

Renewable Desalination: A Methodology for Cost Comparison

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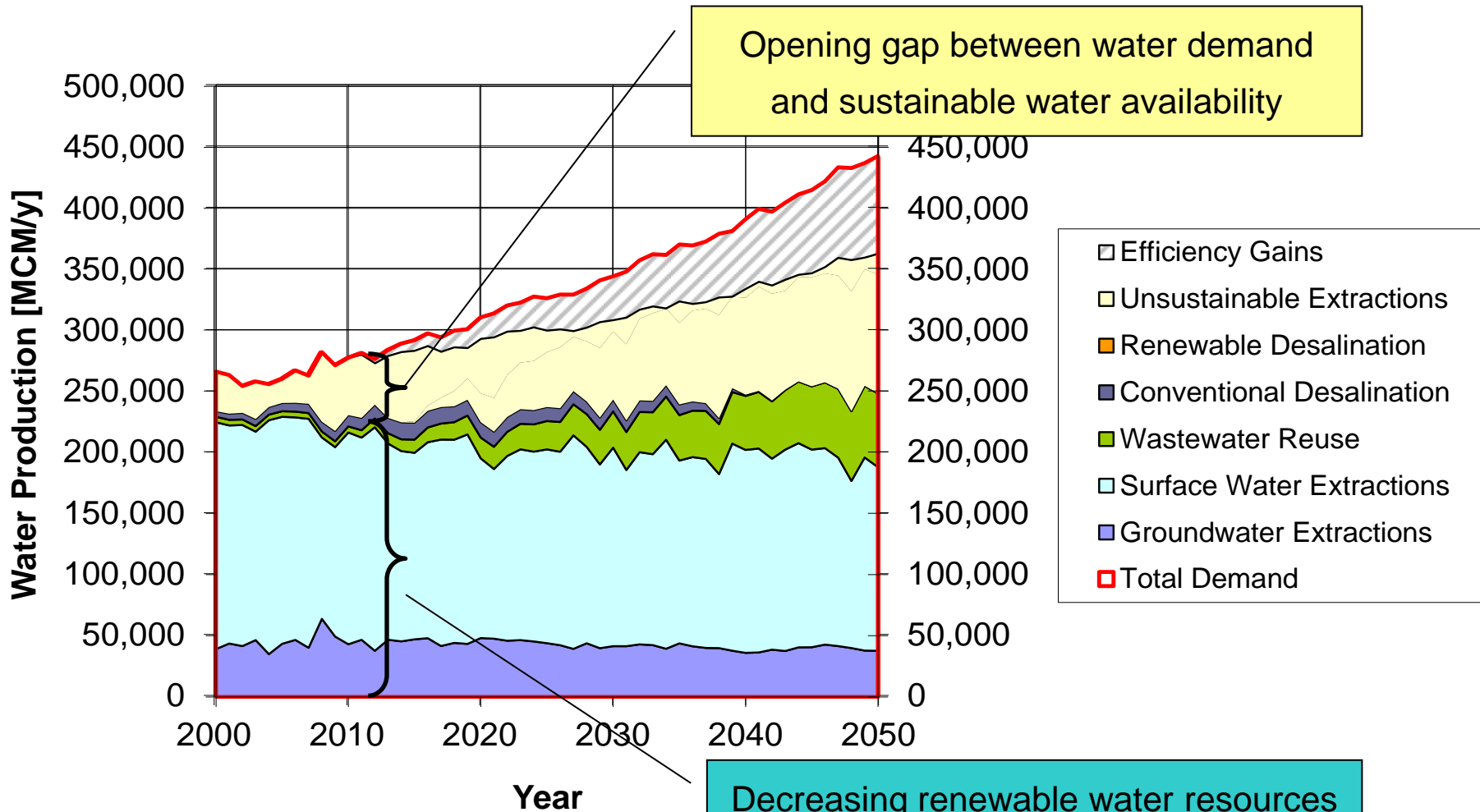
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Wissen für Morgen

Water Supply Scenario for MENA

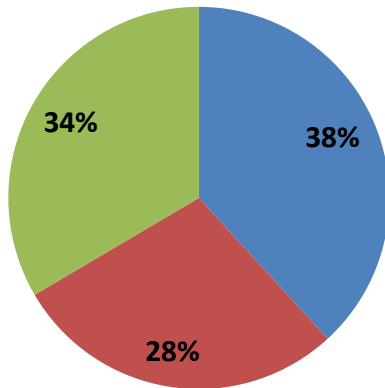


Energy Cost for Conventional Desalination (Example: RO)

