

Open Source Stochastic European Energy Market Model (osE2M2s) 1.0

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Open Source Stochastic European Energy Market Model (osE2M2s) 1.0 Documentation

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1 Introduction

The Open Source Stochastic European Energy Market Model (osE2M2s) is a linear optimization model designed for the long-term development of European electricity, hydrogen, and heat markets. It has been applied in several studies, most recently in Blumberg et al. (2022). Additional applications are documented in works by Swider and Weber (2007), Spiecker et al. (2013), Spiecker and Weber (2014), Bucksteeg et al. (2019), and Radek et al. (2024). Originally developed during the GreenNet project (2006), the model is implemented using the General Algebraic Modeling System (GAMS).

Unlike dispatch-only models, osE2M2s can determine optimal capacity expansion for renewable and conventional generation technologies, storage technologies, and other flexibility options. It optimizes multiple simulation years dynamically, starting with the generation and flexibility stack of the base year. Investments in intermediate years are added to the existing capacity, with the results of earlier simulations influencing subsequent years through a myopic foresight approach.

The model minimizes total system costs, including investment, fixed, and operational costs. Existing capacities cover at least their fixed and operational costs, while additional capacities must also account for annualized investment costs. The model focuses on planning the expansion of electrolyzers and biomass, nuclear, and hydrogen-fueled power plants, renewable energy plants, battery storage, and heat pumps. It also captures the effects and interactions of these technologies with others.

Key constraints include meeting electricity and heat demand in all time segments and market areas. Further details on model constraints can be found in Spiecker et al. (2013). The model applies a typical day approach with aggregated time segments to reduce computational complexity. Eight typical days (weekdays and weekend days from four representative months) represent a full year. Each day is divided into seven time segments based on electricity demand patterns, resulting in 56¹ time segments in total.

The model accounts for uncertainties in renewable energy input through stochastic recombining trees. A typical day is divided into four equal parts, with transitions between different renewable infeed nodes (high, medium, low) based on probabilities derived from historical weather data. This creates 96² possible nodes in total, which are assigned to time segments via assignment sets. Other model features include startup and shutdown costs, power plant availability, reserve provision, time-coupled storage optimization, and cross-border energy trading via net transfer capacities (NTCs).

Political constraints, such as coal or nuclear phase-outs, can be incorporated. CO₂ emissions are regulated either by a fixed price or an emissions cap. The fixed price approach does not guarantee decarbonization targets, whereas the emissions cap approach ensures compliance with the CO₂ price determined endogenously by the CO₂ constraint margin. To ensure supply security and account for the variability of renewable energy, a capacity constraint is enforced. This guarantees sufficient levels of dispatchable generation capacity (e.g., gas or hydrogen turbines) and considers

² Two typical days * four months * four parts per day * three possible nodes = 96

¹ Two typical days * four months * seven segments per day = 56

renewable energy based on installed capacity and minimum capacity factors or inflows. Dispatchable capacity must meet the internally calculated maximum demand.

This report documents version 1.0 of osE2M2s, the first open-source publication. The open-source version has been extensively revised and rewritten to reflect the current state of the model.

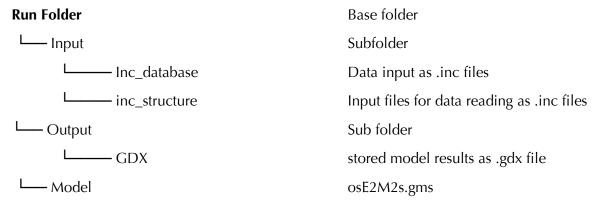
The document is organized as follows:

- Chapter 2: General model organisation, folder structure, and associated model files.
- Chapter 3: Model description, including an overview of the sets, parameters, variables, and model equations defining the energy system.
- Chapter 4: Typical day and stochastic approaches.
- Annexes: Detailed documentation of input and output data structures.

2 General model organisation

2.1 Folder structure overview

The basic model structure is outlined below. All key model files are described in the following subchapters.



2.2 Files defining sets and parameters

Files defining GAMS definition of sets and parameters are in folder "Input\inc_strucutre".

Table 1: Files containing GAMS definition of sets and parameters.

File Description		
avail_param.inc	Definition of parameters containing hourly time series	
cap_param.inc	Capacity parameters	
co2_param.inc	CO2 specific parameters	
Costs_param.inc	Cost specific parameters	
demand param.inc	Demand specific parameters	
eff_param.inc	Efficiency parameters	
node_time_sets.inc	Sets for typical days and stochastic representation	
Prob_freq_param.inc	Parameters for typical days and stochastic representation	
Region_plant_sets.inc	Sets for plants and geoscope	
tech.inc	Technology parameters	

2.3 Data input files for sets and parameters

There are roughly 152 files "Set *.inc" or "Par *.inc" as listed in Appendix A: Set data input files. These files specify the set and parameter elements in the GAMS model. The table in Appendix A: Set data input files has the columns shown in Table 2.

Note, that input parameters starting with "b" are defined over all considered simulation years (set byear). These parameters are passed to the respective input parameter of the optimization problem, e.g. bco2_bound (byear) \rightarrow co2_bound or b_fuel_price (byear, primary_energy, zone) \rightarrow fuel_price (primary_energy, zone).

