# Realizing sector coupling in Europe and beyond: the future role of electricity and gas grids

Hans Christian Gils<sup>1</sup>, Manuel Wetzel<sup>1</sup>, Hedda Gardian<sup>1</sup>, Jens Schmugge<sup>1</sup>

<sup>1</sup> German Aerospace Center (DLR), Institute of Networked Energy Systems

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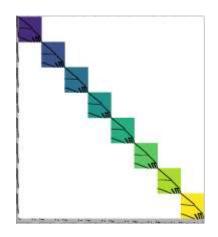


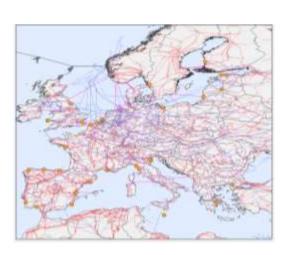
# **Background**

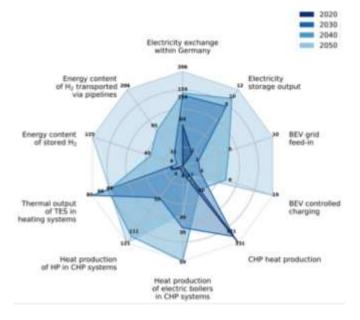


# Modelling robust pathways to a sustainable, economic and secure energy system

- Improving energy system models and data
- Comprehensively modelling sector coupling and flexibility
- Deriving policy recommendations for the implementation



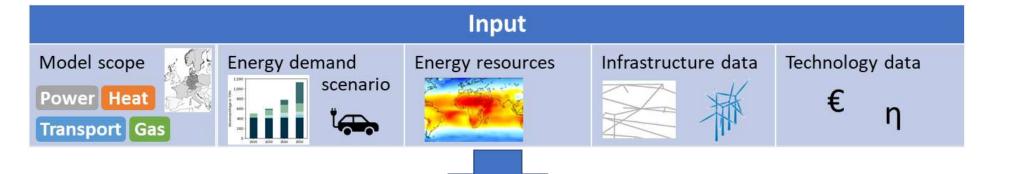




# **Modelling framework**







### **REMix energy system optimisation framework**

Minimisation of system costs

$$Min \sum_{j \in n} c_j x_j$$

$$\sum_{j \in n} a_{ij} x_j \ge b_i$$

$$\forall i \in 1...m$$
  
 $x_i \ge 0$ 

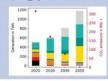




CO<sub>2</sub> targets, domestic supply shares, ...

# Output

### Energy conversion



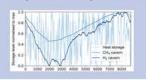
### Load balancing

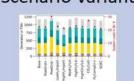


### Infrastructures



### System operation





Integrated optimization of capacities and dispatch of all technologies

# Model set-up



### Model scope

### Exogenous

### **Power sector**

- Renewable energy potentials and timeseries
- Power demand not linked to sector coupling
- Hydroelectric plants and pumped storage
- Existing and planned power grids (HVAC/HVDC)

### **Transport sector**

- Electricity demand for BEVs
- Hydrogen demand for FCEVs

### Residential and commercial heating

- Heat demand per technology group and sector
- · Potentials for district and town heating

### Industry

- · Electricity and heat demand
- · Non-energetic gas demand

### **Gas infrastructure**

- Cross border pipeline capacities
- Existing cavern storages

# Scenario set-up

Climate neutral energy system in 2050

Scenarios on energy partnerships, domestic sourcing, network expansion

**Main limitations:** 

One node per country approach

Connection to LNG terminals not modelled explicitly



### **Energy souvereignity in continental Europe**

- All energy carriers are produced in continental Europe to the extent possible.
- Cross-border trade with Maghreb contries and British Isles has neutral energy balance.



Wetzel et al. 2023

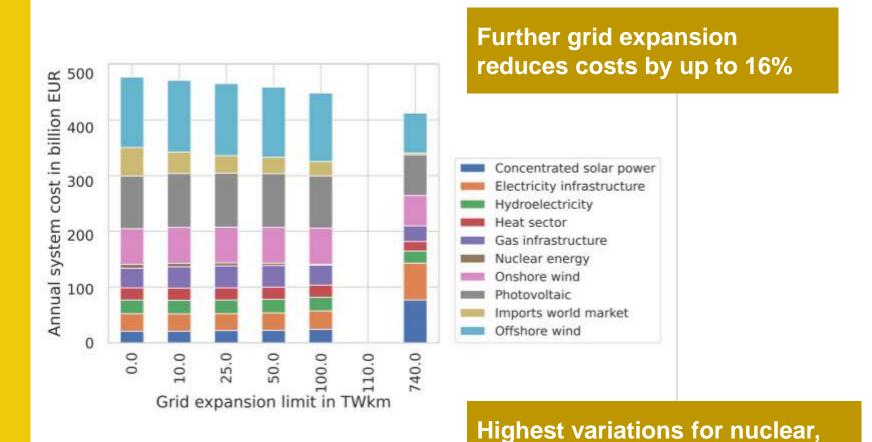
### **Energy partnerships enable imports**

 Energy partnerships ensure imports from Maghreb countries and British Isles for all energy carriers.

