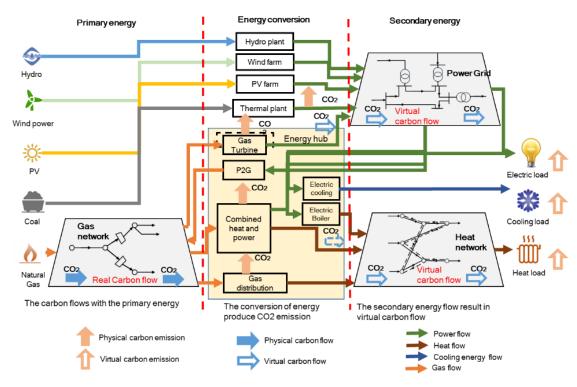
https://openenergy-platform.org/factsheets/frameworks/

false	Apache license 2.0
false	Under this license, users can: Use the code
false	commercially: Companies can include: the sticensed
false	code in proprietary
false	software that they then GNU Affero General sell to customerses, 3.0
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### **Energy Systems Integrations (complementarity)**

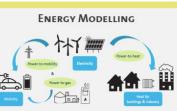


http://www.ningzhang.net/MES.html

- Location problems (space resolution)

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

### - Power system (space and time resolution)

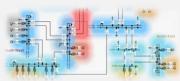


- Cross-sector analysis of optimal energy development in the country as well as through the region
- Possibility to compare the effectiveness of alternative energy development strategies in different future scenarios and define the most optimal long-term implementation pipeline
- Possibility to foresee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

# 

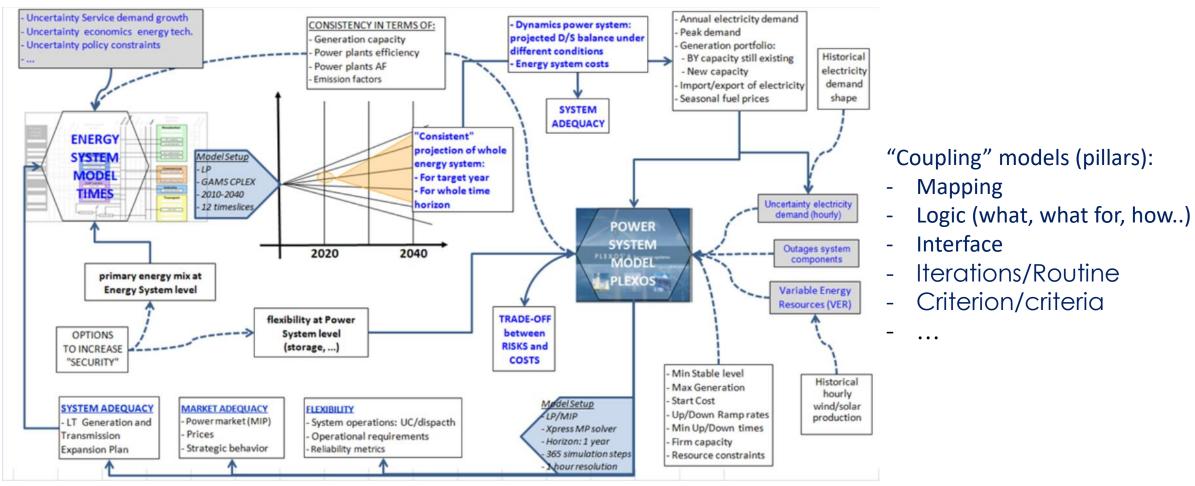
- Simulating hourly demand and supply, estimating reserve requirements, generation flexibility issues and estimating the necessity of mitigation measures, storage or other technologies
- Optimization of available primary energy resources and analysis of generation adequacy for development scenarios
-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