Table 2: Content of table in Appendix A: Set data input files.

Heading	Content	Example
File	Name of the JMM input file.	Set Countries.inc
GAMS	SET(s) or PARAMETER(s) in the GAMS model defined by this file.	Set country
Description	A short description of the data.	contains the model countries for electricity supply
Туре	Type of data.	Geography
Unit	-	-

2.4 Output generation

For each output parameter, variable or marginal value of an equation an "out_*"-parameter at the end of the GAMS model code writes the values of the output parameter, variable or marginal value in question to the output gdx-file. The content of the output files is described in Appendix C: Output generation files.

2.5 Model configuration and features

On top of the GAMS model code, the Input and Output path and Solver options can be stated.

So far, there is one switch for controlling the hydrogen market clearing based on yearly or time-specific demand series.

\$SetGlobal h2_yearly YES

A switch value of YES results in a yearly hydrogen market-clearing condition.

3 Model description

3.1 Model overview

The model is grounded in the well-established principle that a competitive market, when functioning effectively, achieves the same outcomes as system optimization conducted by an all-knowing central planner. It assumes that the market operates efficiently to balance supply and demand, akin to the "invisible hand" concept. In the short term, markets are expected to maximize social welfare, ensuring cost-effective power plants fulfill electricity and heat demand. Since short-term demand is assumed to be inelastic, a cost-minimization approach can be employed. These costs include capital repayments, fixed annual expenses, and variable costs, broken down into fuel costs, emissions allowance expenses, other variable charges, and start-up costs. Ultimately, energy prices and payments for system services are derived from the shadow prices of various constraints.

The model is implemented in the General Algebraic Modeling System (GAMS) and uses CPLEX as its solver. It is formulated as a linear stochastic program, incorporating multiple time steps (typical days and hours), geographic regions, and all relevant stakeholders. A single optimization covers an entire year to account for seasonal variations in production, such as temperature-driven heat and electricity demand and managing large hydro reservoirs. The year is divided into four seasons—winter, spring, summer, and autumn—each represented by a typical working day and a typical non-working day to reduce computational complexity. These days are further divided into seven time segments to reflect demand fluctuations and renewable energy production patterns.

The first time segment covers six hours, the second five hours, and the third corresponds to the noon peak hour. After the peak hour, the remaining 12 hours are split into four equal segments. Shorter time segments are used during periods of higher demand or solar generation variability, while longer segments are applied at times of greater stability, such as nighttime or early morning. In total, the model encompasses eight typical days with seven time segments each.

A stochastic framework captures nearly the entire range of renewable energy output despite using aggregated time segments. This method enables the modelling of thermal power plant operations, including part-load operations and start-up decisions. Currently, the model includes around 100 power plant categories, differentiated by primary energy source, vintage, and technology. Efficiencies vary based on these factors, and additional technical constraints are implemented for specific technologies, such as steam turbines, gas turbines, combined-cycle plants, and various types of CHP plants. Availability also depends on technology type and time of year.

The model provides a detailed simulation of CHP plant operations, considering regional electricity load profiles and sub-regional heat load profiles. Each region may consist of several sub-regions, with power plants optimizing their operations based on these profiles in a given region. Heat can only be delivered within a power plant's sub-region, while electricity demand can be met across the broader electricity region.

The model endogenously determines optimal power plant operations, transmission line utilization within net transfer capacity (NTC) limits, and investments in new generation capacity. Investment decisions for new power plants and CHP units are also endogenous, constrained by

factors such as nuclear phase-out policies or limited lignite resources. Within these limits, investments are cost-driven, replacing older plants when they become economically viable. New CHP plants are built if heat can be sold and their costs are lower than the opportunity costs of electricity and heat generation.

This investment process aligns with the Peak Load Pricing approach, where annual full-load hours are a key determinant of technology choice. Decision-making assumes myopic expectations, and optimization problems for successive years are solved in a dynamic, recursive sequence. Prices are calculated from the shadow prices of demand constraints in the optimization model, with costs being the primary influencing factor.

When interpreting shadow prices, it is essential to note that for technologies operating below capacity, the marginal cost of meeting additional demand equals the variable cost. However, when capacity limits are reached, the marginal cost includes a shadow price for capacity. Over a year, these shadow prices ensure that operational facilities recover their variable costs and fixed operating costs.

3.2 Objective function and restrictions

An objective function and several constraints define the model. To improve readability, we state the LP formulation by default wherever possible. Changes to the constraint in the MIP configurations are defined in the explanatory text. Where the MIP configuration uses completely different constraints, these are explicitly stated and explained.

3.2.1 Objective function

The model determines the marginal generation costs as a function of available generation and transmission capacities, primary energy prices, plant characteristics, and actual electricity demand. Also the impact of hydro-storage and start-up costs as well as endogenous investment decisions are taken into account. The principle of the model is cost minimization in the power network. The deterministic objective function to be minimized can be written as:

```
Total\ Cost = var\_cost\_opr + var\_cost\_startup + var\_fix\_cost\_irr + v\_fix\_cost\_sunk + var\_fix\_cost\_rev + var\_cost\_trans + var\_cost\_trans\_h2 + v\_cur\_cost + v\_h2\_cost + var\_cost\_co2
```

Variable Operating Costs (eq_var_cost_opr)

This equation sums up the objective function's variable operating cost (var_cost_opr). The equation accounts for the different technological characteristics of power plants without CHP extraction-condensing and with CHP extraction-condensing, as well as heat pumps.