Annual cost structure of a RO plant

Fuel Cost = 30 US\$/MWh_{th}

■ Annual capital cost ■ O&M cost ■ Electricity cost

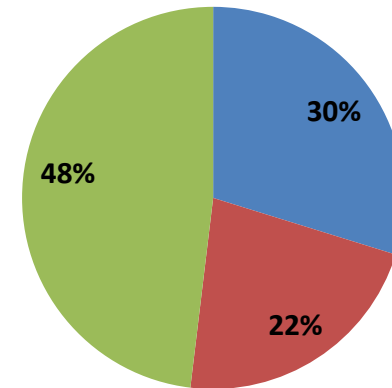


LWC: 1.23 US\$/m³

Annual cost structure of a RO plant

Fuel Cost = 60 US\$/MWh_{th}

■ Annual capital cost ■ O&M cost ■ Electricity cost

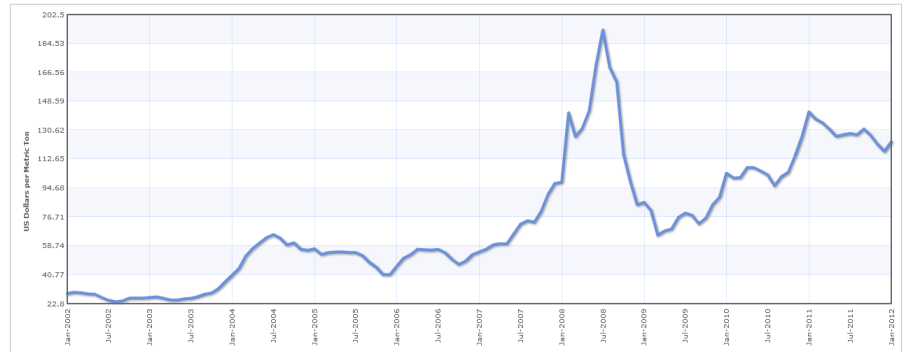


