

The Back to the Holocene Project



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The 'Back to the Holocene' Research Project in a Nutshell

How can 21st century technology deliver both sustainable energy abundance and a safe and stable climate?

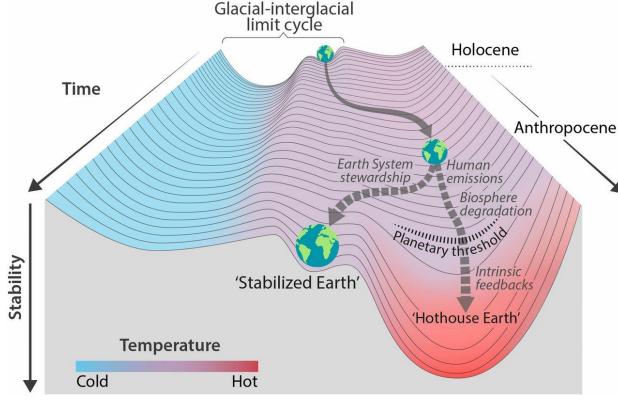
- The purpose of LUT's new "Back to the Holocene" research project is to provide detailed, scientifically well-founded calculations of cost-optimised technology pathways for simultaneously achieving renewable energy abundance and net negative annual carbon emissions in every world region
- Our motivation is to help chart technically and financially feasible pathways to global climate safety, with atmospheric CO₂ concentrations returning to safer levels well below those of today (i.e. closer to those of the late Holocene era that closed about 200 years ago), while delivering energy prosperity in every region by drawing on abundant renewable energy resources
- Our research aims are guided by UN Sustainable Development Goal 7: "Ensure access to affordable, reliable, sustainable and modern energy for all," and SDG 13: "Take urgent action to combat climate change and its impacts"
- The further development of LUT-ESTM to version 2.0 will include carbon dioxide removal (CDR) technologies, a high geographical resolution (800 regions) and a high temporal resolution (1-hour). This integrated energy-industry-CDR approach allows to find least cost pathways on the level of concrete decision-making.
- We will create and disseminate a tutorial supported freeware version of our modelling tools and data sets, enabling local and regional researchers and energy planners around the world to join in the urgent task of exploring pathways to sustainable energy abundance and net negative carbon emissions
- Our energy systems modelling research, published in top journals including *Nature* and *Joule*, has found that due to ongoing steep unit price declines in solar PV, batteries, and green hydrogen electrolysis equipment over the past decade cost declines far steeper than most analysts expected even a few years ago an **abundant renewable energy based economy** that **leaves no-one behind** is coming into focus as a technologically and financially realistic near-future prospect

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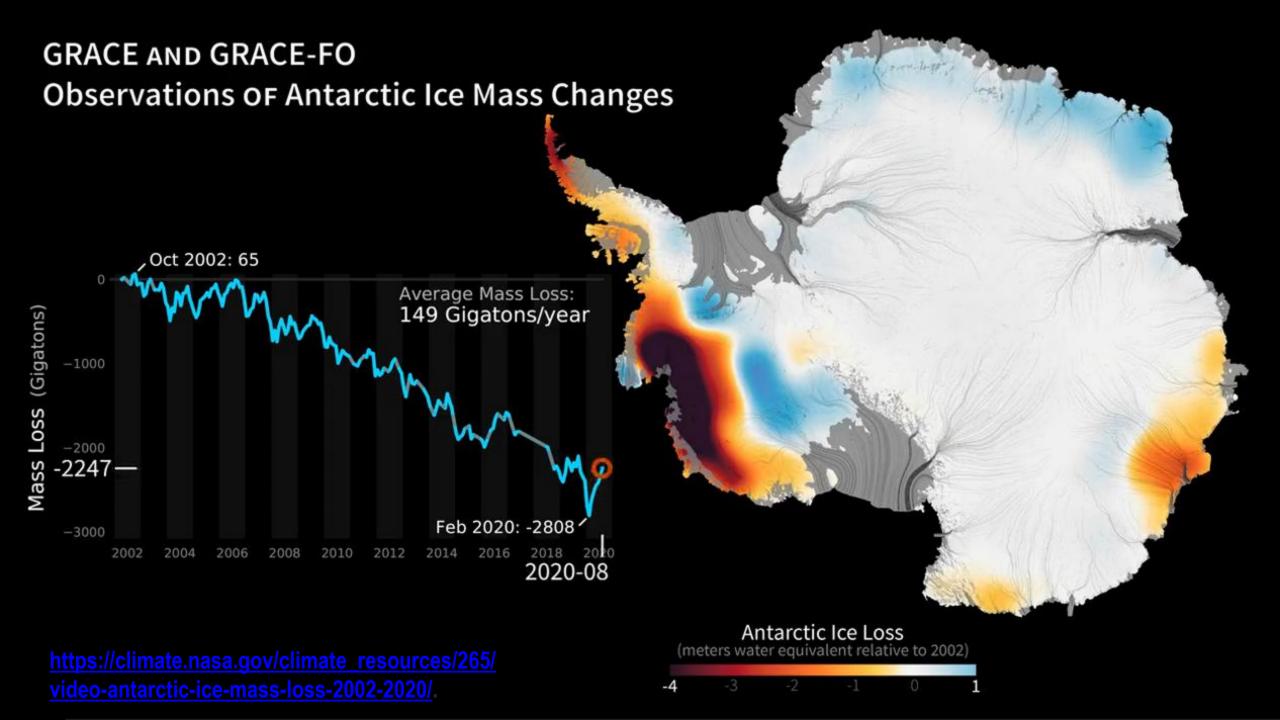


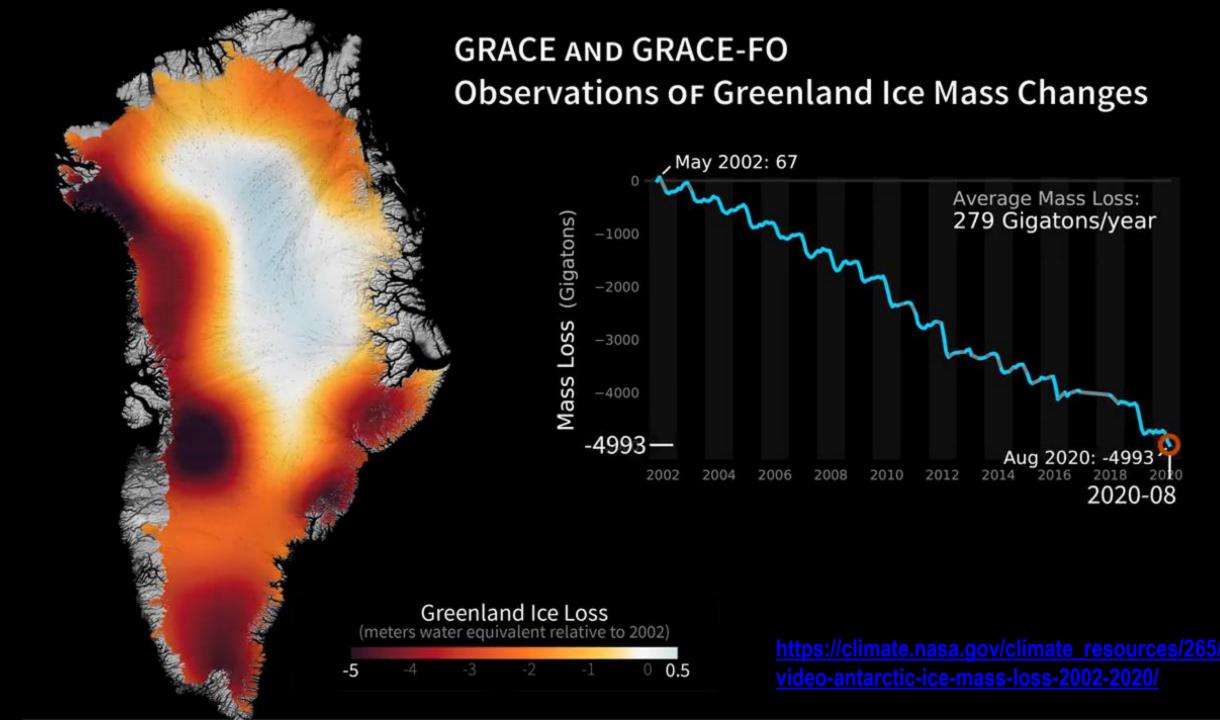
- The "Back to the Holocene Project" in Brief
- Motivation: The Grand Challenge Humanity Faces
- Back to Holocene What Would It Take?
- Energy Systems Transition Models (ESTM) and Integrated Assessment Models (IAM)
- Carbon Dioxide Removal Technologies (Negative CO₂ Emissions)
- Further development: LUT-ESTM 2.0
- Funding Requirements and Work Packages

- Current policy discourse assumes stabilising at 1.5 °C above the level of the mid-1800s after exceeding this level for several years
- What stabilising at 1.5 °C entails:
 - Melting of Greenland and West Antarctic Ice Sheets, result in respectively 7 and 3 meters of sea level rise in the long term if irreversible mass loss dynamics are set off
 - Increased wildfires and storms
 - Loss of world's tropical coral reefs
 - Spread of tropical disease-carrying insect vectors





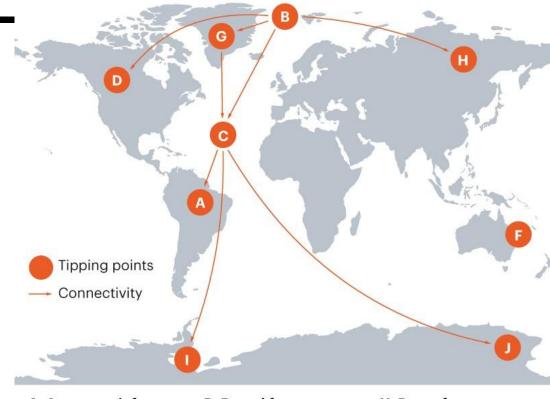




The Grand Challenge Humanity Faces

RAISING THE ALARM

Evidence that tipping points are under way has mounted in the past decade. Domino effects have also been proposed.



A. Amazon rainforest Frequent droughts

B. Arctic sea ice Reduction in area

C. Atlantic circulation In slowdown since 1950s

D. Boreal forest Fires and pests changing

Large-scale die-offs

Ice loss accelerating

F. Coral reefs

H. Permafrost Thawing

I. West Antarctic ice sheet Ice loss accelerating

G. Greenland ice sheet J. Wilkes Basin, East Antarctica Ice loss accelerating

onature

Lenton, T. M. et al. Climate tipping points — too risky to bet against. Nature 575, 592–595 (2019). Armstrong McKay, D. I. et al. Exceeding 1.5°C global warming could trigger multiple climate tipping points. Science 367(6611), 944-945 (2022)

- Current climatologically unstable era we are presently in is known as Anthropocene
 - Atmospheric carbon has increased from 277 ppm in 1750 to 420 ppm in 2021
 - CO₂ emitted by use of fossil energy sources responsible for ~2/3 of global heating
- Since 2014, LUT's Solar Economy research group has focused on identifying cost-optimal pathways to a thriving global civilisation free of fossil fuels
- The Solar Economy's primary research tool, the energy system model LUT-ESTM, will be adapted to assess technology pathways for actively removing Carbon from the atmosphere and store it permanently and safely
- Key concept: Net negative annual CO₂ emissions to restore a safer climate while delivering energy prosperity in every region in the world

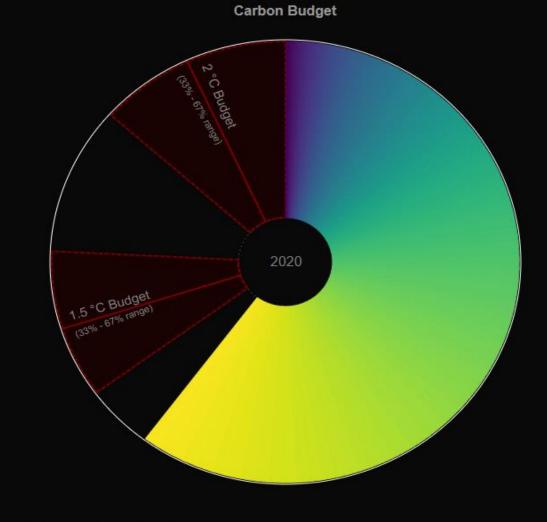
Back to the Holocene Remaining Carbon Budget

