

# Integrating industrial ecology analysis and IAMs

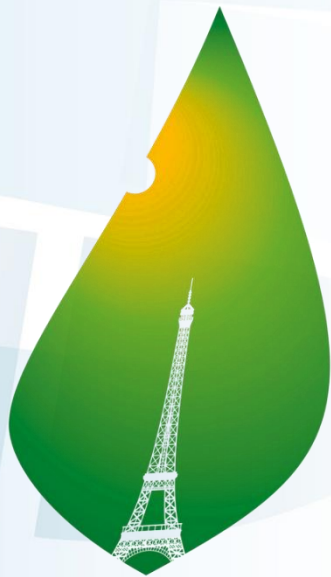
**Volker Krey**

International Institute for Applied Systems Analysis (IIASA)

Material courtesy of

**Gunnar Luderer (PIK), Simon Parkinson, Oliver  
Fricko (IIASA)**

# Embedding climate change analysis in the context of SDGs

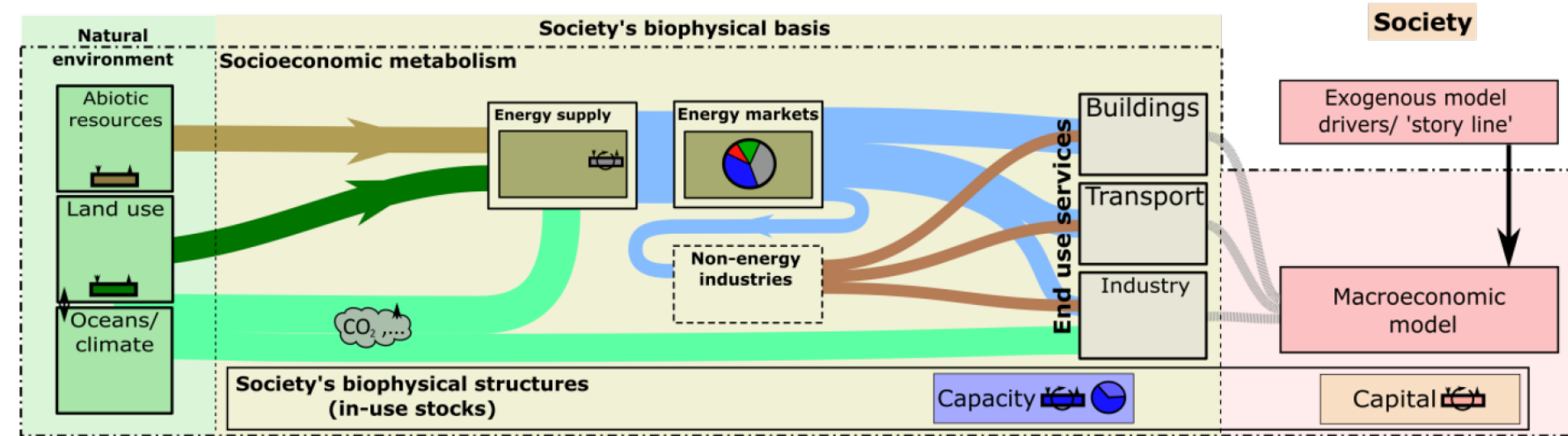


COP21 • CMP11  
**PARIS 2015**  
UN CLIMATE CHANGE CONFERENCE

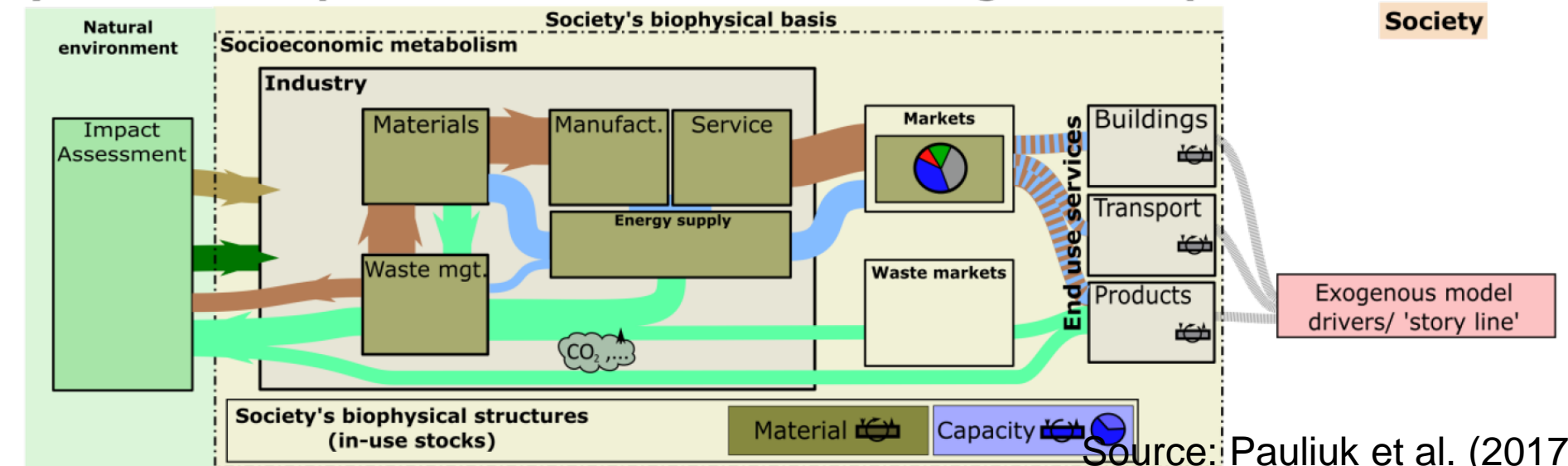


# IAM vs. IE perspectives on social metabolism

## a) IAM standard practice: global multiregional scope

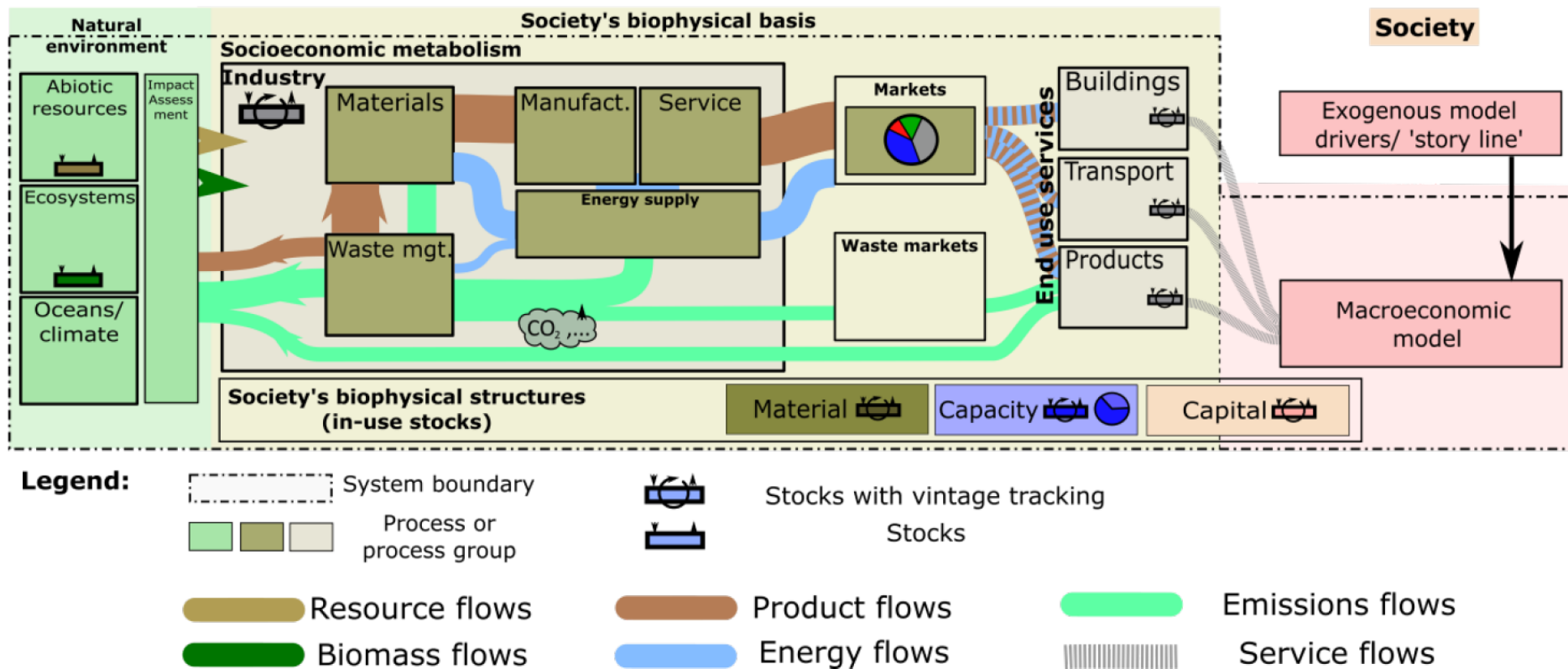


## b) IE standard practice: limited sectoral and regional scope



# Integrated IAM-IE vision on social metabolism

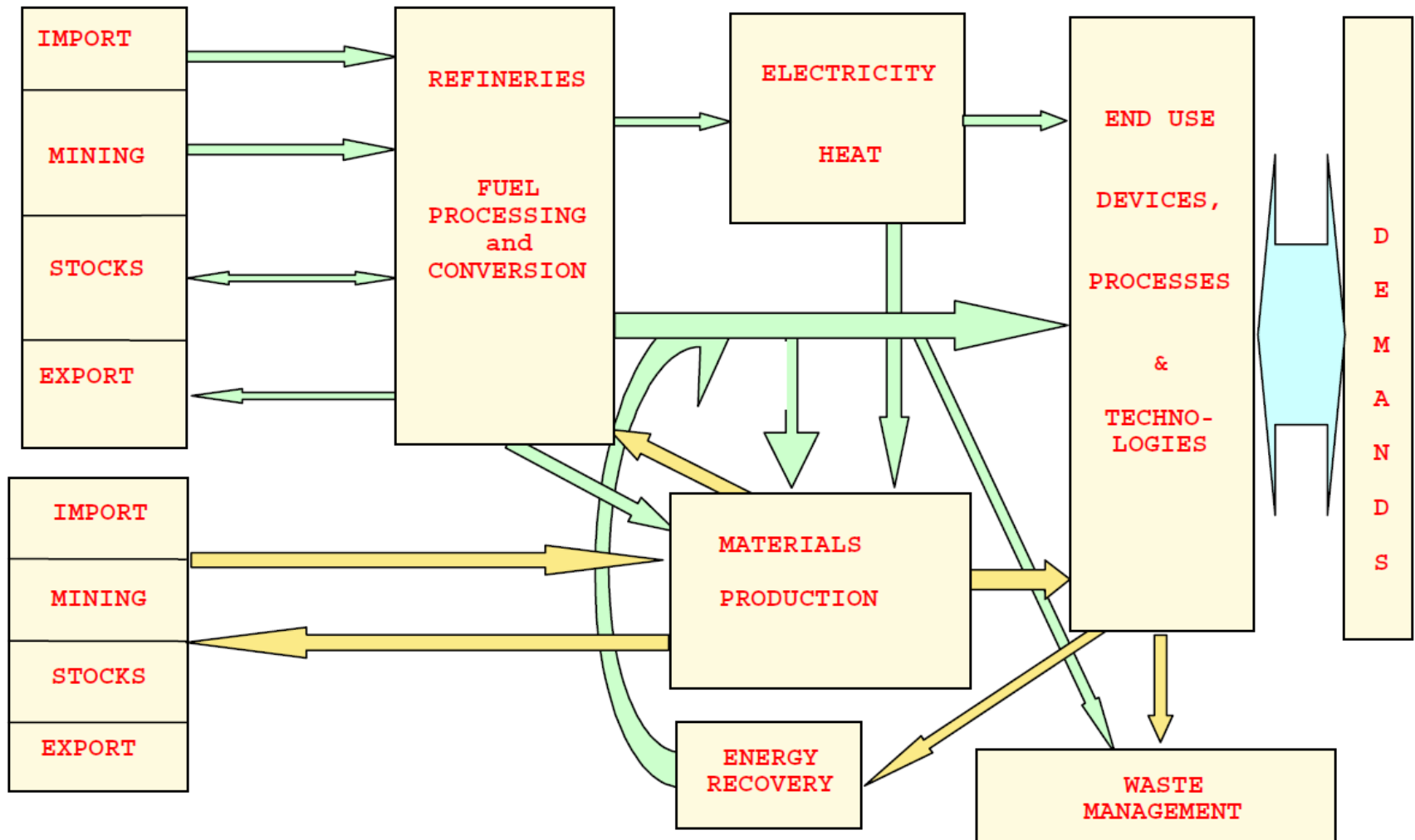
## c) Vision for integration of both perspectives : global multiregional scope



