

# Der Wert von Recycling für das Gelingen der deutschen Energiewende

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12. INTERNATIONALE ENERGIEWIRTSCHAFTSTAGUNG AN DER TU WIEN

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# Agenda

- Motivation and Objective
- Energy System Model FINE.NESTOR
- Results
- Summary

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# Motivation and Objective

## Deutsches Ressourceneffizienzprogramm III

- Emphasizing role of **resource efficiency** to reach **climate goals** [1]



### Deutsches Ressourceneffizienzprogramm (ProgRes)

Programm zur nachhaltigen Nutzung und zum Schutz der natürlichen Ressourcen



- „The chemical industry faces the challenge of **electrifying** their production processes, **close carbon cycles**, and **substitute fossil with renewable raw materials**. This requires **inter-sectoral solutions**, [...] supply of **renewable electricity** and **raw materials**, expansion of **electricity and gas grids**, and addressing questions of **societal acceptance** [...]“ [2]

*What is the impact of recycling on the German energy system?*

*How does the defossilization of the chemical industry affect the industrial transformation?*

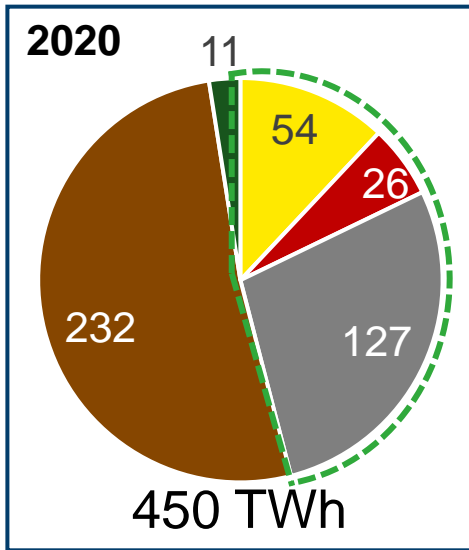
► Analyses of these two strategies are necessary to evaluate future...

- ... primary energy demand
- ... import dependency
- ... Energy system design costs
- etc.

[1] BMU 2020. Deutsches Ressourceneffizienzprogramm ProgRes III. [2] BMU-PM Nr. 086/21. 03.05.2021. Bundesumweltministerium unterstützt Chemische Industrie auf dem Weg zur Treibhausgasneutralität

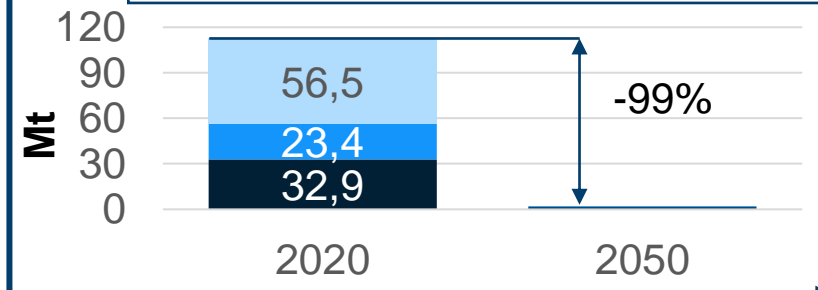
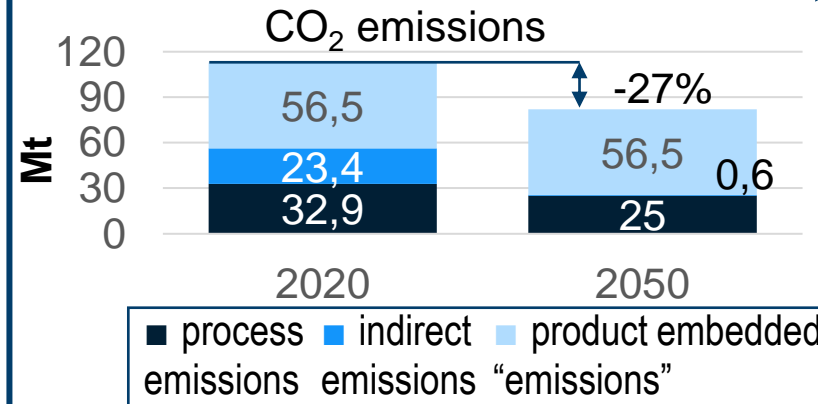
# Non-energetic Demand of the Chemical Industry

Energy and feedstock demand of chemical industry in TWh [1]

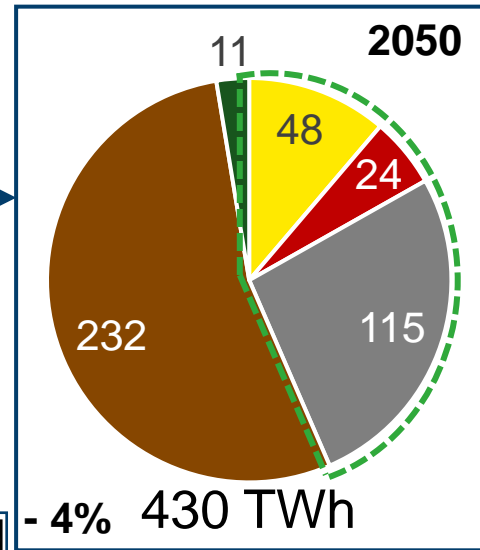


► Energetic share considered in most energy scenarios

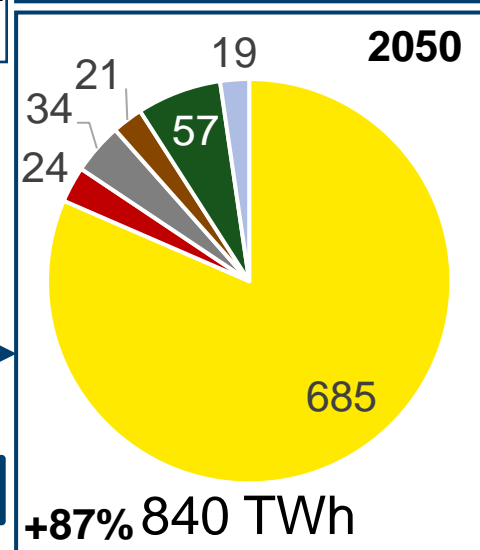
- Electricity
- Fossil fuels
- Recycl. feedstock
- District heat
- Fossil feedstock
- Biomass feedstock



Business as usual [1]



Climate gas neutral [1]