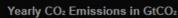
Likelihood of limiting global warming to temperature limit	Estimated remaining carbon budgets from the beginning of 2020 (GtCO ₂)	
	1.5 °C	2.0 °C
50 %	500	1350
67 %	400	1150
83 %	300	900

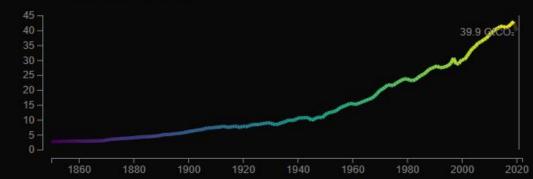
- Remaining carbon budget according to IPCC AR6 is less than 300 GtCO₂ to remain under 1.5 °C (83%)
- In recent years we've been emitting 35-42 GtCO₂ per year
- Current warming levels already around 1.2 °C
- We will likely overshoot the remaining carbon budget consistent with 1.5 °C within the present decade
- Any sustained, long-term level of warming above 0.5 °C very likely entails loss of the Greenland Ice Sheet

Damon Matthews, H. et al. An integrated approach to quantifying uncertainties in the remaining carbon budget. Commun Earth Environ 2, 7 (2021)

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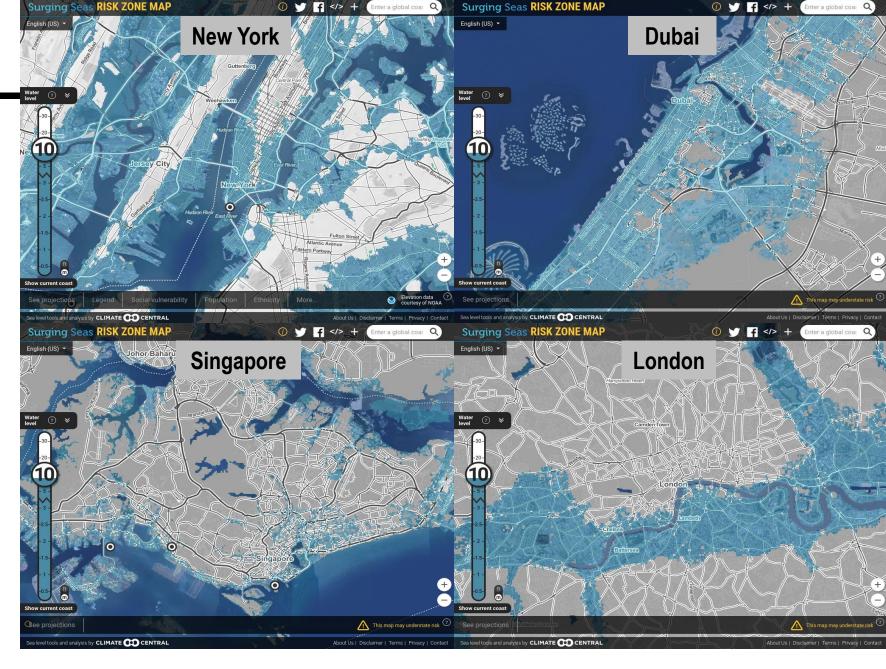




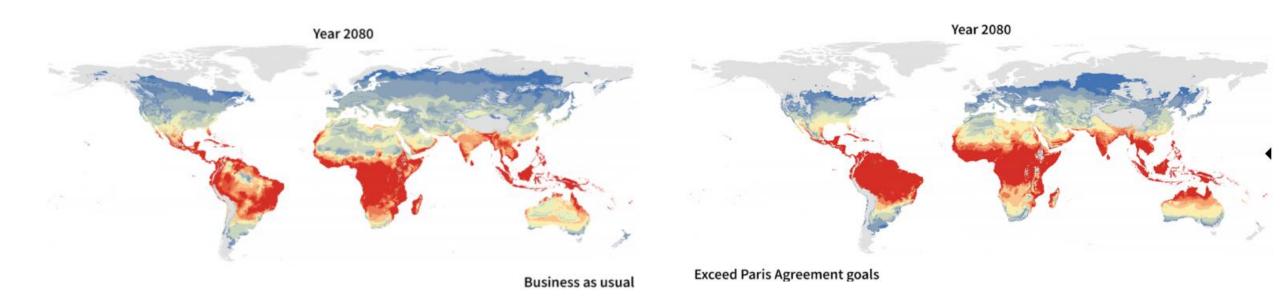
Climate Tipping Points Loss of Coastal Cities

- Loss of coastal cities due to up to 10 m sea level rise including:
 - New York City
 - Dubai
 - Singapore
 - London

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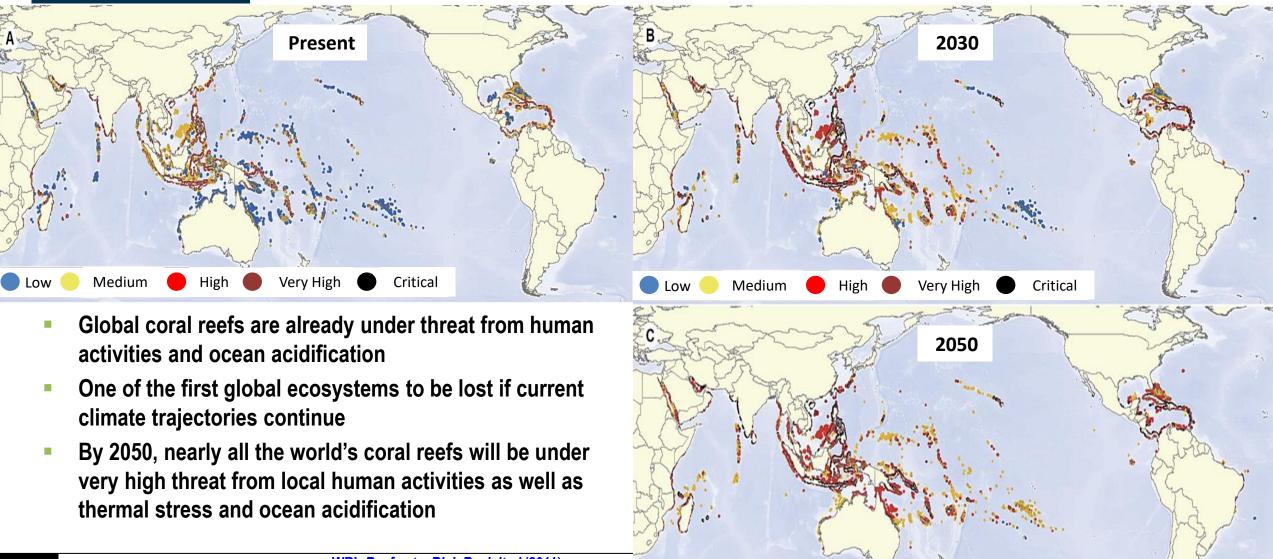




- With climate change, the range of transmission of vector-borne diseases increases, primarily through disease carriers such as mosquitoes
- Warming will increase the spread of tropical diseases like malaria and yellow fever into temperate regions of Europe, Asia, and the Americas

Global Climate Tipping Points Loss of World's Tropical Coral Reefs

REEFS AT RISK IN THE PRESENT, 2030, AND 2050



Very High

Critical

Risk Revisited, 2011.

Medium

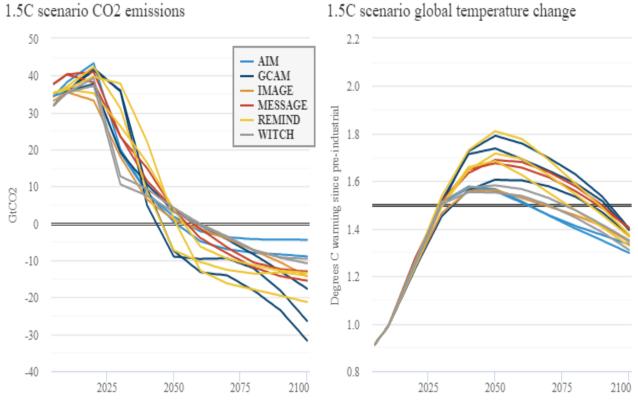
Back to the Holocene Research Project Christian Breyer ► christian.breyer@lut.fi WRI. Reefs at – Risk Revisited (2011) @ChristianOnRE

Back to Holocene What Would It Take?



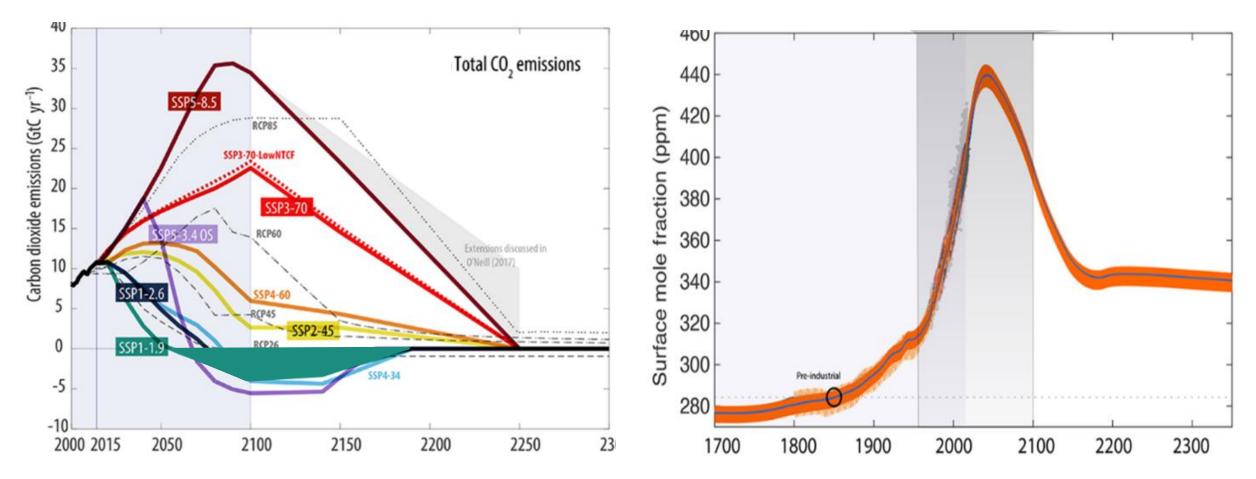
- A recent <u>study</u> suggests that stabilising CO₂ at any ppm more than slightly above pre-industrial levels of CO₂ will cause disappearance of Greenland Ice Sheet and consequently 7 m of sea level rise.
- West Antarctic Ice Sheet is also shrinking, risking a further 3.5 m sea level rise
- How we can return to safe global climate conditions:
 - Rapidly implement a net-zero economy before mid-century, to prevent global temperature rising much above 1.5 °C in the short term
 - In the longer term, actively remove CO₂ from the atmosphere year after year, until by 2100-2150, global carbon concentrations and average temperatures are again closer to those of the late Holocene:
 - Negative emissions of up to 30 GtCO₂ annually will likely be required (maybe more), sustained over decades
 - Current annual emissions are around 40 GtCO₂

Different IAMs have developed different emissions & temperature pathways to end-of-century, BUT...



Rogelj, J. et al. Scenarios towards limiting global mean temperature increase below 1.5 °C. Nature Clim Change 8, 325–332 (2018).