#### GRID MODELLING



- 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



https://iris.enea.it/handle/20.500.12079/2226





### **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)

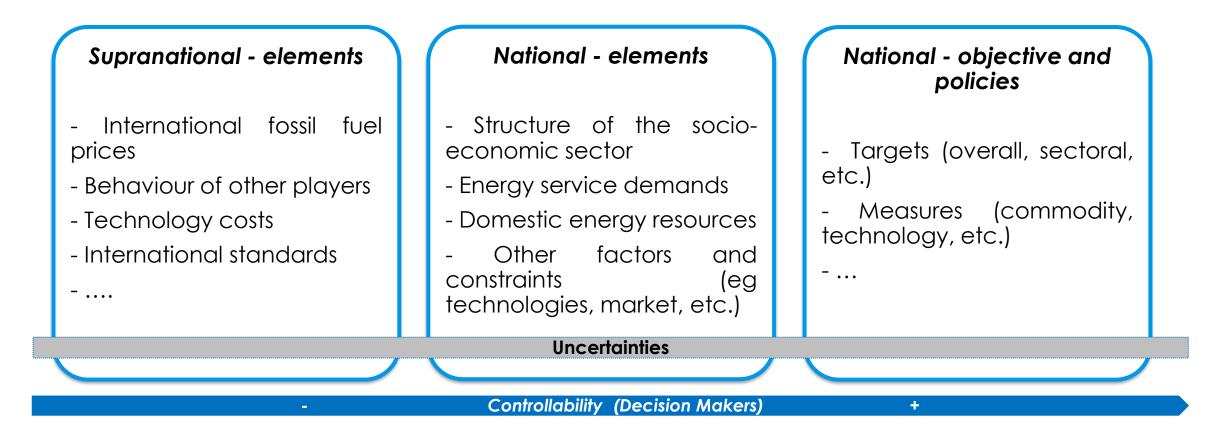








### Exploring the impacts of different factors







#### 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\***

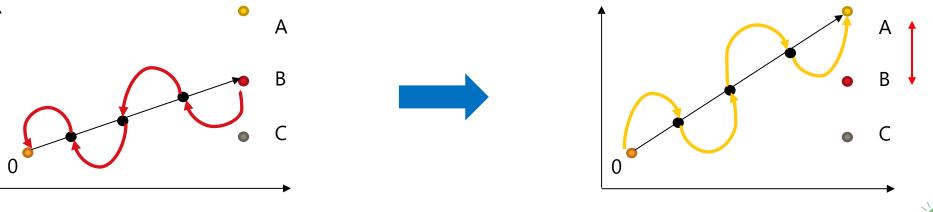
2 (How?)

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.

\*Targets define specific quantitative "thresholds" that must be achieved.

\*Measures are instruments to implement the policies.





# **Modeling framework for energy-climate analyses - Example**

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

Framework conditions Economic structure Economics Population & GDP GEM-E3 Global system EU energy system EU transport system Energy POLES-JRC PRIMES PRIMES-TREMOVE Global & EU Global, EU EU forestry+LU agriculture Land use & Non-CO<sub>2</sub> GHG agriculture Air pollution GLOBIOM CAPRI GAINS

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

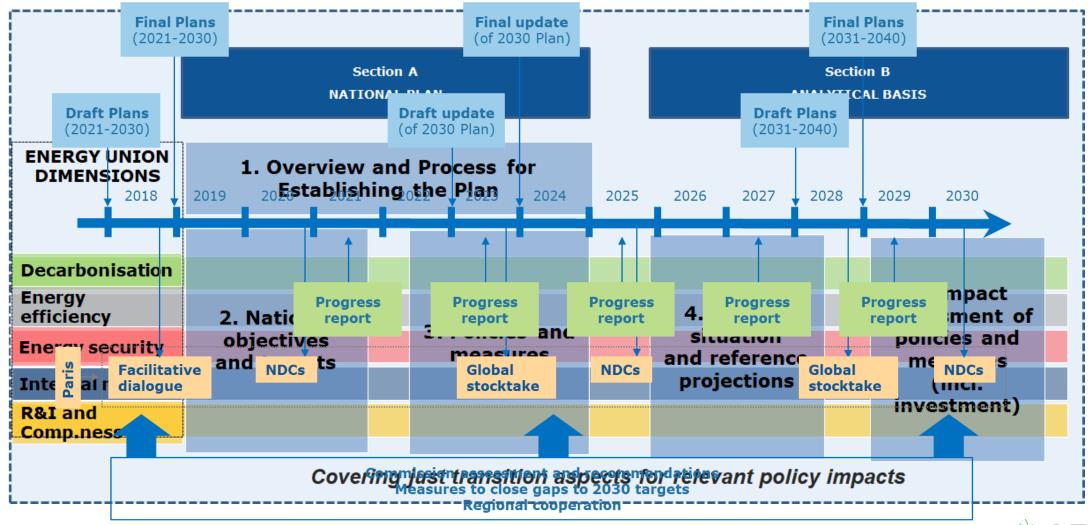
https://climate.ec.europa.eu/eu-action/climate-strategies-targets/economic-analysis/modelling-tools-eu-analysis\_en



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### 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

 $\rightarrow$  WORKSHOP 3

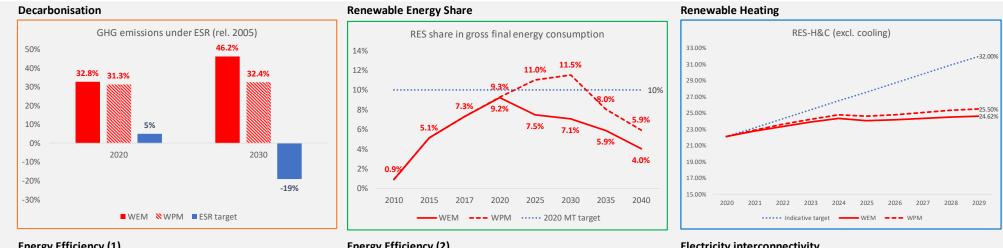




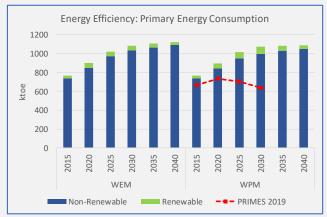
#### Sensitivity name

EffSens

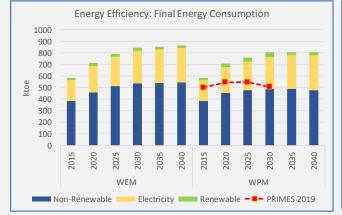
ElecSens



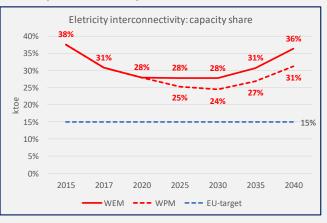
#### Energy Efficiency (1)