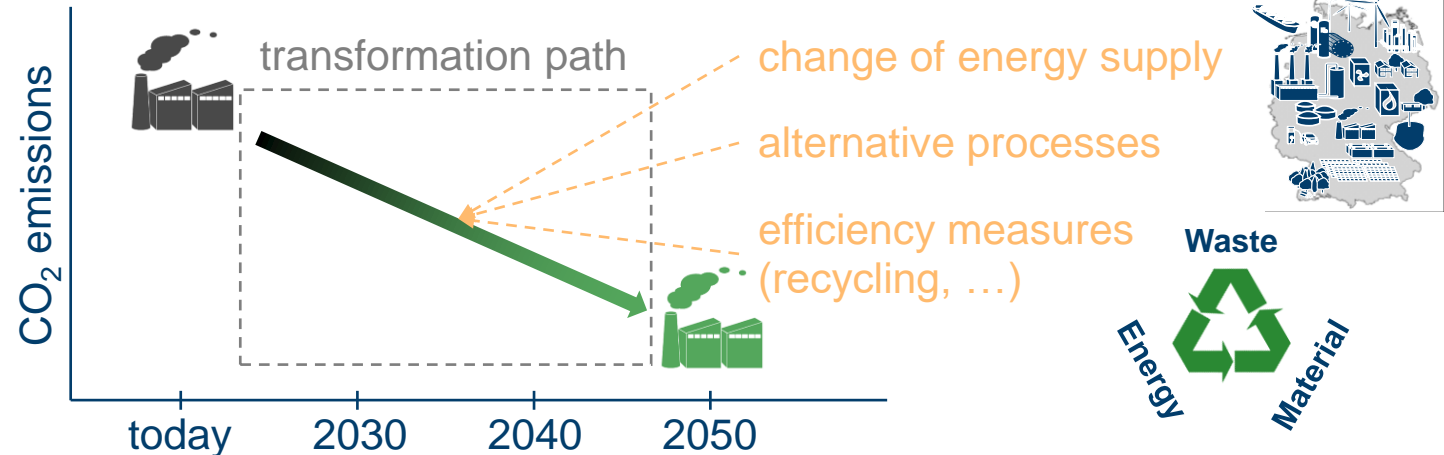
**Non-energetic feedstock has a dramatic effect on the energy system**

[1] FutureCamp Climate GmbH, DECHEMA. Roadmap Chemie 2050, München 2019.

# Objective

## Research Question

*How does the German industry develop under the transformation towards a national low-carbon energy system in 2050?*



*What are cost-efficient CO<sub>2</sub>-reduction strategies in the industry sector?*

## Shortcomings of current energy system models

- *Consideration of material flows*
- *Consideration of non-energetic demand*
- *Integrated recycling measures*



Journal article:  
*Combining the worlds of energy systems and material flow analysis: a review*

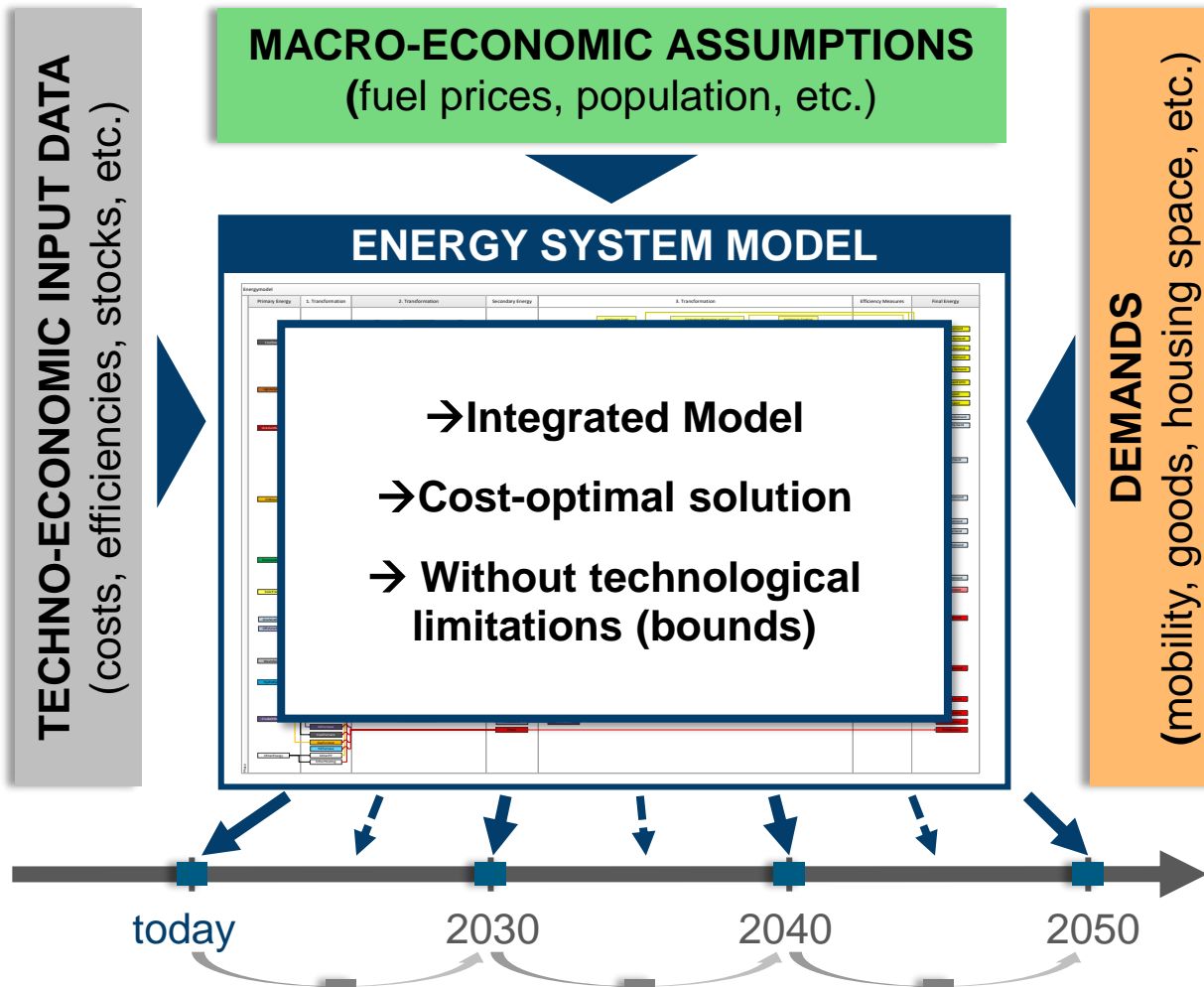
[1] Kullmann et al., Combining the worlds of energy systems and material flow analysis: a review. Energy, Sustainability and Society, 2021.