Startup Costs (eq_var_cost_startup)

This equation summarises the objective function's variable startup cost (var_cost_startup).

Transport Costs (eq_var_cost_trans)

This equation summarises the objective function's variable power transmission costs (var_cost_trans).

Transport Costs for hydrogen (eq_var_cost_trans_h2)

This equation summarises the objective function's variable H2 transmission costs (var_cost_trans_h2).

CO2-Costs (eq_var_cost_co2)

This equation summarises the objective function's variable costs of CO₂ emissions determined by the emissions from burning fossil fuels and CO₂ price (var_cost_co2).

Irreversible fixed costs incurred in the first year (eq_fix_cost_irr)

This equation summarises the objective function's irreversible fixed costs incurred in the first year (var_fix_cost_irr).

 Irreversible fixed costs attributed to the remained lifetime except the first year (eq_fix_cost_sunk)

This equation summarises the objective function's sunk costs (v_fix_cost_sunk).

Reversible fixed costs dependent on the installed capacity (eq_fix_cost_rev)

This equation summarises the objective function's reversible fixed costs, such as fixed operation costs (var_fix_cost_rev).

Curtailment-Costs (eq cur cost)

This equation summarises the objective function's costs of curtailing renewable energy sources (v_cur_cost).

Hydrogen import costs from third countries (eq_cost_import_h2)

This equation summarises the objective function's H2 import cost from third countries (outside of Europe) (v_h2_cost).

3.2.2 Restrictions

eq_supply

This equation handles the power supply based on monthly availability.

eq_supply_heat

This equation handles the heat supply based on monthly availability.

eq_supply_backpressure

This equation handles the Power supply constraints for backpressure CHP units (IGBACKPR).

eq_demand_el

This equation handles the demand balance for electricity.

eq_demand_heat

This equation handles the demand balance for heat.

eq_demand_h2

This equation handles the demand balance for hydrogen.

eq_demand_heatpump

This equation handles the power demand constraint for heat pumps (IGHEATPUMP).

eq_demand_pth2

This equation handles the power demand constraint for power-to-hydrogen units.

eq_demand_ptm

This equation handles the power demand constraint for power-to-methane units.

eq_max_demand_el

This equation determines the maximum electricity demand of each zone.

eq_supply_extraction_2

This equation handles the power supply constraints for extraction-condensing CHP units (IGEXTRACTION).

eq_supply_energy_total

This equation handles the total energy a CHP unit supplies, converted to the equivalent electricity supply.

eq_supply_wind_onshore

This equation handles the onshore wind power supply based on the natural wind availability and capacity availability.

eq_supply_wind_offshore

This equation handles the offshore wind power supply based on the natural wind availability and capacity availability.

eq_supply_PV

This equation handles the solar power supply based on the natural radiation availability and capacity availability.

eq_cap

This equation handles the capacity restriction in the simulated year, which is the sum of the installed capacity in the reference year plus invested capacity during the simulated periods.

eq_cap_max

This equation handles the maximum exogenous capacity per fuel and zone.

eq_cap_max_wind

This equation handles the exogenous maximum capacity restriction per wind technology.

eq_cap_startup

This equation handles the calculation of startup capacity.

eq_transpo_CF

This equation handles the restriction for electricity transmission capacities.

eq_transpo_CF_h2

This equation handles the restriction for hydrogen transmission capacities.

eq_MaxChargePower

This equation handles the capacity restriction for pumping energy.

eq_MaxChargePower_Sim

This equation handles the maximum simultaneous capacity restriction for the charging of electric vehicles.

eq_MaxChargePower_ptg

This equation handles the capacity restriction for the electricity consumption of electrolysers.

eq_MaxDischargePower

This equation handles the bound for electricity production from daily storages (IGELECSTORAGE, especially E-mobility).

eq_MaxVolumeBATT

This equation handles the upper bound for loading (pumping) energy into storage through (available) storage volume (BATT_STO).

eq_pump_standing_pos

This equation handles the pumped power, which can be used for standing or spinning positive reserve. Thus, this equation ensures separation.

eq_supply_river

This equation handles the capacity restriction for hydro run-of-river plants.

eq_resvr_annual

This equation handles the formation of the reservoir level for annual storage.

eq_resvr_daily

This equation handles the formation of reservoir level for IGELECSTORAGE (daily storages like pumping storages or E-mobility).

eq_resvrmax_annual

This equation handles the maximum reservoir level of annual storage.

eq_resvrmin_annual

This equation handles the maximum reservoir level of annual storage.

eq_MaxVolume

This equation handles the upper bound for loading (pumping) energy into storage through (available) storage volume (IGELECSTORAGE).

eq_prod_plant_ub

This equation handles the upper bound for the production of power plants except for chp IGEXTRACTION plants.

eq_prod_plant_ub2

This equation handles the upper bound for the production of extraction-condensing CHP plants (IGEXTRACTION).

eq_prod_plant_ub3

This equation handles the upper bound for the production of heat boilers.

eq_prod_plant_ub4

This equation handles the lower bound for the production of heat boilers.