#### Energy Efficiency (2)



#### Electricity interconnectivity

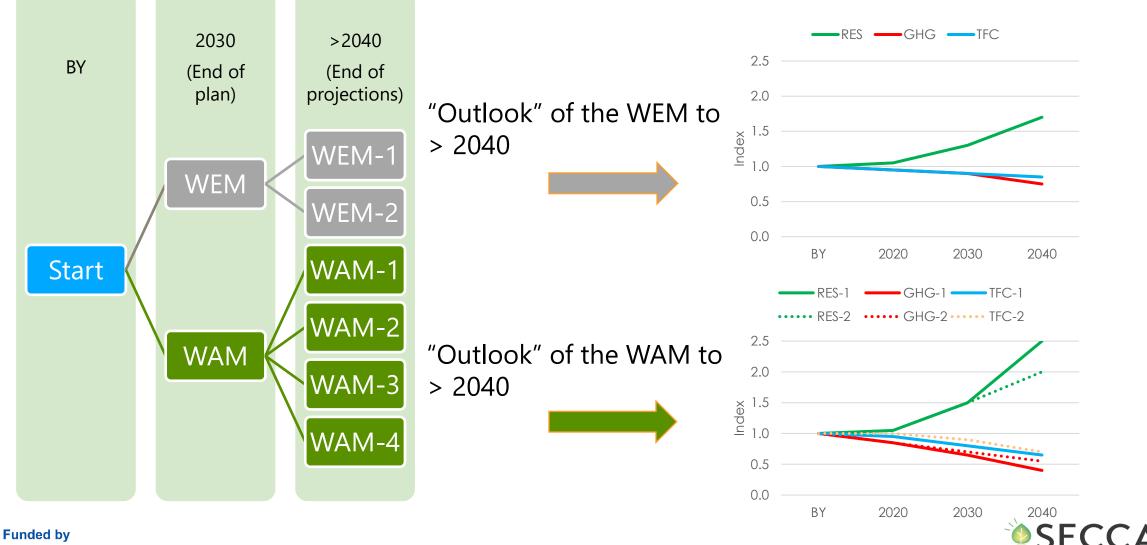


https://energy.ec.europa.eu/topics/energy-strategy/national-energy-and-climate-plans-necps\_en



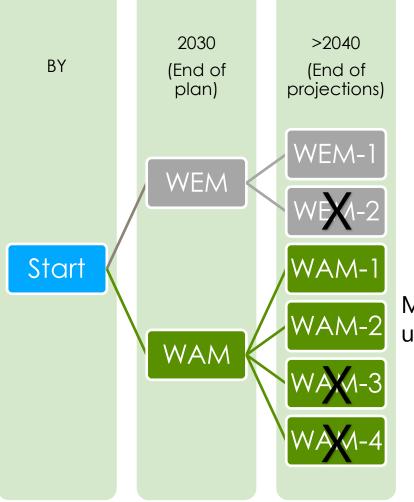
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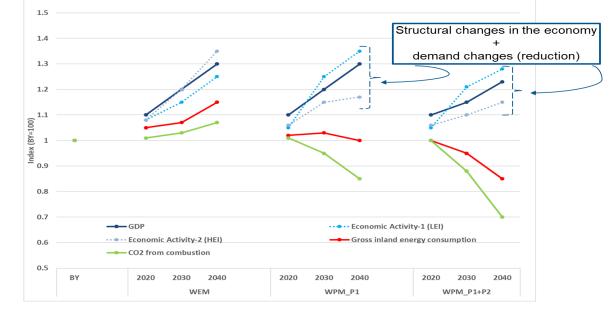




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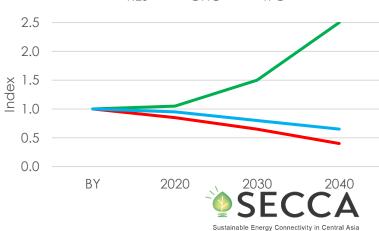
Sustainable Energy Connectivity in Central Asia