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# Energy System Model FINE.NESTOR [1]

*'How does the least-cost future energy system of Germany look like under consideration of climate goals?'*



## Basic Approach

### Integrated energy system model

- Hybrid bottom-up approach
- Quadratic Programming – Cost Optimization
- Myopic transition analysis
- Time series aggregation
- Temporal resolution of 1 hour
- Spatial pseudo-resolution of 9 regions

### Highlights

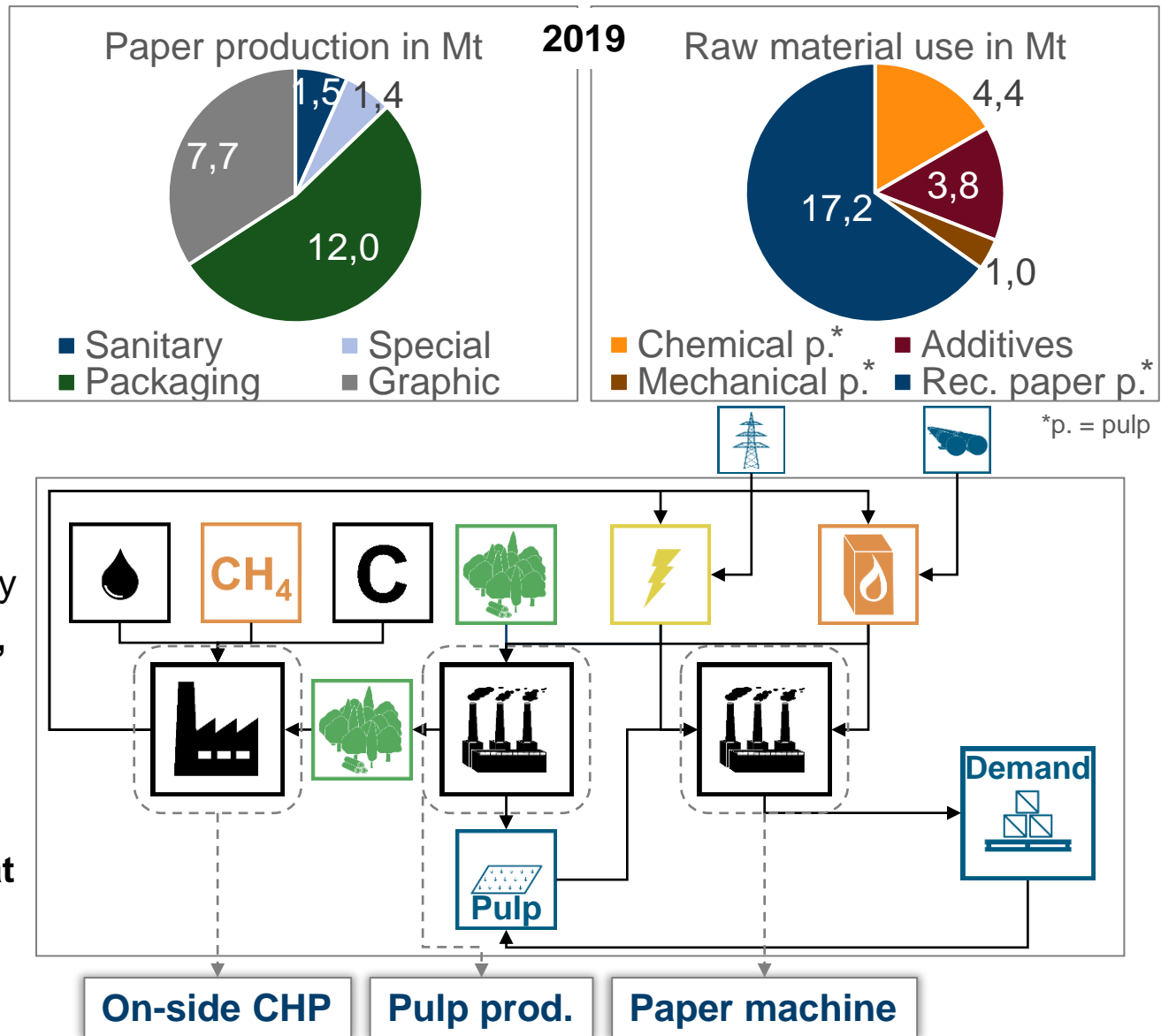
- Detailed implementation of:
  - PtX technologies
  - Infrastructural aspects
  - Biomass allocation
  - Energy efficiency measures
  - Energy storage technologies
- Consideration of cost uncertainties
- Interaction with other models

[1] Lopion, P. et al., Cost Uncertainties in Energy System Optimization Models: A Quadratic Programming Approach of Avoiding Penny Switching Effects. *Energies* 2019, 12, 4006 pp.