Back to Holocene SSP1-1.9 Scenario using MAGICC7.0



Rapid reduction of emissions of more than 1 000 GtCO₂ via CDR in a SSP1-1.9 scenario

...leads to stabilising CO_2 concentration around 350 ppm and ~ 1 °C warming in 2150

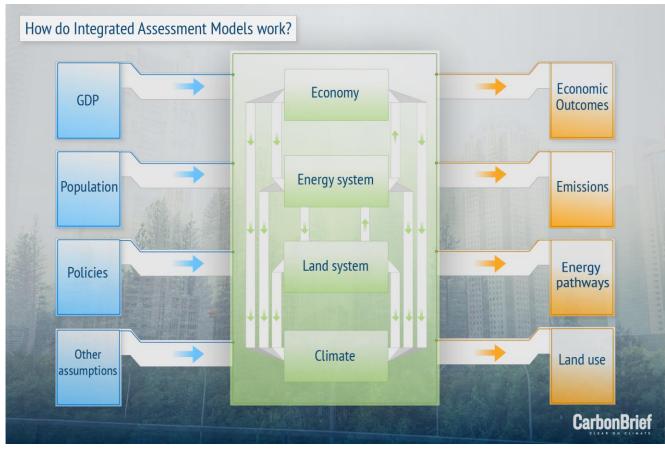
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<u>Meinshausen M. et al. The shared socio-economic pathway (SSP) greenhouse gas concentrations</u> and their extensions to 2500. *Geoscientific Model Development* 13, 3571-3605 (2020)

- LUT-ESTM 1.0 is already one of the world's most advanced Energy Systems Transition Models, showing in technical detail how we can get from today's energy system to a future zero-emissions system
- Includes power, heat, transport, industry, and seawater desalination sectors
- LUT-ESTM is sector-coupled and cost-optimized
- Version 1.0 features 120 technologies, 145 global regions
- >60 publications in high-level journals, including Nature Energy, Nature Communications, Nature Sustainability, Science and Joule, are based on research done with LUT-ESTM 1.0
- Version 2.0 will feature >140 technologies, 800+ regions
 - New technologies include emerging Negative Emissions Technologies (NETs)
 - Will develop new Carbon Dioxide Removal (CDR) sector to be coupled with existing sectors
 - LUT-ESTM 2.0 will be made Open Source, available for use by all stakeholders, in particular researchers, but also energy & finance ministries, multilateral development banks, NGOs
- LUT-ESTM 2.0 will become the first *global* Energy-Industry-CDR model, with unrivaled temporal and spatial resolution



- IAMs are built on neoclassical economics theoretical foundation (see Table 1 <u>here</u>), where consumers maximise utility and producers maximise profits
 - Key IAMs include MESSAGE (IIASA), REMIND (PIK), and IMAGE (PBL)
- Cost-optimisation of IAMs depends on assumptions of impacts of global heating and cost projections of technologies
- IAMs include models of the Earth system including carbon/climate cycle, cryosphere, biosphere, and ocean
- Current generation IAMs also include agriculture, land use, land cover, and terrestrial carbon cycle processes
- These systems are then coupled with simple economic and energy system models



- Complexity of IAMs makes their assumptions unclear
- IAMs tend to wrongly assume the cost of action is higher than that of inaction
- IAM scenarios tend to severely underestimate the future rollout of renewables, primarily because they overestimate future solar PV unit prices
 - As a result, IAMs project significant fossil fuel usage (with carbon capture and storage, CCS) for the rest of this century – even in 2100

Key IAMs still project some fossil primary energy supply by 2100, with limited penetration of renewables, in IPCC-defined Shared Socio-economic Pathways (SSPs)

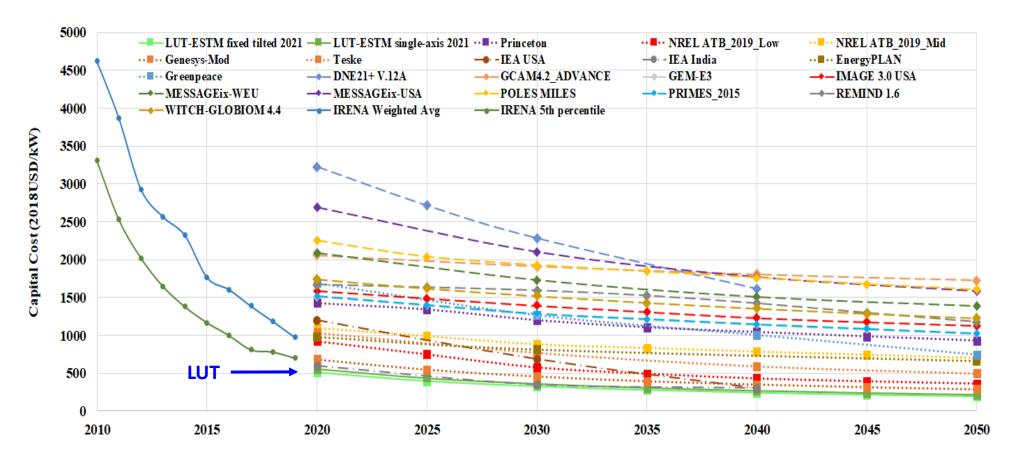
Oil Nuclear Biomass Renewables Coal Gas 2,000 SSP1 SSP2 SSP3 SSP4 SSP5 1,750 1,500 'y energy 1,250 prii 1,000 J. Exajoules 750 500 250 0 IMAGE SAGE Carn WITCH Current COM MAGE SAGE MIND WITCH COAM MAGE SAGE MAD HICH WITCH COM - aEMIND COM Ally Ally Ally Ally 212h

Primary energy in 2100 by model for SSP baseline scenarios

van Sluisveld, M. A. E. et al. Global Environmental Change 50, 201–211 (2018). Riahi, K. et al. Global Environmental Change 42, 153–168 (2017).

Comparison of solar PV cost curve projections to 2050

Data from several different energy & IAM models, including LUT-ESTM 1.0



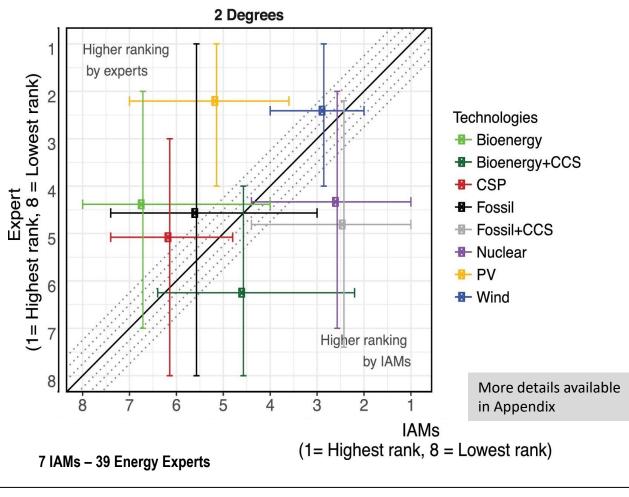
This figure charts unit capital cost evolution estimates for industrial-scale solar PV installations generated by various leading model studies. LUT estimates are closest to the historical trend, plotted at left (the two lines in green and blue (empirical data of actual cost degression from 2010 to 2019)

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- Current IAMs over-rely on bio-energy with carbon capture and storage (BECCS) to meet future climate targets
- IAMs do not adequately model future electrification
- In the graphic at right, we see that in more stringent low-carbon policy scenarios, IAMs tend to rank the projected energy supply shares in 2050 of fossil + CCS, bioenergy + CCS, and nuclear higher than do experts; whereas experts project a larger role for solar PV, CSP, and bioenergy than do IAMs

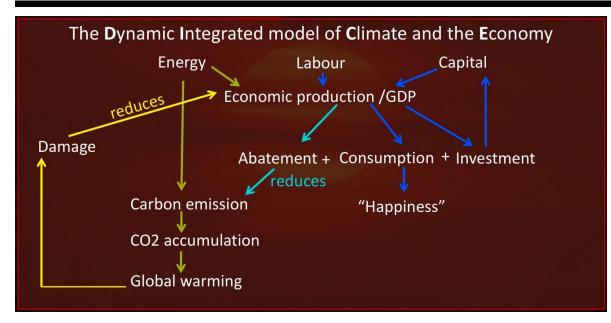
Ranking of electricity supply technologies (based on 2050s share of electricity production)

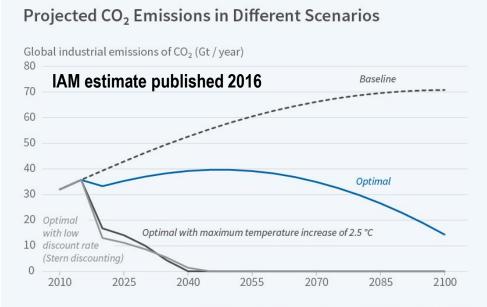


van Sluisveld, M. A. E. et al. Global Environmental Change 50, 201–211 (2018). Riahi, K. et al. Global Environmental Change 42, 153–168 (2017).

Simple IAMs Social Cost of Carbon







Source: W. D. Nordhaus, NBER Working Paper No. 22933

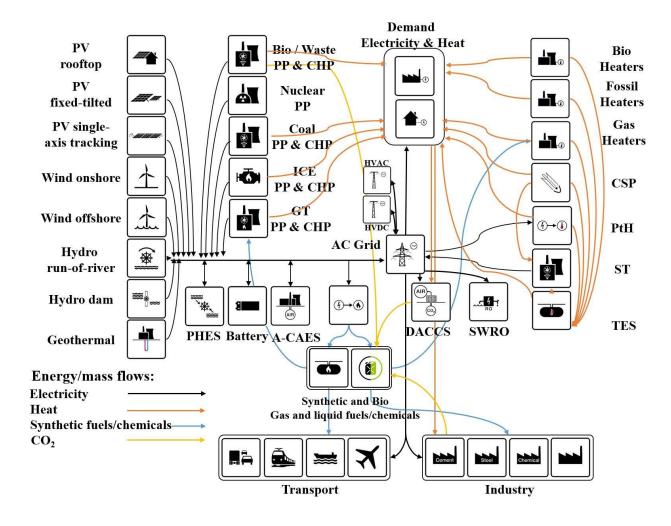
- Simple IAMs represent the economy as a single sector to determine climate policy and investments that maximise social welfare
 - They include DICE, FUND, PAGE
- Tend not to have detailed energy or earth systems models coupled with the economic sector
- Often calculate 'social cost of carbon' to measure costs and benefits of emitting one additional ton of CO₂
- Simple IAMs apply a discount rate to calculate a net-present value of carbon emissions; choice of discount rate is essentially arbitrary
- Does it make sense to measure every feature of the world in monetary values, e.g. survival of natural ecosystems?

Nordhaus, W. Projections and Uncertainties About Climate Change in an Era of Minimal Climate Policies. w22933 http://www.nber.org/papers/w22933.pdf (2016) doi:10.3386/w22933.



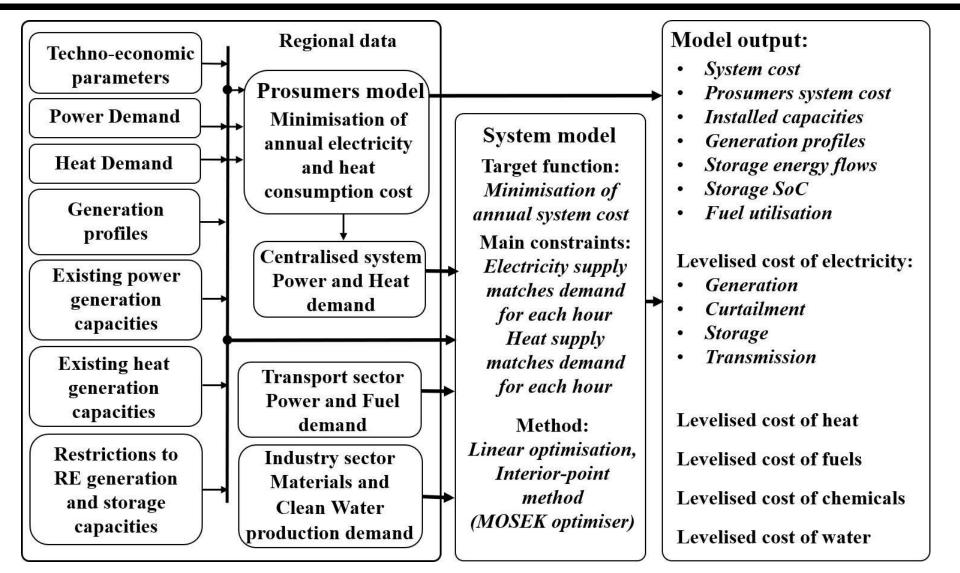
Differences between IAMs and LUT-ESTM

- Graphic at right shows the structure of LUT-ESTM
- LUT-ESTM is a bottom-up technology system model (it is not an IAM)
- LUT-ESTM does not include macroeconomic, land use, or climate model components like most IAMs do
- Energy demand modelling based on macroeconomic scenarios and related energy services demands has been added to LUT-ESTM just recently. This allows to apply any macroeconomic scenarios, e.g. SSPs or other projections