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

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





### **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



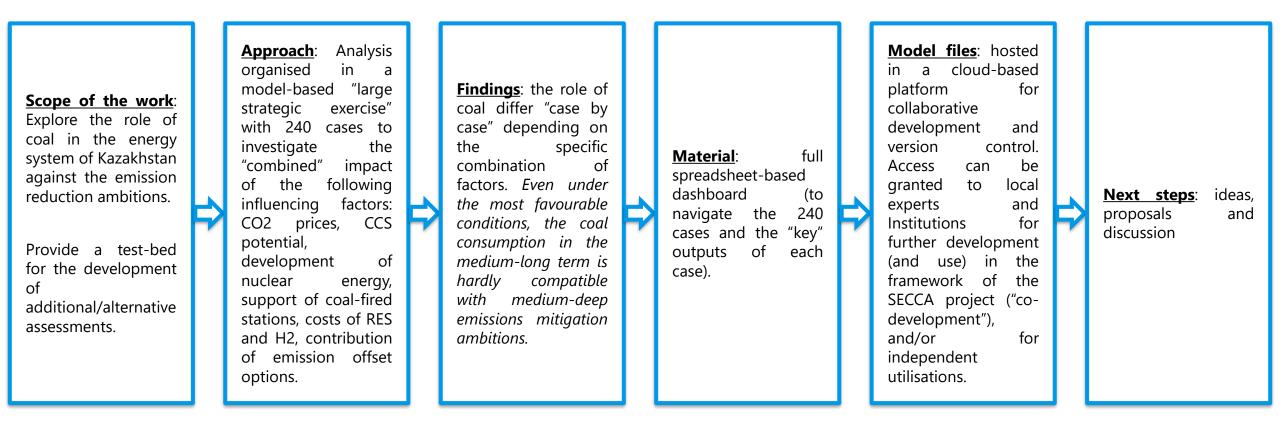


# Example – SECCA - KZ





# **Highlights**

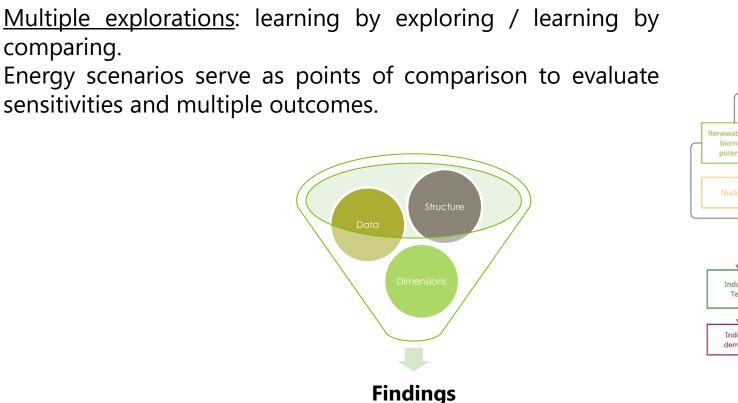


Sustainable Energy Connectivity in Central Asi,



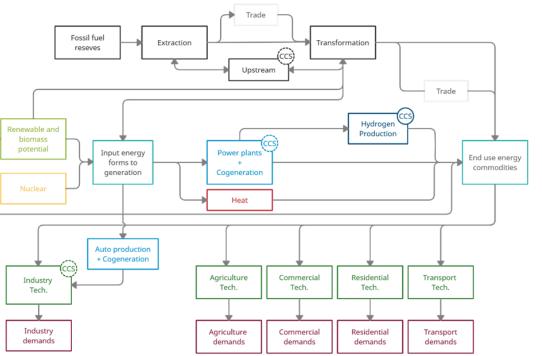
### **Scope of the work: interpretation**

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.



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### **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)

#### 240 Total number of cases

- ---> 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)

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

	CO2-1	1	6	11	16	21	26	31	36	41	<mark>46</mark>	51 (	56 6	1 60	5 71	76	81	86	91	96	101	106	111	116	121	126 1	31 1	36 1	41 1	46 1	51 15	56 16	1 16	66 17	1 176	5 181	186	191 1	96 :	201 2	206 2	211 2	16 22	21 228	231	236	
I	CO2-2	2	7	12	17	22	27	32	37	42	47	52 🗄	57 6	2 67	72	77	82	87	92	97	102	107	112	117	122	127 1	32 1	37 1	42 1	47 1	52 15	57 16	2 16	57 17	2 177	7 182	187	192 1	97 (	202 2	207 2	212 2	17 22	22 227	232	237	
I	CO2-3	3	8	13	18	23	28	33	38	43	48	53 🗄	58 6	3 68	3 73	78	83	88	93	98	103	108	113	118	123	128 1	33 1	38 1	43 1	48 1	53 15	58 16	3 16	8 17	3 178	3 183	188	193 1	98	203 2	208 2	213 2	18 22	23 228	233	238	
I	CO2-4	4	9	14	19	24	29	34	39	44	49	54 క	59 6	4 69	74	79	84	89	94	99	104	109	114	119	124	129 1	34 1	39 1	44 1	49 1	54 15	59 16	4 16	59 17	4 179	184	189	194 1	99	204 2	209 2	214 2	19 22	24 229	234	239	
ł	CO2-5	5	10	15	20	25	30	35	40	45	50	55 (	60 6	5 70	) 75	80	85	90	95	100	105	110	115	120	125	130 1	35 1	40 1	45 1	50 1	55 16	60 16	5 17	70 17	5 180	) 185	5 190	195 2	200	205 2	210 2	215 2	20 22	25 230	235	<mark>240</mark>	

