## Potential contribution of advanced district heating and electric heat pumps to the integration of renewable power generation in Europe

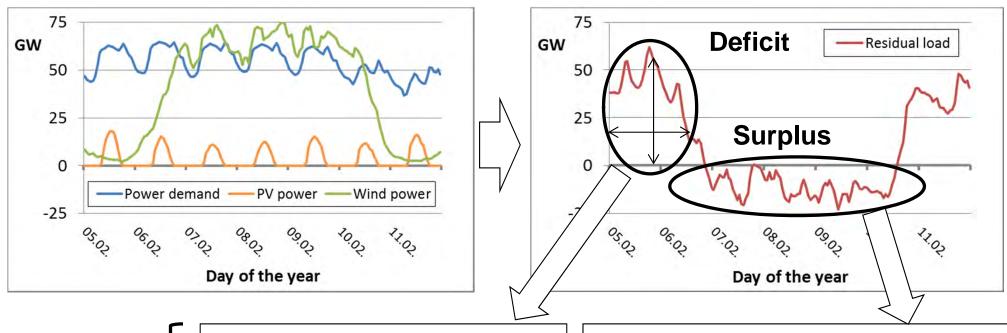
2<sup>nd</sup> International Conference on Smart Energy Systems and 4th Generation District Heating

Aalborg, 28 September 2016





#### Research focus: VRE based power supply systems



Load balancing options

#### **Coverage of deficits**

- Adjustable power plants
- Storage discharging
- Power demand reduction
- Electricity import

#### **Utilization of surpluses**

- Storage charging
- Usage in other demand sectors
- Power demand increase
- Electricity export

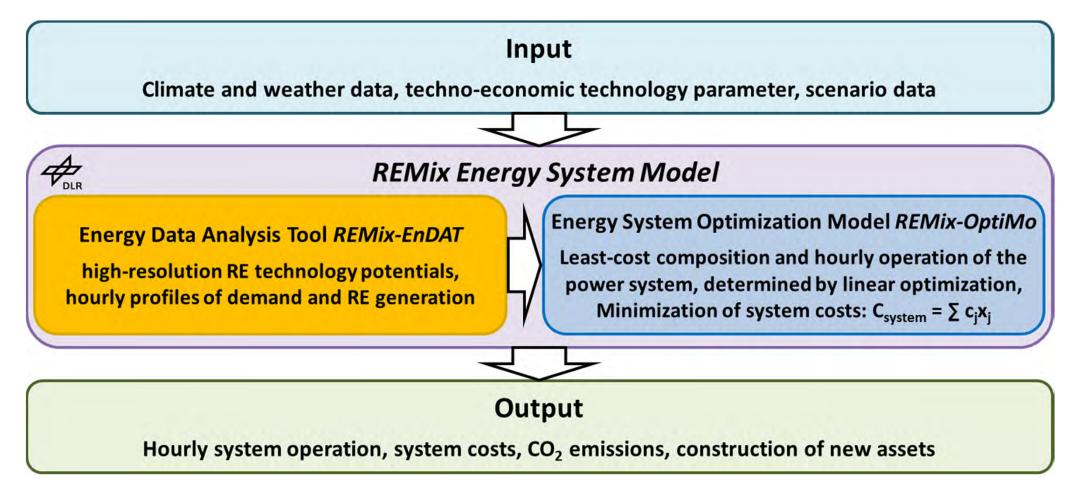


#### Research questions

- To what extent can a more flexible operation of electric heat pumps (HP) and district heating (DH) contribute to a mostly renewable power supply in Europe?
- Is the deployment of thermal energy storage (TES) competitive with other balancing options?
- How does a more flexible heating interact with other balancing options?



## **REMix modelling approach**



- Deterministic linear optimization model realized in GAMS
- Assessment of investment and hourly system dispatch during one year



## REMix case study on power-controlled heat – regions





# REMix case study on power-controlled heat – technologies

#### Conventional **Public CHP** Industrial CHP Balancing Renewable **Biomass Power Biogas Engine CHP** Biomass-fired Steam Turbine HVAC power grid **Nuclear Power** Geothermal Power Natural Gas Engine CHP Coal-fired Steam Turbine **HVDC** transmission lines Lignite Power Concentrating Solar Power Coal Power Biomass-fired Steam Turbine Lignite-fired Steam Turbine Pumped Storage Hydro Solar Photovoltaic Power Combined Cycle **Extraction CCGT** Gas Turbine CHP Thermal Energy Storage Offshore Wind Power Natural Gas Engine CHP Flexible electrolyzers Gas Turbine Backpressure CCGT Coal-fired Steam Turbine Onshore Wind Power Hydrogen storage Reservoir Hydro Power Lignite-fired Steam Turbine Hydrogen-based transport Run-of-river Hydro Power Waste-fired Steam Turbine Electric vehicles Biogas Micro-Engine CHP Electric heat pumps Nat. Gas Micro-Engine CHP Electric boilers