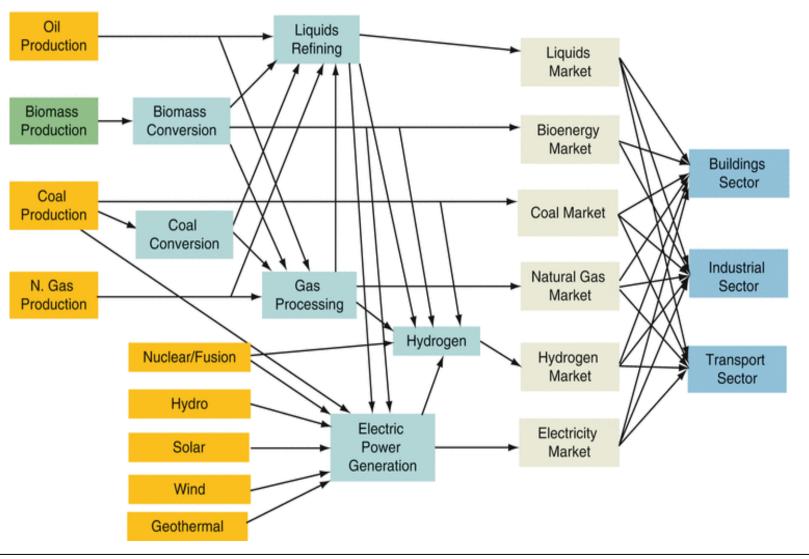
Simplified Schematic of LUT-ESTM 1.0 Model





Differences between IAMs and LUT-ESTM

- Structure of an IAM called GCAM, Global Change Assessment Model, from University of Maryland, is shown at right, as an example
- LUT-ESTM includes a much larger suite of technologies and much greater spatial and temporal resolution than any IAM
- LUT-ESTM does not assign arbitrary valuations like social cost of carbon
- LUT-ESTM can model energyindustry systems on all geographic scales (local to global), at higher resolution than IAMs



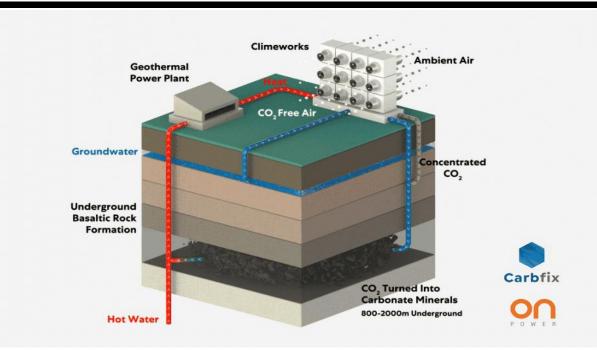
Edmonds, J. A. et al. Integrated Assessment Modeling (IAM). in Encyclopedia of Sustainability Science and Technology.



LUT-ESTM 2.0

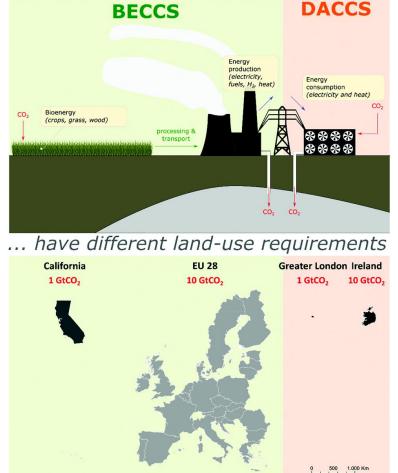


will include Carbon Dioxide Removal (CDR) technologies a.k.a. Negative Emissions Technologies (NETs)



- LUT-ESTM model will be expanded to include key NETs, including:
 - Direct Air Carbon Capture and Storage (DACCS)
 - Afforestation and Reforestation
 - Carbon Storage in Soils
 - Bioenergy Carbon Capture and Storage (BECCS)
 - Carbon Mineralisation (convert gaseous CO₂ into a solid form)

Negative emission technologies...



 With LUT-ESTM 2.0, researchers and policymakers will be able to explore financial and technical tradeoffs of rapid vs. delayed deployment of clean energy-industry systems, and consequent smaller or larger scale of NETs deployment to restore safe atmospheric CO₂ levels

Carbon Dioxide Removal Technologies

CDR technologies vary in permanence, potential scale, and cost trends



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Trend after 2050

Potential

B. Bioenergy carbon

capture & storage

Cost

Only 1 full scale demonstration

Tech readiness

Side-effects

Permanence

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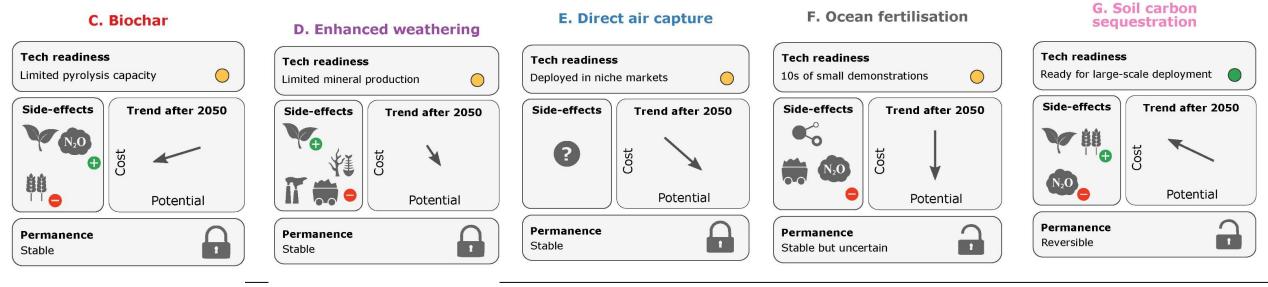
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 (N_2O)

Stable

Images show potential scalability and future unit cost trends of different technologies for capturing and/or re-sequestering carbon dioxide:

- Lower cost and higher potential: DACCS, enhanced weathering/ carbon mineralisation
- Lower cost and lower potential: Biochar
- Higher cost and lower potential: Afforestation/ reforestation
- Higher cost and higher potential: BECCS; but higher potential is contested



A. Afforestation & reforestation

Ready for large-scale deployment

Cost

Trend after 2050

Potential

Tech readiness

Side-effects

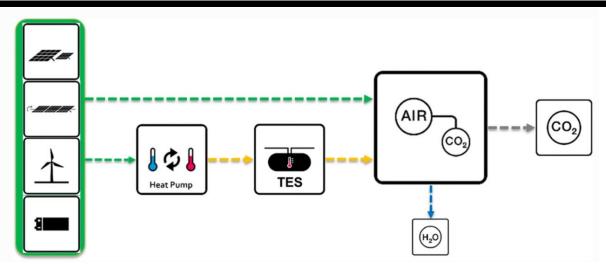
Permanence

Reversible

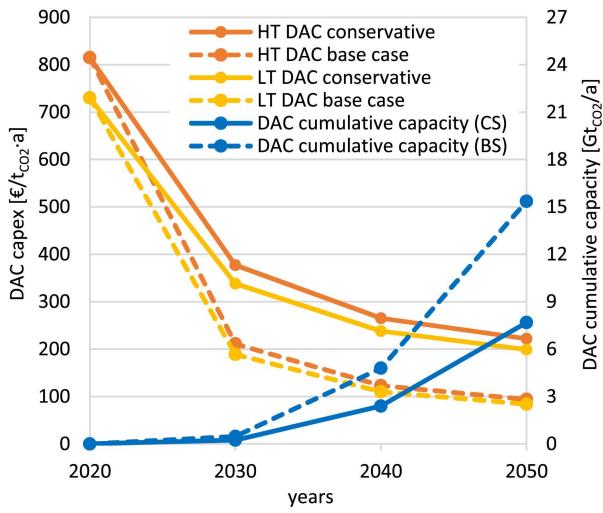
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Carbon Dioxide Removal Technologies

CO₂ Direct Air Carbon Capture and Storage (DACCS)



- CO₂ DACCU (direct air carbon capture and use) is well studied using LUT-ESTM through Power-to-X routes
- DACCU and DACCS have large technical potential and high sustainability when coupled with RE inputs
 - Not mature technologies yet; investment needed
- Literature assessment projects potential of:
 - 0.5 5 GtCO₂/annum (likely an underestimate)
 - 100 300 USD/tCO₂ (likely will cost less per ton by mid-century)



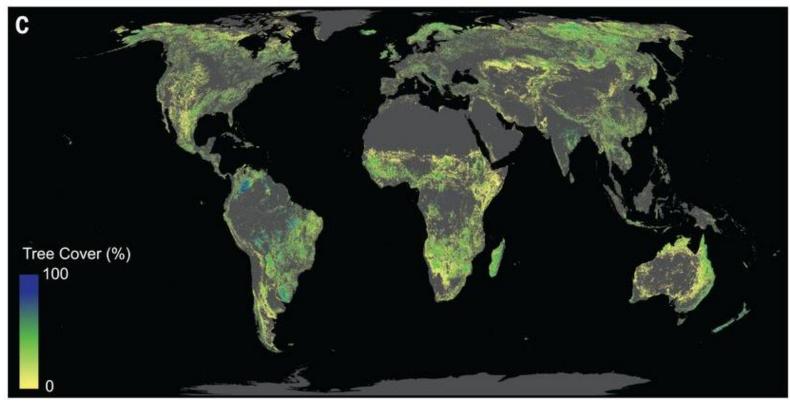


Carbon Dioxide Removal Technologies Afforestation/Reforestation

- Afforestation: planting of forests on previously unforested land
- Reforestation: planting of forests on lands that historically had forests but were converted to some other use
- Generally desirable, but limited option
- High risk of reversal: trees can easily burn or be cut down
- Global afforestation potential estimated at 0.9 billion hectares of forest
- Storage potential of up to 205 GtCO₂

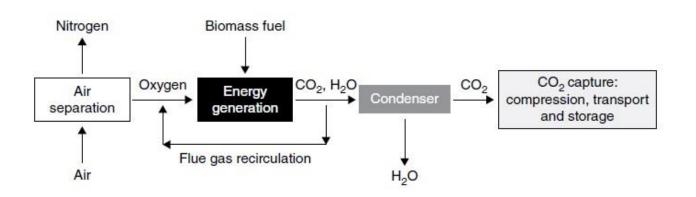
• 0.5 – 5 GtCO₂/a

- Limited but low-cost option for CCS
 - 5 50 USD/tCO₂



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Carbon Dioxide Removal Technologies Bioenergy with Carbon Capture and Storage (BECCS)



- **B. Bioenergy carbon** capture & storage Tech readiness Only 1 full scale demonstration Side-effects Trend after 2050 Cost Potential Permanence Stable
- Involves burning biomass in power plants and capturing and storing CO₂ in underground storage
- Favourite CDR/NET option of IPCC (alongside afforestation) due to ability to supply energy
 - Serious land and sustainability concerns
 - Baseload electricity, heat, and biofuel generation contributions of BECCS are less useful in a system dominated by variable renewable energies
 - Irrigation of biomass plantations for BECCS systems may increase water stress more than climate change itself, estimates show – a major negative impact
- Technical potential of 0.5-5 GtCO₂ in 2050 at 100-250 USD/tCO₂
 - Cost may increase as BECCS competes with other land uses

Williamson, P. Nature 530, 153–155 (2016)

van Vuuren, D. P. et al. Nature Clim Change 8, 391-397 (2018).