# Implementation

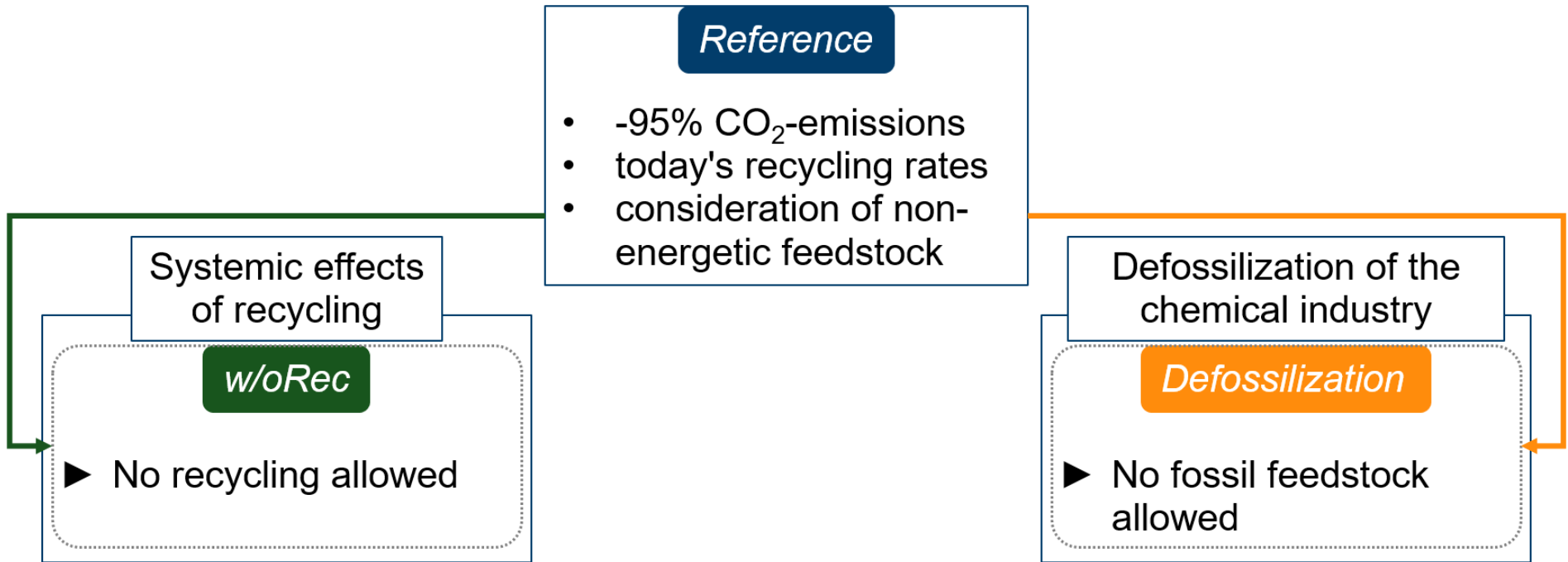
- Example: production of paper
- Industry sector with high process heat demand (~60 TWh final energy demand, 15.5 TWh electricity demand[1])
- High share of biomass-based energy use from process residues and on-side electricity production (11 TWh residues, 7.2 TWh electricity production[1])
- High share of waste paper recycling (Recycling rate is at 100% for some paper qualities[1])



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# Scenario Definition

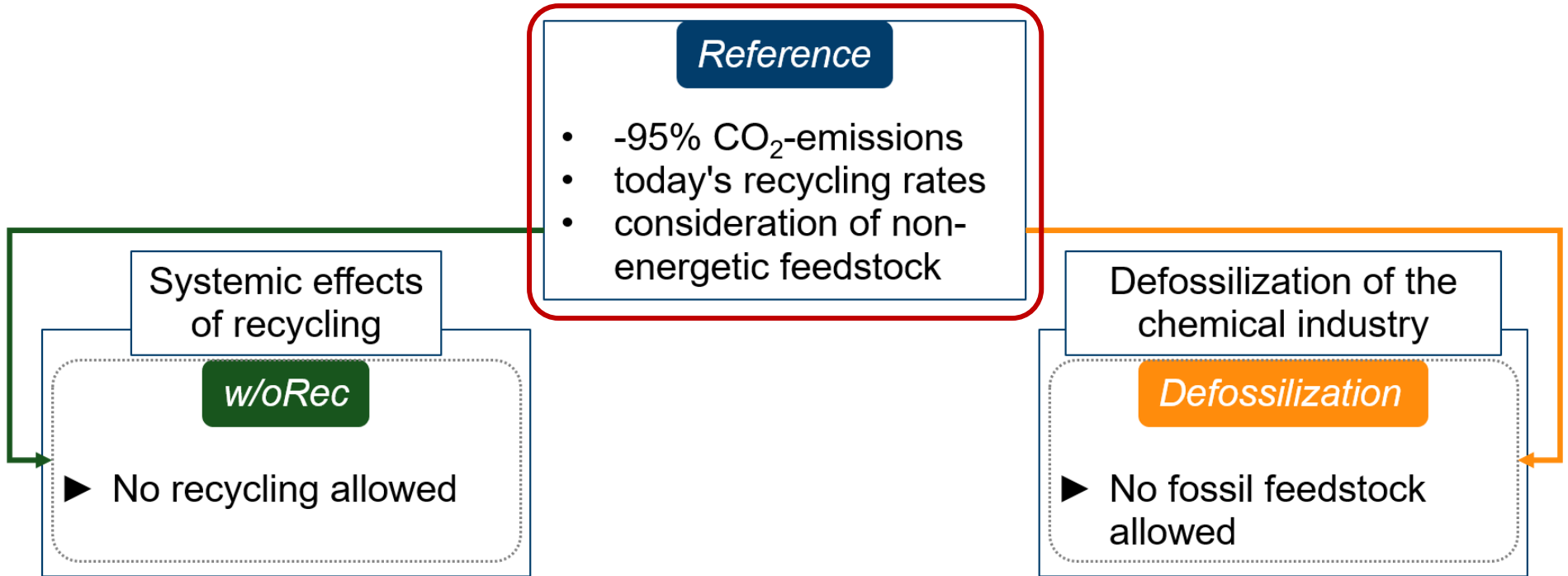


Reference scenario as base line for comparison

Recycling scenario to evaluate the worth of recycling for the German energy system

Defossilization scenario to analyse the effects of feedstock substitution in the chemical industry

