

Invited by Carbon Recycling Fund Institute, Tokyo, Japan

Presentation of DLR's capabilities regarding techno-economic and ecological assessment of

- Sustainable aviation fuels (SAF)
- Decarbonization examples for transport, chemicals, power

## AGENDA

- Introducing DLR Dep. Energy System Integration (TT-ESI) and Techno-Economic Assessment (TEA)
- Motivation and Approach
- Assessment Insight
- Assessment results
- Partner search



DLR Dep. Energy System Integration (TT-ESI) develops:

- Fuel cell powertrains and integrated electrolysis systems for sustainable fuels
- In order to reduce carbon intensity of hard-to-abate transport in general (aviation in particular).



DLR Dep. Energy System Integration (TT-ESI) is led by Dr. Asif Ansar, containing groups for

- Fuel cell powertrain development for aircraft applications (GSY, HH)
- Large scale fuel cell powertrain demonstration and scale up (FES)
- Low temp. electrolyzer development and implementation (NTE)
- High temp. electrolyzer and fuel cells development and implementation (HTE)
- Techno-economic and ecological assessment



- One example of ESI's approach is the electrolyser development and integration: from system concepting and testing individual stacks and modules to large scale systems and integration
- Research and Development of Solid Oxide Cell (SOC) systems
  - Process engineering for bringing electrolysis (EC) and fuel cell (FC) systems into the multi MW range applications
  - Linking large experiments with process system modelling
  - From concept KPIs to operation strategies
- SOEC-System in construction
  - Customized, transportable 40 feet sea container
  - 10 kW<sub>el</sub> power input for electrolyzer
  - 90 electrolyte supported cells with 30 per stack
  - 8 to 25 bar operation pressure
  - Direct coupling to a Fischer-Tropsch synthesis unit
  - Offshore experiments to be performed in 2025



The following slides will address:

- Why is a rigorous assessment of decarbonisation concepts necessary?
- What should be discovered?
- How to compare different technologies?
- What accuracy is required? How to achieve sufficient confidence?



Temperature data show: climate change is undeniable

- No question about climate change root cause
   anthropogenic greenhouse gas emissions
   Power / industry / ground transportation / residential / aviation+shipping GHG emission contribution: 13.7 / 10.4 / 6.7 / 3.3 / 1.3 Gt<sub>CO2</sub> in 2023!
- Global Carbon budget until 1.5 degree exceeded by 2031<sup>2</sup>
- Immediate action required no time to wait IEA<sup>1</sup>: "Ramping up renewables, improving energy efficiency, cutting methane emissions and increasing electrification with technologies available today deliver more than 80% of the emissions reductions needed by 2030."

Meaningful action under growing pressure? → reasonable decision making required

<sup>1</sup> <u>https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-</u>

reach <sup>2</sup> https://globalcarbonbudget.org/carbonbudget/



- GHG emission reduction efforts to be assessed
  - Bring global CO<sub>2</sub> emissions from 35.8 Gt in 2023<sup>1</sup> to Net-Zero in 2050
    - 2023 emissions depleted 13.3% of the remaining post-2020 budget to avoid 1.5 °C (300 Gt CO<sub>2</sub>), remaining 143 Gt CO<sub>2</sub> potentially exhausted within 3.6 years.
  - Introduce multiple measures on all sectors, all regions
    - Understand the scale of each measure
    - Understand the impact of each measure
- Provide transparent and standardized assessment of each measures scale/impact
  - Support policy makers for efficient regulation
  - Support technology development to improve climate change mitigation

<sup>1</sup> Liu, Z., Deng, Z., Davis, S.J. et al. Global carbon emissions in 2023. Nat Rev Earth Environ 5, 253–254 (2024). https://doi.org/10.1038/s43017-024-00532-2



Standardized Techno-Economic and Life Cycle Assessment @ DLR provides reliable knowledge about multiple decarbonization measures in sectors like power generation, basic industry and transport.