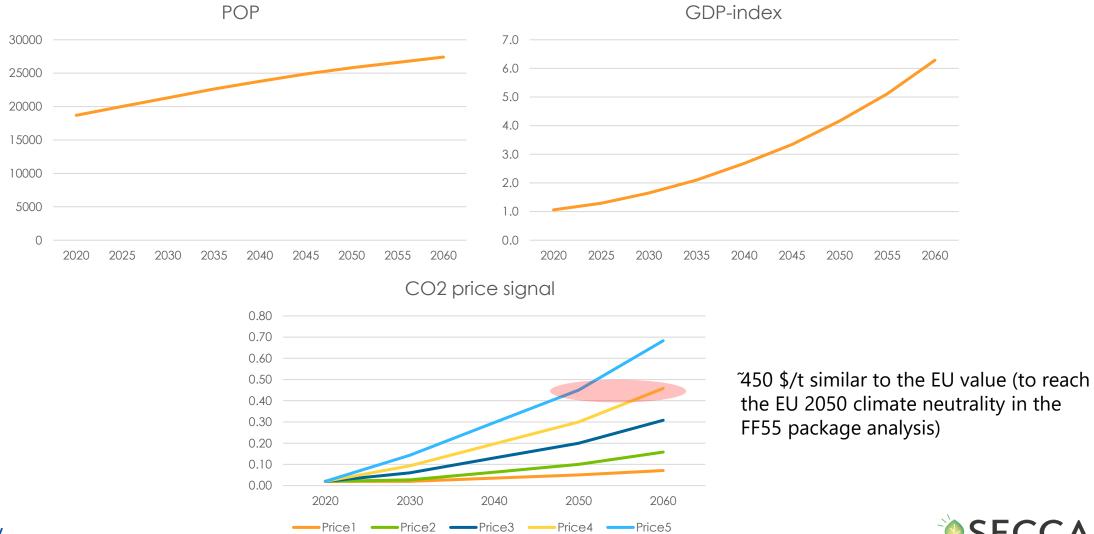
Example (12): Low CO2 price; Large CCS potential, no nuclear, no support for IGCC, default costs for RES and H2, default costs for CO2 offset technologies

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**

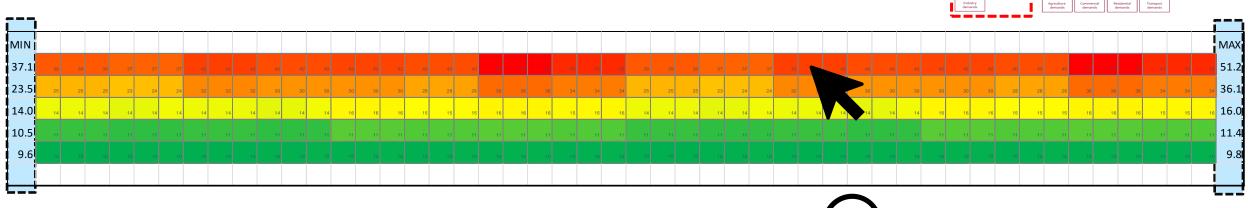


Sustainable Energy Connectivity in Central Asia



### **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.

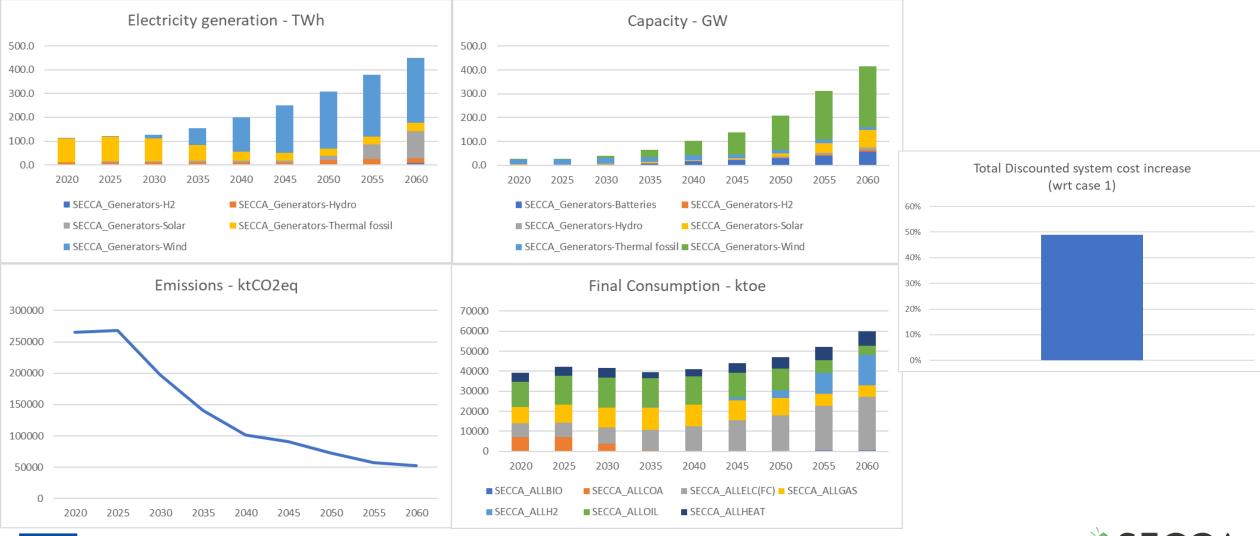
Two click away from case specific results:

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





# Findings (navigator) – Case X

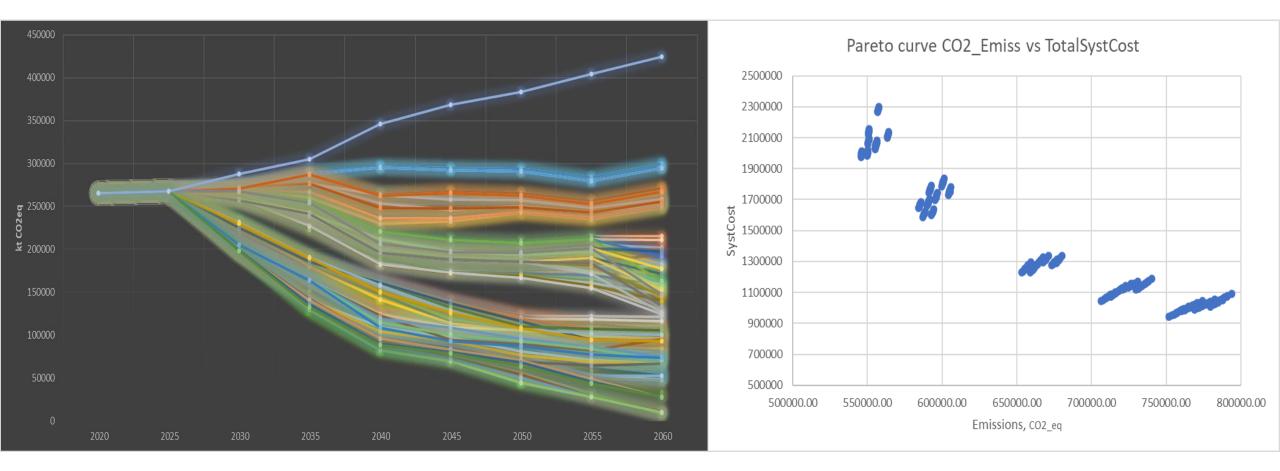




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### Findings (navigator) – Spectrum of emissions and tradeoffs





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### **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)



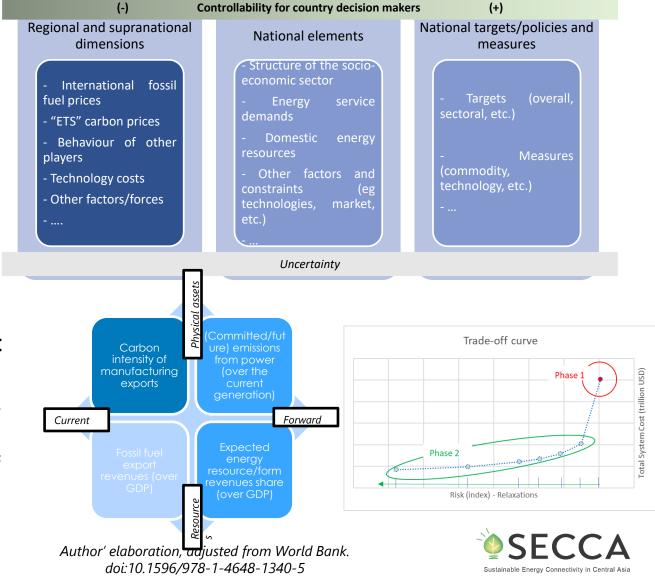


#### Limitations

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

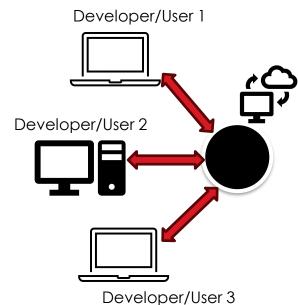
<u>Scenario/Variant</u> design (engagement and cocreation).

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



Funded by the European Union

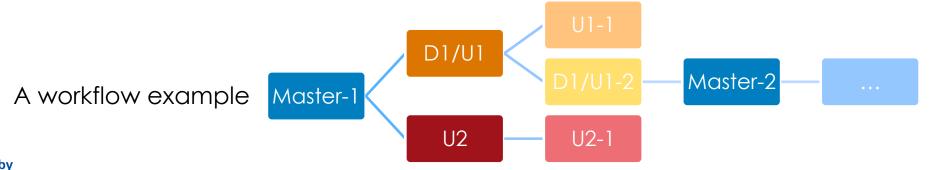
#### **Collaboration and co-development**



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Changes	History	Va	arious						
ያ Select branch to compare		Rocco De Miglio -O- 9f4468a ± 289 changed files +8 -8 😥 -							
	😬 Rocco De Miglio • Aug 23, 2023		- a few updates based on the RSD survey (enable gas for cooking; drivers for pure electrical services to meet stock - new parscen (including coal - related dimensions)					ock	
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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





info)

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## **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

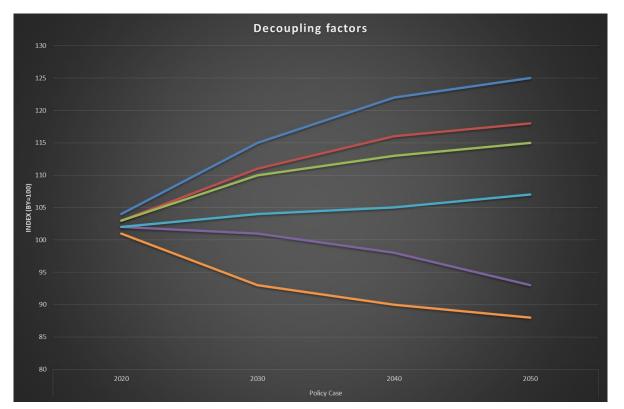
Are all the above energy efficiency improvements?