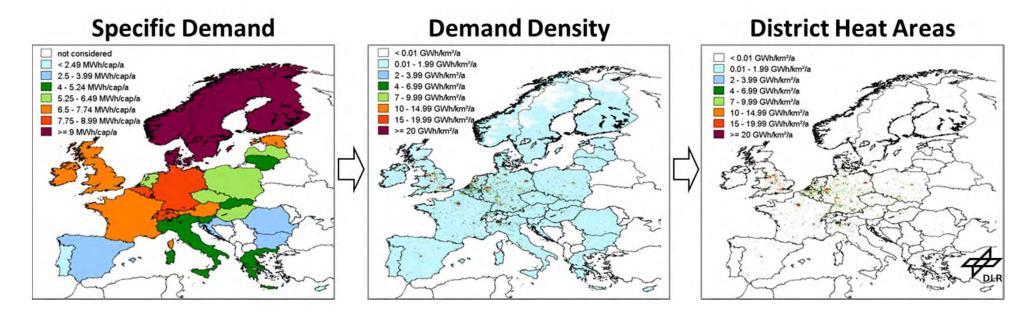


## REMix case study on power-controlled heat – approach

- Scenario analysis for the year 2050
  - > Predefined RE and CHP power plant park (PP) based on scenario studies
    - ➤ Power supply: >80% RE, >60% VRE, ~20% CHP, ~9% gas PP w/o CHP
  - > Endogenous installation of gas power plants as back-up generation capacity
  - Predefined heating supply structure
    - Res./Com.: 30% DH, 5% building CHP, 21% electric HP, 44% other
    - $\triangleright$  Industry ( $\vartheta$  < 500°C): 62% CHP, 4% electric HP, 34% other
- Focus on the analysis of the balancing of VRE fluctuations
  - Comparison of systems with/without power-controlled heat supply
  - > Endogenous investment in thermal storage and electric boilers
  - > Impact on back-up capacity demand, system operation, costs and emissions



#### Technical potentials of district heating



- GIS-based assessment of heat demand densities
- Quantification of technical DH potentials in a spatial resolution < 1 km²</li>



More than half of the demand in Europe can be supplied by DH



#### REMix case study on power-controlled heat – scenarios

Increased fluctuations

Reduced

fluctuations

HP

 $H_2T$ 

Hydrogen usage in the transport sector Production in **flexible electrolysis** 

Increased heat pump supply shares (38% Res./Com., 8% Ind.)

Base

Base scenario, electricity demand 2100 TWh, VRE capacities: PV 229 GW, wind onshore 219 GW, offshore 115 GW

-EV

Flexible charging of electric vehicles (60% of the fleet)

Grid

Endogenous grid capacity expansion

-VRE

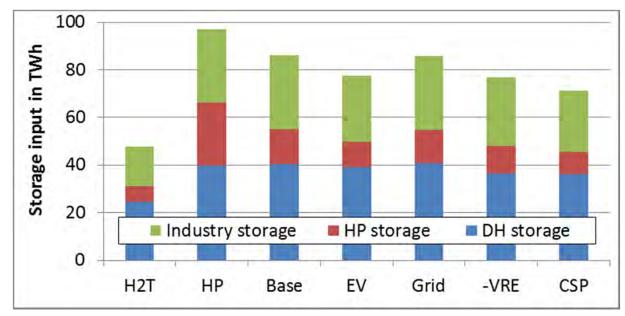
Reduced full load hours of wind and solar (-7% / -19%)

CSP

Import of dispatchable RE electricity from CSP Reduced wind and PV capacities in Europe