# Combining IAMs with LCA and MFA



# An early example: MARKAL-MATTER



# MARKAL-MATTER

## Coverage of materials in Western European MARKAL-MATTER model

SEPTEMBER 1998

ECN-C--98-065

### MATTER 1.0

A MARKAL Energy and Materials System  
Model Characterisation

D.J. Gielen  
T. Gerlagh  
A.J.M. Bos

Table 2.2 Materials in the Western European MARKAL model

Code	Material	Code	Material
MCA	CONCRETE BUILDING BLOCKS [T]	MPA	CELLOPHANE [T]
MCB	BRICKS [T]	MPB	PHB/PHV (BIOPOL) [T]
MCC	CEMENT [T]	MPC	BUTADIENE RUBBER (BR) [T]
MCD	READY MIX CONCRETE [T CONCR. EQUIV.]	MPE	POLYETHYLENE [T]
MCE	PREFAB CONCRETE [T CONCR. EQUIV.]	MPF	ACRYLONITRILE BUTADIENE STYRENE [T]
MCH	HIGH STRENGTH CEMENT [T CONV. CEM. EQUIV.]	MPG	STYRENE BUTADIENE RUBBER [T]
MCK	PORTLAND CEMENT CLINKER [T]	MPM	NYLON 6.6 [T]
MCL	SAND-LIME BRICKS [T]	MPN	NYLON 6 [T]
MCM	MARBLE AND GRANITE STONES [T]	MPP	POLYPROPYLENE [T]
MCQ	QUICKLIME (CaO) [T]	MPR	UF RESINS [T]
MCS	FLOOR TILES + STONEWARE [T]	MPS	POLYSTYRENE [T]
MCT	GLASS [T]	MPT	POLYETHYLENE TEREPHTHALATE [T]
MCY	GYPSUM [T]	MPU	PVC [T EXCL. ADDITIVES]
MCZ	KAOLIN [T]	MPV	PVC [T INCL. ADDITIVES]
MIA	NITRIC ACID [T]	MPW	PUR [T]
MIC	CHLORINE [T]	MSA	ASPHALT [T]
MIF	AMMONIA [T NH3 EQUIV.]	MSB	BENZENE [T]
MIK	POTASH [T K2O EQUIV.]	MSC	CAPROLACTAM [T]
MIN	NAOH [T]	MSD	DETERGENTS [T]
MIP	PHOSPHORIC ACID [T P2O5 EQUIV.]	MSE	ETHYLENE [T]
MIS	SODA [T]	MSF	PROPYLENE [T]
MIZ	SODIUM CHLORIDE [T]	MSG	C4-FRACTION [T]
MMA	ALUMINIUM [T]	MSH	BUTADIENE [T]
MMB	COPPER CATHODE [T]	MSI	BUTYLENE [T]
MMC	CAST IRON [T]	MSJ	BTX [T]
MMD	DRI QUALITY STEEL [T]	MSK	TOLUENE [T]
MMF	DIRECT REDUCED IRON [T]	MSL	LUBRICANTS [T]
MMH	HIGH QUALITY CRUDE STEEL [T]	MSM	CYCLOHEXANE [T]
MMI	IRON [T]	MSN	CUMENE [T]
MML	LOW QUALITY CRUDE STEEL [T]	MSO	DIETHYLENE GLYCOL [T]
MMM	MEDIUM QUALITY CRUDE STEEL [T]	MSP	PAINT [T PAINT EQUIVALENTS]
MMN	REINFORCEMENT STEEL [T]	MSQ	XYLENES (MIXED) [T]
MMO	HOT ROLLED SECTION STEEL [T]	MSR	NATURAL ELASTOMERES (RUBBER) [T]
MMP	HOT ROLLED COIL STEEL [T]	MST	ETHYLENE OXIDE [T]
MMQ	COLD ROLLED COIL STEEL [T]	MSU	ETHYLENE GLYCOL [T]
MMR	COLD ROLLED COIL AT&F STEEL [T]	MSV	PROPYLENE OXIDE [T]
MMS	COLD ROLLED COIL F&P STEEL [T]	MSW	ACRYLONITRILE [T]
MMT	HEAVY PLATE STEEL [T]	MSX	P-XYLENE [T]
MMU	WIRE ROD STEEL [T]	MSY	O-XYLENE [T]
MMV	ALLOY STEEL [T]	MSZ	XYLENE RESIDUE [T]
MMW	GALVANIZED/TINPLATE STEEL [T]	MTA	TEREPHTHALIC ACID [T]
MMX	COPPER CONCENTRATE [T]	MTB	BUTANOL [T]
MMY	SEMI-FINISHED COPPER [T]	MTC	ACETONE [T]
MNA	COMPOST (15% H2O) [T]	MTD	PHENOL [T]
MNB	ROUNDWOOD (15% H2O) [T]	MTE	PHTHALIC ANHYDRIDE [T]
MNC	CHIPBOARD [T]	MTF	STYRENE [T]
MNF	FIBER BOARD [T]	MTG	VINYL CHLORIDE MONOMER (VCM) [T]
MNG	GRAVEL AND SAND [T]	MTH	FORMALDEHYDE [T]
MNK	PALM KERNEL OIL [T]	MTI	UREA [T]
MNL	MARIGOLD FLOWER OIL [T]	MTJ	ANILINE [T]
MNM	HIGH QUALITY WASTE PAPER PULP [T]	MTK	ACETIC ACID [T]
MNN	LOW QUALITY WASTE PAPER PULP [T]	MTL	HEXAMETHYLENEDIAMINE [T]
MNO	MECHANICAL PULP [T]	MTM	NITRO-BENZENE [T]
MNP	PACKAGING PAPER AND SANITARY PAPER [T]	MTN	METHYL ETHYL KETON (MEK) [T]
MNQ	GRAPHIC PAPER [T]	MTO	ADIPIC ACID [T]
MNR	NEWSPRINT [T]	MTP	1-PROPANOL [T]
MNS	WOOL [T]	MTQ	TOLUENEDIISOCYANATE [T]
MNT	SAWN TROPICAL HARDWOOD (15 % H2O) [T]	MTR	2-ETHYLHEXANOL [T]
MNU	CHEMICAL PULP [T]	MTS	CARBON BLACK [T]
MNV	VISCOSE/RAYON [T]	MTU	SURFACTANT (AES) [T]
MTV	OTHER SAWN WOOD/PLYWOOD (15 % H2O) [T]	MTV	ACETIC ANHYDRIDE [T]
		ORE	IRON ORE [T]
		OXY	OXYGEN [T]
		PEL	PELLETS [T IRON EQUIV.]
		SIN	SINTER [T IRON EQUIV.]



# Environmental assessment of alternative power sector decarbonization strategies

## Key research questions:

- What are environmental co-benefits and adverse side-effects of the low-carbon transformation?
- How do alternative decarbonization pathways perform in terms of their environmental impacts?

## Key publications:

- Pehl et al. (2017) “Understanding Future Emissions from Low-Carbon Power Systems by Integration of Life-Cycle Assessment and Integrated Energy Modelling.” *Nature Energy* 2 (11). <https://doi.org/10.1038/s41560-017-0032-9>.
- Arvesen et al. (2018). Deriving life cycle assessment coefficients for application in integrated assessment modelling. *Environmental Modelling and Software*, 99, 111–125. <https://doi.org/10.1016/j.envsoft.2017.09.010>
- Luderer et al. (2019): Environmental co-benefits and adverse side-effects of alternative power sector decarbonization strategies, *Nature Communications* 10:5229.

<https://doi.org/10.1038/s41467-019-13067-8>



# Integrating IAM and LCA approaches

- **Integrated Assessment Modeling (IAM)** community considers the dynamics of the long-term transformation, but so far focused on climate change mitigation. Policy interventions can be considered explicitly using scenario approaches.
- **Life cycle assessment (LCA)** considers broad set of impacts, but mostly focuses on individual technologies and apply static assumptions, thus not considering the long-term system evolution

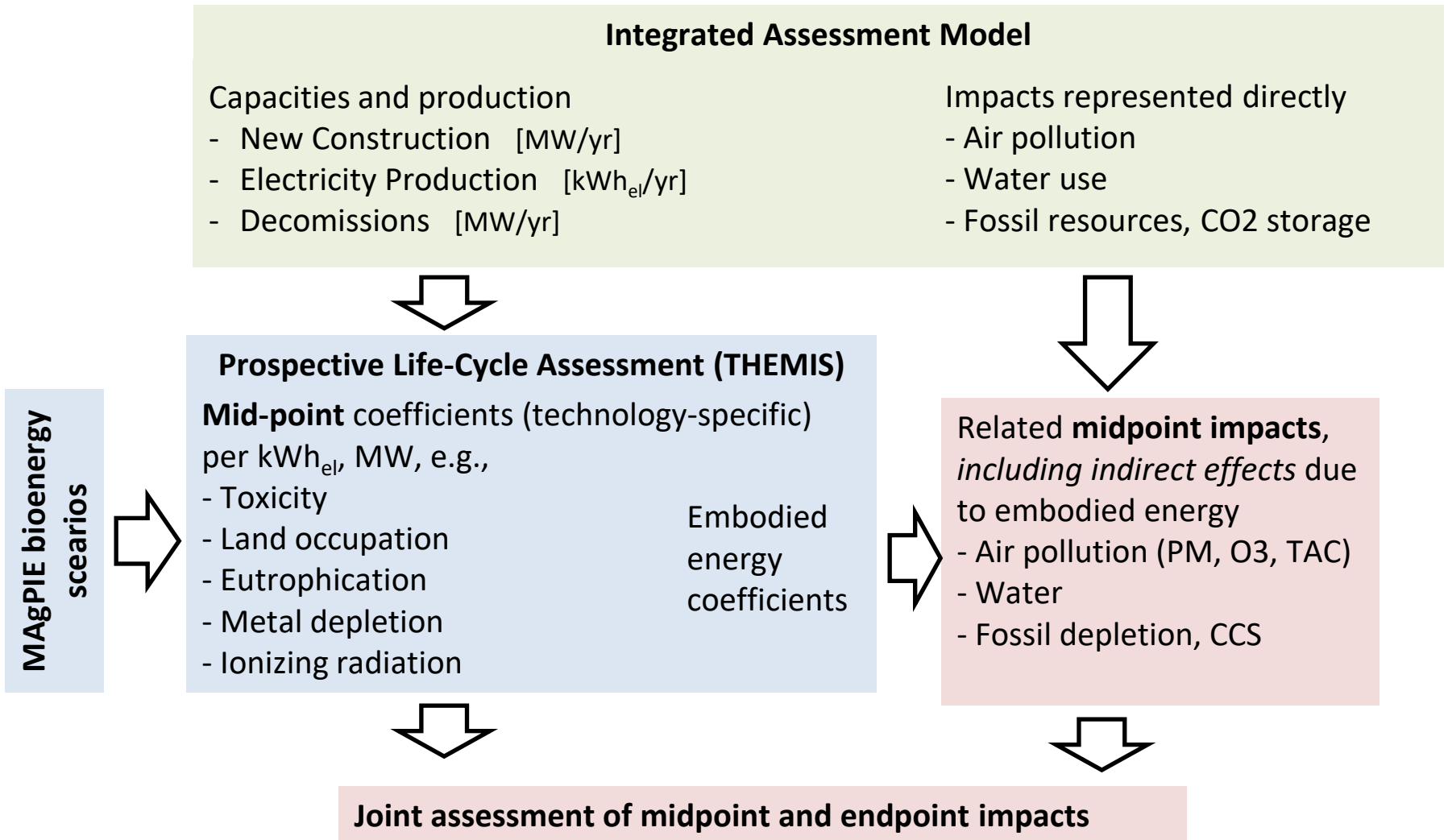
# Prospective LCA methodology

- Aspects of future **technological change** addressed within the LCA
  - Changing performance of individual electricity generation technologies
  - Projected improvements in selected industrial processes
- **Coherent life cycle descriptions** for power generation options based on multiple case studies to allow for uncertainty estimates, choice of impacts based on ReCiPe methodology
- Separate **construction, operation, end-of-life** phases to be combined with tracking of capacity vintages in IAM
- **Embodied (upstream) energy requirements** of power technologies to account for indirect effects