LWC: 1.58 US\$/m³

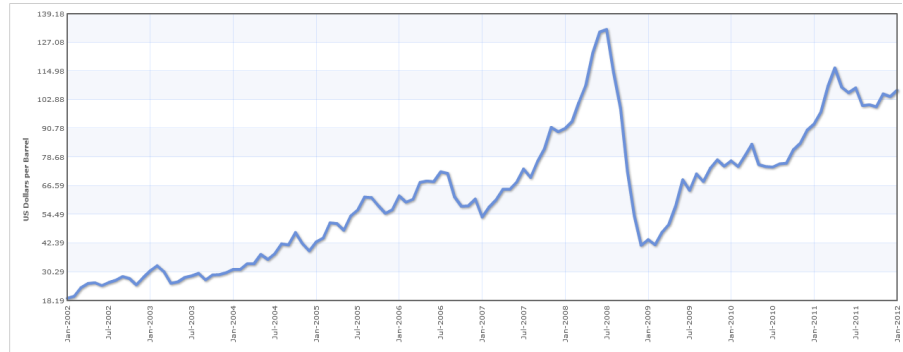


Fossil fuels cost 2002 - 2012

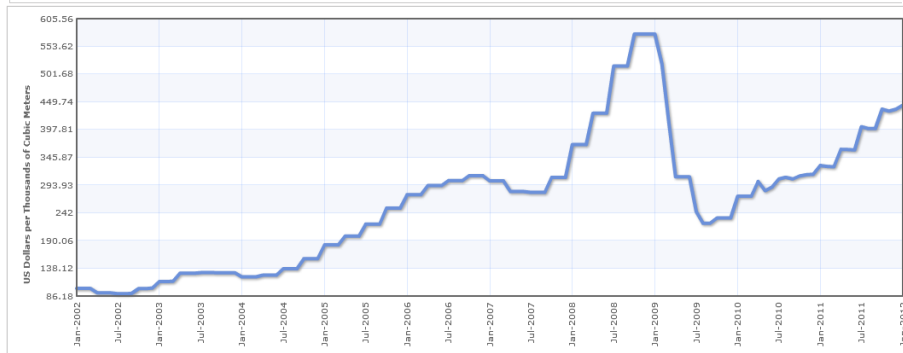
- Coal (Australia)
x 4.2



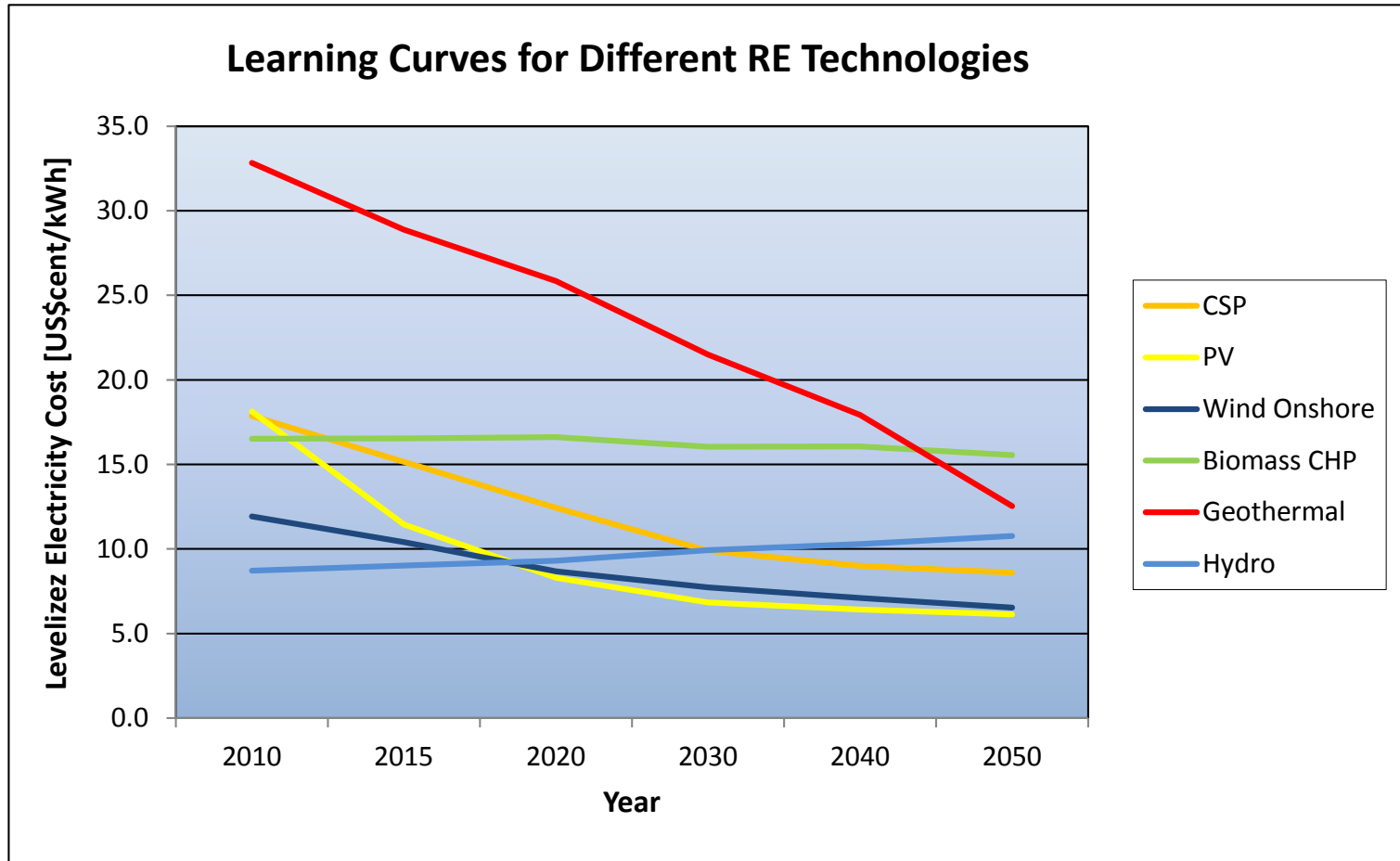
- Crude Oil (Brent)
x 5.6



- Natural Gas (Russia)
x 4.4



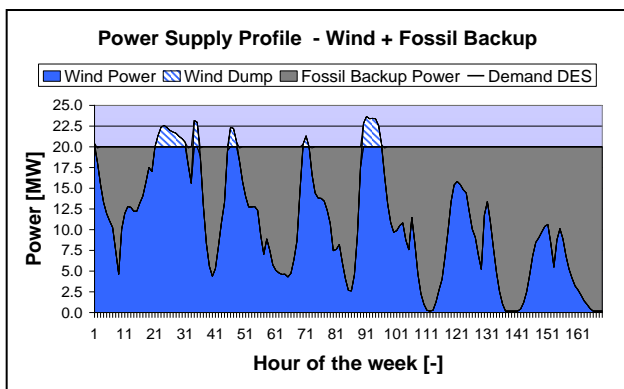
Energy Cost Development of RE-Technologies