# Results on system costs



System costs by 3% lower in European Partnership scenarios



Offshore wind Photovoltaic Onshore wind Concentrated solar power Hydroelectricity Electrolyzer Biogas production Imports world market Heatpumps Lithium ion batteries Nuclear energy H-1+++ Hydrogen infrastructure Heat supply (CH4) Methanizer and DAC Electricity infrastructure Electrical boiler Power plants (CH4) Power plants (H2) Methane infrastructure Heat supply (H2) 100 150 Annual system cost per technology in bn. EUR

Wetzel et al. 2023

wind offshore, CSP, fuel imports

# Results on spatial allocation of renewables



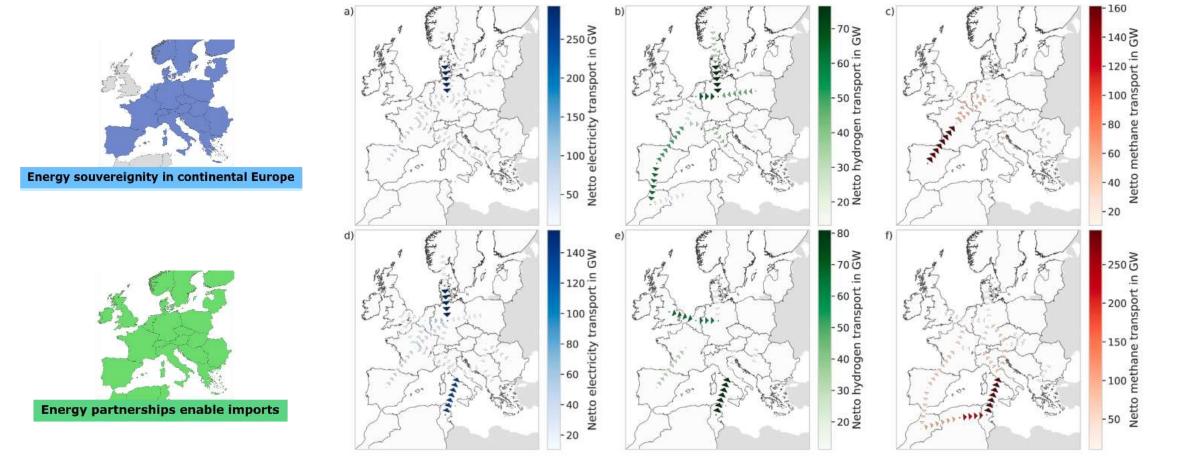
**Broad distribution of onshore wind and PV** 

-50 yillo -20 yi

Spatial concentration of offshore wind, CSP and hydrogen production

# Results on large-scale grid infrastructure

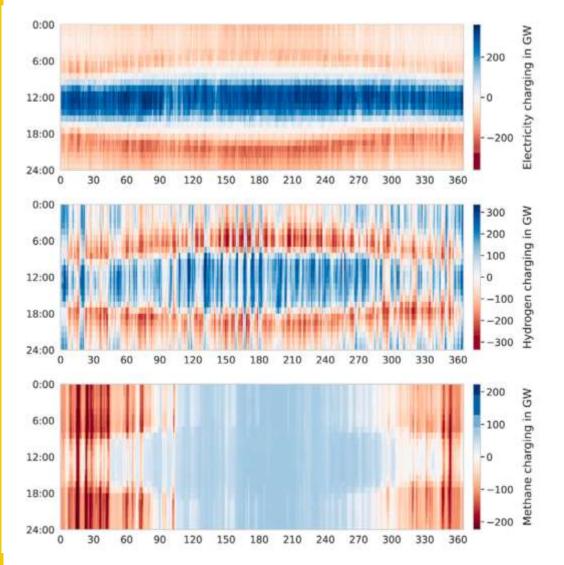




Network structure heavily dependent on energy policy, with some trends, e.g. central Europe being a major importer from the peripheral regions