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

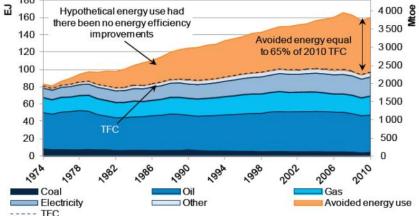
EE1st, as a horizontal "**guiding principle**" of the European climate and energy governance and beyond, should ensure, while taking full consideration of security of supply and market integration, that <u>only the energy **needed** is produced</u> and that investments in stranded assets are avoided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







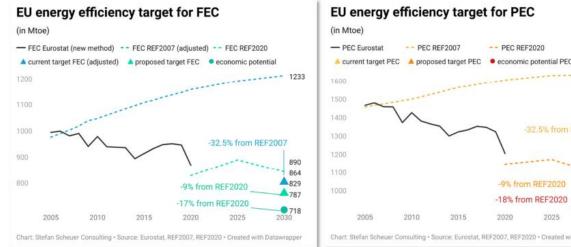
#### **Overall energy efficiency target – Revision of the EED - EC**

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.

	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	

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



Model-based analyses



Target values: "absolute numbers"



#### **Understanding energy efficiency – Indicative steps**

Cost

+

Residential

ipace heating

Benefits

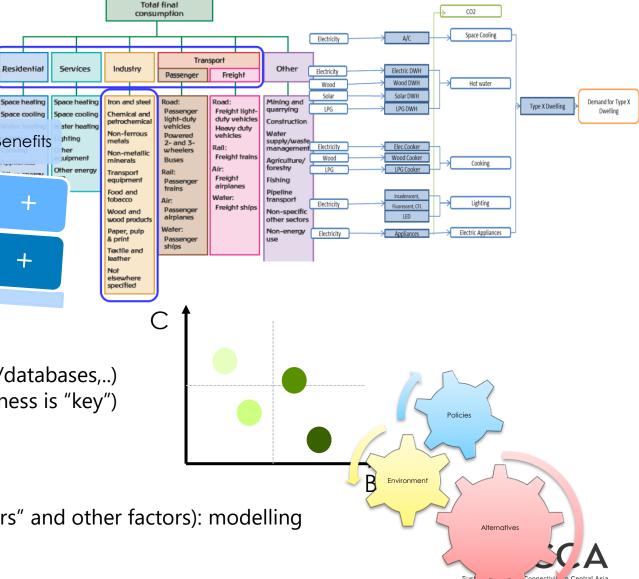
- Understand how energy is used across system/sectors Need end-use information beyond the energy balance

- Define evaluation methodology/rationale

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

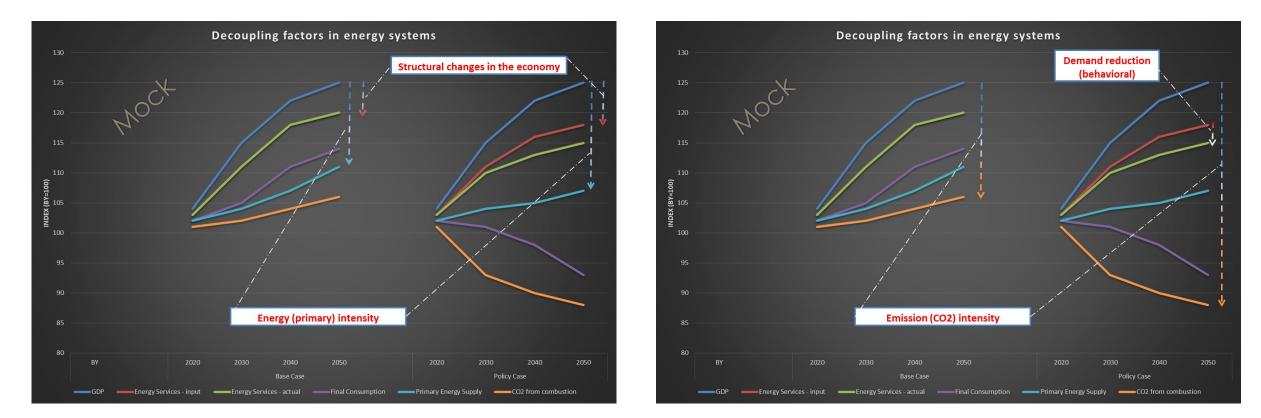
- Explore and project energy variables (EE "triggers" and other factors): modelling





## **Unveiling and understanding energy efficiency indicators**

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

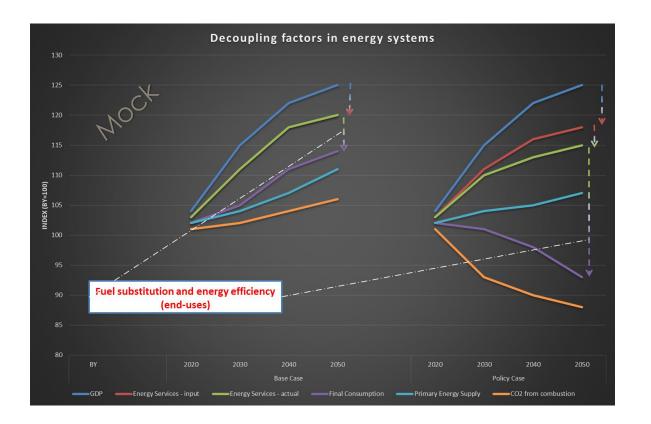


Uzbekistan's economy and population is expected to grow at high rates of over 4% and 1.5%, respectively, Unmet demand is an issue!





