

## Insights from model based studies on 24/7 CFE procurement and green hydrogen regulation

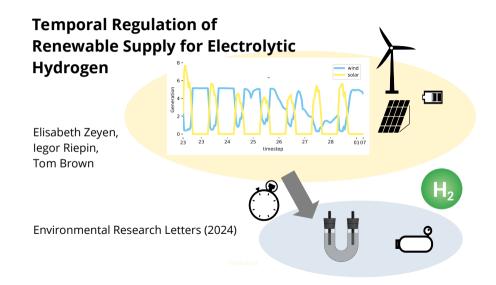
Elisabeth Zeyen & legor Riepin e.zeyen@tu-berlin.de || iegor.riepin@tu-berlin.de Technical University of Berlin DTU, 04 July 2024

#### **Clean Electricity Procurement**

How to match renewable generation with electricity demand?

- A concept of hourly matching got into the spotlight with debates on clean hydrogen regulation
- Also a foundation for voluntary 24/7 carbon-free electricity (CFE) procurement





#### Motivation - The Urgency of Green Hydrogen Standards

**Challenge**: Rapid scale up of affordable green hydrogen production without emissions increases.

#### What happened so far:

- Various standards are under discussion, differing in how strictly renewable generation must align with the electrolysis electricity demand.
- The EU adopted a Delegated Act in 2023, hourly matching from 2030
  → Delegated Act is subject to review in July 2028.

#### Questions We Want to Answer in This Study



How do various certification standards affect emissions?

How do regulations impact hydrogen production costs?

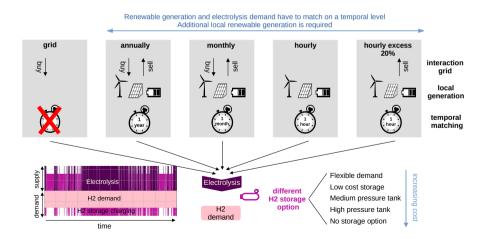
#### Scientific Novelty

**Quantify impact of individual modelling assumptions:** This includes hydrogen storage options, the background grid, and the methods used to model additionality.

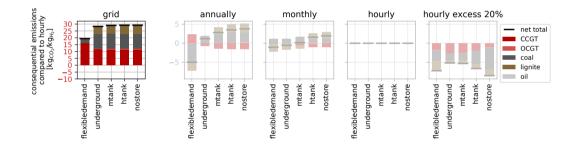
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#### Methods - Modelling Hydrogen's Temporal Regulation

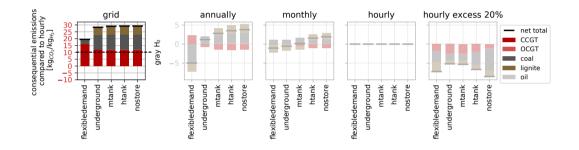
Hydrogen production in one selected European country with a constant hydrogen demand of 28  $TWh_{\text{H}_2}/a.$ 



#### **Results - Emission Impacts of Hydrogen Production: Germany 2025**

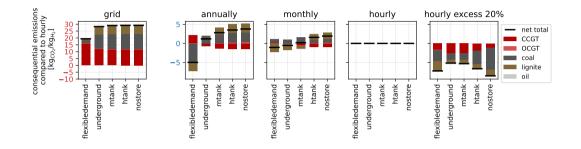


#### **Results - Emission Impacts of Hydrogen Production: Germany 2025**



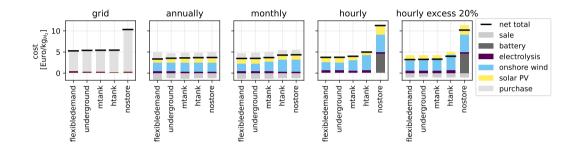
#### Additional local procurement is essential to prevent emission increases

#### **Results - Emission Impacts of Hydrogen Production: Germany 2025**



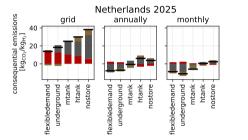
- Additional local procurement is essential to prevent emission increases
- The effects of annual and monthly matching are complex: flexible operations reduce emissions, but constant operations increase them

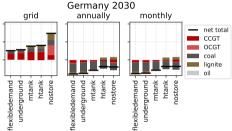
### **Results - Hydrogen Production Costs: Germany 2025**



**Small Cost Premium**: Hourly matching has a 7–8% cost premium over annual matching, given low-cost hydrogen storage or flexible demand

#### Comparing Hydrogen Production in Carbon-Intensive vs. Clean Grids





### Lower RES share of 49% Emissions can rise to nearly 4x the intensity of grey hydrogen.

Higher RES share of 80% With higher decarbonisation, temporal regulation of hydrogen production matters less.