## References

- **Gibon, T.**, Wood, R., Arvesen, A., Bergesen, J.D., Suh, S., Hertwich, E.G., 2015. A methodology for integrated, multiregional life cycle assessment scenarios under large-scale technological change. Environmental Science & Technology.
- **Hertwich, E.G.**, Gibon, T., Bouman, E.A., Arvesen, A., Suh, S., Heath, G.A., Bergesen, J.D., Ramirez, A., Vega, M.I., Shi, L., 2015. Integrated life-cycle assessment of electricity-supply scenarios confirms global environmental benefit of low-carbon technologies. PNAS 112(20)

# Workflow



# Innovations

- **Integration of Integrated Assessment Modeling and Life-Cycle-Assessment**
- **Air pollution** and **water use** represented by source in IAMs
- **Biomass** land and fertilizer requirements, as well as land-use change emissions from the MAgPIE land-use model
- **Comprehensive coverage** of all major power technologies
- Other impact categories (**toxicity, material resource requirements, land occupation, ionizing radiation,...**) from prospective LCA model THEMIS, accounting for future changes in technology performance
- **Grid and storage requirements** estimated based on DLR's REMix model (Berrill et al., 2016; Scholz et al., 2016; Pietzcker et al., 2016)
- **Systematic uncertainty analysis** based on multiple case studies (LCA) and multi-model IAM ensemble

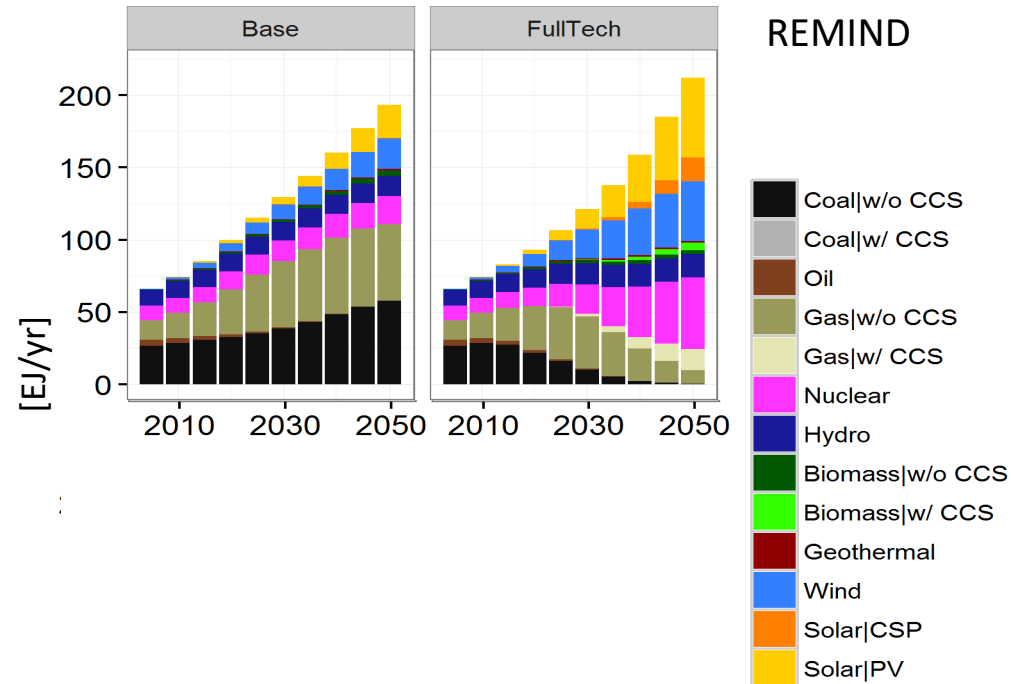
# IAM scenarios considered

## Climate policy implementation

- Policy scenarios with constraint on cumulative 2011-2050 power sector emissions of 240 GtCO<sub>2</sub>
- Comparable policy ambition in other sectors

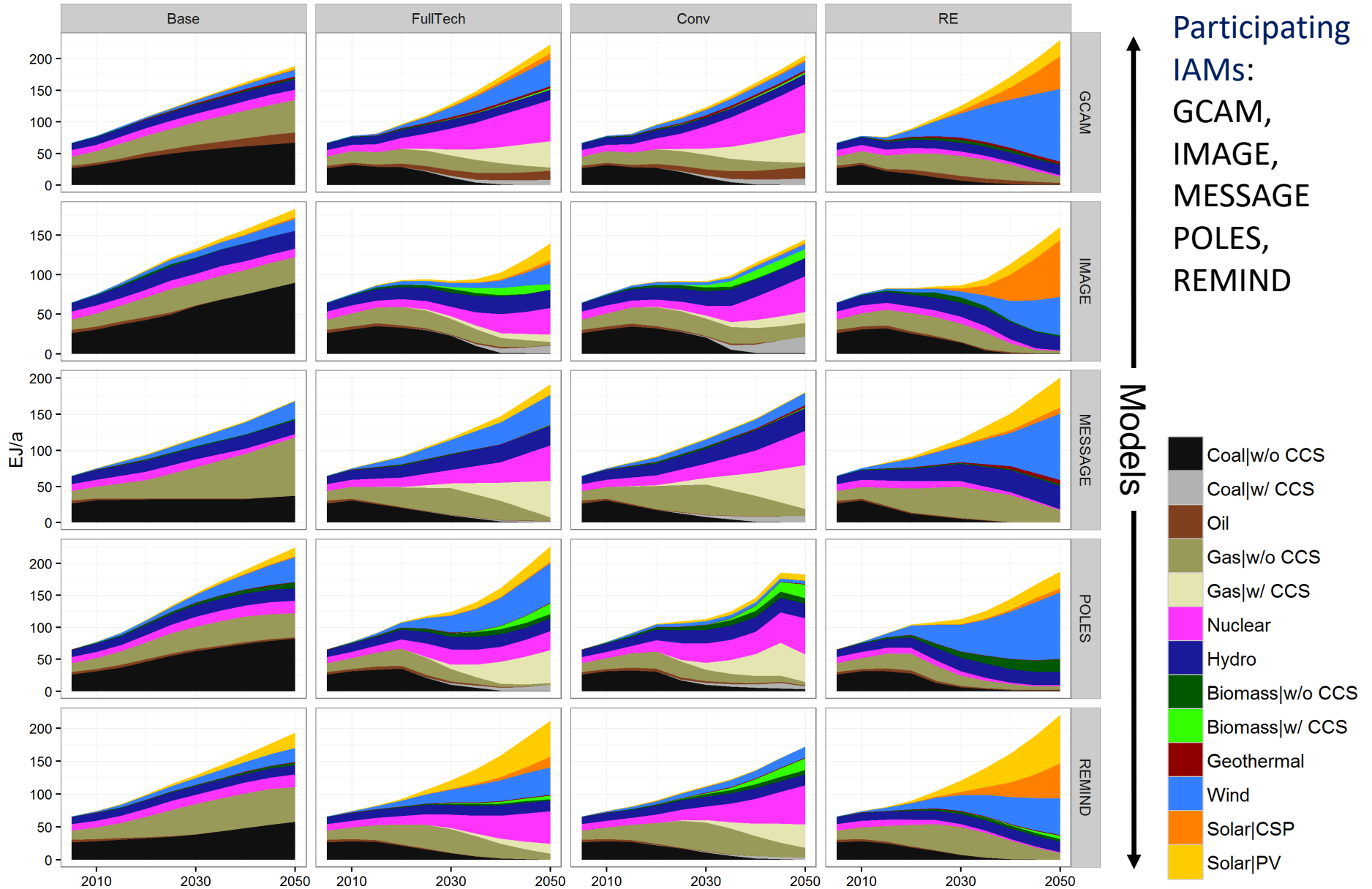
## Three different technology scenarios:

- **FullTech**
- **Conventional** (Wind and solar limited to 10%)
- **Renewable** (nuclear phase-out, no CCS for power stations)



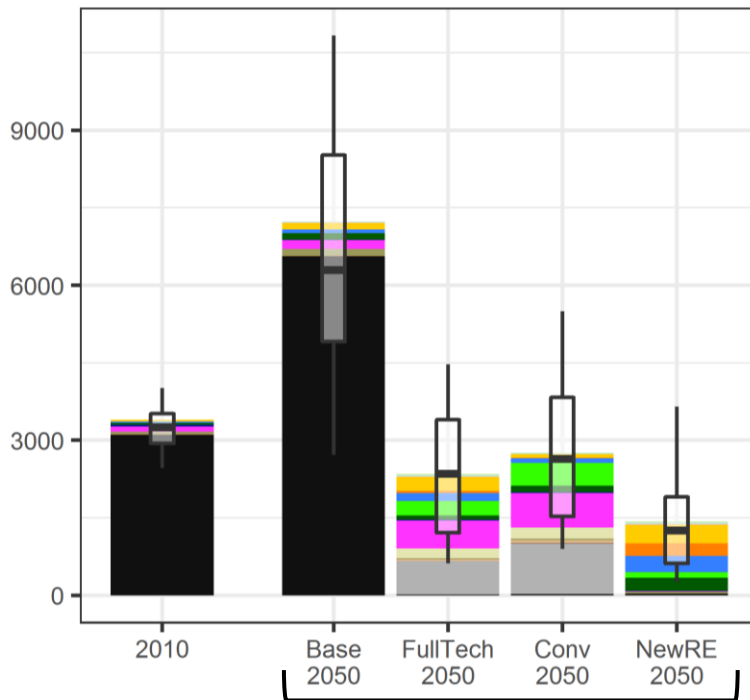
# IAM scenarios considered

Scenarios

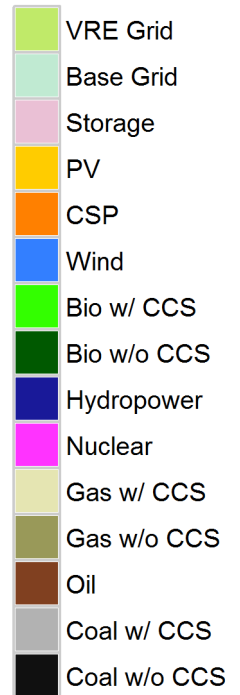
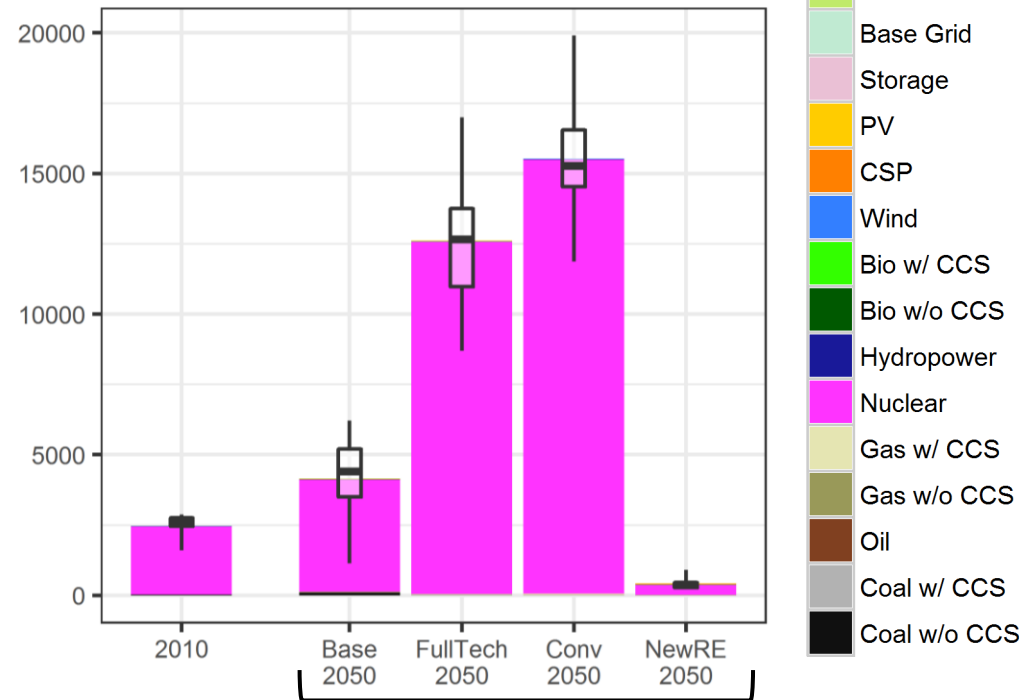