Carbon Dioxide Removal Technologies CO₂ Storage Options

- After being removed, CO₂ must be safely and permanently stored
- This criterion might not be met for every geological formation

CAS TANK The searchers have found fractures near a CO₂ storage site, suggesting that the gas might someday be able to leak out in small amount. Utsira formation Seigner field Utsira formation Utsira formation Edge to leak out in small amount. Fractures Cap rock CO₂ plume CO₂ injection well Natural-gas production well

- Better to convert CO₂ from gaseous state to a chemically inert solid, e.g.:
 - Minerals, such as carbonates
 - SiC, Carbon fibres



- In situ mineralisation in suitable geological formations
- Enhanced weathering
- Chemical process technologies



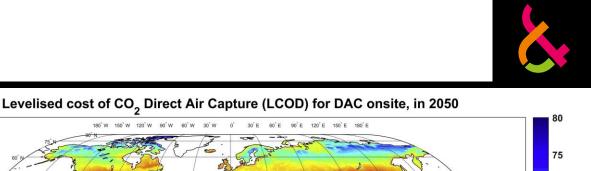
Carbon dioxide dissolved in water reacted with basalt (black) in this core to create carbonates (white), trapping the carbon in solid form deep beneath the ground.

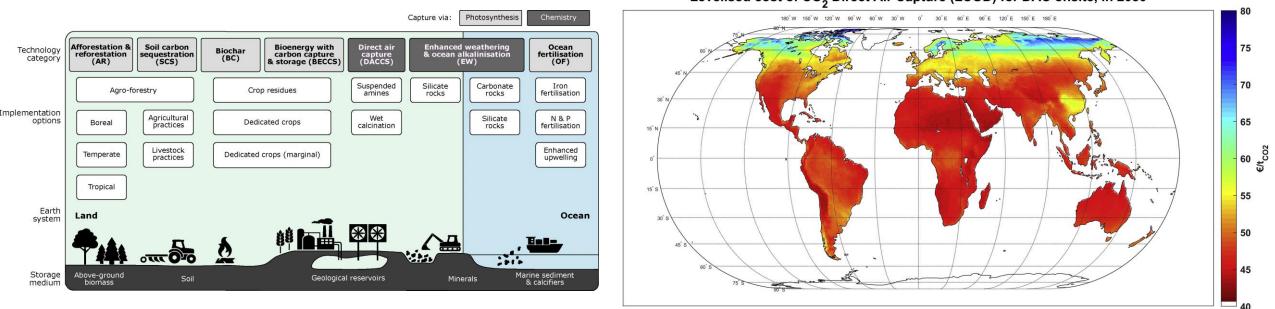
© Annette K. Mortense

Monastersky, R. Seabed scars raise questions over carbon-storage plan. *Nature* 504, 339–340 (2013) Snæbjörnsdóttir et al. Carbon dioxide storage through mineral carbonation. Nat Rev Earth Environ 1, 90–102 (2020).



Carbon Dioxide Removal Technologies Integration in LUT-ESTM 2.0





- Structure of LUT-ESTM allows for integration of CDR technologies, including their energy, water, and land use requirements
- We will develop a methodology linking a geographic information system platform to determine safe sites for different CCS technologies
 - We will assess potentials of technologies under strict sustainability criteria
- Techno-economic assessment of CDR technologies will enable cost-optimisation of long-term global and regional netnegative emissions scenarios

LUT-ESTM 2.0 Increased Spatial Resolution

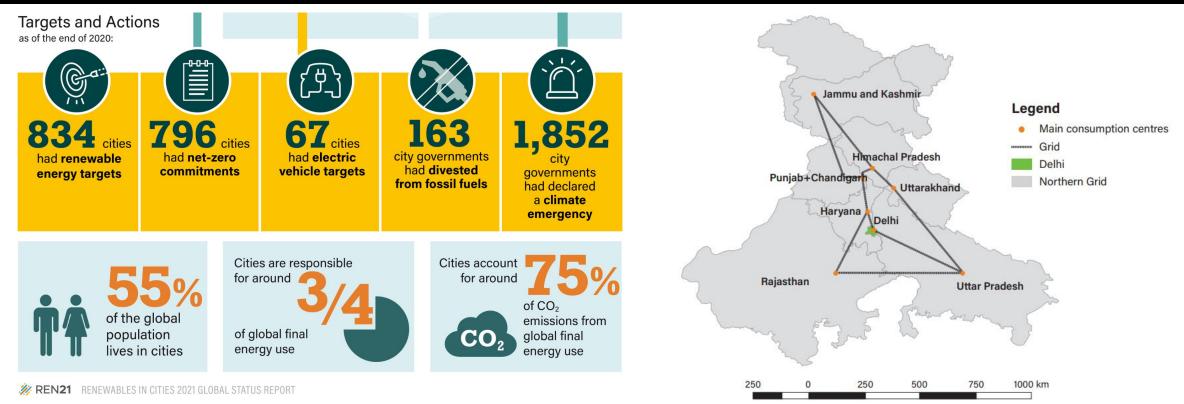




- Current structure of LUT-ESTM includes 9 major regions, 35 macro regions, and 145 meso-scale regions
- Will be expanded to more than 800 local regions
 - Competing models typically offer not more than 20 to 30 total regions globally
- Results will be available in nested, zoomable format for easy visualization of major, macro, meso, and local regions
 - Nested, zoomable format will enable researchers and energy system planners to understand their own regional transition pathways in the context of their regionally interconnected energy-industry system

LUT-ESTM 2.0 Role of Megacities





- With 800+ region model structure, major global cities will be represented by a single local region
- A megacity's specific systems can be analysed in detail showing sustainable pathways to net-zero emissions
- For the first time, the role and responsibilities of megacities will be transparent in a global model
- Proof of concept has already been achieved by LUT-ESTM 1.0 with a model of Delhi embedded in the North Indian grid



- With the development of LUT-ESTM 2.0, a tutorial-supported Open Science version (including source code and datasets supplied as freeware) will be freely available for the global research community and regional energy planners
 - Full transparency of model functionality in addition to already available cost and technical assumptions. These are highlighted in the figure in the immediately previous slide, which compares solar PV cost curve projections to 2050 of several different models – with LUT-ESTM 1.0 estimate pointed out near the bottom; LUT cost projections are taken from ETIP-PV covering technology and market experts assessments – see:
 - <u>Vartiainen, E., Masson, G., Breyer, C. ETIP-PV report (2017)</u>: The true competitiveness of solar PV: a European case study
 - <u>Variiainen, E. et al. (2020)</u>: future levelised cost of utility-scale solar PV
- Example research cases for each geographic level of LUT-ESTM will be made available for detailed study of model functionalities (global, macro, meso, local) within tutorial materials
- LUT-ESTM 2.0 will be the world's most sophisticated and high-resolution open-source bottom-up energy-industry-CDR system model

Development of T << 1.5 °C Global Energy Transition Pathways Scenarios for Restoring Safe Climate Conditions



- Stabilising global temperature at $\Delta T \approx 1.5^{\circ}$ C cannot reasonably be considered safe enough
- Five specific scenario groups will be researched comprehensively to study energy-industry-CDR consequences of stabilising at the following global temperatures:
 - Returning global temperature to ~1.5 °C by 2100 consistent with current international policy discourse
 - Returning to ~1.0 °C by 2100, reducing many of the effects of climate change but still entail long-term loss of coastal cities
 - Returning to ~ 0.5 °C by 2100 2150, the temperature at which Greenland Ice Sheet experienced a shift to accelerated mass loss
 - Stabilising at ~0.0 °C by 2100 2150, to restore global temperatures to the late Holocene era
 - Scenario for restoring stability of Greenland and West Antarctic Ice Sheets, which may require global average temperatures below late Holocene era, or technical measures to add gigatons of snow and ice to these ice sheets to restore ice mass stability, as proposed by <u>Feldmann et al. (2019)</u> for West Antarctic Ice Sheet

1.5 °C	
1.0	
0.5	
0.0	
Ice mass restoration	



• LUT-ESTM 2.0 will be:

- First ESM that encompasses modelling of NETs and a sustainable industry sector based on green hydrogen and direct air capture and carbon utilisation (DACCU), e.g. e-fuels like synthetic kerosene jet fuel
- The leading ESM for scenarios in the 1.0 1.5 °C range, and for < 1.0 °C scenarios
- ESM with the highest geographic resolution, with over 800 local regions nested within 145 meso-regions and 9 major regions, showing interactions between local, regional, and global energy systems
- Key in assessing optimal locations for new renewable energy plants and corresponding storage options along with Gigafactory scale production facilities within each global region
- A powerful instrument for exploring cost-optimal and technically-stable supply pathways to achieving global energy prosperity and climate safety



- Funding is required to carry out the following tasks:
 - Development of LUT-ESTM 2.0, adding major new features:
 - Geospecific energy storage resource details for underground hydrogen storage and for pumped hydropower energy storage;
 - CDR (carbon dioxide removal / negative emissions technologies), and
 - Major increase in geographic resolution, from 145 meso-scale regions to 800+ local regions
 - Creation of several major energy and carbon transition scenarios for achieving both energy abundance and climate safety, covering the periods of
 - 2020-2100
 - **2100-2150**
 - Preparing a tutorial-supported freeware version of LUT-ESTM 2.0 and all its datasets to share with the global research community and with local, regional, and national energy system planners

- 5
- Standard annual cost for a researcher at LUT University is €100,000, covering salary, social insurance, LUT overheads
- 47 person-years (PYs) to fully develop LUT-ESTM 2.0 and implement global models of "Back to the Holocence" pathways totalling €4.7 million
- Five key work packages:
 - WP1. Technologies
 - 8 PY (€800k) for adding new resource potential data and additional technologies, including:
 - NETs (DACCS, BECCS, Afforestation, Carbon mineralisation, Carbon sequestration in soils)
 - Underground hydrogen storage potential, linked to geological data
 - Pumped hydro energy storage potential at 1-km² global resolution
 - WP2. Nested Regional Datasets
 - 6 PY (€800k) for refining geographic resolution from 145 to 800+ regions
 - Including energy and energy storage resource data, data input profiles, visualisation tools, and data validation



- WP3. Back to the Holocene Pathways
 - IS PY (€1600k) for preparation of combined global net-zero emissions energy technology pathways and netnegative emissions pathways for all major regions and the world as a whole, including definition of CO₂ trajectories coordinated with climate system researchers, and preparation of the five main scenario lines
 - 5 PYs (€500k) for model intercomparisons: PyPSA (an ESM), and three IAMs (REMIND; MESSAGE; IMAGE), and coordination
- WP4. Open Science Freeware Preparation
 - 6 PY (€600k) for preparing LUT-ESTM and related datasets for Open Science release with comprehensive documentation, tutorials, and workshops
- WP5. Financing and Socio-political factors for implementation
 - 5 PY (€500k) for generating ideas for financing and considering socio-political factors analogous to the climate justice debate and to develop recommendations for action.
- WP6. Dissemination
 - 6 PY (€600k) for dissemination of LUT-ESTM 2.0 to external institutional users
 - This will include:
 - Many peer-reviewed scientific publications
 - Corresponding media impact
 - Free-to-download textbook by a major publisher covering LUT-ESTM methods and key findings



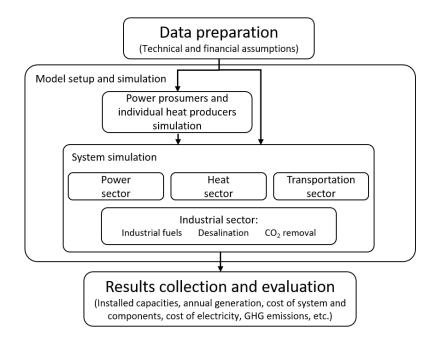
Prof. Dr.-Ing. Christian Breyer, Head of team, LUT University, Finland: <u>Christian.Breyer@lut.fi</u> Dr. Christoph Gerhards, Project Manager, Germany, <u>admin@backtoholocene.info</u>

Back to the Holocene

More details below

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- High-resolution 0.45° x 0.45° spatial and weather data are used to estimate the regional potential of renewable energy sources
- Only sustainable biomass is considered
 - Forest and paper industry wastes (black liquor, bark, sawdust)
 - Solid wastes (non-recyclable municipal wastes and used wood)
 - Solid residues (agriculture and forestry residues), and
 - Biogas feedstock (municipal biowastes, manure, sludge)
- More information on how biomass resources are considered in LUT-ESTM can be found in <u>Mensah, O. T. et al. Renewable Energy 173, 297-317 (2021)</u>



Bogdanov, D. et al. Nature Communications 10, 1077 (2019). Bogdanov, D. et al. Energy 227, 120467 (2021). Bogdanov, D. et al. Applied Energy 283, 116273 (2021).