# Results on flexibility and green hydrogen imports





Daily balancing by electric energy storage, may be partly covered by flexible vehicle charging

H<sub>2</sub> production compensates follows RE power generation

Seasonal operation of methane storage, driven by (exogenous) demand in the heating sector

World market imports of H<sub>2</sub> only start to gain relevant shares at prices of ~50 €/MWh

Wetzel et al. 2023

# **Key insights**

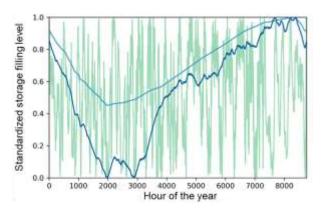


- Partial repurposing of gas infrastructures to H<sub>2</sub> is favourable
- Hydrogen corridors from renewable rich regions to demand centres
- Fully decarbonized energy system profits from H<sub>2</sub> in the power sector
- Pipeline imports of green H<sub>2</sub> to Europe, e.g. from MENA are promising
- Electrolyzers should be considered part of the energy system, not industry

# Relation to other REMix modelling results



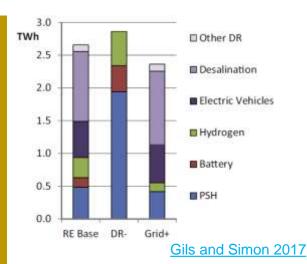
### Role of sector coupling is much driven by regional energy system characteristics



Gils et al. 2021. Schaffert et al. 2022

H<sub>2</sub> is key element for providing seasonal balancing

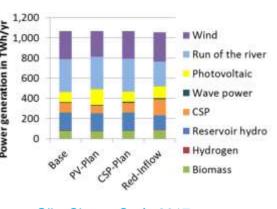
Power system benefits justify domestic H<sub>2</sub> production



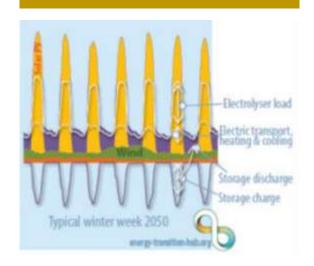
Sector coupling in transport, heating and cooling of limited importance in potential hydrogen exporting countries

Missing solutions for seasonal storage on islands that other sector coupling cannot cover

High potential for dispatchable renewable generation limits role of flexible sector coupling



Gils, Simon, Soría 2017



### In a nutshell



# Using the flexibility in sector coupling is cheaper than electricity storage

- Cost reduction is highest for long-term storage and pipelines for hydrogen, as well as flexible heat supply
- Demand side management of sector coupling loads notably reduce peak loads
- Load balancing focus shifts from heat to hydrogen with stronger emission reduction

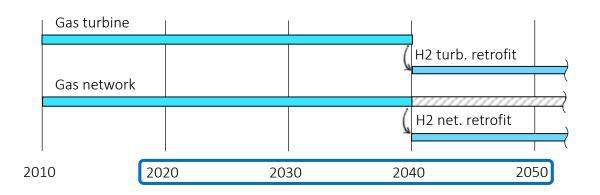
## Often, there is more than one technology option

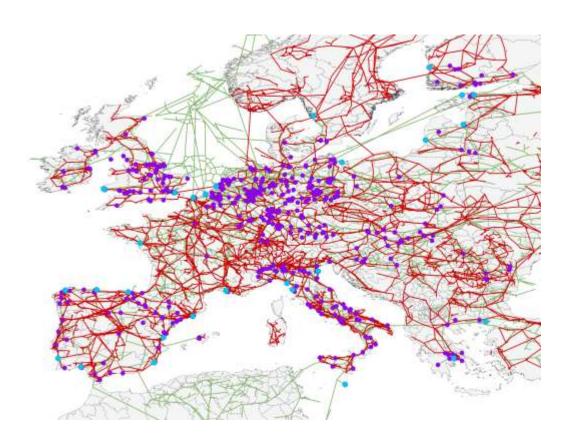
- The numerous options available are partly complementary and partly competing
- Regional power generation and grid infrastructure matters

### Outlook



- Move to transformation pathway optimization
- Increase spatial detail
- Increase sectoral coverage
- Look beyond cost minimization





### Contact

Dr. Hans Christian Gils,

Department of Energy Systems Analysis, Institute of Networked Energy Systems, German Aerospace Center (DLR)

Curiestr. 4 | 70563 Stuttgart | Germany

Telefon +49 711 6862-477 | hans-christian.gils@dlr.de

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