

## LUT Lappeenranta University of Technology



## LOW-COST SOLAR PHOTOVOLTAICS AS AN ACCELERATOR OF ENERGY TRANSITION

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## **CHALLENGE (1/2)**

In Paris COP21 meeting the participating countries agreed on the target of 1.5 °C for global average temperature rise by 2100 from pre-industrial level. It requires net-Zero  $CO_2$  emissions from energy sector by 2050. How to reach this in the given time window?





# **CHALLENGE (2/2)**

The main contributors to energy sector GHG emissions are the burning of coal and gas for electricity and heat, use of oil for mobility, and industrial use of fossil fuels.



## INTRODUCTION SOLUTION

We have to transform the whole fossil energy and feedstock base of our industries to renewable one.

We have to implement circular carbon economy, which is scalable, net-CO2 emission free, is based on mass-produced technology (to be scalable fast enough) and is not tightly bound to the land use.



No new CO<sub>2</sub> emissions – switching to a circular carbon economy





**REFINING AND USE** 



NEO-CARDON ENERGI



## INTRODUCTION POWER-TO-X

With P2X process hydrocarbons (e.g. fuels) can be synthesized from electrically produced hydrogen and captured  $CO_2$  through thermochemical or biochemical route.





## INTRODUCTION FLEXIBLE FUTURE?

Future flexible energy system will be mainly based on the mass-produced solar and wind power. The whole energy use will be directly or indirectly electrified. Flexibility to the electricity system will be built with energy storages and demand response technologies.



# FINLAND & CO<sub>2</sub>

Finnish pulp and paper industry produces 36 Mt/a of  $CO_2$ , fossil fuel combustion is responsible of 60 Mt/a. By converting this bio- $CO_2$  to methane with P2G we would have ~170 TWh of gas. This equals the energy content of yearly oil & gas use in Finland, Estonia and Latvia. However, We will not have unlimited source or low-cost renewable electricity.





#### The wind power and solar PV electricity cost estimated in 2014



### Solar PV electricity cost estimates in 2018 (2014 estimates already outdated)





### Case 1: Hydrogenbased steel making

- Instead of coal, hydrogen will be used as a reducing agent in the prodition of the iron
- The process can cut the CO<sub>2</sub> emissions more than 90 % when hydrogen is produced with renewable electrcity by water electrolysis
- HYBRIT project by LKAB, SSAB and Vattenfall: http://www.hybritdevelopment.com





#### Additional cost (M€/a) compared to reference case Electrolyser CAPEX 650→300 €/kW & Greenfield BF+BOF

H2 DRI + EAF (M€/a) 35 €/MWh CO2 10 €/MWh 80 €/t 80 77 -259 74 -248 -226 -204 -181 19 -159 -137 -114 71 -238 -215 -193 -171 -148 -126 -104 68 -227 -205 -183 -160 -138 -116 -93 65 -217 -194 -172 -150 -127 -105 -83 62 -206 -184 -162 -139 -117 -95 59 -196 -173 -151 -129 -107 56 -185 -163 -141 -118 -96 53 -175 -152 -130 -108 50 -164 -142 -120 -97 -75 47 -154 -131 -109 -87 44 143 -121 -99 -76 -54 -32 41 -133 -110 -88 -66 38 -122 -100 -78 -55 35 -112 -89 -67 32 -101 29 26 23 20 10 44 46 48 50 52 54 56 58 60 62 64 66 68 70 72 74 76 78 80 16 18 20 22 24 26 28 30 32 34 36 38 40 42

Electricity (incl. transmission and net taxes), €/MWh

€/t

Source: Eemeli Tsupari, VTT, Neo-Carbon Energy, www.neocarbonenergy.fi

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### Case 2: Power-to-Liquids (solar+wind)





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http://www.neocarbonenergy.fi/wpcontent/uploads/2016/02/13\_Fasihi.pdf

#### **Results** Cost of Power-to-Fuel/Chemical Options



NEO

CARBON ENERGY



- SNG and PtG-GtL are the cheapest and the most expensive synthetic fuel, respectively.
- the production cost of RE-diesel, RE-methanol and RE-DME are close to each other, however the fuel-parity (cost competitiveness) depends on their respective market price and CO<sub>2</sub> emission cost.

http://www.neocarbone nergy.fi/wpcontent/uploads/2016/0 2/13\_Fasihi.pdf

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## How Bill Gates aims to clean up the planet



An artists impression of what Carbon Engineering's ambitious direct air capture project would look like when completed. Photograph: Carbon Engineering

It's a simple idea: strip CO2 from the air and use it to produce carbon-neutral fuel. But can it work on an industrial scale?

t's nothing much to look at, but the tangle of pipes, pumps, tanks, reactors, chimneys and ducts on a messy industrial estate outside the logging town of Squamish in western Canada could just provide the fix to stop the world tipping into runaway climate change and substitute dwindling supplies of conventional fuel.



https://www.theguardian. com/environment/2018/fe b/04/carbon-emissionsnegative-emissionstechnologies-capturestorage-bill-gates



## SOLETAIR LAUNCH DATE 14.6.2017



Site: <u>www.soletair.fi</u>, so far at least 35 Finnish media hits and more than 100 international media hits