LUT-ESTM 1.0 Modelling of Sectors





- Power Sector:
 - Regional grid infrastructure input to model electricity trade between subregions
 - Distributed into residential, commercial, and residential end-users
- Heat Sector:

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- Demand categorised into four final uses: space heating, domestic hot water, industrial process heat, and biomass for cooking (in developing countries)
- Industrial process demand further classified into low, medium, and high temperature demands

LUT-ESTM 1.0 Modeling of Sectors

- Transport Sector
 - Demands are separated into road, rail, marine, and aviation and further separated into passenger and freight transport
 - Road segment consists of light duty vehicles, 2 and 3 wheelers, passenger buses, freight medium duty vehicles, and freight heavy duty vehicles, each with a suite of powertrain options: ICE, BEV, PHEV, FCEV
 - Transport demands can be satisfied by liquid fuels (fossil, bio, e-fuels), electricity, hydrogen, or liquefied methane. Ammonia and methanol will be added next, and efuels are fully enabled
- Industry Sector
 - Industries include cement, steel, chemical, aluminium, and pulp and paper industries
 - Encompasses options for feedstock switching to enable fossil-fuels-free processes
- Desalination Sector

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- Modelled by several different desalination technologies plus water storage systems
- Provides freshwater supply to match future water demand that cannot be met due to existing or projected water scarcity

Khalili, S. et al. Energies 12, 3870 (2019). Bogdanov, D. et al. Energy 227, 120467 (2021). Bogdanov, D. et al. Applied Energy 283, 116273 (2021). Caldera, U. & Breyer, C. Energy 200, 117507 (2020).

Back to the Holocene Research Project Christian Breyer ► christian.breyer@lut.fi

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LUT-ESTM 1.0 Sector Coupling

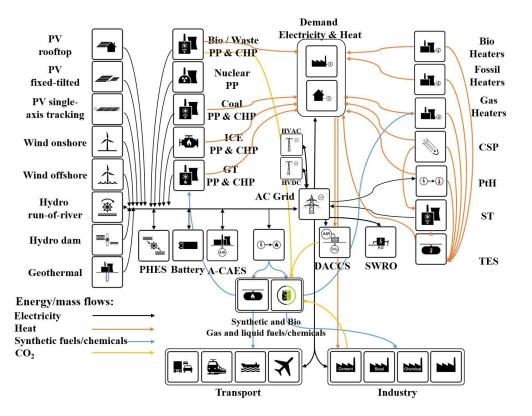
- LUT-ESTM interlinks all sectors to develop a cost-optimized, grid stable, and supply stable system for all hours of the year
- Cost optimisation is done according to the following equation:

 $\min(\sum_{r=1}^{reg} \sum_{t=1}^{tech} (\text{CAPEX}_{f} \cdot \text{crf}_{t} + \text{OPEXfix}_{t}) \cdot \text{instCap}_{t,r} + \text{OPEXvar}_{t} \cdot \text{E}_{gen_{t,r}} + \text{rampCost}_{t} \cdot \text{totRamp}_{t,r}))$

Electricity supply is matched with demand using the following equation

 $\forall h \in [1,8760] \quad \sum_{t}^{tech} \mathbf{E}_{gen,t} + \sum_{r}^{reg} \mathbf{E}_{imp,r} + \sum_{t}^{stor} \mathbf{E}_{stor,disch} = \mathbf{E}_{demand} + \sum_{r}^{reg} \mathbf{E}_{exp,r} + \sum_{t}^{stor} \mathbf{E}_{stor,ch} + \mathbf{E}_{curt} + \mathbf{E}_{other}$

- More information on optimisation functionality can be found in Bogdanov, D. et al. Low-cost renewable electricity as the key driver of the global energy transition towards sustainability. Energy 120467 (2021)
- More information on LUT-ESTM sector coupling can be found in Bogdanov, D., Gulagi, A., Fasihi, M. & Breyer, C. Full energy sector transition towards 100% renewable energy supply: Integrating power, heat, transport and industry sectors including desalination. Applied Energy 283, 116273 (2021).

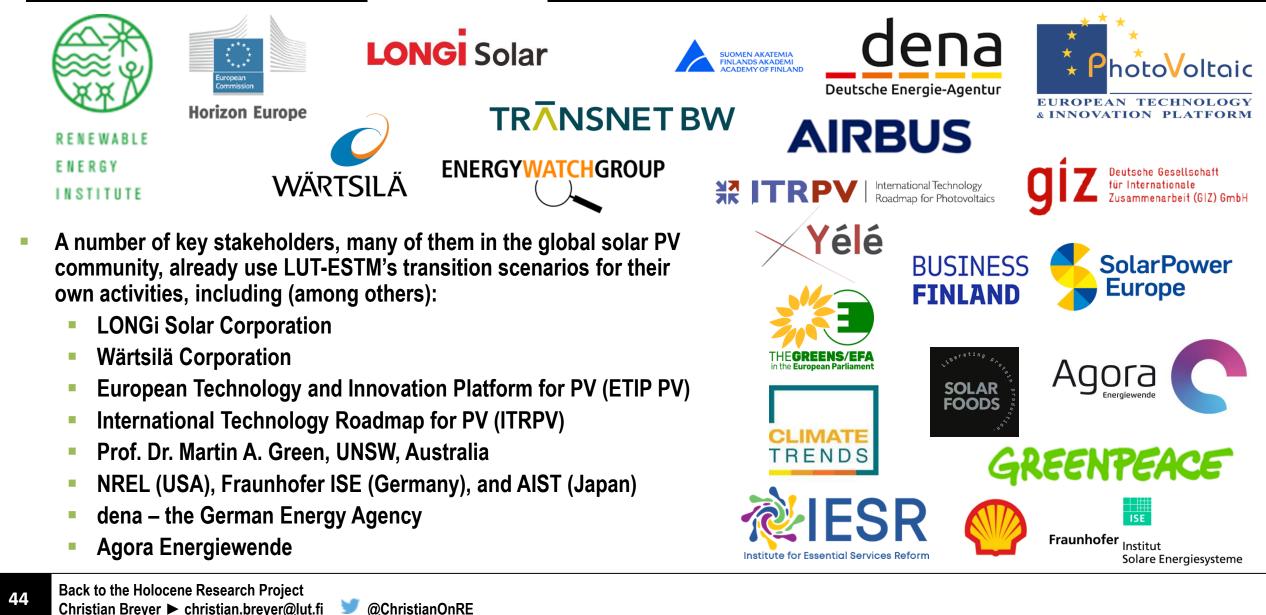




LUT-ESTM 1.0

Research Impact to Date





Types of Energy System Models

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- Top-Down vs. Bottom-Up
 - Top-Down uses an economic approach that focuses on aggregated data from observed market behaviour and aggregated indices (e.g. GNP, price elasticities) to examine interactions between the energy and economic sectors; it does not explicitly represent individual technologies
 - Bottom-Up takes an engineering approach with a focus specifically on the energy sector, using highly disaggregated data to describe technological options and energy end uses
- Perfect Foresight vs. Myopic
 - The Perfect Foresight approach assumes that decision-makers have complete knowledge of the whole energy system transition between the initial state and desired end-state, including information on cost trends, variation in consumption, decommissioning of existing capacities, and future improvement of efficiency
 - The Myopic approach is characterized by the model's transition intervals (5-year time steps in the LUT model) being divided into a series of optimisation problems in which the output of the prior interval is the input for the following simulation year; thus developing 'Best Policy Scenarios.' Myopic scenarios are more realistic they don't assume decisionmakers can see far into future
- Short-term vs. Long-term
 - Short-term, or Static, models cover a short temporal period and typically analyse the energy system configuration and alternatives in a target year, without paying attention to the years between the reference year and target year (i.e. there's no description of the transition; these are sometimes called "overnight" or "greenfield" models)
 - Long-term models function over a longer time period. They analyse the evolution of the energy system over the transition to a net-zero- or net-negative-emissions future target year, and they include additional variables such as equipment lifecycles, residual capacity of legacy systems, plant decommissioning and commissioning during the transition



- Importance of high spatial and temporal resolution:
 - A single-node model (e.g. EnergyPLAN, LEAP) defines the region of study as a single 'node' and aggregates all demand and resource data within that region into a single set of numbers with no geographic subdivisions. It assumes no internal bottlenecks or losses, particularly with regards to the transmission of electricity. The resulting inaccuracies increase as the geographic scope of the research model increases.
 - A multi-nodal model (e.g. LUT-ESTM, PyPSA, OSeMOSYS) divides the region of study into several interconnected nodes, enabling consideration of subregional features and differences, including spatial distribution of transmission lines, of variable renewable resources, and of centres of consumption.
 - Multi-nodality is important for research into the feasibility of distributed or highly interconnected energy systems.
 - High temporal resolution is essential when considering a future energy system composed primarily of variable renewables, to ensure there is a sufficient combined supply of ongoing energy harvest plus energy storage to meet energy demand for each given hour of the year, taking into account seasonal differences.
 - As model complexity increases with the addition of new technologies, sector coupling, and the supply/storage/demand flexibility required for the system to integrate a high share of variable renewable energy inputs, high temporal resolution is required, despite the increase in computational cost.

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- Until now, Integrated Assessment Models (IAMs) have been the main tool guiding global and national climate policy
 - Key IAMs are MESSAGE, REMIND, IMAGE, among others
- IAMs have severely underestimated the role of solar PV in future energy systems due to their unrealistically high future cost projections for solar PV, but also due to their lack of sector coupling and their low temporal and geographical resolution
- Compared to IAMs, LUT-ESTM has much higher technical, spatial, and temporal resolution in its modelling of a fully sector coupled energy-industry system of power, heat, transport, industry, and desalination
- With LUT-ESTM 2.0 we will further greatly increase spatial resolution to 800+ local regions, and release all source code and data as Open Science freeware to any researchers interested in creating their own scenarios
- LUT-ESTM 2.0 will add a carbon dioxide removal (CDR) sector to LUT-ESTM, consisting of a full suite of CDR technologies
- Together, these changes will make LUT-ESTM 2.0 a fully transparent sector-coupled cost-optimising Energy-Industry-CDR global-regional-local techno-economic model of unprecedented technical, spatial and temporal resolution, available to researchers and energy system planners worldwide
- LUT-ESTM 2.0 will enable highly-resolved scenarios for each region's sustainable energy-industry transition pathway, with energy supply matched to energy demand for every hour of the full year (all 8760 hours) to ensure stability

From carbon budget (300 GtCO₂,2020, 83%, 1.5°C), uncertainty level (220 GtCO₂) and estimated Emissions from 2020 on (580 GtCO₂) a CDR demand of about 500 GtCO₂ is calculated for reaching 1.5°C

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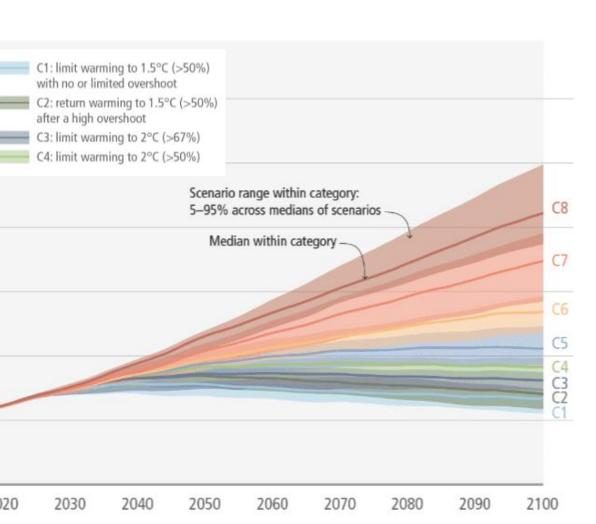
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Global warming relative to 1850–1900 (°C)

- With 250 Gt/0.1K this corresponds to about 1750 GtCO₂ for reaching 1.0°C
- Costs of CO₂ removal and storage are projected to be in average of about 65 €/tCO₂ depending on applied technologies
- To reach 1.0°C by 2100 about 2300 b€ need to be spend annually in second half of the century to remove 35 GtCO₂ per year this, corresponds to about global military expenses or about 0.5% of global GDP