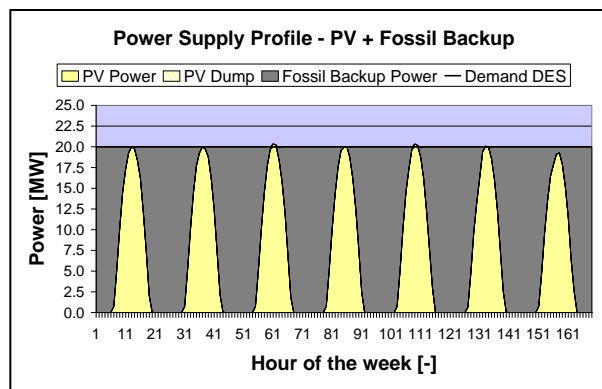
Note: qualitative trends only!



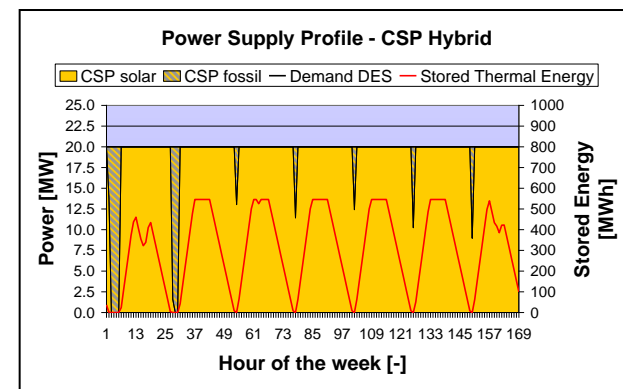
Typical Electricity Generation Profiles of RE



Wind



PV



CSP

Large desalination plants require continuous operation

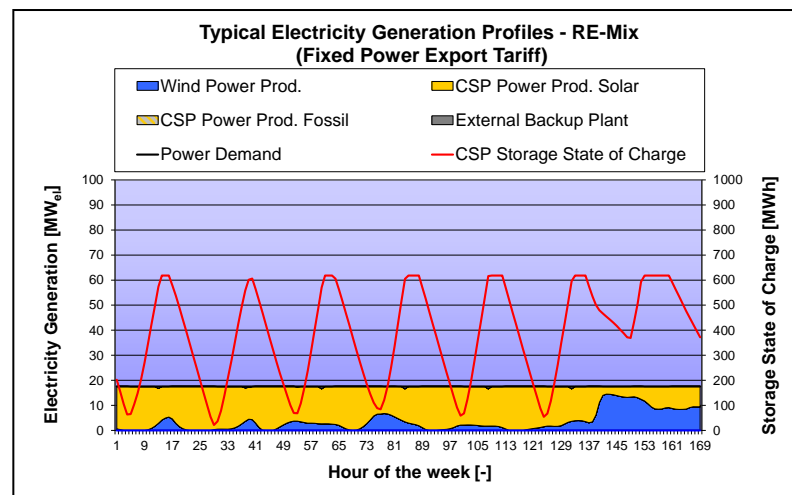
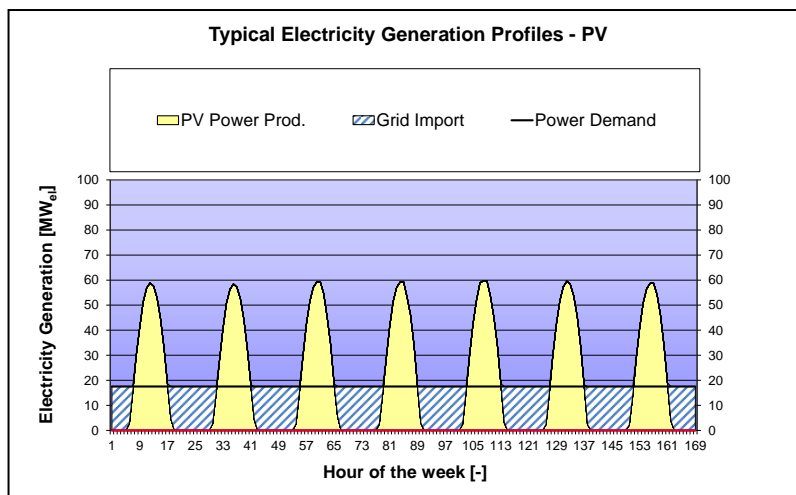
→ Conflict with the intermittent nature of renewable energies