# Scenario Definition

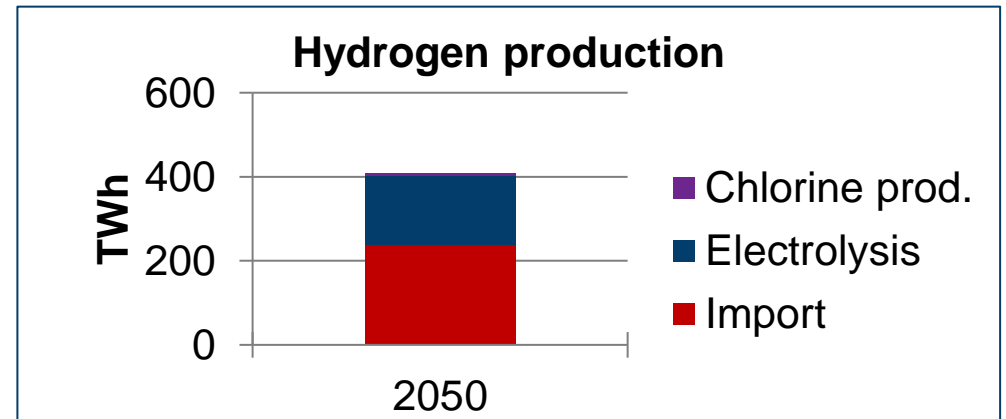
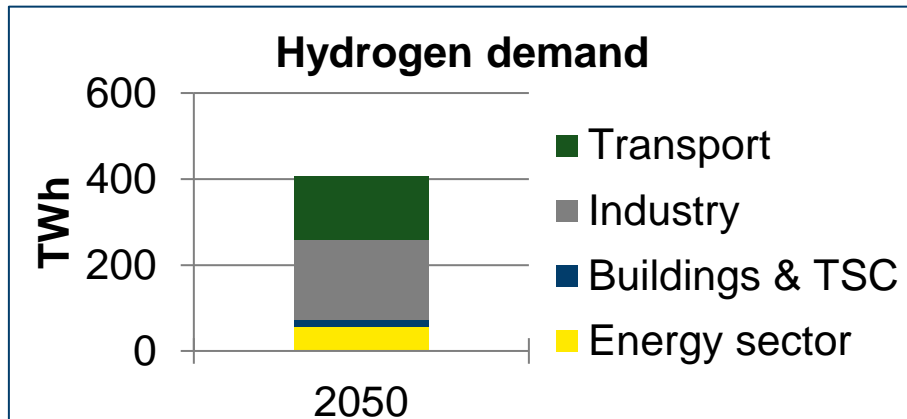
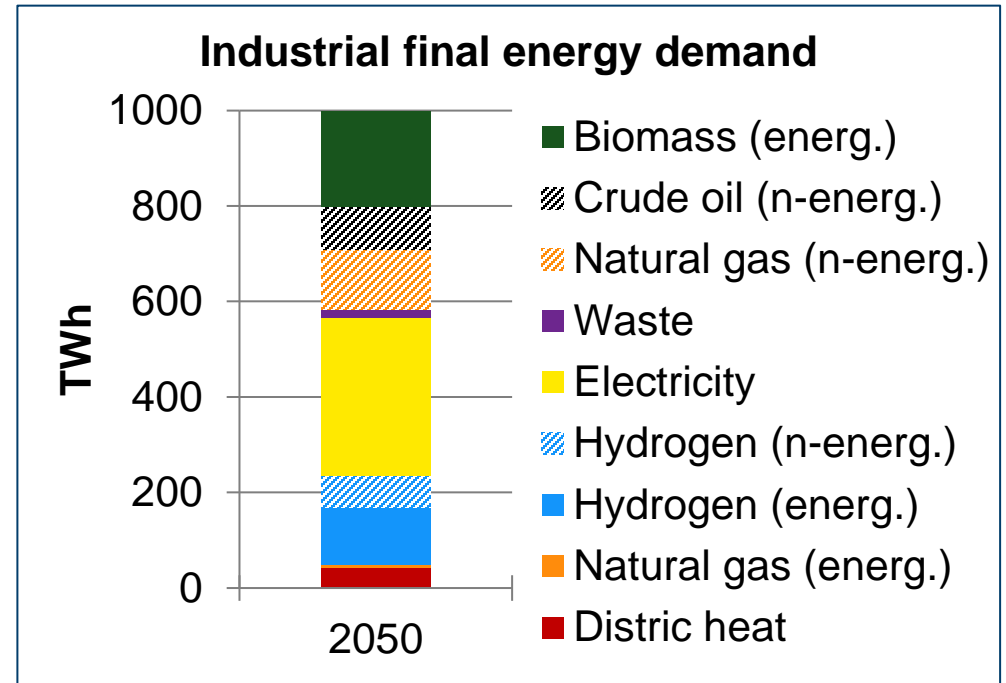
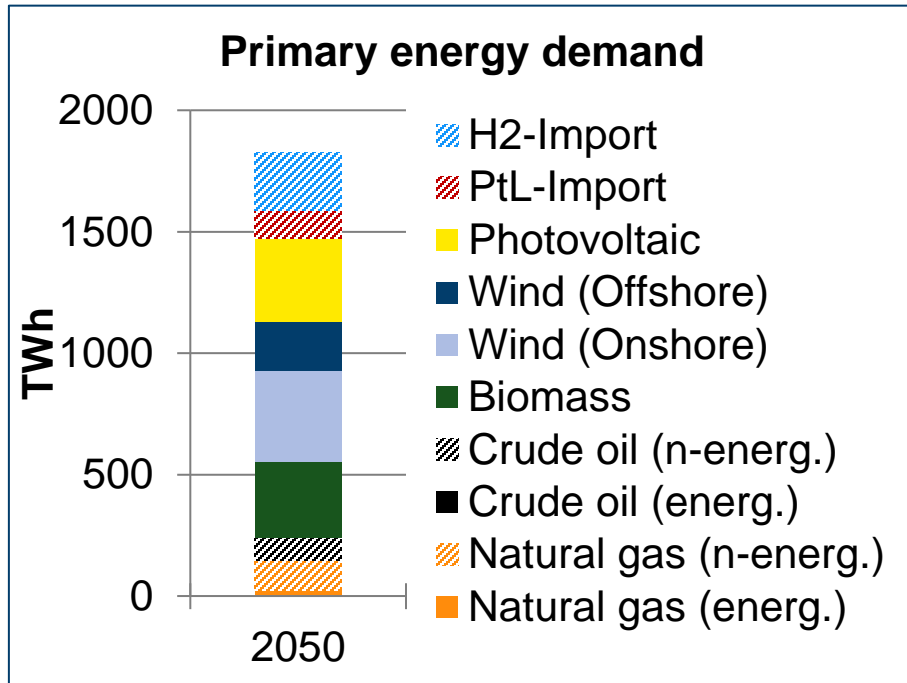