eq_prod_plant_ub5

This equation handles the bound for electricity production of PTG.

eq_prod_plant_ub_VRE

This equation handles the constraint for wind and pv power production.

eq_prod_plant_lb

This equation handles the lower bound for the production of power plants except for extraction-condensing CHP plants (IGEXTRACTION).

eq_BanVehicle2Grid

If this equation is used, v_production (discharging to the grid) from E-mob is denied.

eq_reserve_cap_spinningPos

This equation handles the incremental spinning reserve capacity (primary and secondary).

eq_reserve_cap_spinningNeg

This equation handles the decremental spinning reserve capacity (primary and secondary).

eq_reserve_cap_standingPos

This equation handles the incremental standing reserve capacity (tertiary).

eq_reserve_cap_standingNeg

This equation handles the decremental standing reserve capacity (tertiary).

eq_reserve_cap

This equation ensures an adequate level of installed capacity to maintain the security of supply.

eq_pump_onlyPump

This equation ensures that only technologies which could charge/pump to do so.

eq_pump_standing_pos_onlyPump

This equation ensures that this reserve type is only for technologies that could charge/pump.

eq_pump_standing_neg_onlyPump

This equation ensures that this reserve type is only for technologies that could charge/pump.

eq_prod_nucl

This equation handles the upper bound nuclear production.

eq_cap_nucl

This equation forces nuclear and lignite to produce constant electricity within a month.

eq_cap_coal

This equation forces hard coal to constant electricity production within a month.

eq_co2_bound

This equation handles the CO₂ bound for the modelled geographical scope (e.g. Europe).

eq_co2_bound2

This equation can handle a country specific CO₂ bound differently (e.g. Germany).

3.3 Renewables stochastic

The representation of stochastic processes in long-term system modelling is crucial as renewable energy integration increases. With the inclusion of variable and uncontrollable energy sources, system operators must manage the risk of rapid fluctuations in renewable generation. Stochastic inputs necessitate sufficient system flexibility, a factor not fully captured by deterministic planning tools. As a result, deterministic models may underestimate the required flexibility, leading to insufficient capacity to handle intermittent generation and compromising system security. On the other hand, a stochastic model identifies the most cost-effective dispatch and ensures that the system can accommodate significant variations in renewable energy output at the lowest possible cost.

In this model version, a recombining tree approach addresses the intermittency of wind and solar energy generation, effectively extending beyond the limitations of typical time segments. Rather than relying on a single operational mode for each of the 56 time segments, the model considers alternative modes based on the stochastic states of renewable energy sources (RES) generation. The typical time segments are aggregated into four stages per typical day, each lasting six hours. Each stage corresponds to specific time segments: the first stage covers the first time segment, the second stage includes the second and third time segments, and so on.

Three possible branches (nodes) are defined for each stage, representing high, medium, and low RES output. The model uses a recombining structure to prevent exponential growth in the number of nodes (see Fig. 1). This approach involves approximations of state variables. Still, studies by Küchler and Vigerske (2007) demonstrate that this method provides a consistent approximation to the full stochastic model. Similarly, Spiecker et al. (2013) confirmed the consistency between realized and approximated RES outputs.

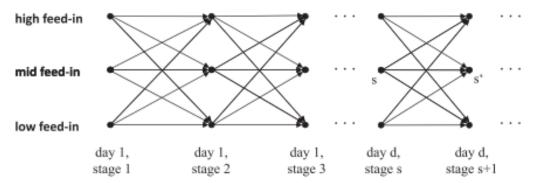


Fig. 1. Application of recombining decision tree.

The probabilities of the nodes and the corresponding transition probabilities are derived using cluster analysis of historical wind and solar generation data. First, the historical time series for different regions are mapped to the defined stages. Then, cluster analysis (following MacQueen, 1967) is used to determine three stochastic states or nodes for each stage. The time segments linked to each node (cluster) are counted and compared to the total time segments for that stage, yielding the probability ψ s,n for each node at a given stage.

Transition probabilities $\tau s \rightarrow s+1, n \rightarrow n'$ describe the likelihood of moving from one node to another between stages. For typical days, these probabilities also account for transitions between weekdays and weekends. These probabilities are calculated by counting historical occurrences and comparing them to the total number of relevant time segments.

Finally, the availability of wind and solar energy in each node is determined as the average availability during the historical time segments associated with that node. This approach ensures a realistic representation of stochastic RES generation within the model.

Appendix A: Set data input files

File name	Gams set	Description
Set b_Plant_HeatRegio New.inc	b_inv_plant_regio(byear, power_plant, heat_regio)	Contains all the power plant types which could be invested in a certain region
Set b_Plant_zone Exist.inc	b_exist_plant_zone(byear,power_plant, zone)	First active plant class in a zone
Set bregio.inc	bregio	Contains all the electricity regions and heating regions
Set Countries.inc	country	Contains the model countries for electricity supply
Set Day_Segment.inc	day_segment	Determines time segments one day is divided into in the model
Set Day_Type.inc	day_type	Describes the characteristic days considered in the model
Set h2 import zones.inc	h2_import_zones(bregio)	Contains zones that can import h2 from third countries
Set heatregio.inc	heat_regio(bregio)	Contains heating regions, there allocation to the elctricity regions is defined in the parameter heatregio_in_regio
Set heatregio_co2_subset1. inc	heat_regio_co2_subset1(heat_regio)	Contains heating regions, there allocation to the elctricity regions is defined in the parameter heatregio_in_regio
Set heatregio_co2_subset2. inc	heat_regio_co2_subset2(heat_regio)	Contains only heating regions for one country
Set heatRegions - Country.inc	heatregio_in_country(heat_regio, country)	Heat regions in a country