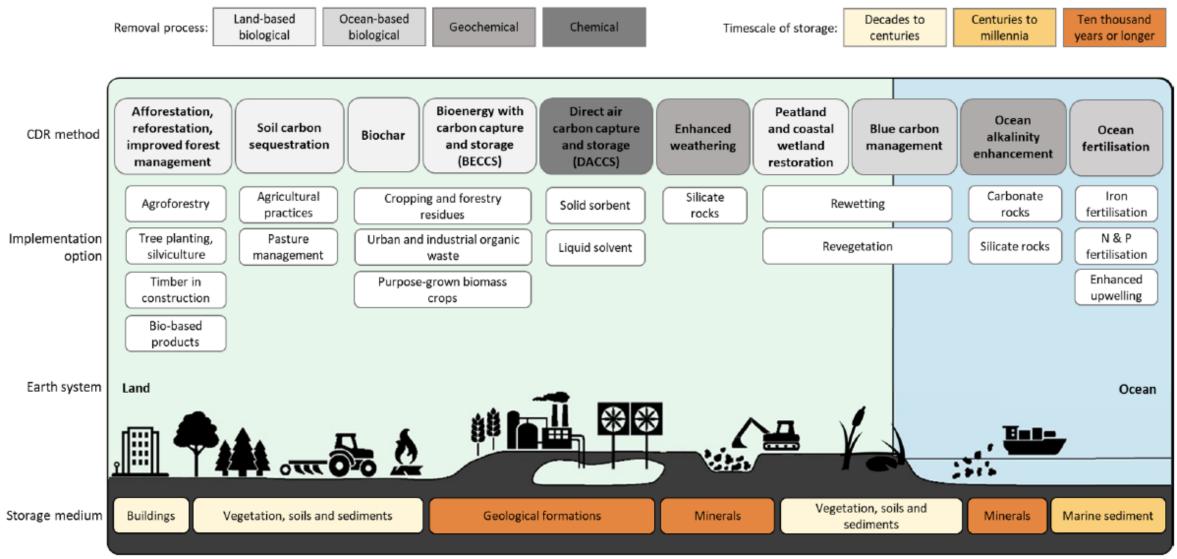






CDR Technologies Overview



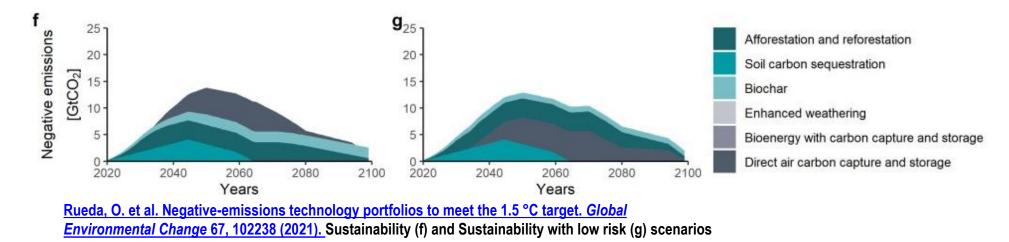


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https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_Chapt er12.pdf Cross-Chapter Box 8, Figure 1

Sustainability of NETs BECCS vs DACCS





- To develop large-scale BECCS, large areas of land would be required to grow energy crops for CO₂ removal
- To remove ~600 GtCO₂ cumulatively, the land requirement would be upwards of 1/3 of arable land on the planet
 - BECCS should therefore be limited to burning biogenic waste
- Costs for BECCS, while relatively low in the short term, may increase as BECCS competes with other land uses such as food production and biodiversity protection
- Present status of research suggests that DACCS outperforms BECCS in cost, area demand, impact on ecosystems, and water stress
- Research also indicates that DACCS is the most attractive NET when considering emissions mitigation effectiveness, feasibility, and negative side impacts

Sustainability of NETs Afforestation

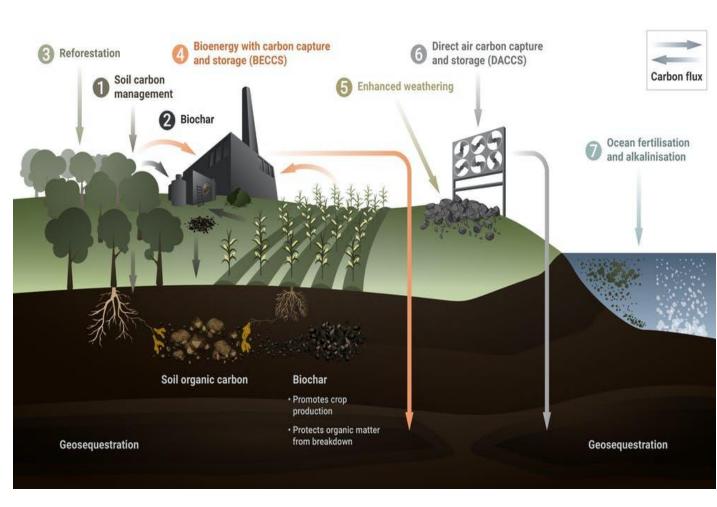




- Afforestation can degrade biodiversity, e.g. if wild grasslands are replaced with tree plantations
- Effects of climate change, including drought, wildfires, and disease, could affect the viability and stability of carbon storage of forests
- Current research projects that boreal, desertic, montane, and temperate forest cover will increase by ~130, ~30, ~30, and ~30 Mha, respectively, while tropical forests will decrease by around 450 Mha by 2050
- We will see net global losses of forest cover on a scale of ~230 Mha by 2050, largely due to loss of tropical forests

Sustainability of NETs CO₂ Storage Options

- Unclear if storage of gaseous CO₂ can be considered as a safe and permanent storage
 - CO₂ injection known to cause fractures in geological formation in caprock projects in Algeria and Norway
- CO₂ mineralisation therefore an important technological issue to explore
 - Can be performed through:
 - Enhanced weathering
 - Coupling of CO₂ DAC with above-ground mineralisation
 - Removing CO₂ from the air and storing it underground as carbonate materials
- Solid CO₂ storage is much more likely to be permanent and nontoxic

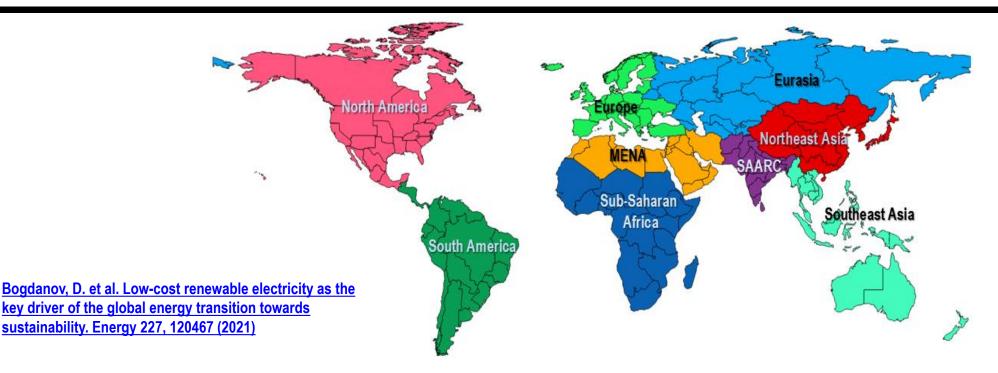




Increasing Geographic Resolution

The Next Level of Spatial Structure

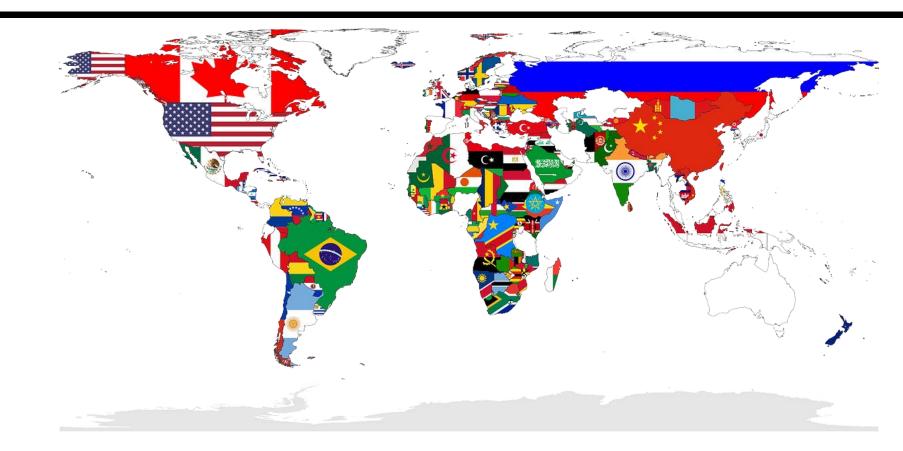




- LUT-ESTM will be able to model each country individually and divide larger countries into regional units
- Total local regions will be over 800
- Single country analyses (with regional structuring of each country) already performed for <u>Bolivia</u>, <u>South Africa</u>, <u>Ghana</u>, <u>Ethiopia</u>, <u>Finland</u>, <u>Israel</u>, <u>Turkey</u>, <u>Iran</u>, <u>Turkmenistan</u>, <u>Bangladesh</u>, <u>Indonesia</u>, <u>Japan</u>
- First megacity resolution studies using LUT-ESTM already performed for cases of <u>Delhi</u> and <u>Tehran</u>

Increasing Geographic Resolution What is required





- Highly disaggregated datasets needed to optimally set up new regional structure with 800+ regions
- Improved spatial datasets needed for pumped hydro energy storage and underground hydrogen buffer storage
- Regional structures will be provided in nested format to zoom from 800+ local regions to 145 meso regions to 35 macro regions to 9 major regions

Increasing Geographic Resolution Example Case: Europe and Algeria



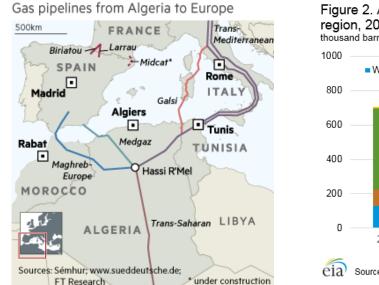
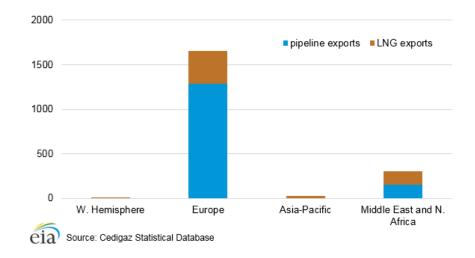


Figure 2. Algeria crude oil and condensate exports by destination region, 2013 – 2017 thousand barrels per day

Figure 4. Algeria natural gas exports by destination region, 2016 billion cubic feet



- Algeria is currently a major supplier of natural gas and oil to Europe and Africa
- As Europe shifts away from fossil fuels, Algeria faces the prospect of losing most of its export revenues
- LUT-ESTM 1.0 would already be capable of developing an energy-industry transition model for the case of Algeria that
 encompasses Algeria's key export markets as well as their domestic economy. This would help Algeria assess options for
 transitioning from exporting fossil fuels towards manufacturing and exporting e-fuels, e-chemicals, "green steel" and other
 goods that can be produced using cheap solar PV and wind-based electricity
- Applying LUT-ESTM 2.0 to the case of Algeria would allow for more precise modeling of pipeline routes from Algeria to Europe
- Conversely, European researchers would be able to use LUT-ESTM 2.0 to explore scenarios for how countries like Algeria can be included in Europe's Green Deal economic transformation