→ CSP offers the option of thermal energy storage

→ Hybrid operation is possible in the same power block
(no backup power plant required)



Comparison Methodologies



Annual Energy Balance of Load and Supply

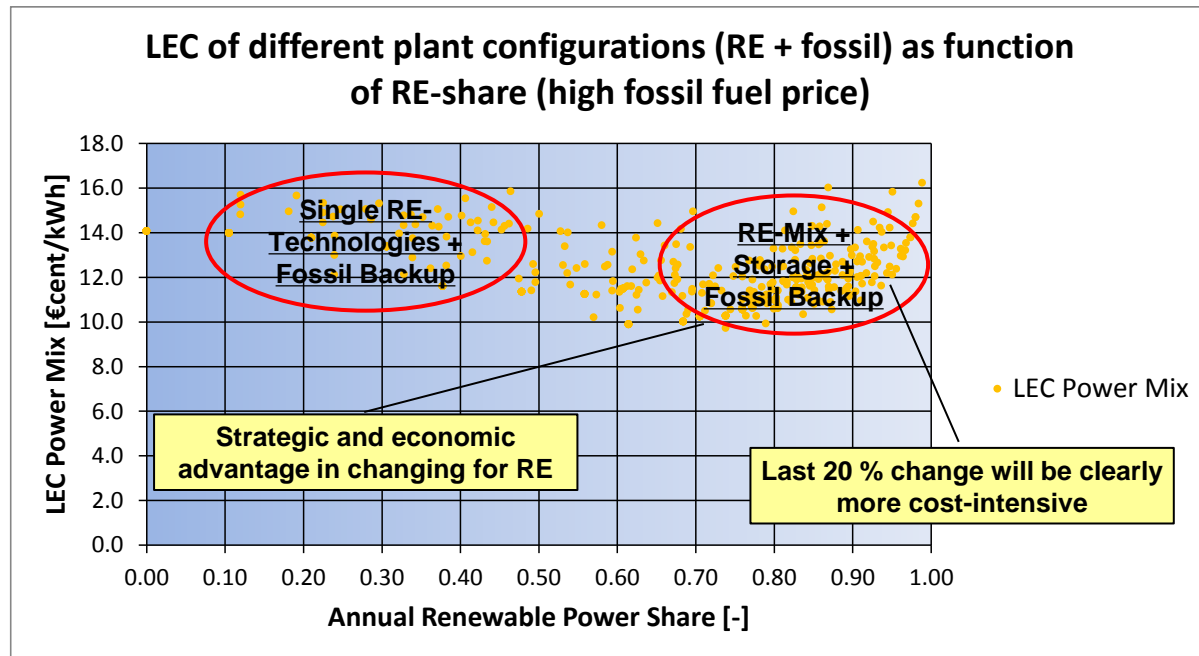
- Options have unequal quality
 - Cost externalization
 - Fossil backup
 - Grid management cost
- Cheap, fluctuating RE

Direct Energy Balance of Load and Supply

- Options have equal quality
 - No cost externalization
- RE-Mix including backup and storage



Energy Cost as Function of RE-Share and Fuel Cost



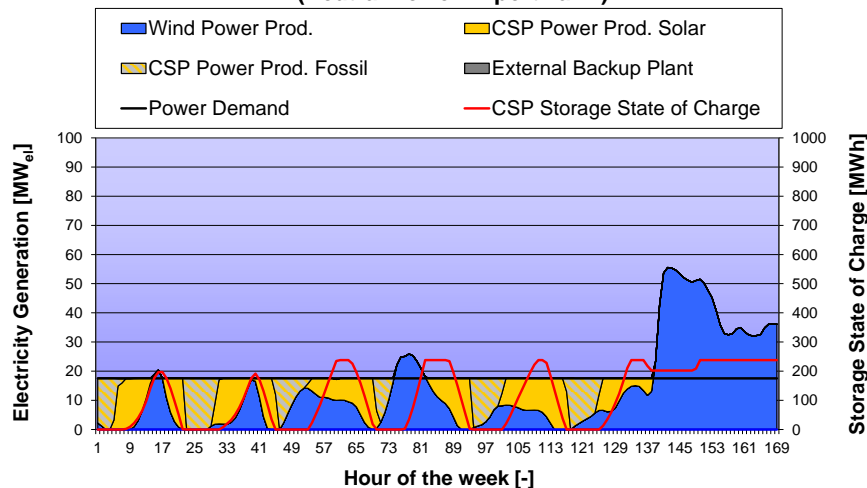
- Direct RO electricity supply (RE and fossil)
- Pre-defined number of configurations (no optimization)
- **2 fossil fuel prices:**
 - Low: 30 US\$/MWh_{th}
 - High: 60 US\$/MWh_{th}