Reference scenario as base line for comparison

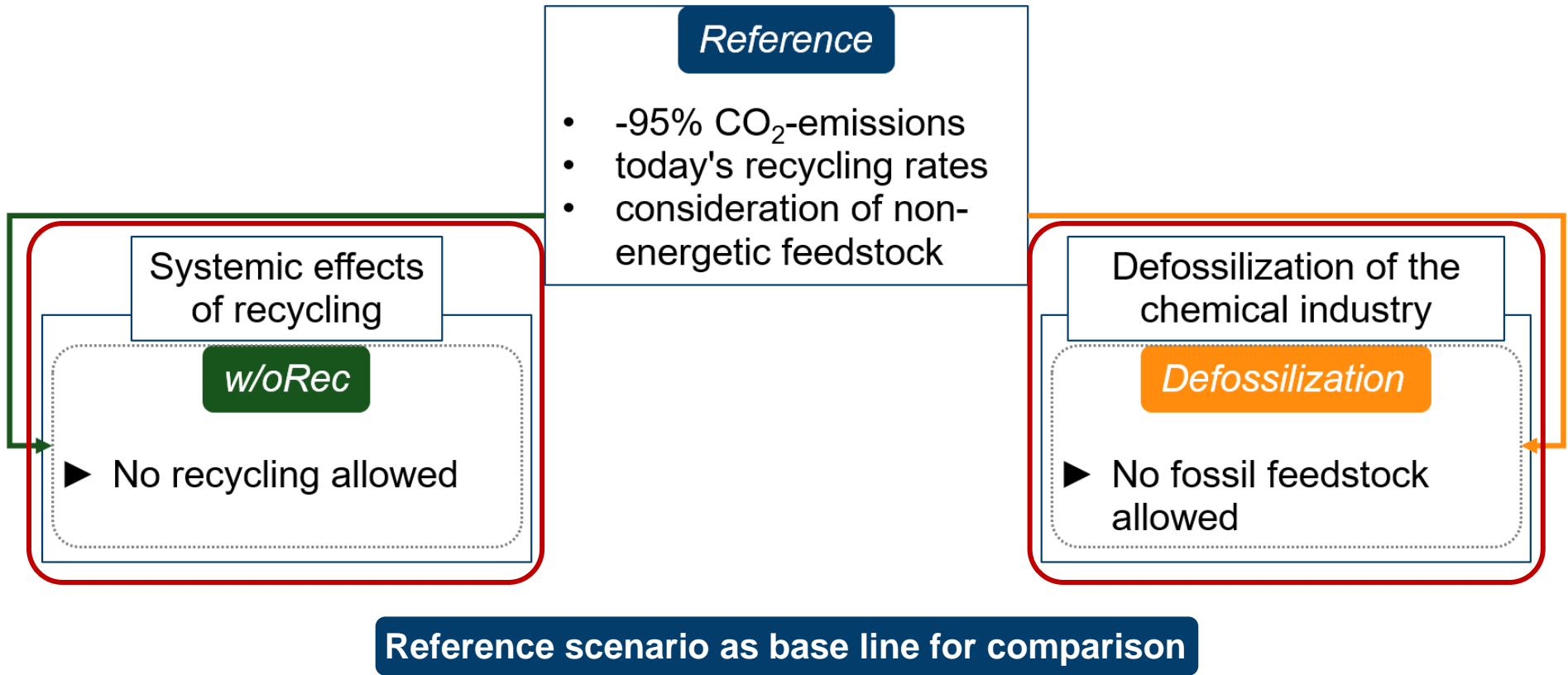
Recycling scenario to evaluate the worth of recycling for the German energy system

Defossilization scenario to analyse the effects of feedstock substitution in the chemical industry