#### **REMix output – investment and usage of TES**



H2T – Flexible electrolysers

HP – Increased HP share

Base - Reference

EV - Controlled EV charging

Grid - Grid extension

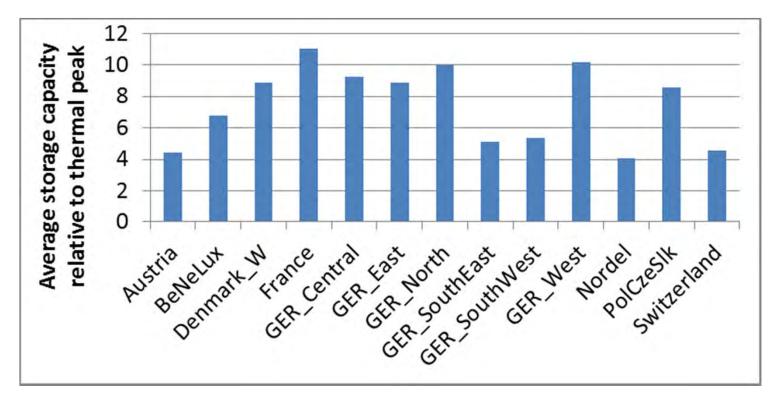
-VRE – Reduced VRE generation

CSP – CSP-Import

- Investment in DH-TES across all scenarios, with capacities of 500-600 GWh
- Exogenously defined: additional 200 GWh in Industry, and 140 (260) GWh in HP systems
- Around 10% of the annual DH heat demand go through the TES
- CSP and load shifting (Electrolyser, EV) reduce TES use
- Additional HP do not affect investment in and usage of DH-TES



#### REMix output – regional storage layout

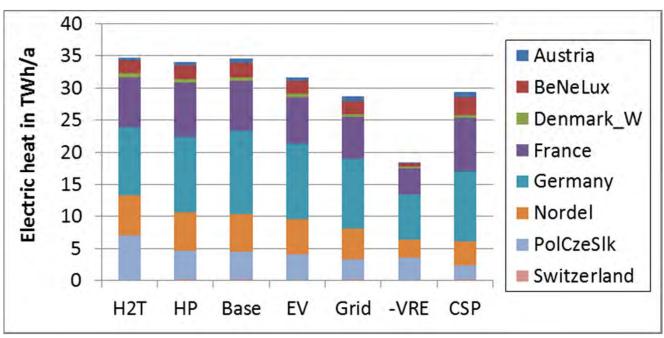


Values shown for scenario *Base* 

- Relative storage capacity lowest in regions with high hydro power capacity
- Highest capacities in regions with wind power dominated supply



#### REMix output – investment and usage of electric boilers



H2T – Flexible electrolysers

HP – Increased HP share

Base - Reference

EV – Controlled EV charging

Grid - Grid extension

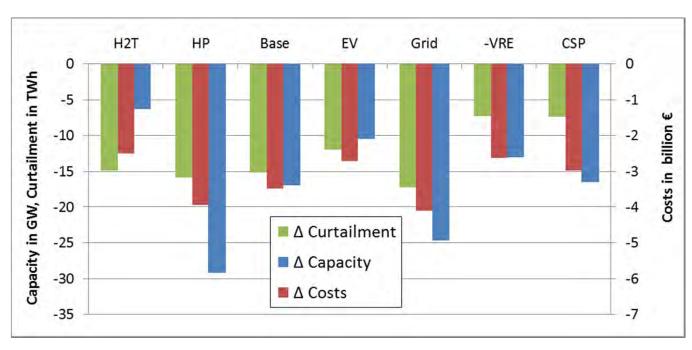
-VRE – Reduced VRE generation

CSP – CSP-Import

- Model endogenous installation of electric boilers in DH systems reaches up to 43 GW (el)
- Significantly lower values only in scenarios with less VRE generation (CSP & -VRE)
- Grid extension, controlled EV charging and CSP imports slightly reduce electric heating
- Increased HP and flexible hydrogen production can balance additional VRE generation
- Low wind power availability has major impact



#### **REMix output – system benefits**



H2T – Flexible electrolysers

HP – Increased HP share

Base - Reference

EV - Controlled EV charging

Grid - Grid extension

-VRE - Reduced VRE generation

CSP – CSP-Import

- w/o flexibility: system costs 86-107 bln €, curtailment 11-23 TWh, back-up 96-163 GW
- Maximum reductions achieved:
  - ➤ costs 4.1 bln € (4.3%) in scenario *Grid*
  - > curtailment 17 TWh (71%) in scenario Grid
  - ➤ back-up 29 GW (18%) in scenario HP (mostly due to flexible HP operation)