Effect of different Feed-in Tariff Values for Power Export

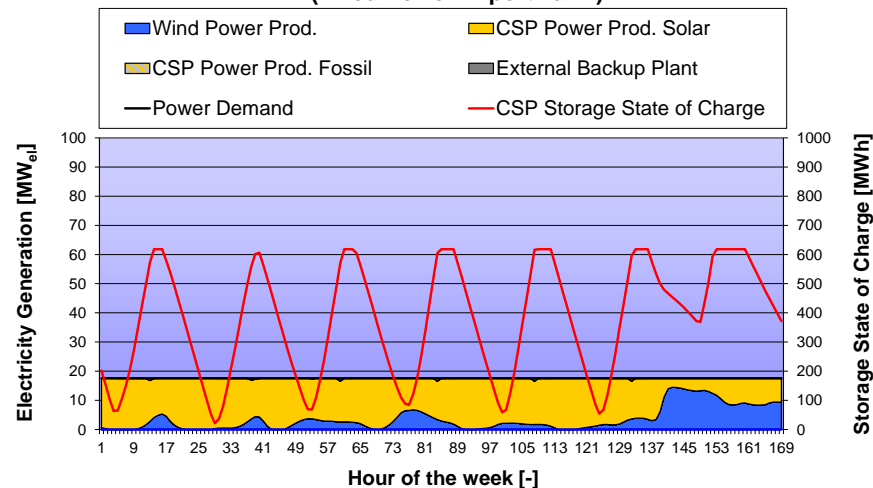
- RO supply / 80 % EE-Share / Fossil fuel price: 60 US\$/MWh_{th}

Typical Electricity Generation Profiles - RE-Mix
(Neutral Power Export Tariff)



Neutral Tariff

Typical Electricity Generation Profiles - RE-Mix
(Fixed Power Export Tariff)



Low Tariff

**→ High sensitivity of optimal plant configuration
on economic boundary conditions!**



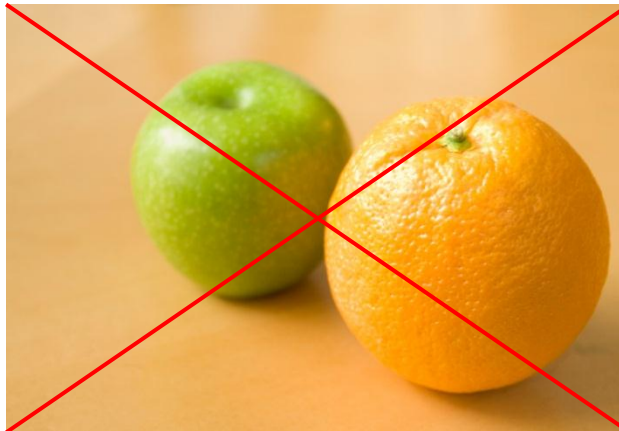
Conclusions (1/2)

- Among other measures, new desalination plants will be required in MENA in order to cover the increasing water demand
- For this purpose, new power plants need to be installed in order to supply firm capacity to the desalination plants
- Fossil fuel prices are prone to high volatility and a clear upward trend
- On the contrary, Renewable Energies (RE) represent a key element for an environmentally friendly, cost stable and low-risk energy supply
- When comparing different supply options, the right question to ask is:
 - Which is the most effective technology **mix** to secure the supply?Rather than
 - Which is the cheapest technology?



Conclusions (2/2)

- A fair comparison between options should consider configurations which guarantee equal quality of supply (consideration of externalities):



they do not compare!

- The optimal energy supply for desalination plants will probably consist of a combination of low cost variable power (PV, Wind) and slightly more expensive balancing power (CSP with thermal energy storage)

Thank you for your attention!

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