# Reference Scenario – selected results



# Scenario Definition

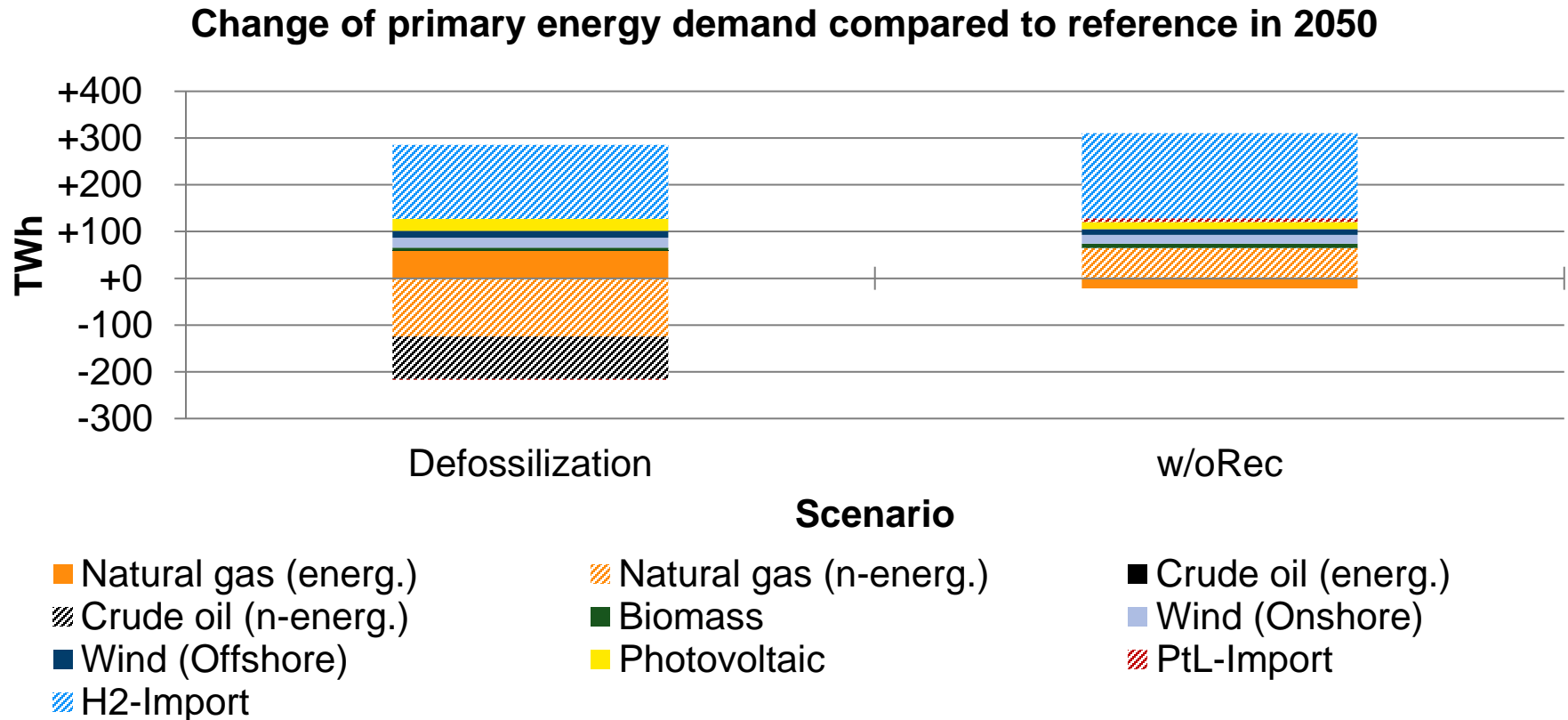


**Recycling scenario to evaluate the worth of recycling for the German energy system**

**Defossilization scenario to analyse the effects of feedstock substitution in the chemical industry**

# Results

## Comparison of Primary Energy Demand in 2050

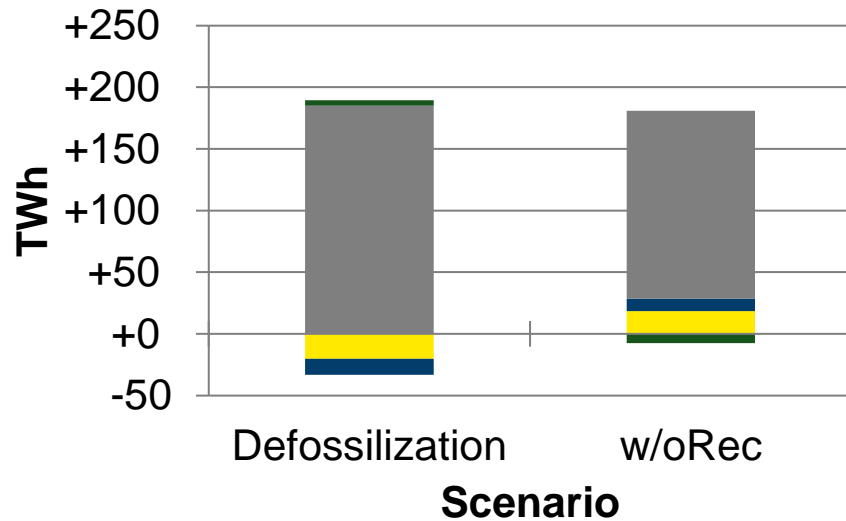


Defossilization: change of energy mix, substitute of fossil raw materials with ca. 160 TWh H<sub>2</sub>  
Without recycling: +300 TWh primary energy demand

# Results

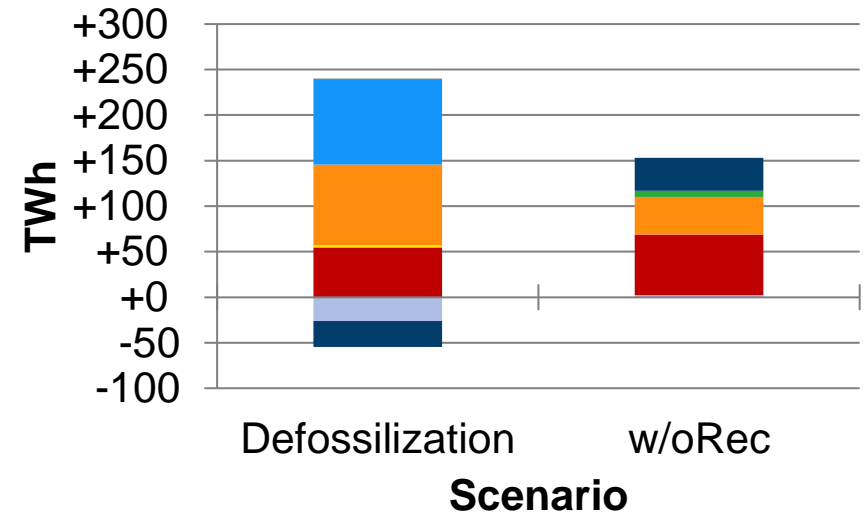
## Comparison of Hydrogen Demand in 2050

Change of hydrogen demand compared to reference



■ Energy sector    ■ Buildings & TSC  
■ Industry        ■ Transport

Change of industrial hydrogen demand compared to reference



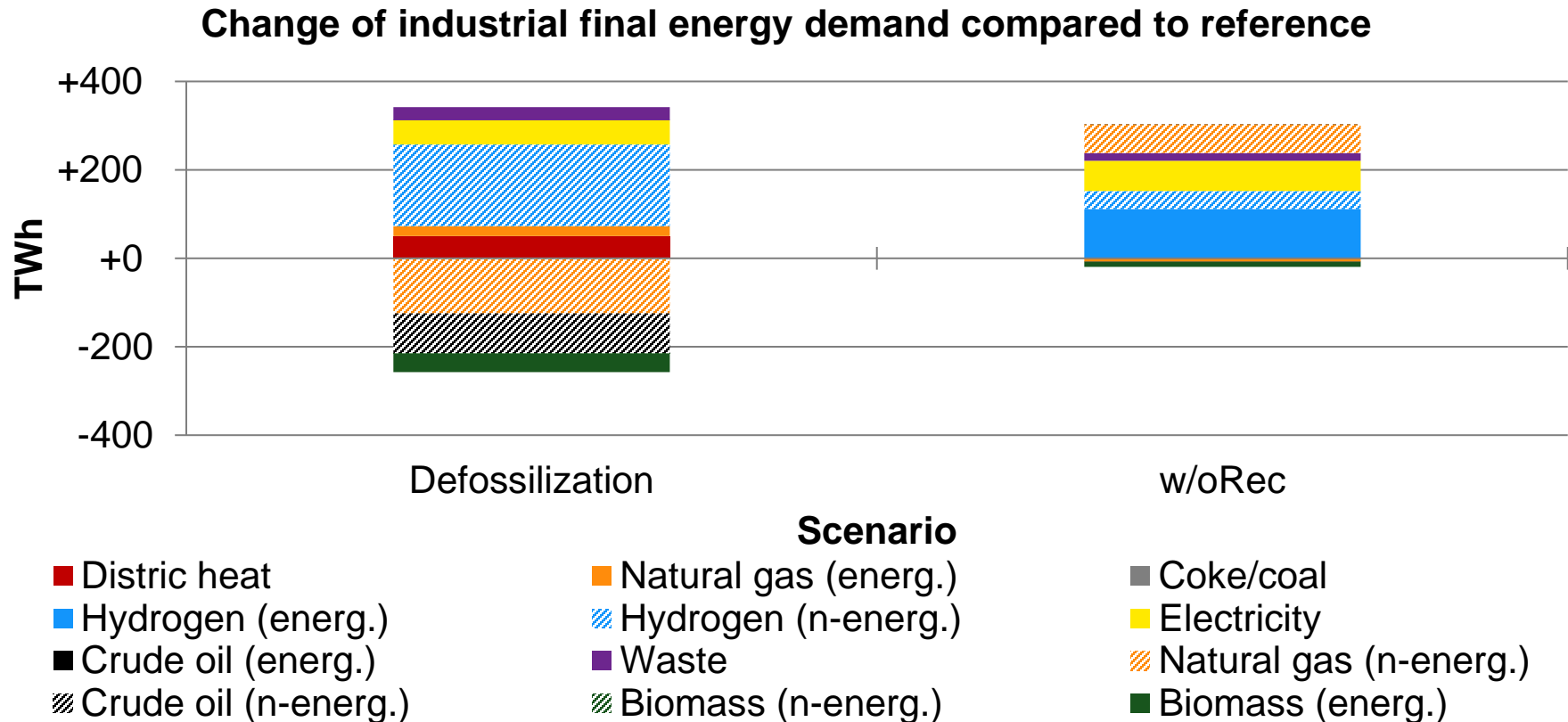
■ Cement            ■ Proc. heat        ■ Ammonia  
■ Methanol        ■ Naphtha        ■ Glass  
■ Paper             ■ Steel