- Technical assessment includes rigorous process simulation of experimentally validated units and processes
- Economic assessment follows standard chemical engineering cost estimation rules and procedures
- Ecological assessment quantifies each environmental impact compared to fossil alternative

The "Techno Economic Process Evaluation Tool" (TEPET)

- · Was adapted from best-practice chemical engineering methodology
- Meets AACE class 3-4 methodology, with a predicted accuracy of +/- 30 %
- Uses year specific annual CEPCI Index
- Includes an automated interface for simulation control, seamless integration of data flows, exergy analysis, heating networks, ...
- LCA conforms to ISO 14040 and 14044 using current ecoinvent database
- Most recent LCA knowledge is adapted
- Allows sensitivity studies for each process parameter and boundary condistion
- Can be extended using learning curves, economy of scale, ...



- TEPET uses rigorous process simulation results
  - Stream data provide material and energy flows
  - Equipment data provide cost and performance
- CAPEX derives from connecting equipment dimensions with generalized equipment cost data
- OPEX derives from connecting stream data with material cost data
- Net production cost derive from CAPEX and OPEX



- Life Cycle Inventory (LCI) derives from connecting equipment dimensions and stream data with life cycle inventory datasets of commercial database, partially extended with external information
- Life Cycle Impact Assessment (LCIA) performed with Brightway2 (open source software) for each environmental impact category



A first example to search for the production of sustainable aviation fuels (SAF) is the Power-to-Liquid process (PtL)

- CO<sub>2</sub> can be derived from industrial sources like cement factories or from direct air capture (DAC)
- Hydrogen is produced by water electrolysis, the power should be from renewable sources like wind or PV
- In a reverse water-gas-shift reaction CO<sub>2</sub> is converted with hydrogen to CO, H<sub>2</sub>O is an unavoidable by-product
- The Fischer-Tropsch synthesis is a well-known reaction converting synthesis gas (CO+H<sub>2</sub>) into liquid hydrocarbons, that will later be upgraded into aviation fuels



SAF can be produced via biomass gasification in a Biomass-to-Liquid process (BtL)

- Biomass can be converted into synthesis gas (CO+H<sub>2</sub>) at high temperatures using oxygen and/or steam
- In a water-gas shift reaction CO is converted into CO<sub>2</sub>, in order to achieve the right syngas composition
- In the following reformer, tars and methane are converted into CO, CO<sub>2</sub> and H<sub>2</sub>, increasing the syngas amount and the right syngas composition for the synthesis
- The Fischer-Tropsch synthesis converts synthesis gas (CO+H<sub>2</sub>) into liquid hydrocarbons, that will later be upgraded into aviation fuels



A third option to produce SAF is the Power&Biomass-to-Liquid process (PBtL)

- Biomass is converted into synthesis gas (CO+H<sub>2</sub>) at high temperatures using oxygen and/or steam
- Hydrogen is produced by water electrolysis, the power should be from renewable sources like wind or PV
- In the syngas reformer hydrogen is added in order to achieve the right syngas composition
- The Fischer-Tropsch synthesis converts synthesis gas (CO+H<sub>2</sub>) into liquid hydrocarbons, that will later be upgraded into aviation fuels



- Regarding the goal of terminating CO<sub>2</sub> emissions from aviation : 1.0 Gt in 2019<sup>1</sup>
- Simplified comparison of stochiometric heat losses
  - PtL penalty: H<sub>2</sub>O production
  - BtL penalty: CO<sub>2</sub> production
  - PBtL penalty: reduced H<sub>2</sub>O production
  - HEFA penalty: least H<sub>2</sub>O production for deoxygenation and chain partition consider feedstock limitation

<sup>1</sup> https://ourworldindata.org/global-aviation-emissions



Technical assessment starts with rigorous process simulation

- Ensuring correct representation of the process
- Optimal by-product and heat integration
- Result: carbon / hydrogen / energy efficiency
- Exergetic analysis



- Rigorous process simulation provides complete mass and energy balance
  - Trace material and energy flow through a complex value chain, across various plants/sectors/industries
  - Optimal heat integration via TEPET
  - Determine yields, efficiency, losses
- Example: biofuels production from woody biomass and straw gasification, reforming and gas cleaning, Fischer-Tropsch synthesis (COMSYN EU project)
- Steam cycle can utilize waste heat for power generation