# Health impacts (excl. air pollution)

Human toxicity [Mt 1,4-DCB-eq]



Ionising radiation [Mt U235-eq]

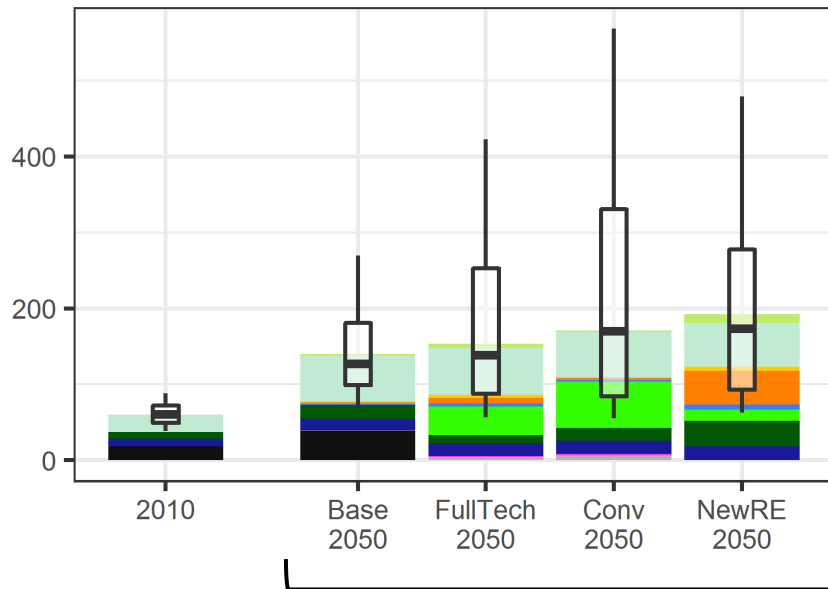




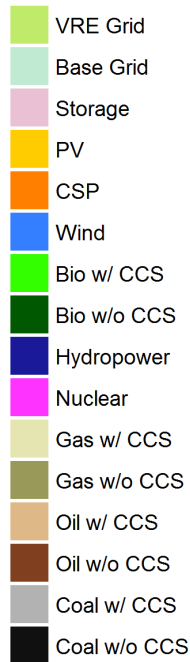
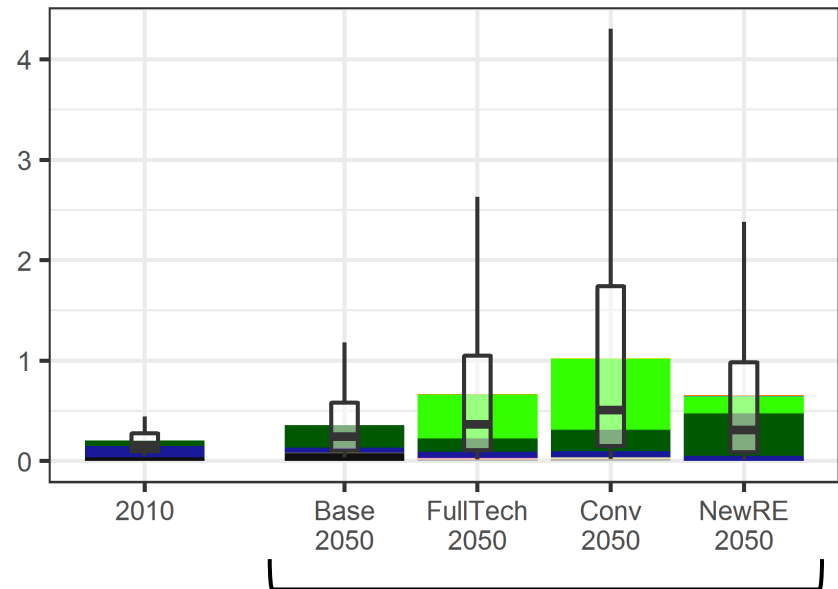
# Land occupation and transformation



Land occupation [Mha]



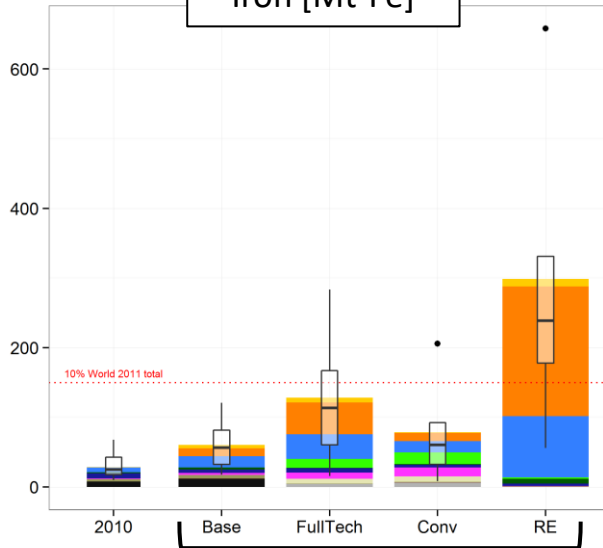
Natural land transformation [Mha]



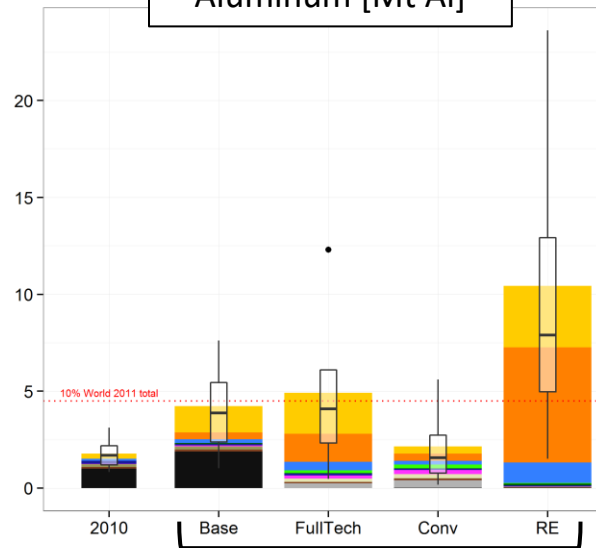
# Bulk resource requirements



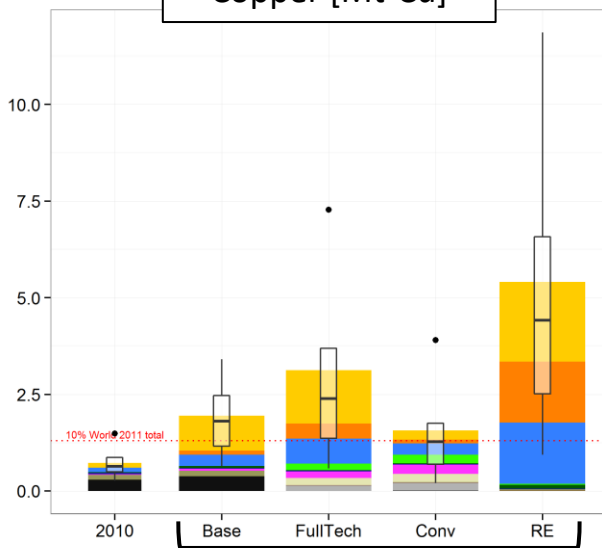
Iron [Mt-Fe]



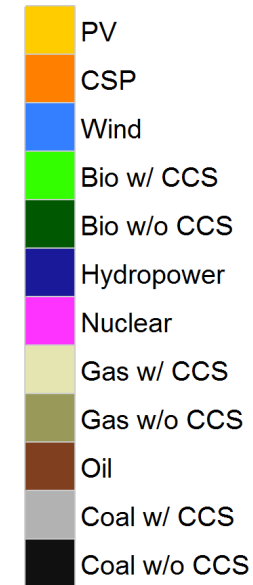
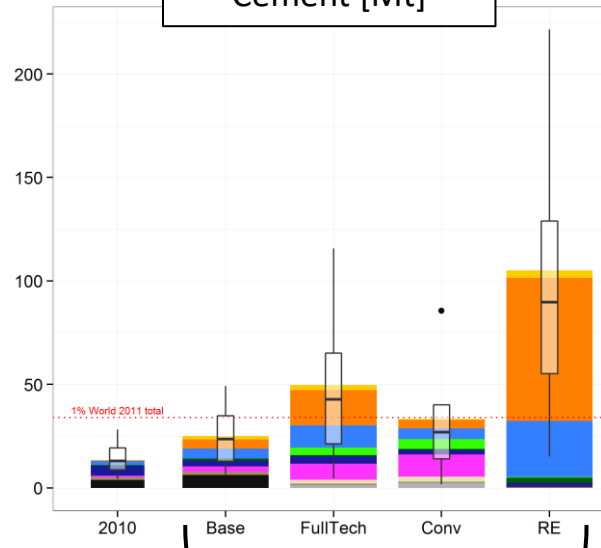
Aluminum [Mt Al]



Copper [Mt-Cu]



Cement [Mt]