Set heatRegions_in_zone.in c	heatregio_in_zone(heat_regio, zone)	Heat regions in a zone
Set Hour.inc	hour	Represents the smallest time unit simulated in the model
Set Hour_Segment.inc	hour_segment(hour, day_segment)	Relates set 'hour' tset 'day_segment'
Set Hour_Time.inc	hour_time(hour, time)	Associates a specific hour with a time
Set Line Exist CF.inc	b_exist_line_CF(byear,zone, zzone)	Existing transmission line between the adjacent regions
Set Line Exist H2.inc	b_exist_line_CF_h2(byear,zone, zzone)	Existing h2 transmission line between the adjacent regions
Set Line Exist.inc	exist_line(trans_line,zone, zzone)	Existing transmission line between the adjacent regions
Set Month.inc	month	Describes the aggregation of months in the model
Set Month_Node.inc	month_node(month, node)	Represents the node to which a specific month is being assigned
-	month_succ	Succeeding order of months
Set Month_Time.inc	month_time(month, time)	Associates a specific month with a time
Set Node.inc	node	Defines the type of node
Set plant exist.inc	power_plant	Contains all the power plant types to be modelled
Set plant new.inc	power_plant	Contains all the power plant types to be modelled
Set plant_fuel exist.inc	fuel(power_plant,primary_energy)	Assigns thermal power plant types to used fuels
Set plant_fuel new.inc	fuel(power_plant,primary_energy)	Assigns thermal power plant types to used fuels
Set plant_type.inc	plant_type	Type of power plant groups
Set Power_Plant_Type.inc	<pre>power_plant_type(power_plant, plant_type)</pre>	Combination of power plant types and the region which possesses such ones Associates a specific power plant with its type

Set primaryenergy.inc	primary_energy	Set of primary energies (fuels)
Set Segment_Node.inc	segment_node(day_segment, node)	Assigns a specific day segment to a node
Set simYears.inc	simyear(byear)	Set of simulated years which are executed consecutively
Set Time.inc	time	Dates
Set Type_Node.inc	daytype_node(day_type, node)	Represents the node to which the day type is being assigned.
Set Type_Time.inc	daytype_time(day_type, time)	Associates a specific day type with a time
Set Water_Scen.inc	water_scen	Determines how many water scenarios are considered in the model
Set Wind_Scen.inc	wind_scen	Determines how many wind scenarios are considered in the model
Set Zone - Country.inc	zone_in_country(zone, country)	Zones in a country
Set zone_ptdf.inc	zone(bregio)	Contains the model regions for electricity supply

Appendix B: Parameter data input files

GAMS Parameter	Filename as .inc	Description
annuity(power_plant)	-	Annuity of the invested plants
availability (power_plant, month)	Par availability exist.inc, Par availability new.inc	Availability of power plants
b_co2_capture_fct (byear, power_plant)	Par CO2_Capture_exist.inc, Par CO2_Capture_new.inc	Capture rate CO2
b_demand_clusterEmob (byear, power_plant,	Par DemandClusterEmob.inc	Overall demand of e-mobility cluster (power_plant) in heatregion
heat_regio)		and simyear
b_demand_emob_fix (byear, time, bregio,	Par demand_emob_fix.inc	Annual time resolution for electricity demand of fixed e-mob
product)		demand (dumb charging)

b_fill_level_max (byear, power_plant, bregio)	Par fill_level_max exist.inc	The maximal possible fill level of hydro storages
b_fuel_price (byear, primary_energy, zone)	Par b_fuel_price.inc	Predicted fuel prices in the basis year
b_h2_costs_import (byear)	Par b_h2_costs_import.inc	Import price for hydrogen
b_heat_dem_max (byear, bregio)	Par heat_dem_max.inc	Max hourly demand for heat in each region
b_iArrive (time, power_plant, byear)	Par iArriveEmob.inc	Proportional amount of arriving cars of a e-mobility cluster (power_plant) in a timestep
b_idemand (time, power_plant, byear)	Par iDemandEmob.inc	Proportional demand of a e-mobility cluster (demand_clusteremob) in a timestep
b_iLeave (time, power_plant, byear)	Par iLeaveEmob.inc	Proportional amount of leaving cars of a e-mobility cluster (power_plant) in a timestep
b_iLoadPoss (time, power_plant, byear)	Par iLoadPossEmob.inc	Proportional amount cars of a e-mobility cluster (power_plant) which are able to load in a timestep
b_iLoadSimultaneity (time, power_plant, byear)	Par iLoadSimultaneity.inc	Proportional amount cars of a e-mobility cluster (power_plant) which are able to load in a timestep simultaneously
b_inflow_annual_storage (byear, node, time, power_plant, bregio)	Par inflow_annual_storage.inc	Total inflow
b_inflow_run_river (byear, node, time, power_plant, bregio)	Par b_inflow_run_river.inc	Maximum water inflow of the river plants
b_max_cap_nuclear (byear, country)	Par max_cap_nuclear.inc	Maximum capacity nuclear
b_max_cap_wind_off (byear, country)	Par max_cap_wind_off.inc	Maximum capacity wind offshore
b_prob_node (byear, node)	Par prob_node.inc	Probability from the state at one day segment
b_prob_node_trans (byear, node, node1)	Par Prob_trans.inc	Transition probability from the state at one day segment to the state at the succeeding day segment
b_PV (byear, bregio, node, time)	Par PV.inc	Natural sun irradiance intensity, given as a proportion in the installed pv capacities
b_wind_offshore (byear, bregio, node, time)	Par wind_offshore.inc	Natural wind intensity offshore, given as a proportion in the installed wind power capacities
b_wind_onshore (byear, bregio, node, time)	Par wind_onshore.inc	Natural wind intensity onshore, given as a proportion in the installed wind power capacities
bcap_ref (power_plant, heat_regio, byear)	Par cap_ref exist.inc	Total installed capacity in modelling regions in reference year
bcap_ref_heat (power_plant, heat_regio, byear)	Par cap_ref_heat exist.inc	Total installed capacity in modelling regions in reference year