LUT-ESTM Independently Assessed

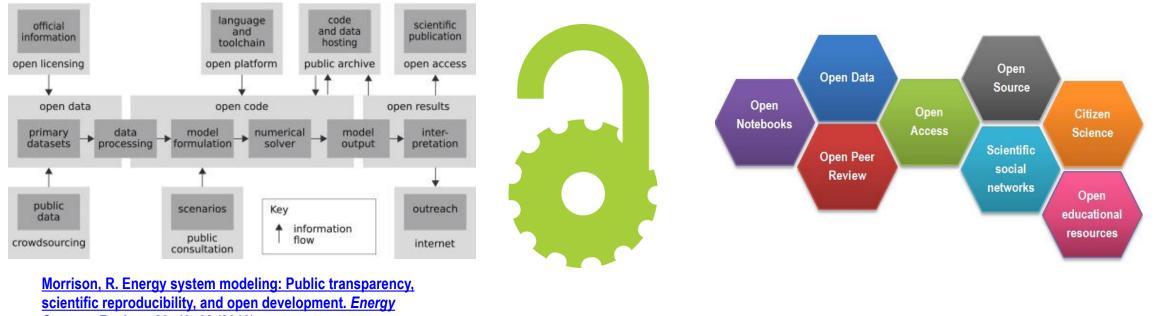
Long-term Models in Comparison: LUT-ESTM Tops the Rankings

Bottom-up long-term models	Foresight approach					
		In time	In space	In techno- economic detail	In sector coupling	Transparency
LEAP [120]	Perfect foresight	Low	Low	Low	High	Medium
MARKAL/TIM ES [101,102]	Perfect foresight	Low	Medium	Low	High	Low
OSeMOSYS [104,105]	Perfect foresight	Low	Medium	Low	High	High
Temoa [107,108]	Perfect foresight	Low	Medium	Low	High	High
MESSAGE [110]	Perfect foresight	Low	Medium	Low	High	Low
Balmorel [112]	Perfect foresight	High	High	Medium	Low	High
eMix [121]	Perfect foresight	Medium	Medium	High	Low	Low
EPLANoptTP [119]	Perfect foresight	High	Low	Low	High	Medium
Mahbub et al. [118]	Myopic	High	Low	Low	High	Medium
LUT [114,117]	Myopic	High	High	Medium	High	Medium

- In an independent <u>assessment</u>, LUT-ESTM has been ranked as one of the most advanced among all energy models capable of handling long-term energy transitions, because of its high time resolution (energy supply and demand matched for all 8760 hours of the year), high geospatial resolution, and built-in sector coupling
- MESSAGE is the only Integrated Assessment Model (IAM) in the "long-term model" class

Prina, M. G., Manzolini, G., Moser, D., Nastasi, B. & Sparber, W. Classification and challenges of bottom-up energy system models - A review. Renewable and Sustainable Energy Reviews 129, 109917 (2020).

Open Science LUT-ESTM Maximising Transparency and Encouraging Model Uptake



<u>Strategy Reviews 20, 49–63 (2018).</u>

- Increased transparency helps to increase scientific quality, eases collaboration between scientists and policymakers, and establishes transparent knowledge basis
- Financial and technical assumptions for LUT-ESTM are always published in our research articles as Supplementary Material
- Detailed tutorials and user-friendly interface will be developed for LUT-ESTM 2.0
 - Example research cases will be included for each geographic level
 - Annual two-week fee-for-service summer schools will be offered for new users

Open Science LUT-ESTM Model Intercomparisons

Bottom-up long-term models	Foresight . approach					
		In time	In space	In techno- economic detail	In sector coupling	Transparency
LEAP [120]	Perfect foresight	Low	Low	Low	High	Medium
MARKAL/TIM ES [101,102]	Perfect foresight	Low	Medium	Low	High	Low
OSeMOSYS [104,105]	Perfect foresight	Low	Medium	Low	High	High
Temoa [107,108]	Perfect foresight	Low	Medium	Low	High	High
MESSAGE [110]	Perfect foresight	Low	Medium	Low	High	Low
Balmorel [112]	Perfect foresight	High	High	Medium	Low	High
eMix [121]	Perfect foresight	Medium	Medium	High	Low	Low
EPLANoptTP	Perfect	High	Low	Low	High	Medium

High

High

High

foresight

Myopic

Myopic

[119]

Mahbub et al

[118]

LUT

[114,117]

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Medium

Medium

Medium

Offering freeware versions of LUT-ESTM 2.0 will open the door for researchers to develop scenarios with their preferred data inputs and constraints

Low

Low

High

Low

Low

Medium

High

High

High

- Will make in-depth model intercomparison studies more feasible (e.g. between LUT-ESTM and PyPSA or TIMES, OSeMOSYS, etc.)
- Full transparency is required due to heterogenous and complex computational nature of ESMs

Prina, M. G., Manzolini, G., Moser, D., Nastasi, B. & Sparber, W. Classification and challenges of bottom-up energy system models - A review. Renewable and Sustainable Energy Reviews 129, 109917 (2020).

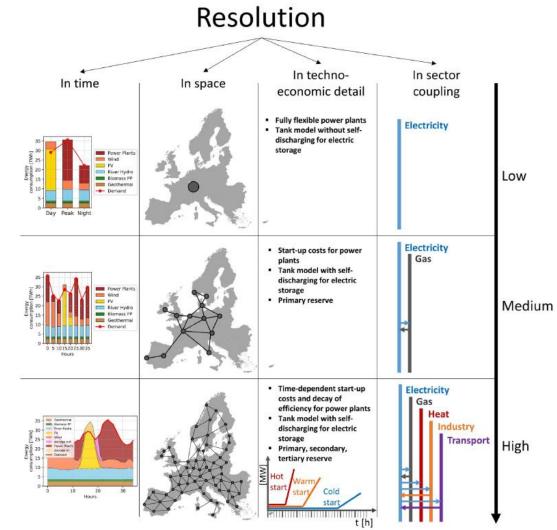


Fig. 2. Scheme of Energy system models challenges. The matrix is composed of four different resolution fields and three levels of resolution

Open Source LUT-ESTM

Key Solar PV Capital Cost Inputs

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- Here we can observe a perplexingly wide range of future cost degression estimates for solar PV, with 2050 capital cost estimates ranging from 196 USD/kW for fixedtilted solar PV plant from LUT-ESTM to 1728 USD/kW from GCAM4.2_ADVANCE, a difference of 1532 USD/kW – nearly an order of magnitude!
- LUT-ESTM has the best historical track record in terms of projecting future cost degressions of solar PV, and best describes the projected PV capital cost trajectory given what we know today
- LUT-ESTM PV costs are based on ETIP-PV projections

Model / Study / YoPª	Model Type	2020	2025	2030	2035	2040	2045	2050
LUT-ESTM fixed tilted / 2021	ESM	510	397	328	280	244	217	196
LUT-ESTM fixed tilted / 2019	ESM	682	548	459	396	353	318	289
LUT-ESTM single-axis / 2021	ESM	561	437	361	308	269	239	216
LUT-ESTM single-axis / 2019	ESM	750	603	505	436	388	349	319
Larson et al. / 2019	ESM	1,431	1,348	1,204	1,109	1,046	988	932
NREL ATB_2019_Low	ESM	924	751	578	496	433	395	365
NREL ATB_2019_Mid	ESM	1101	992	883	834	785	742	700
GENeSYS-Mod / 2018	ESM	685	550	461	398	354	319	291
Teske/DLR / 2019	ESM	1,038	-	773	-	593	-	498
Greenpeace / 2015	ESM	1550	-	1160	-	920	-	680
IEA USA ^{b,c} / 2020	IAM	1,198	-	688	-	304	-	-
IEA India ^{b,c} / 2020	IAM	599	-	354	-	310	-	-
EnergyPLAN / 2018	ESM	980	-	815	-	-	-	661
DNE21+ V.12A 2015	IAM	3,227	2,714	2,283	-	1,615	-	1,143
GCAM4.2_ADVANCE, 2017	IAM	2,059	-	1,914	-	1,806	-	1,728
IMAGE 3.0 USA, <u>2017</u>	IAM	1,591	1,491	1,395	1,311	1,232	1,177	1,131
MESSAGEix-WEU, 2017	IAM	2,084		1,732		1,513		1,394
MESSAGEix-USA, 2017	IAM	2,690		2,104		1,772		1,586
POLES MILES, 2016	IAM	2,249	2,038	1,928	1,846	1,763	1,677	1,606
PRIMES_2015	IAM	1,519	1,404	1,288	1,219	1,150	1,090	1,031
REMIND 1.6, <u>2015</u>	IAM	1,670	1,634	1,594	1,526	1,424	1,300	1,180
WITCH-GLOBIOM 4.4, <u>2016</u>	IAM	1,742	1,620	1,521	1,433	1,357	1,290	1,229

^a Year of Publication

^b Value listed for 2020 provided as a 2019 value

^c From IEA's Sustainable Development Scenario (SDS) <u>Vartiainen, E., Masson, G., Breyer, C. ETIP-PV report (2017)</u>.

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Vartiainen, E. et al. Progress in Photovoltaics: Research and Applications 28, 439-453 (2020).

Research Impact

Mapping National and Regional Pathways to Net-Zero Emissions



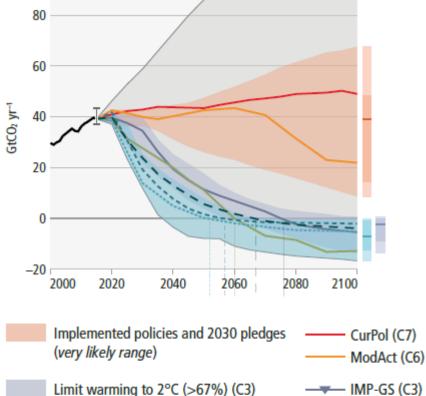


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- IPCC scenarios (see figures at right: from IPCC 2022 AR6 WG3 GFig. SPM5) generated to date only envision pathways limiting global heating to 1.5 °C. However, new climate science shows 1.5 °C is NOT safe enough and would entail the loss of the world's coastal cities
- We will need to remove CO₂ from the air at a rate of ca. 10-35 GtCO₂/a during the second half of the present century reach 1.5° or lower
- Governments need to better understand the macrofinancial consequences of continuing to slow-walk necessary shut-downs of fossil "assets" like coal- or gas-powered electricity generating stations
- LUT-ESTM 2.0 will be more than just an energy system modelling tool. It will be an integrated energy-system plus industry plus carbon dioxide removal global-regional-local modelling tool.
- By showing the relationship between energy provision and carbon dioxide removal in high temporal and geographic resolution, and by enabling comparisons of the financial costs of acting sooner vs. later to defossilise energy and industry systems, LUT-ESTM 2.0 will make a major contribution to the energy and climate policy discourse





IMP-GS (C3)

- - - IMP-SP (C1)

Limit warming to 1.5°C (>50%) with no or limited overshoot (C1) (very likely range)

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(very likely range)



- Large scale afforestation and carbon soil sequestration
 - Medium risk: Access to datasets for potential afforestation
 - Mitigation: Acquiring low resolution datasets on main climatic zones which can then be linked to population data, so that scarcely used areas could be alternatively identified
 - Medium risk: Access to datasets on degraded land
 - Mitigation: Contacting and co-working with Jatropha planting & other afforestation experts
- BECCS vs DACCS and Long-term carbon storage
 - No relevant risks have been identified
- Data Availability and Structuring of 800+ regions
 - Medium risk: Interlinking nested datasets and model structures that will allow for zooming function
 - Zoom in/zoom out function is so far completely unresearched for long-term energy system models
- Open Science
 - Low risk: Lack of experience with Open Sourcing
 - Mitigation: Cooperation with other open-source energy system modelling teams (e.g. PyPSA) can help with challenges arising from open sourcing



- Overall complexity of very high-resolution energy-industry-CDR transition modelling
 - Medium risk: Increased complexity of adding further variables to an already complex model
 - Mitigation: Experience of LUT Solar Economy research group in fine-tuning a large, complex linear optimisation model
- Computational Infrastructure Limitations
 - Largest risk is complexity of local to global infrastructure interaction with grids, pipelines, and overseas shipping
 - Mitigation strategies can be developed to overcome complexity challenges
 - Additionally, cooperation partners DLR and Stanford University operate ESMs and could help in the case of very challenging computational limitations
 - A final mitigation option is reducing the model complexity by reducing number of technologies represented, reducing spatial resolution, and/or reducing number of time steps
- Collaboration with Scientists in Defining T << 1.5°C scenarios
 - Medium risk associated with developing suitable collaborations with climate scientists, as we will turn to them to define carbon trajectory constraints that will define the boundaries of our Back to the Holocene scenarios