- Standard chemical engineering cost estimation
  - Fixed capital investment (FCI) costs consist of equipment costs (EC) and further capital requirements in the construction phase.
  - Database consisting of cost functions for main chemical process equipment as well as for fuel synthesis equipment included in TEPET based on data from scientific reference literature
  - Chemical Engineering Plant Cost Index (CEPCI) to account for inflation and temporal cost variations of equipment
  - Results: CAPEX, OPEX, Net Production Cost
- Sensitivity of each process parameter on production costs
- Search for cost improvements, potential operation sweet spots
  - Comparing different process designs
  - → Identifying the ideal process configuration at given boundary conditions
- Accuracy of chemical process cost estimation is expected to be ±30% according to class three/four of the classification system of AACE (Association for the Advancement of Cost Engineering)<sup>[1]</sup>

<sup>[1]</sup> Association of the Advancement of Cost Engineering. Cost estimate classification system - as applied in engineering, procurement, and construction for the process industries. Morgantown: AACE International; 2011.



- Economic assessment example: Net production cost (NPC) based on electricity cost and plant size for three different process routes.
- The results show beneficial SAF production options



- In order to determine the environmental impact of renewables integration compared to state-of-the-art fossil based processes
- Committed to reduce greenhouse gas (GHG) emissions
- Environmental impact analysis



- LCA provides all environmental impacts of alternative production routes compared to fossil reference
  - Local impacts might outweigh global warming benefits
- Example: biofuels production from lignin liquefaction, hydropyrolysis plus hydrodeoxygenation (HDO) (ABC-Salt EU project)
  - Comparison with fossil kerosene shows impact categories with clear reduction, neglectable impact and increased environmental impact



Following are examples of techno-economic and environmental assessment for different decarbonization options

- Tackling scientific and industrially relevant questions.
- Applying the assessment methodology to processes in the fields of
  - Power supply
  - Transportation
  - Aviation
  - Basic chemicals
  - Renewable energy imports



- Goal: Termination of 15.2 Gt CO<sub>2</sub> emissions from global coal power plants in 2022<sup>1</sup> (iea.org: 15.5 Gt from coal in 2022<sup>2</sup>)
- Integration of high shares of RE into power systems operations, providing flexibility
- Reuse of steam cycle, auxiliaries to convert fluctuating wind and solar power into demand-driven base-load power
- Search for individual solution for each of 7.000+ global coal power plants
- → To be included into Japans Green Transformation Policy, "GX Policy"?
- → Technology option to help Japans international decarbonization initiative focusing on Southeast Asia: the "Asia Zero Emission Community" (ERIA's Technology List)?
- → Support for Japan/Asia to set coal power phaseout dates?

<sup>1</sup> <u>https://ourworldindata.org/emissions-by-fuel</u>

<sup>2</sup> https://www.iea.org/reports/co2-emissions-in-2022



- Goal: Termination of 11.9 Gt/a CO<sub>2</sub> emissions from oil consumption in 2022<sup>1</sup> (iea.org: 11.2 Gt from oil in 2022<sup>2</sup>)
- Refinery transition towards sustainability requires new feedstocks /processes / product portfolio
- Increased pressure
  - Regulation
  - Customer base
- Search for individual solution for each refinery

<sup>1</sup> <u>https://ourworldindata.org/emissions-by-fuel</u>

<sup>2</sup> https://www.iea.org/reports/co2-emissions-in-2022



- Goal: Termination of 1.0 Gt/a CO<sub>2</sub> emissions from aviation in 2019<sup>1</sup> (last year before Corona), full rebound is expected soon
- Maximize SAF production from renewables
  - Adding hydrogen from renewable power increases carbon efficiency of SAF production
  - Local availability of renewable electricity, water and biogenic carbon required