bcap_res_wat (power_plant, heat_regio, byear)	Par Cap_res wat.inc	Total installed capacity in modelling regions in reference year
bco2_bound (byear)	Par bco2_bound.inc	CO2-restriction for all single years
bco2_bound2 (byear)	Par bco2_bound2.inc	CO2-restriction for all single years
bmax_cap (byear, primary_energy, zone)	Par bmax_cap.inc	Restriction for max capacity depending on fuel type, year and zon
bmax_cap_wind (byear, plant_type, zone)	Par bmax_cap_wind.inc	Restriction for max capacity depending on plant type, year and zone
btrans_cap (zone, zzone, byear, month)	Par trans_cap_m.inc	Transmission capacity
btrans_cap_h2 (zone, zzone, byear, month)	Par trans_cap_m H2.inc	Transmission capacity for hydrogen
cap_n(power_plant, heat_regio)	-	Container for new power plant capacity during the simulation process
cap_n_sunk(power_plant, heat_regio)	-	Container for new power plant capacity during the simulation process, for the purpose of caculating sunk costs
cap_n_sunk_heat(power_plant, heat_regio)	-	Container for new power plant capacity during the simulation process, for the purpose of caculating sunk costs
cap_ref(power_plant, heat_regio)	-	Container for adapted power plant capacities
cap_ref_heat(power_plant, heat_regio)	-	Container for adapted power plant capacities
co2_bound	-	CO2 cap (e.g. Europewide)
co2_bound2	-	CO2 cap per country
co2_capture_fct (power_plant)	-	Capture rate CO2
co2_cost	-	CO2-costs for the year in the optimisation
co2emis(power_plant, heat_regio)	-	CO2 emission factor at normal performance
co2emis_min(power_plant, heat_regio)	-	CO2 emission factor at minimal performance
co2factor (primary_energy)	Par co2factor.inc	Fuel specific CO2 emission factor
cost_fix (power_plant)	-	Fix cost of existing plants dependent on the regions in simulation year
cost_fix0 (power_plant)	Par cost_fix exist.inc, Par cost_fix new.inc	Fix cost of existing plants dependent on the regions in base year
cost_inv (power_plant)	-	Investment cost of new plants in simulation year
cost_inv0 (power_plant)	Par cost_inv new.inc, Par cost_inv exist.inc	Investment cost of new plants in base year

cost_misc (power_plant)	-	Miscellaneous costs in simulation year
cost_misc0 (power_plant)	Par cost_misc exist.inc, Par cost_misc new.inc	Miscellaneous costs in base year
cost_opr(time, power_plant,bregio)	-	Specific operating costs of existing plants when started up, will be calculated later
cost_opr_min(time, power_plant,bregio)	-	Specific operating costs of existing plants at minimum load, will be calculated later
<pre>cost_startup(time, power_plant, bregio)</pre>	-	Specific startup cost
cost_startup_abr (power_plant)	Par cost_startup_fuel exist.inc, Par cost_startup_fuel new.inc	Variable abrasion costs for startup process in simulation year
cost_startup_abr0 (power_plant)	Par cost_startup_abr exist.inc, Par cost_startup_abr new.inc	Variable abrasion costs for startup process in base year
cost_startup_fuel (power_plant)	Par cost_startup_fuel exist.inc Par cost_startup_fuel new.inc	Variable fuel costs coefficient for startup process
cost_trans (zone, zone)	-	Fix cost of existing plants dependent on the regions in simulation year
cost_trans_h2 (zone, zone)	-	Fix cost of existing plants dependent on the regions in base year
cost_trans0 (zone, zone)	Par trans_cost.inc	Fix cost of existing plants dependent on the regions in base year
cost_trans0_h2 (zone, zone)	Par trans_cost H2.inc	Fix cost of existing plants dependent on the regions in simulation year
cost_transpoCapInv (zone, zzone)	Par cost_transpoCapInv.inc	Degression rate
demand (time, bregio, product)	-	Demand for electricity and heat in each region filled from demand_Y
<pre>demand_clusterEmob (power_plant, heat_regio)</pre>	-	Overall demand of e-mobility cluster (power_plant) in heatregion and simyear
demand_emob_fix (time, bregio, product)	-	Electricity demand of fixed e-mob demand (dumb charging) filled from b_demand_emob_fix
demand_reserve(zone, product)	-	To be endogenous calculated reserve requirement
demand_Y (byear, time, bregio, product)	Par demand.inc	Annual demand for electricity and heat in each region
eff_plant (power_plant, heat_regio)	Par eff_plant exist.inc, Par eff_plant new.inc	Marginal efficiency of power plants started up