### **Unveiling and understanding energy efficiency indicators**



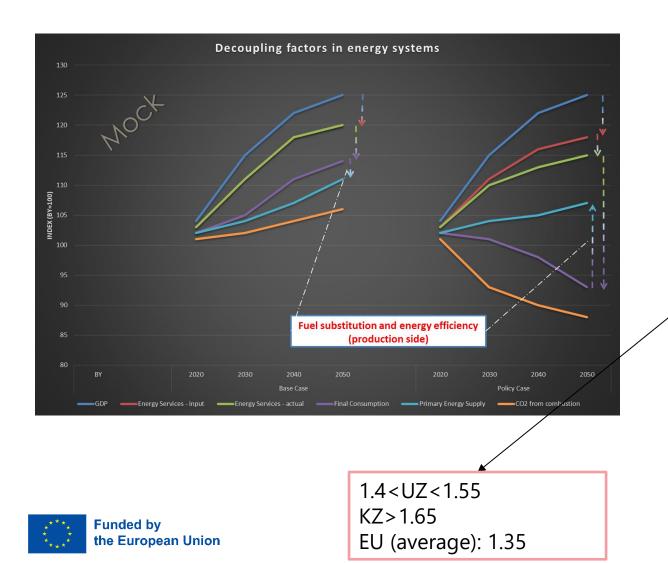
#### Examples:

Final Energy per Inhabitant (toe/capita)	Energy use for Residential Space Heating (per sqm)	Energy Intensity Passenger Transport (per pass-km)
Final Energy per	Energy use for	Energy Intensity
household	Tertiary Space	Freights Transport
(toe/household)	Heating (per sqm)	(per t-km)
Final Energy per	Energy use for	Energy use for
sectoral value	Residential Lighting	Cement production
added (toe/M\$)	(per dwelling)	(toe/t)
Electric vs bio- fuelled vehicles (over the chain)	Energy use for Public Lighting (per number) ors need to be careful	Energy use for Iron&Steel production (toe/t)

Sustainable Energy Connectivity in Central Asia



#### **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 bio- fuelled vehicles (over the chain)	Average Capacity Factor of Conventional Power Plants	H2 vs electricity in industry (over the chain)
	ors need to be carefull s can be misleading!	y interpreted! SECCA Sustainable Energy Connectivity in Central Asia

#### References

# Energy efficiency indicators

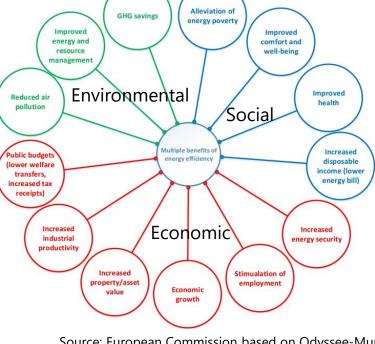
**Database documentation** 

December 2021 edition

	Energy Efficiency Indicators Template	
lea	country name	
COUNTRY DATA SECTION (to b	e reviewed and undated)	
MACRO ECONOMIC DATA	Macro economic and activity data	
COMMODITIES	Production outputs from selected energy-consuming industries	
INDUSTRY	Energy consumption by ISIC categories	
SERVICES	Energy consumption by end-uses in the services sector	
RESIDENTIAL	Household energy consumption by end-uses and selected appliances data	
TRANSPORT	Energy and activity data for passenger and freight transport	
IEA DATA and AGGREGATE IND	ICATORS	
ELECTRICITY GENERATION	Electricity generation from combustible fuels and efficiencies	GHG savings
BASIC INDICATORS	Predetermined set of aggregate energy and activity indicators	Improved
SUPPORT TOOLS		energy and resource
USER REMARKS	To incorporate comments associated to the data from the individual sheets	management
DATA COVERAGE	Generates a graphical summary of data coverage (completed vs. expected)	
SINGLE INDICATOR GRAPHS	To generate a graph for one energy indicator	
MULTIPLE INDICATORS GRAPHS	To generate a graph comparing trends from multiple indicators	Reduced air Environmenta
CONSISTENCY CHECKS	To run the integrated consistency checks	pollution

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

MAIN MENU MACRO ECONOMIC DATA COMMODITIES INDUSTRY SERVICES RESIDENTIAL



Source: European Commission based on Odyssee-Mure



https://iea.blob.core.windows.net/assets/6d9daa77-45f0-41c9-978bc23a3759b073/Efficiencyindicators\_Documentation\_December2021.pdf



lea



# THANK YOU!

Eng. Rocco De Miglio Energy systems modeller and analyst