<sup>1</sup> https://ourworldindata.org/global-aviation-emissions

Example: Avera	ge PBtL	plant for	r European	SAF	V
Key economic Assump	otions				
Investment costs:			Ave	age plant size	
AEL-Electrolyzer		M€/MW [1]	<b>→</b> 900	MW <sub>e</sub> Electrolyzer	
Fischer-Tropsch SBCR:	5.9	k€/m <sup>3[2]</sup>	<b>→</b> 400	kt/a SAF	
Selexol:	5.5	5 k€/kmol <sub>CO2</sub> /l	n <sup>[3]</sup>		
Fluidized bed gasifier:	0.5	5 M€/(kg <sub>dry bior</sub>	<sub>nass</sub> /s) <sup>[4]</sup> → 400	MW <sub>th</sub> gasifier	
Raw materials and utility	costs				
Selexol:	4.4	l €/kg <sup>[5]</sup>			
FT catalyst:	33	<b>8</b> €/kg <sup>[6]</sup>			
General economic assum	ptions:				
Year:	2020		Plant lifetime:	20 years	
Full load hours:	8,100 h/a		Interest rate:	7 %	

- In order to safe 1.0 Gt CO<sub>2</sub> emissions from aviation in 2019<sup>1</sup>, 300+ Mt/a SAF production are required globally
- PBtL enables to maximize SAF production from renewables in Europe (about 60 Mt/a expected in 2030)
  - Unutilized woody biomass could be harvested in a sustainable forestry
  - Adding hydrogen from renewable power increases carbon efficiency of SAF production
  - Local availability of renewable electricity, water and biogenic carbon required

Base case definition for market roll-out:

- All process equipment of PBtL concept is commercially available
- Plant size depend on biomass transport options



- PBtL cost distribution across Europe for one single plant configuration/size
- Local net production cost (NPC) depend mainly on electricity and biomass price



- PBtL abatement cost distribution across Europe for one single plant configuration/size
- GHG footprint of PBtL SAF depend on electricity emissions



CCU to produce carbon neutral container glass (biggest GWP contributor in glass ind.)

- Termination of 9.2 Gt CO<sub>2</sub> emissions from industry in 2022<sup>1</sup>, glass industry only minor part of GHG emissions compared to steel and cement production
- Glass industry faces the challenge of continuous 24/7 production while requested to shift to renewable fuels
- Process design of CCU-based SNG and methanol available, equipment performance and costs of state of the art technology are listed:

Reference function (EC <sub>i,ref</sub> )	EC <sub>ref</sub>	Currency	sizing <sub>ref</sub>	Unit	n
Compressor	3 035	\$	1	kW <sub>el</sub>	0.68
Methanation reactor	57 794	\$	14 000	m³/h	0.52
PEM electrolysis	957	€	1	kW <sub>el</sub>	1
Wet scrubber (limestone)	13 061	k\$	14	MW <sub>th</sub>	0.72
Membrane PMP	9.76	m\$	525.6	kmol/h	0.6
Polynomial function (EC <sub>ipoly</sub> )	е	f	g	Sizingunit	Currency
Shell & tube HEX*	0	201.29	3853.3	Heat transfer area [m <sup>2</sup> ]	\$
Flash drum	-2.21	369.75	805.42	Length & diameter [m]	\$

- Compared to fossil fuel Energy supply costs: Factor 5, glass supply cost: Factor 2
- Applicable to multiple industry decarbonization options using CCU

<sup>1</sup> https://ourworldindata.org/emissions-by-fuel



- Comparison of renewable energy transport options from Australia to Japan
  - Hydrogen liquefaction costly
  - Liquid organic hydrogen carriers (LOHC) have dehydrogenation costs in Japan
  - Production cost of renewable hydrogen are still dominant
- · Cheaper renewable electricity abroad brings transport options into focus
  - Reliability of supply chains
  - Cost competitiveness compared to domestic RE production
  - GHG footprint in producing countries
- See: Raab, M., Maier, S., Dietrich, R.-U. (2021) Comparative techno-economic assessment of a large-scale hydrogen transport via liquid transport media. International Journal of Hydrogen Energy. Vol. 46 (21) 11956-11968, doi: 10.1016/j.ijhydene.2020.12.213