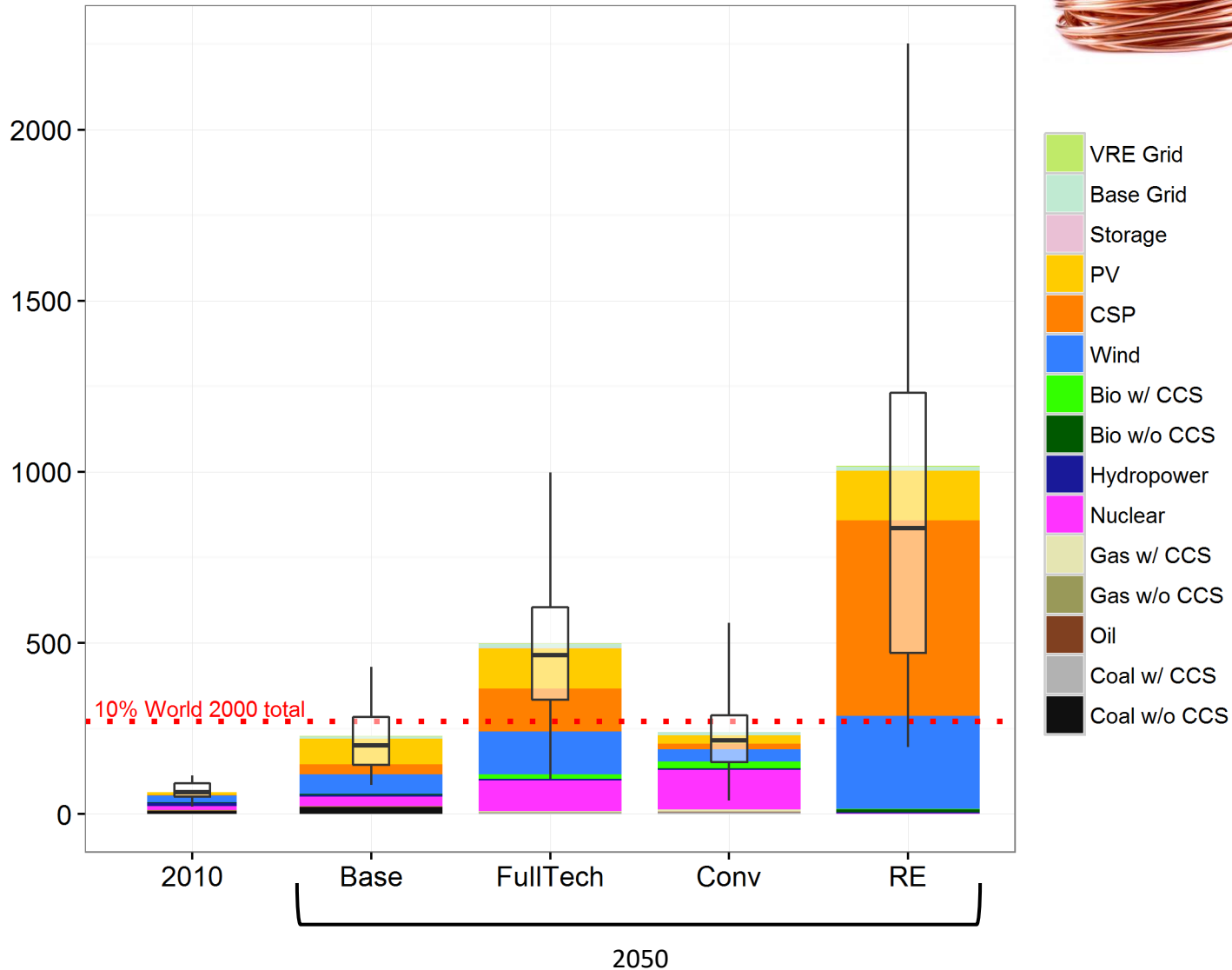


2050

2050

# Mineral resource depletion

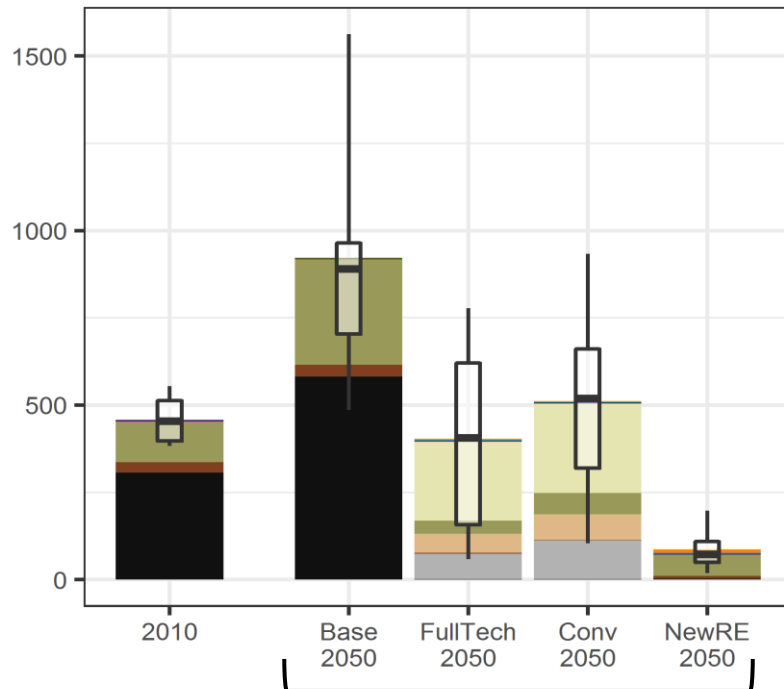
Mineral resource depletion [Mt Fe-eq]



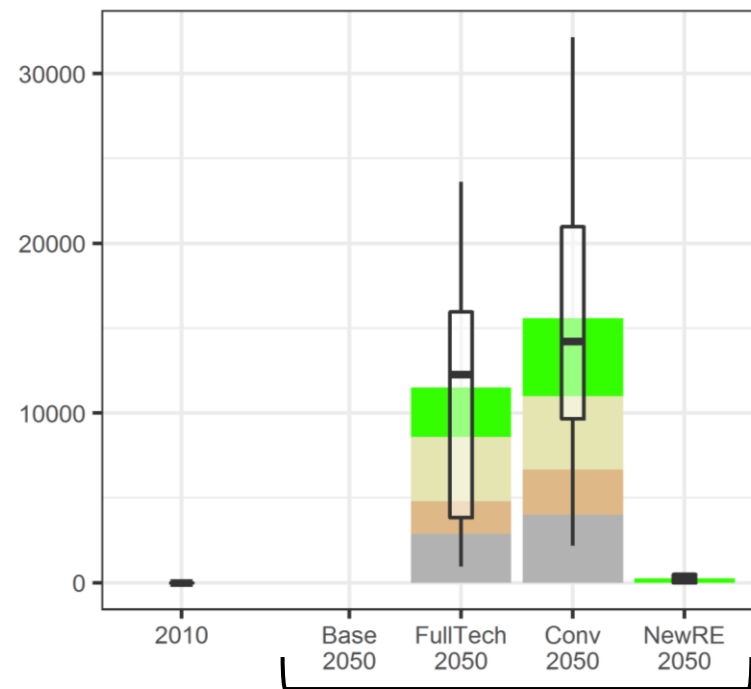
# Fossil depletion and carbon storage



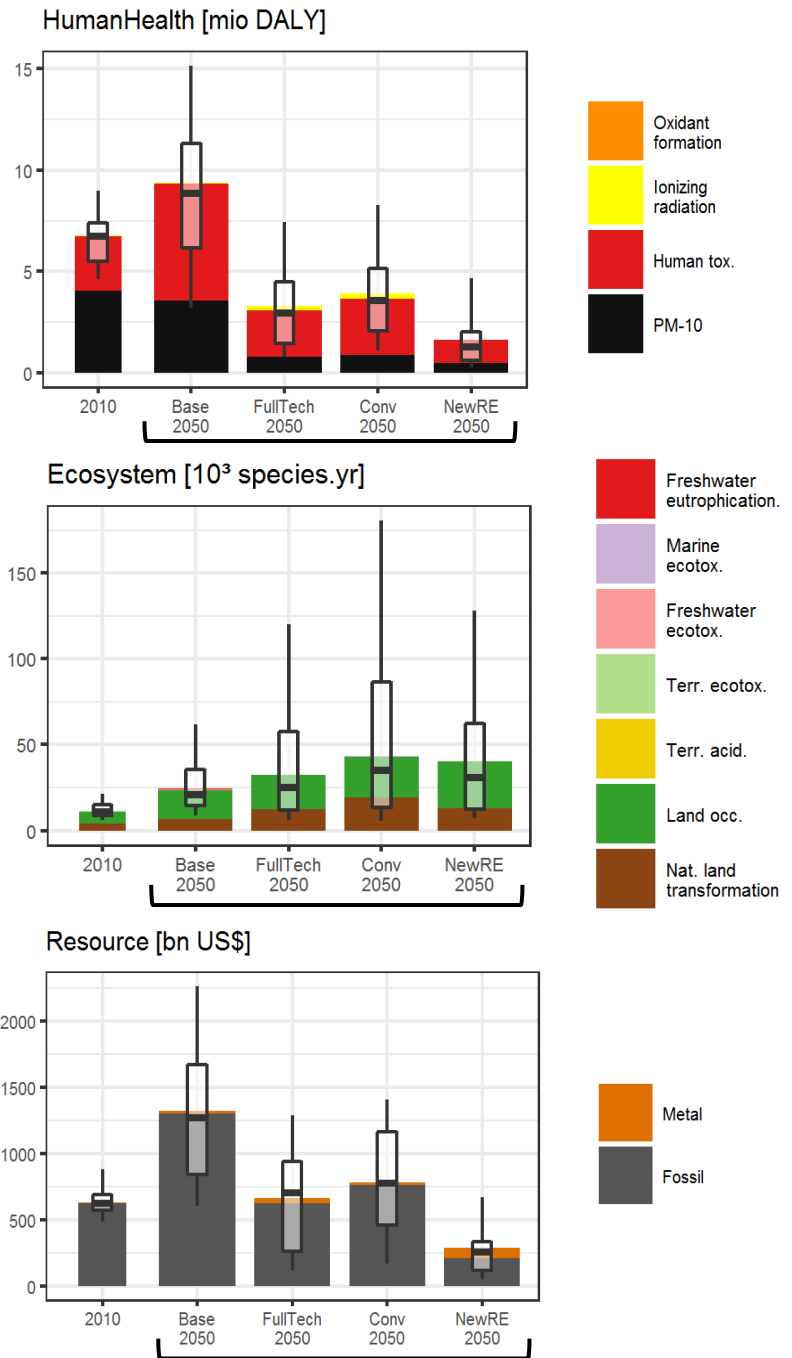
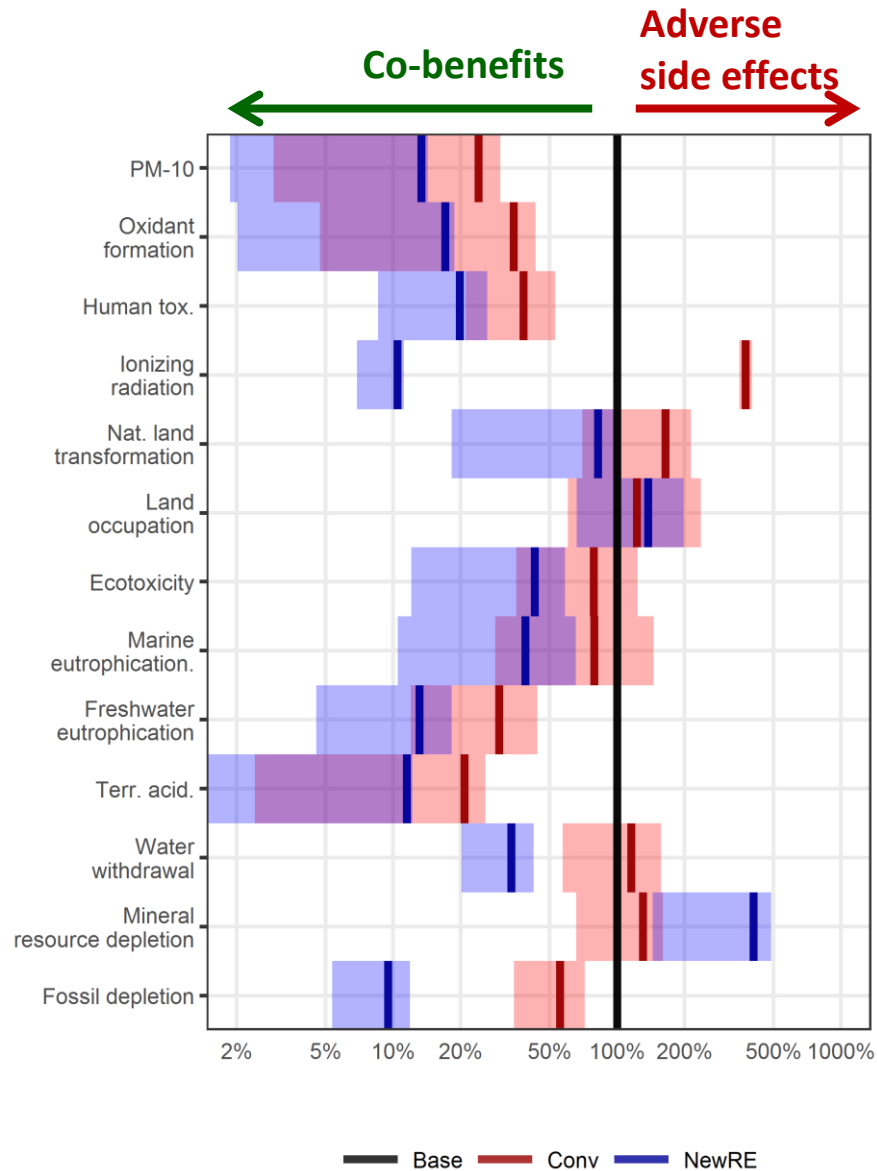
Fossil depletion [EJ]



CO2 storage [Mt CO2]



# Combined assessment



# Key insights

- Decarbonizing power supply has substantial co-benefits, especially for air and water pollution
- However, low-carbon transformation pathways have higher raw material requirements, higher risks related to radioactive substances, and increased land requirements
- Bioenergy has much greater adverse side-effects than the other renewables
- Conventional vs renewable power sector decarbonization strategies have distinctly different environmental risk profiles
  - Nuclear and CCS-based strategies are more water-intensive, higher radiation, and have fewer environmental co-benefits
  - Decarbonization based on wind and solar increases the requirements for raw materials