eff_plant_min (power_plant, heat_regio)	Par eff_plant_min exist.inc, Par eff_plant_min new.inc	Efficiency of power plants kept online at their minimal performance
ex_foreign_trade (byear, time, bregio, product)	Par ex_foreign_trade.inc	Annual foreign trade for electricity in each region
fct_PQ_BP (power_plant)	Par fct_pq_bp exist.inc, Par fct_pq_bp new.inc	PQ factor of backpressures = power performance / heat performance
fct_PQ_Extr (power_plant)	Par fct_pq_extr exist.inc, Par fct_pq_extr new.inc	PQ factor of extractions = -power performance / heat performance
fill_level_max (power_plant, bregio)	-	The maximal possible fill level of hydro storages
fl_ratio_max (bregio, month)	Par fl_ratio_max.inc	Maximum fill level ratio depending on months
fl_ratio_min (bregio, month)	Par fl_ratio_min.inc	Minimum fill level ratio depending on months
freq_time (time)	Par freq_time.inc	Frequency of a time unit
fuel_price(primary_energy,zone)	-	Container fo fuel prices during the simulation process
gr_cost_inv	-	Change in investment costs over the years
h2_costs_import	-	Container for h2 import costs
heat_dem_max (heat_regio)	-	Max hourly demand for heat in each region
heat_demand_ratio (heat_regio)	Par heat_demand_ratio.inc	Proportion ratio of individual heat regions in the total heat demand in a modelling region
hour_resolution (time)	Par hour_resolution.inc	Hour resolution of a time unit
iArrive (time, power_plant)	-	Proportional amount of arriving cars of a e-mobility cluster (power_plant) in a timestep
idemand (time, power_plant)	-	Proportional amount of demand of a e-mobility cluster
iLeave (time, power_plant)	-	Proportional amount of leaving cars of a e-mobility cluster (power_plant) in a timestep
iLoadPoss (time, power_plant)	-	Proportional amount cars of a e-mobility cluster (power_plant) which are able to load in a timestep
iLoadSimultaneity (time, power_plant)	-	Proportional amount cars of a e-mobility cluster (power_plant) which are able to load in a timestep simultaneously
<pre>inflow_annual_storage (node, time, power_plant, bregio)</pre>	-	Total inflow
inflow_run_river (node, time, power_plant, bregio)	-	Maximum water inflow of the river plants

ir (power_plant)	Par ir.inc	Discount rate
lifetime (power_plant)	Par lifetime new.inc, Par lifetime exist.inc	Lifetime of power plants
max_cap(primary_energy,zone)	-	Maximum capacity
max_cap_imports	-	Upper or lower bound for h2 imports
max_cap_nuclear (country)	-	Maximum capacity nuclear
max_cap_wind(plant_type, zone)	-	Maximum wind capacity depending on type (onshore or offshore)
max_cap_wind_off (country)	-	Maximum capacity wind offshore
min_load_fct (power_plant, heat_regio)	Par min_load_fct exist.inc, Par min_load_fct new.inc	Minimum performance factor
numyear (byear)		Numerical value of year
plant_degr_fct (byear, inv_plant)	Par plant_degr_fct.inc	Degression rate
plant_degr_fct2 (byear, power_plant)	Par plant_degr_fct.inc	Degression rate
prob_node (node)	-	Probability from the state at one day segment
prob_node_trans (node, node1)	-	Transition probability from the state at one day segment to the state at the succeeding day segment
pump_cap (power_plant, heat_regio)	-	Restriction for max capacity
pump_cap_fct (power_plant, bregio, time)	Par pump_cap_fct exist.inc, Par pump_cap_fct new.inc	Capacity factor of pumping storages
pump_eff (power_plant, heat_regio)	Par pump_eff exist.inc, Par pump_eff new.inc	Efficiency factor of hydro storages
trans_cap_m (zone, zzone, month)	-	Transmission capacity
trans_cap_m_h2 (zone, zzone, month)	-	Transmission capacity for hydrogen
wind_offshore (bregio, node, time)	-	Natural wind intensity offshore, given as a proportion in the installed wind power capacities
wind_onshore (bregio, node, time)	-	Natural wind intensity onshore, given as a proportion in the installed wind power capacities