#### Summary, conclusion and discussion

- Model-endogenous investment in TES and electric boilers across all scenarios
- Geographical concentrations to wind power dominated regions
- Least-cost sizing of TES also influenced to CHP technology, fuel and size
- TES notable increases CHP/HP supply share, at the expense of the peak boilers
- Balancing strongly related to generation structure and available technologies
  - Grid extension has positive impact on economics of flexible heating
  - Controlled EV charging and flexible electrolysis can not substitute TES
  - Yearly and hourly wind and solar generation have high influence
- Power-controlled heat supply is an effective measure to increase RE integration
  - TES should be deployed hand-in-hand with VRE power generation
  - Electric heat production from VRE generation peaks has high potential
  - > Reductions in curtailment, back-up capacity, costs and CO<sub>2</sub> emissions (~2%)
- Usage on smaller temporal and spatial scales was not assessed

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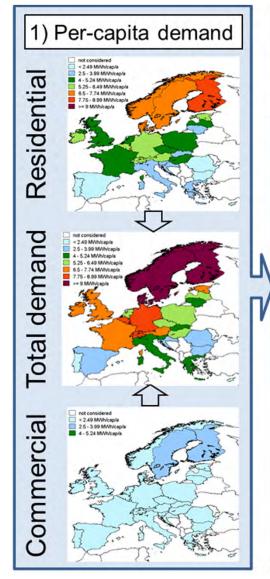


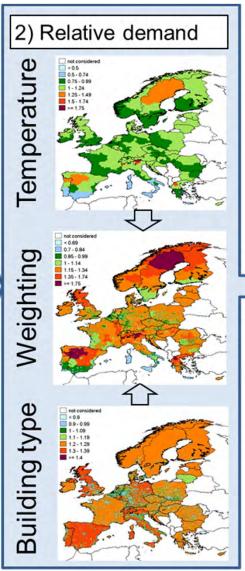
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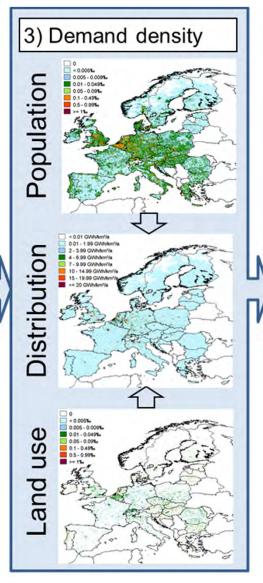
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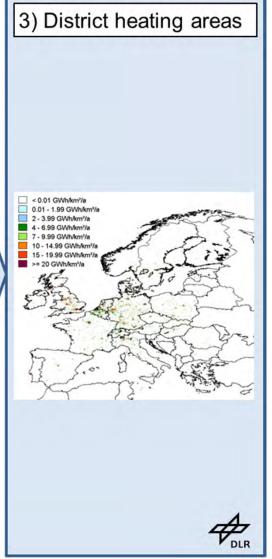


## District heating potential in Europe – Methodology





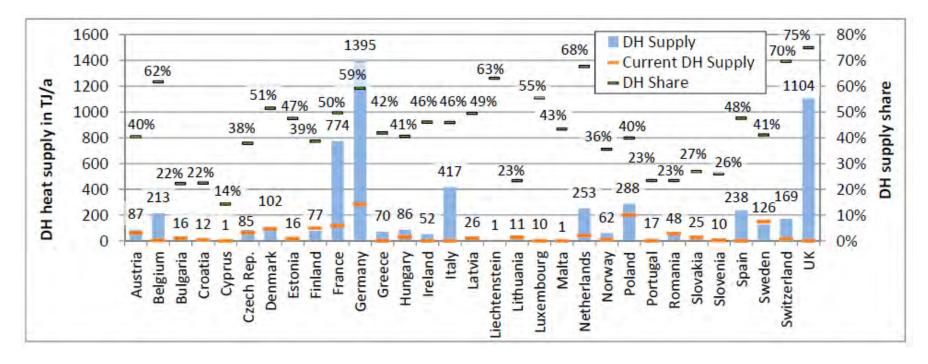






#### District heating potential in Europe – results

- Up to 53% of the considered demand are located in areas with high demand density
- The 24.232 DH areas are distributed very unevenly over Europe
- More than two thirds of them are located in Germany, France, Italy and the UK
- DH supply shares between 22% and 75%





#### District heating potential in Europe – results

- Application of higher minimum demand density values reduced potential notably
- Then, DH potentials are found only in bigger cities
- Considering significant future demand reductions, there are still potentials