# Water for Energy

**13** CLIMATE  
ACTION



**6** CLEAN WATER  
AND SANITATION





# Water for Energy



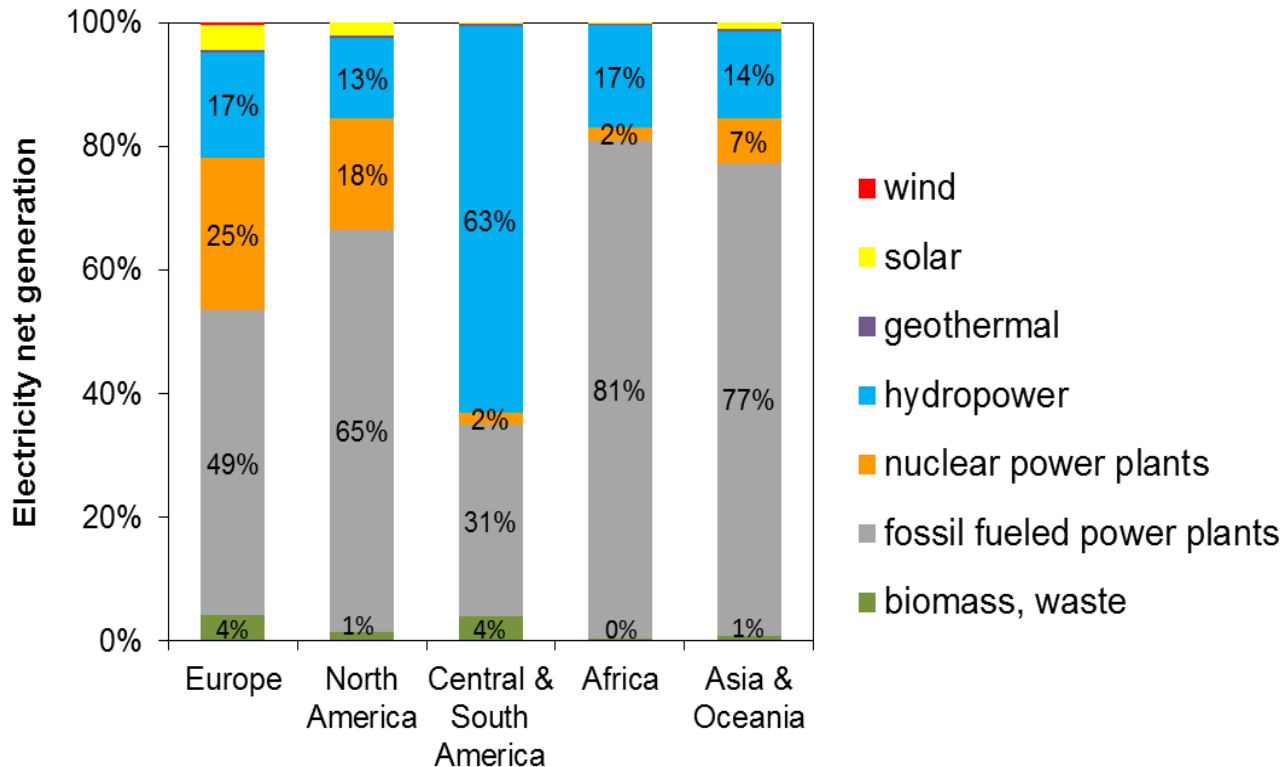
## Key Research Questions

- How will climate change mitigation affect water withdrawal, consumption and thermal pollution of the energy sector?
- What are effective strategies to reduce water consumption in the energy sector?

## Key Publications

- Fricko et al. (2016). Energy sector water use implications of a 2°C climate policy. *Environmental Research Letters*, 11(3). <https://doi.org/10.1088/1748-9326/11/3/034011>
- Parkinson et al. (2019). Balancing clean water-climate change mitigation trade-offs. *Environmental Research Letters*, 14(1). <https://doi.org/10.1088/1748-9326/aaf2a3>

Worldwide, **most electricity** is produced by **thermoelectric** (80%) and **hydropower** generation (17%)



Thermoelectric water consumption increased **by a factor of 18** between 1950 and 2010. [Floerke et al, 2011].

Figure: Regional power plant portfolios by fuel type. Based on EIA data for 2010 . Source: [M. van Vliet, 2014]

# Understanding cooling requirements

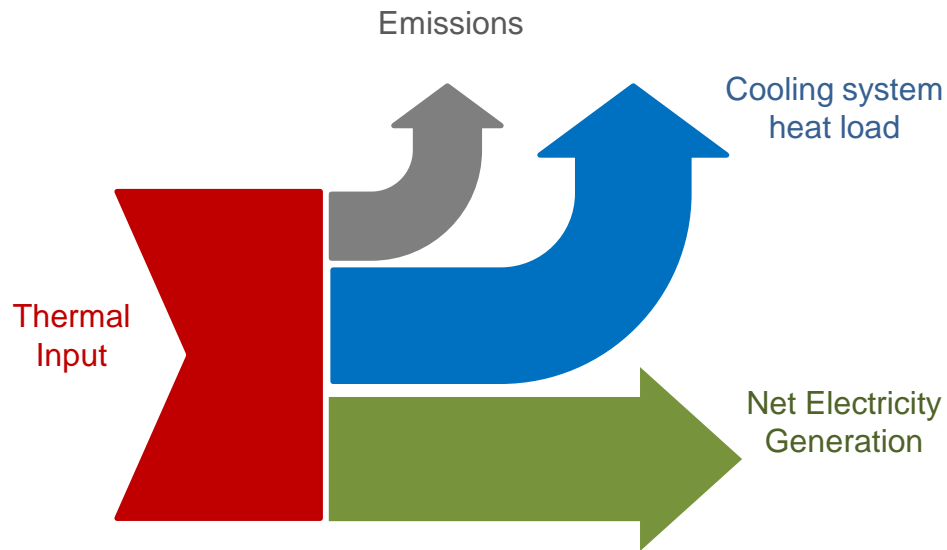
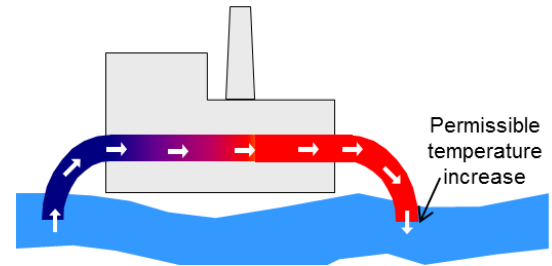


Figure: Simplified power plant energy balance

Cooling Technology	Water Withdrawal	Water Consumption	Investment Costs	Efficiency
Once Through	High	Med	Low	High
Closed-Loop	Med	High	Med	High
Air Cooling	Low	Low	High	Low

Table. Trade-offs between cooling system types

*Once-through cooling*



*Closed-loop cooling*

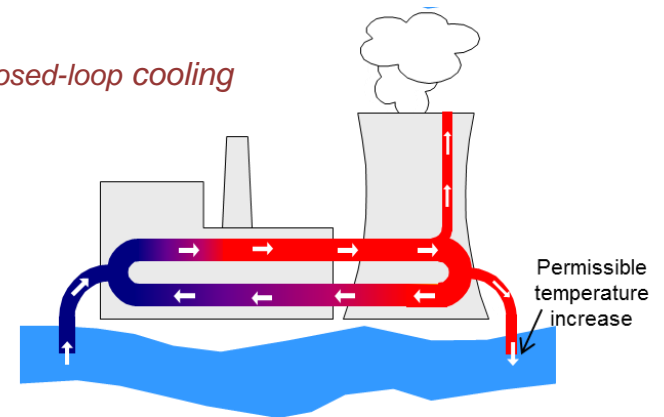
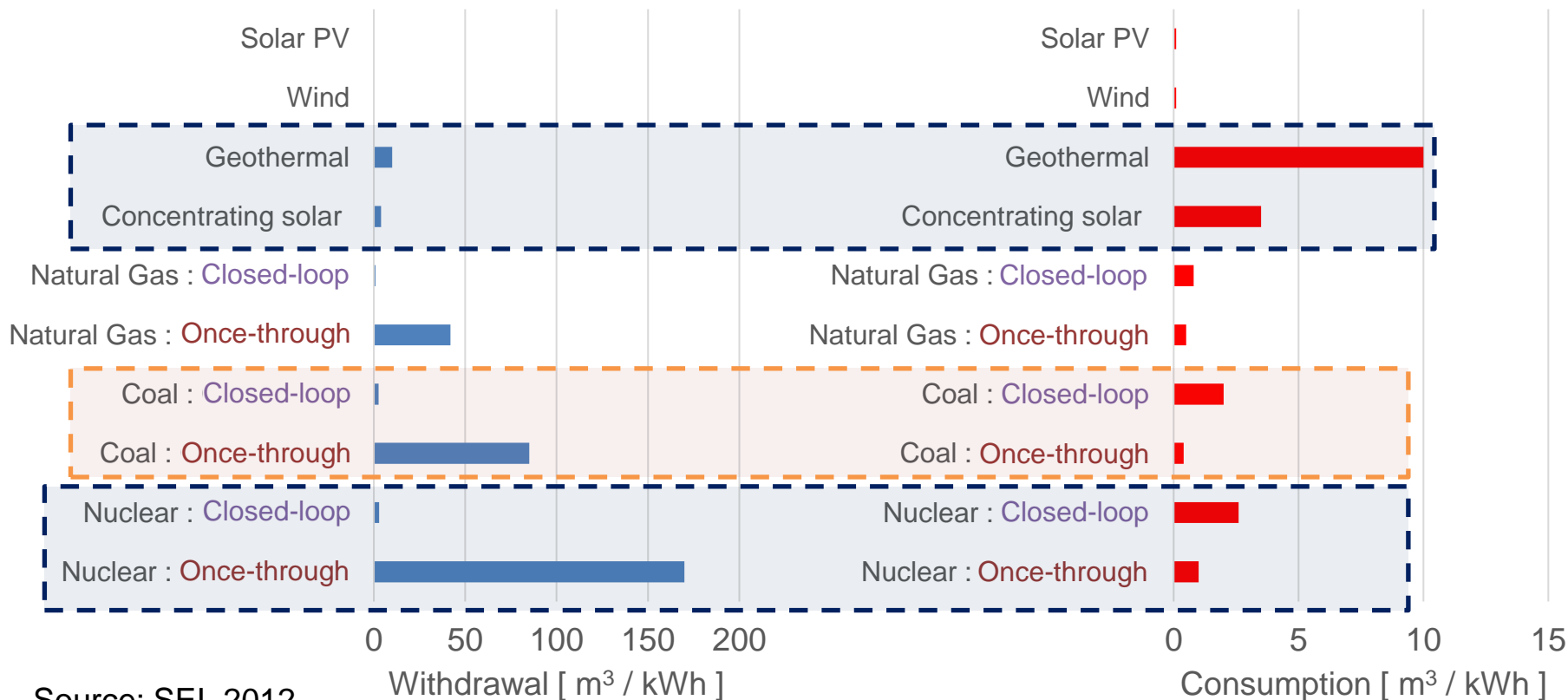


Figure: Cooling systems that use water

# Average water performance by plant type

## Water withdrawal

## Water consumption



Source: SEI, 2012

**Water requirements proportional to heat-rate/efficiency**

**Low-carbon does not always mean water-efficient**

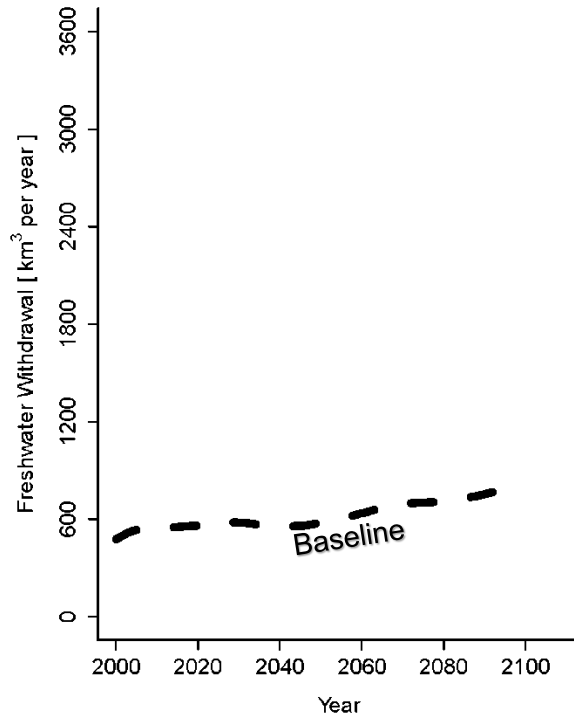
Source: courtesy of S. Parkinson

# Methods: Different Approaches

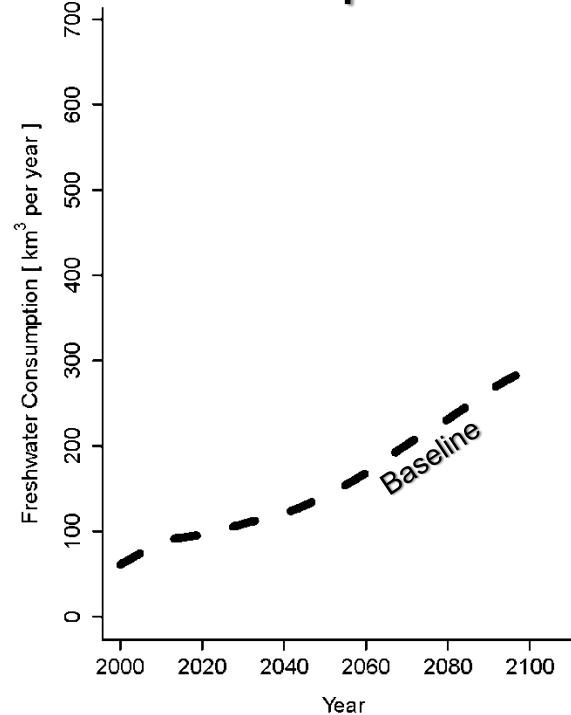
- Ex-post calculation of water indicators based on exogenous assumptions of water-technologies (see also LCA)
- Endogenous modeling of water-technologies (e.g., power plant cooling)
  - Based on simple water-balancing
  - Based on water availability assessed in hydrological models (incl. other sectors)
- Integrated *water for energy* and *energy for water* (e.g., water treatment) modeling