- Comparison of renewable energy transport options from Namibia to Germany
  - Hydrogen liquefaction costly
- Hydrogen derivates might provide higher user benefits
  - Energy import cost benefit for LOHC
  - Ammonia seems attractive, if used for urea/fertilizer
  - Demand expectations versus cost differences
- See: Dietrich, R.-U. et al (2024) Large-scale transport of renewable energy via hydrogen and derivates, in Encyclopedia of Electrochemical Power Sources, 2nd Edition - September 2, 2024, Editor: Jürgen Garche, Elsevier, Hardback ISBN: 9780323960229, eBook ISBN: 9780323958226, https://shop.elsevier.com/books/encyclopedia-of-electrochemical-powersources/garche/978-0-323-96022-9



- DLR's techno-economic and ecological assessment can provide transparent and standardized assessment of each measures scale/impact
  - Support policy makers for efficient regulation
  - Support technology development to improve climate change mitigation
  - Support demonstration, deployment, market ramp-up
- Towards decarbonization of aviation, transport, chemicals and power generation

	DLR.de     Slide 32     Dietrich, et. al     2024-05-27 TEA Introduction to CRFI, Tokyo	,
	Outlook	
	<ul> <li>Climate change mitigation is urgent on a global scale</li> <li>GHG emission reduction required from 35.8 Gt/a to ZERO</li> </ul>	
	<ul> <li>Developed countries need to provide technical solutions, international regulations need to ensure its commercial viability</li> <li>Japan, Germany and others can be demonstrators, large emitters have to adapt</li> </ul>	
2	<ul> <li>Techno-economical and ecological assessment can provide transparent, technology-agnostic guidance</li> <li>Choosing preferred technologies and locations</li> <li>R&amp;D demand and optimization potential</li> <li>Purposeful regulation</li> <li>DLR standard is globally applicable →</li> </ul>	
32	Standardizing commit process evaluations	

DLR is able to provide assessment support regarding

- What are urgent measures for climate change mitigation?
  - High impact, low cost?
- What technology is available short-term?
- Further development/improvement needs



Japanese – German cooperation can address different fields

- New fuels, new processes, new feedstocks, new locations
- Joint technology development, demonstration, deployment, market ramp-up



Japanese – German cooperation example: EU collaboration project funding

- Targeted topic: LC-SC3-RES-25-2020 International cooperation with Japan for Research and Innovation on advanced biofuels and alternative renewable fuels https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/lc-sc3-res-25-2020
- Project coordinator: University of Lille (FR)
- To develop disruptive catalytic strategies for the conversion of CO<sub>2</sub> and lignocellulosic feedstocks into alternative renewable jet-fuel.
- Exploit two emerging concepts at the catalyst and process integration scale: hybrid catalysis ((electro)-chemo- and bio-catalysts) and biorefineries.
- Proposal rejection letter: the score obtained does not suffice (Total score: 13.00) Criterion 1 – Excellence: Score: 4.00 (max. 5.00) Criterion 2 – Impact: Score: 4.00 (max. 5.00)

Criterion 3 - Quality and efficiency of the implementation Score: 5.00 (max. 5.00)



- MIRAIFuels intended to develop disruptive catalytic strategies
  - Conversion of CO<sub>2</sub> into methanol via formate\* and formaldehyde using three enzymes (F<sub>ate</sub>DH, F<sub>ald</sub>DH, ADH) at ambient pressure and temperature
  - Improved stabilization of enzymes via encapsulation into beads, supporting the enzymes on mesoporous materials or phosphates
  - Design and prototype a lab-scale reactor that may maximize the conversion of CO<sub>2</sub> into methanol and/or acetic acid
  - Acetic acid and methanol usage as co-substrates for yielding triglycerides
  - Combining cell wall-degrading enzymes with chemo-catalysts for depolymerization of lignocelluloses into fermentable sugars
  - Develop a batch reactor for lignocelluloses conversion to triglycerides
  - Develop a hybrid catalysis process for the triglycerides conversion into hydrocarbons.
  - Develop an innovative biorefinery concept with optimal integration of different process units to maximize energetic efficiency and biocarbon usage of a bio-jet fuel production pathway.

\* Formate (IUPAC name: methanoate) is the conjugate base of formic acid. Formate is an anion  $(HCO_2^-)$  or its derivatives such as ester of formic acid.



何事も始めるのに遅すぎるということはない。 Nanigotomo hajimeru no ni ososugiru to iu koto wa nai;