## Take Aways - Temporal Regulation of Green Hydrogen Production

Green hydrogen certification: Low emissions & low costs require



Additional local renewable generation



👰 Temporal matching either

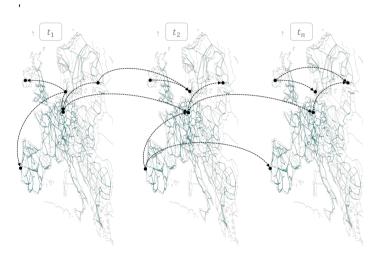
- Hourly with flexible demand or low-cost storage
- Annual with limited electrolysis full load hours
- Annual with a largely decarbonised background grid

#### Further interesting insights:

- High dependency of consequential emissions on the background system
- 8 © (i) Impact on how additionality is modelled

H <sub>2</sub>	

### Spatio-temporal load shifting for truly clean computing



legor Riepin Tom Brown Victor M. Zavala Working paper (2024) Code

#### Research on datacenter load flexibility



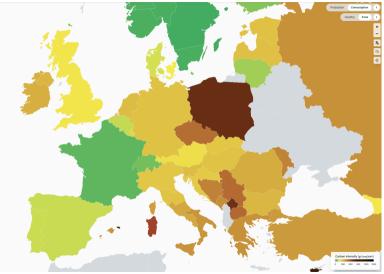
Electric Power Systems Research Volume 212, November 2022, 108586



# Using geographic load shifting to reduce carbon emissions



#### Market data and forecasts



Carbon intensity of electricity consumed Source: electricitymaps.com/map

#### ICT companies work on concepts and technical solutions

DATA CENTERS AND INFRASTRUCTURE

# Our data centers now work harder when the sun shines and wind blows



Addressing the challenge of climate change demands a transformation in how the world produces and uses energy. Cogoly has been acrobin entries are 2007, and 2019 minks the third year in a row that we're natached our energy usage with 100 percent measurements energy purchases. Now, we're working found 1347 clarafore energy exemption with 100 percent measurements energy purchases. Now, we're working of people around the world. To achieve 2447 clarbor-free energy, our data centers need to work more closely with cutorhole energy exemptions also alread wind. SUSTAINABILITY

# We now do more computing where there's cleaner energy

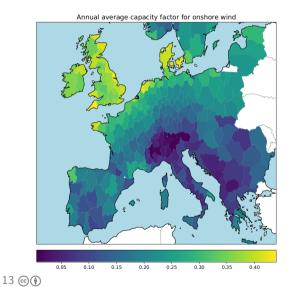
Aay 18, 2021 - 2 min read



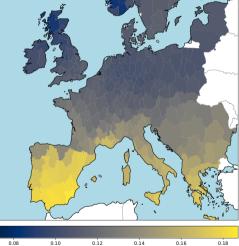


Sources: blog.google/data-centers-work-harder-sun-shines-wind-blows blog.google/carbon-aware-computing-location

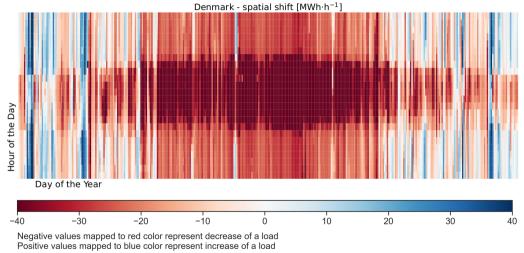
#### Signal 1: quality of local renewable resouces



Annual average capacity factor for solar PV

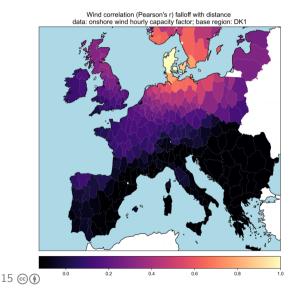


#### Time-series of optimized spatial load shifts

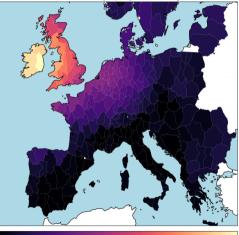


### Signal 2: low correlation of wind power generation over long distances

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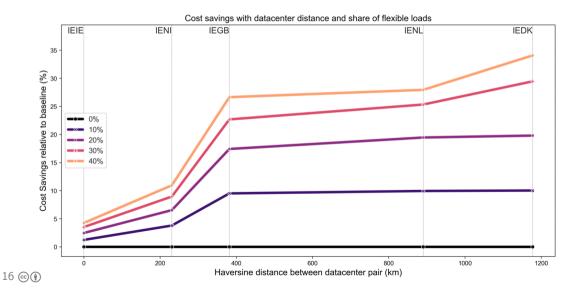