# Impact of Energy Sector on Water

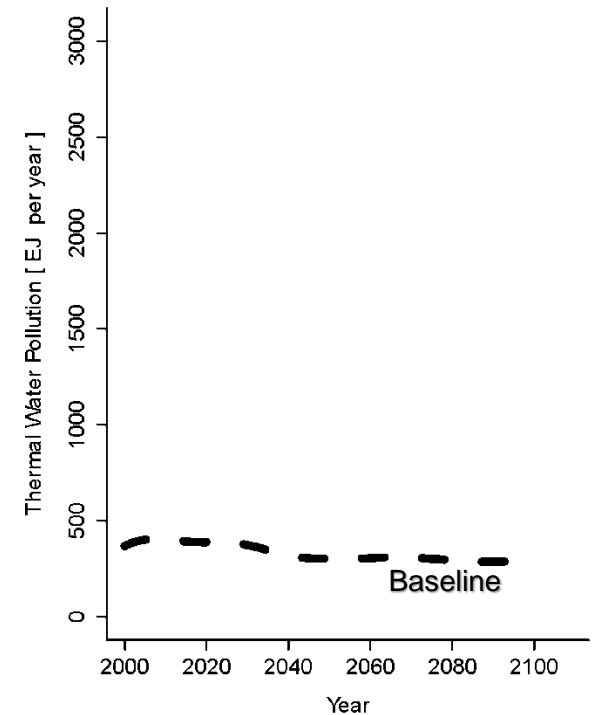
## Withdrawal



## Consumption



## Thermal Pollution

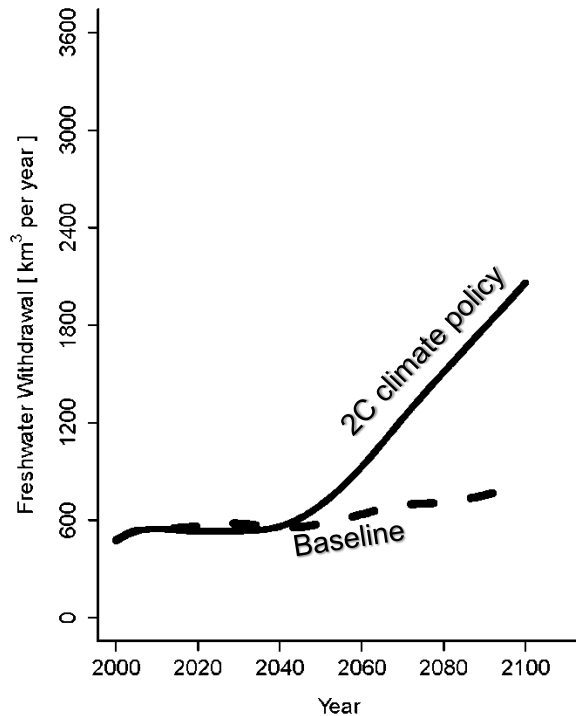


No climate policy

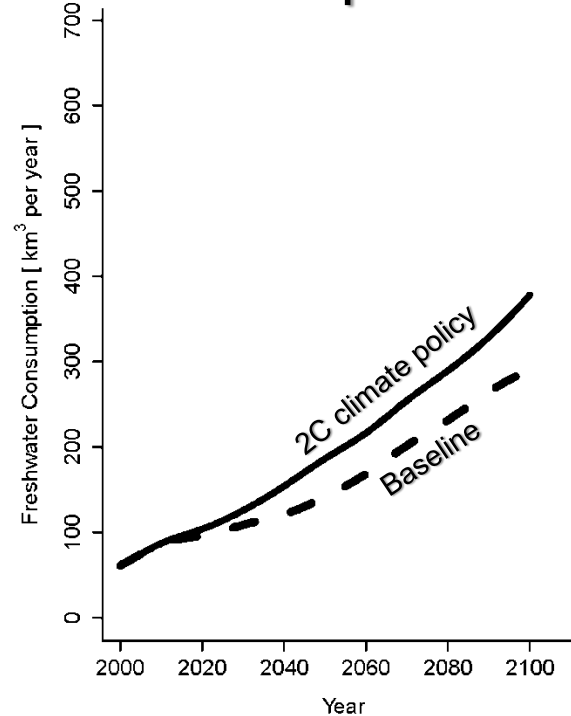
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# Impact of Energy Sector on Water

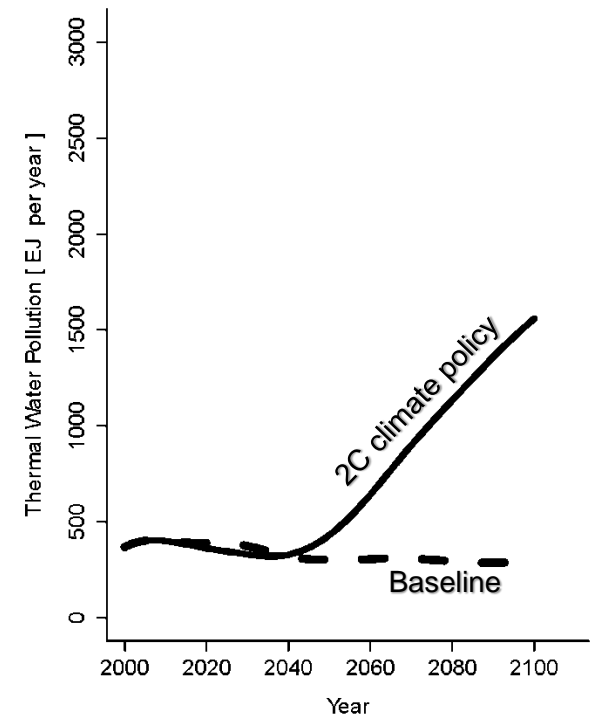
## Withdrawal



## Consumption



## Thermal Pollution



No climate policy

2 °C Energy Transformation Pathways ( Cost % Ref. )

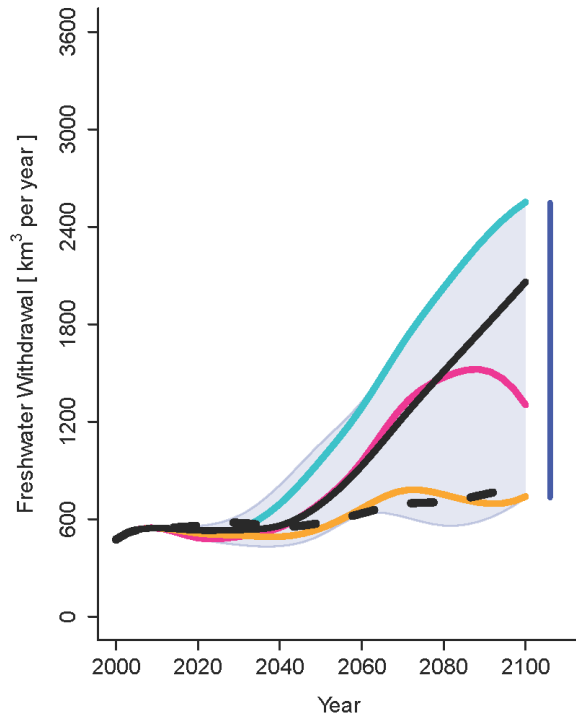
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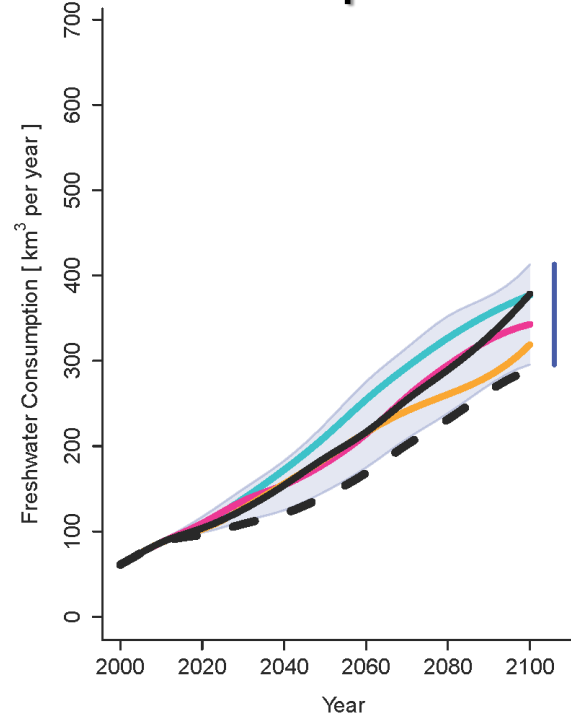
# Impact of Energy Sector on Water

Alternative Technology Choices for 2C (intermediate energy demand)

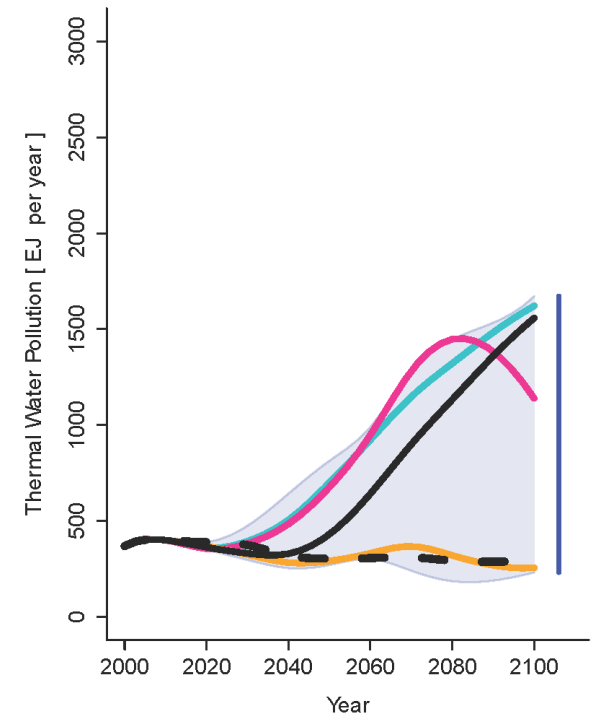
Withdrawal



Consumption



Thermal Pollution



No climate policy

--- Reference

2 °C Energy Transformation Pathways ( Cost % Ref. )

— Full mitigation portfolio ( 122 % )

— Limited wind / solar ( 133 % )

— No carbon capture and storage ( 143 % )

— No new nuclear ( 138 % )