Significant increase of hydrogen demand in industry sector (+185 TWh and +152 TWh)  
 Defossilization leads to competition for hydrogen amongst sectors and industry branches



# Results

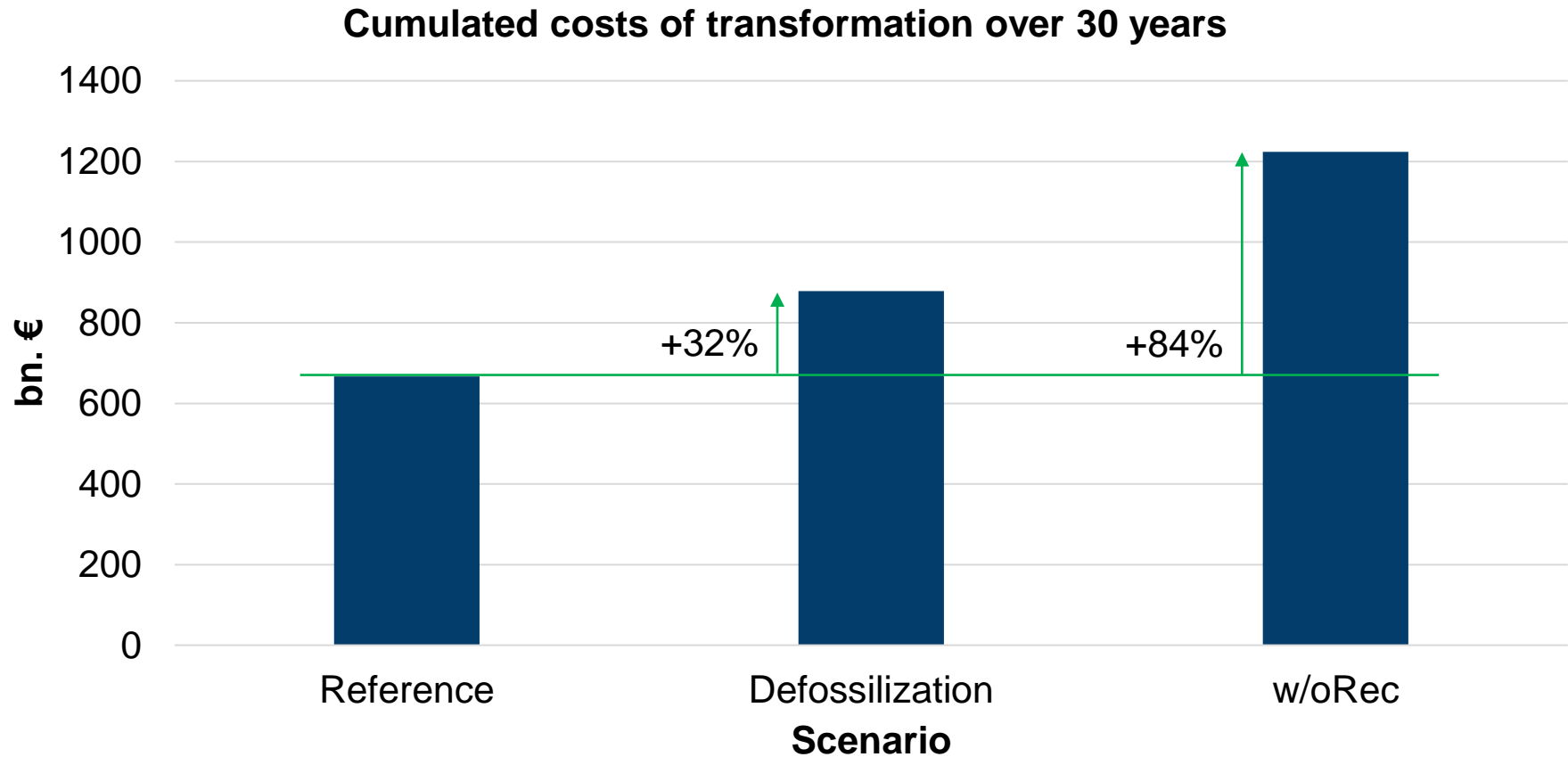
## Comparison of Industrial Final Energy Demand in 2050



Defossilization: change of energy mix, no change in absolute final energy demand  
 Without recycling: +290 TWh (mostly hydrogen), recycling as energy efficiency measure

# Results

## Comparison of cumulated costs of transformation



Defossilization: cost of transformation increases by one third  
Without recycling: significant increase of cost of transformation without recycling measures

# Summary

## *Recycling*

- Without recycling, there is an additional demand of 300 TWh of primary energy demand in 2050
- The industrial hydrogen demand increases to 350 TWh (+150 TWh compared to reference)
  - Steel production requires 36 TWh more hydrogen compared to the reference scenario
  - Additional 41 TWh of hydrogen is needed for methanol production compared to reference
- In contrast to the reference case, the cumulative costs of transformation increase by an additional 84%, or €557 billion.

## *Defossilization*

- The entire non-energy demand for natural gas and crude oil is replaced by hydrogen
- Hydrogen demand in steel production decreases by 29 TWh compared to the reference in favor of higher hydrogen demand in the chemical industry (+89 TWh H<sub>2</sub> for methanol production)
- The hydrogen demand of the total energy system increases by 160 TWh (provided via import)
- In contrast to the reference case, the cumulative costs of transformation increase by an additional 32%, or €212 billion