Wind correlation (Pearson's r) falloff with distance data: onshore wind hourly capacity factor; base region: IE5

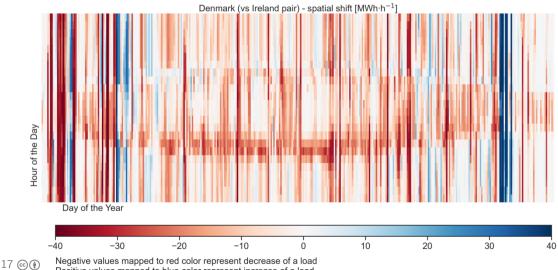




#### Cost savings as a function of distance between datacenter pair

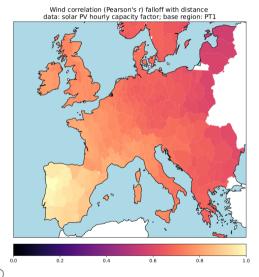


#### Time-series of optimized spatial load shifts (locations: DK-IE)

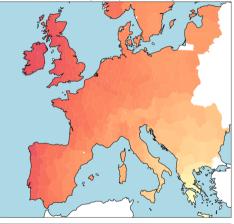


Positive values mapped to blue color represent increase of a load

## Signal 3: time lag in solar radiation peaks due to Earth's rotation (1/2)

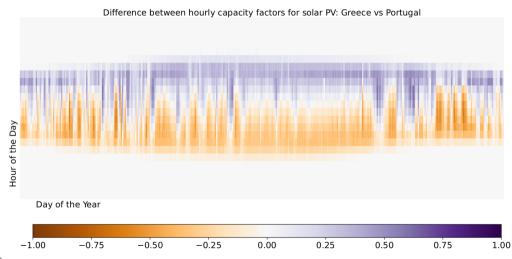


Wind correlation (Pearson's r) falloff with distance data: solar PV hourly capacity factor; base region: GR1



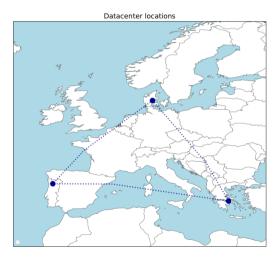


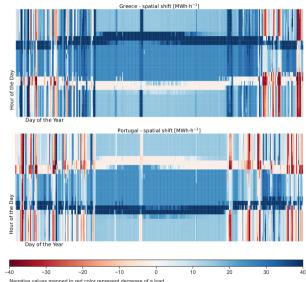
## Signal 3: time lag in solar radiation peaks due to Earth's rotation (2/2)



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#### Time-series of optimized spatial load shifts (locations: DK-PT-GR)





Negative values mapped to red color represent decrease of a load Positive values mapped to blue color represent increase of a load

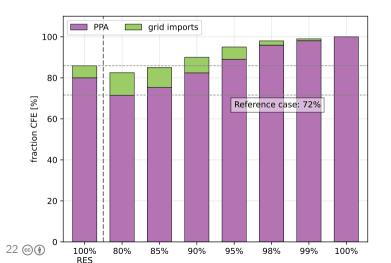
#### More insights in the published works

"Spatio-temporal load shifting for truly clean computing" (Mar 2024): paper: <u>https://arxiv.org/abs/2405.00036</u> code: <u>https://github.com/Irieo/space-time-optimization</u>

"The value of space-time load-shifting flexibility for 24/7 CFE procurement" (July 2023): study: https://zenodo.org/records/8185850 code: https://github.com/PyPSA/247-cfe/tree/v0.3

- Results for co-optimised and isolated utilisation of space-time load-shifting
- Results for different matching targets
- Results for advanced technology options (e.g., Long Duration Energy Storage)
- 24/7 CFE cost breakdowns and procurement strategies for individual locations
- Synergies and trade-offs between spatial and temporal load shifting
- Analysis of net load migration across locations
- The costs of 24/7 CFE are reduced by  $1.29\pm0.07 \in /MWh$  for every additional percentage of flexible load

## On hourly matching, grid signals and load flexibility Fraction of hourly demand met by CFE



- Modelled region: Ireland 2030
- 72%—average CFE score in the background grid
- CFE score above this treshold requires contracting own CFE resources
- 24/7 CFE buyer relies more on directly contracted resources as target CFE score tightens Riepin and Brown (2023).

## Contacts, Resources, Acknowledgements

References: Temporal regulation of renewable supply for electrolytic hydrogen (2023) References: More about the 24/7 CFE research project (2022-2024)

**Code:** This work done in a spirit of open and reproducible research:

- Code: github.com/PyPSA/247-cfe
- Code: https://zenodo.org/records/8324521

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