Uncertainty Range

GEA-Mix

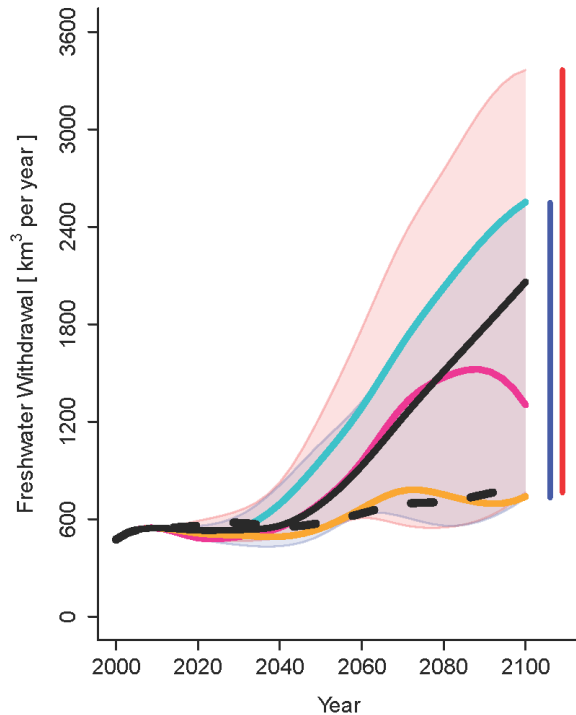
Range in 2100

GEA-Mix

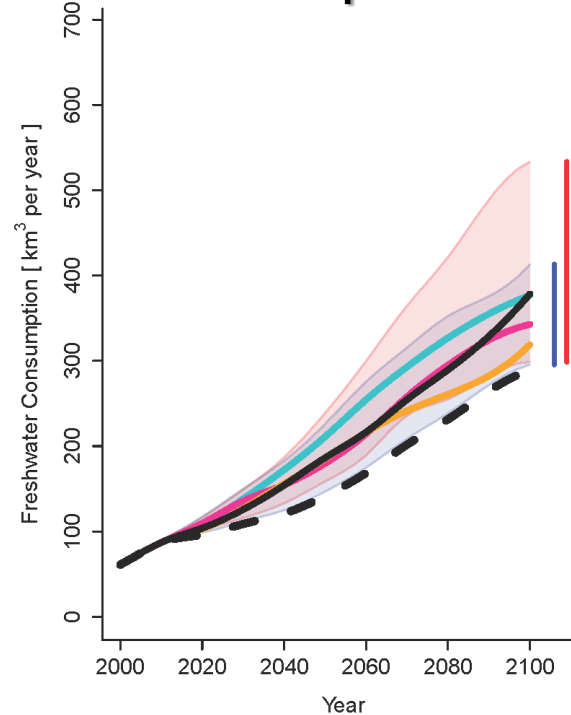
# Impact of Energy Sector on Water

## High Energy Demand

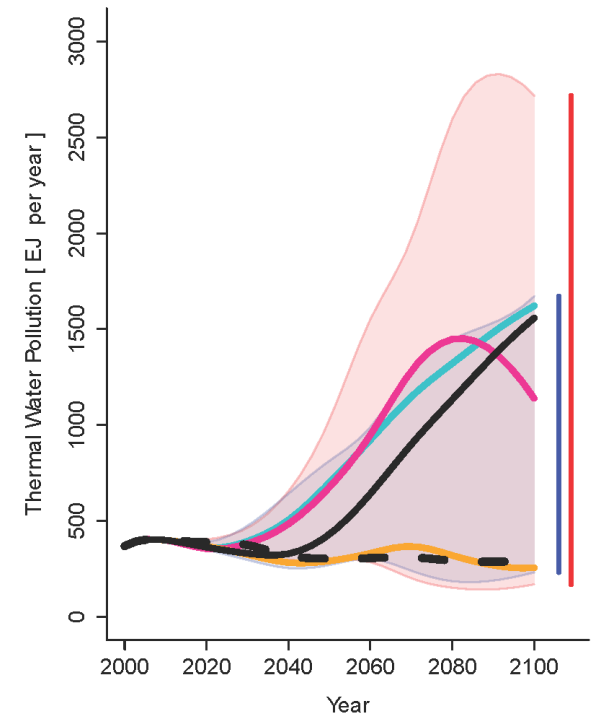
### Withdrawal



### Consumption



### Thermal Pollution



No climate policy

— Reference

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Uncertainty Range

GEA-Mix

GEA-Supply

Range in 2100

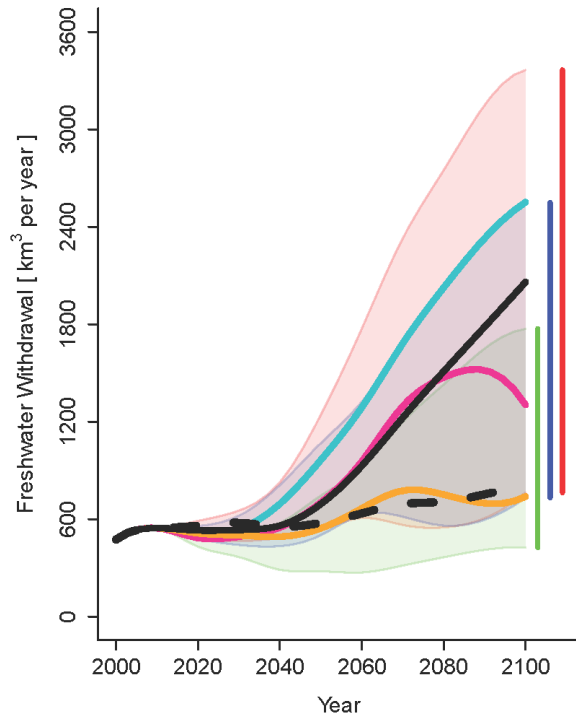
— GEA-Mix

— GEA-Supply

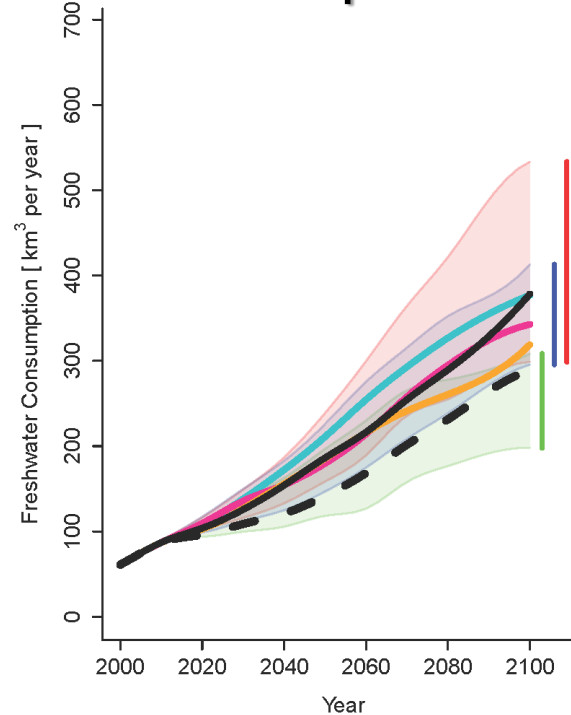
# Impact of Energy Sector on Water

## Low Energy Demand (Efficiency)

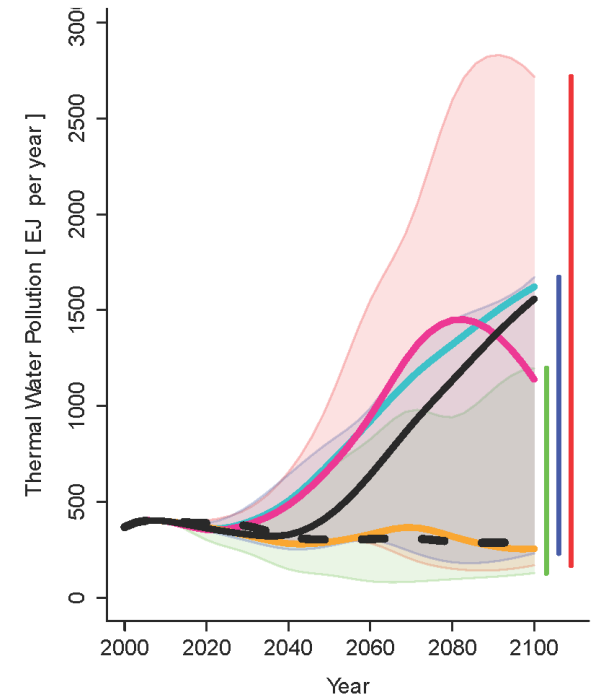
### Withdrawal



### Consumption



### Thermal Pollution



No climate policy

--- Reference

2 °C Energy Transformation Pathways ( Cost % Ref. )

— Full mitigation portfolio ( 122 % )

— Limited wind / solar ( 133 % )

— No carbon capture and storage ( 143 % )

— No new nuclear ( 138 % )

Uncertainty Range

GEA-Efficiency

GEA-Mix

GEA-Supply

Range in 2100

GEA-Efficiency

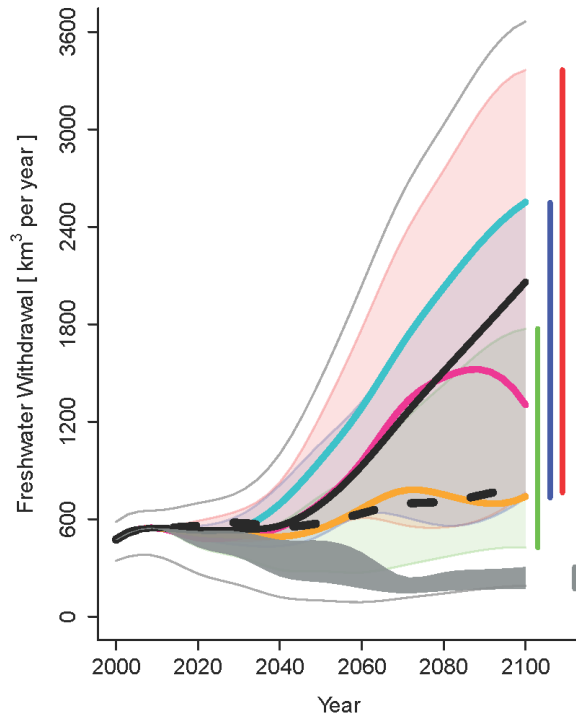
GEA-Mix

GEA-Supply

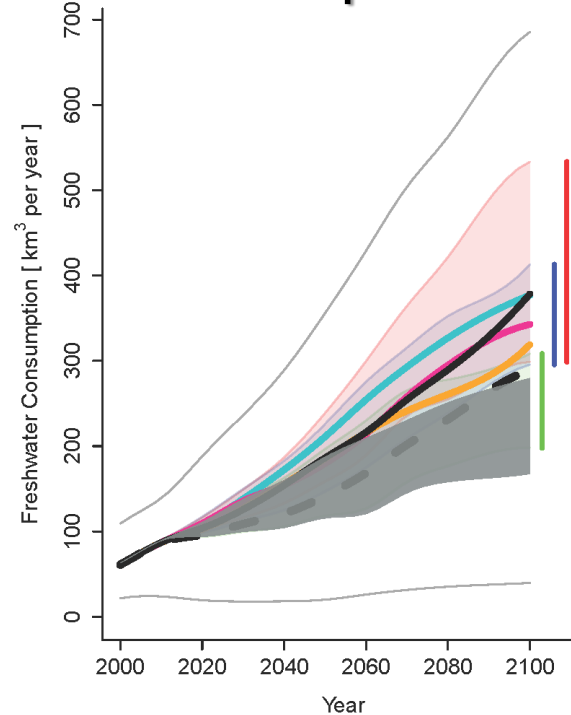
# Impact of Energy Sector on Water

## Efficiency + Water Adaptation Policies

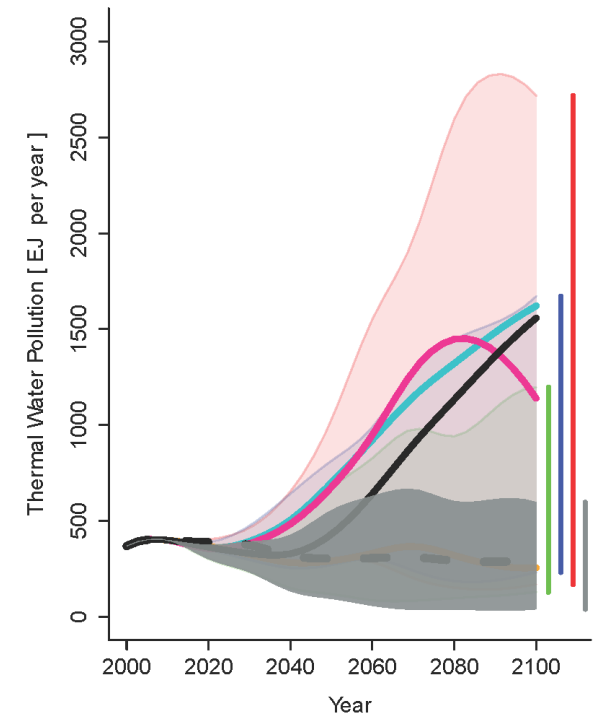
### Withdrawal



### Consumption



### Thermal Pollution



No climate policy

— Reference

2 °C Energy Transformation Pathways ( Cost % Ref. )

— Full mitigation portfolio ( 122 % )

— Limited wind / solar ( 133 % )

— No carbon capture and storage ( 143 % )

— No new nuclear ( 138 % )

Uncertainty Range

GEA-Efficiency

GEA-Mix

GEA-Supply

Total Uncertainty

Adaptation Scenarios

Range in 2100

GEA-Efficiency

GEA-Mix

GEA-Supply

Adaptation Scenarios

# Summary

- Water needs of different energy and electricity generation portfolios vary greatly
- Adaptation of water-efficient technologies (e.g., dry cooling) help reducing needs
- Energy efficiency reduces water needs across the entire system

A large, stylized graphic of a globe or sphere, composed of various shades of blue and white, occupies the left side of the slide. It has a 3D effect with overlapping segments.

# Thank you!

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