Appendix C: Output generation files

Description
Capacity
Capacity infeasible
New invested capacity
Capacity online
Capacity startup
Total CO ₂ emission from all power plants
CO ₂ prices
CO ₂ prices specific country from co2_bound2
Demand per time segment
Demand yearly basis
Electricity prices
Filling level
Heat prices
Hydrogen prices
Hydrogen prices
Production
Yearly production per power plant and product
Total costs

out_transpo(simyear, node, time, zone, zzone)	Transport of energy between zones
out_transpo_y(simyear, zone, zzone)	Calculated yearly transport of energy between zones
out_transpo_h2(simyear, node, time, zone, zzone)	Transport of h2 between zones
out_transpo_h2_y(simyear, zone, zzone)	Calculated yearly transport of h2 between zones
out_v_pump(simyear, node, time, power_plant, zone)	Pumping/charging power of each power_plant in zone
out_v_pump_y(simyear, power_plant, zone)	Yearly pumping/charging power of each power_plant in zone
out_v_pump_reserve(simyear, node, time, power_plant, zone)	Pumping reserves
out_v_cur(simyear, node, time, power_plant, bregio)	Output of variable v_curtailment
out_v_cur_y(simyear, power_plant, bregio)	Yearly output of variable v_curtailment
out_cur_cost(simyear)	Total curtailment costs
out_var_cost_opr(simyear,time,power_plant,heat_regio)	Operating costs
out_var_cost_startup(simyear,time,power_plant,heat_regio)	Startup costs
out_var_cost_trans(simyear,time,zone,zzone)	Transport costs
out_var_cost_trans_h2(simyear,time,zone,zzone)	Transport costs H2
out_var_cost_co2(simyear,time,power_plant,heat_regio)	CO ₂ costs
out_fix_cost_irr(simyear,power_plant,heat_regio)	Irreversible costs
out_fix_cost_sunk(simyear,power_plant,heat_regio)	Sunk costs
out_fix_cost_rev(simyear,power_plant,heat_regio)	Reversible costs
out_total_cost_reg(simyear, power_plant,heat_regio)	Regular total costs
out_demand_max(simyear, bregio, product)	Output parameter to safe max demands per demand group

cap_exist(simyear, power_plant, bregio)	Existing Capacity
val_spill(simyear, node, time,spill, power_plant, bregio)	Spillage
out_h2_import_costs(simyear)	Output parameter for total h2 import costs
out_v_import_h2_y(simyear, zone)	Output parameter for yearly h2 imports
out_v_import_h2(simyear, node, time, zone)	Output parameter for h2 imports

Appendix D: GAMS Equations

GAMS Equation	Description	
* Objective function and cost terms		
eq_total_cost	Objective function - describes the total cost over the modelling period - to be minimized	
eq_var_cost_opr	Variable operation costs	
eq_var_cost_startup	Variable startup costs	
eq_var_cost_trans	Variable power transmission costs	
eq_var_cost_trans_h2	Variable H2 transmission costs	
eq_var_cost_co2	Variable costs of CO₂ emissions	
eq_fix_cost_irr	Irreversible fixed costs incurred in the first year	
eq_fix_cost_sunk	Irreversible fixed costs attributed to the remained lifetime except the first year	
eq_fix_cost_rev	Reversible fixed costs dependent on the installed capacity	
* Restrictions		

Power supply based on monthly availability
Heat supply based on monthly availability
Power supply constraints for IGBACKPR CHPs
Power demand constraint for heat pumps (IGHEATPUMP)
Power-demand constraint for hydrogen
Power-demand constraint for methane
Power supply constraints for IGEXTRACTION CHPs
Total energy supplied by a CHP converted to the equivalent electricity supply
Onshore wind power supply based on the natural wind availability and capacity availability
Offshore wind power supply based on the natural wind availability and capacity availability
SUN power supply based on the natural radiation availability and capacity availability
Capacity restriction
Maximum exogenous capacity per fuel and zone
Capacity restriction for wind
Demand balance for power
Demand balance for heat
Demand balance for hydrogen
Demand balance for hydrogen

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Restriction for transmission capacities
Restriction for h2 transmission capacities
Capacity restriction for pumping energy
Max simultaneous capacity restriction for charging of EV
Capacity restriction for pumping of electrolysers
Pumped power could either be used for standing or spinning pos reserve> this equations ensures separation
Capacity restriction for HYDR_ROR plants
Formation of reservoir level for annual storages
Formation of reservoir level for IGELECSTORAGE (daily storages like pumpstorage or emob)
Maximum reservoir level of annual storages
Minimum reservoir level of annual storages
Upper bound for loading (pumping) energy into storage through (available) storage volume (IGELECSTORAGE)
Upper bound for the production of power plants except chp IGEXTRACTION plants
Upper bound for the production of chp IGEXTRACTION plants

eq_prod_plant_ub3(node, time, power_plant, heat_regio)	Upper bound for the production of heatboilers
eq_prod_plant_ub4(node, time, power_plant, heat_regio)	Bound for electricity production of heatboilers
eq_prod_plant_ub5(node, time, power_plant, heat_regio)	Bound for electricity production of PtG
eq_BanVehicle2Grid(node, time, power_plant, heat_regio)	If used than v_production (discharging to grid) from E-mob is denied
<pre>eq_MaxDischargePower(node, time, month, power_plant, heat_regio)</pre>	Bound for electricity production from daily storages (IGELECSTORAGE, especially E-mobility)
eq_prod_plant_lb(node, time, power_plant, heat_regio)	Lower bound for the production of power plants except chp IGEXTRACTION plants
eq_prod_plant_ub_VRE(node, time, power_plant, heat_regio)	Constraint for wind and pv power production
<pre>eq_cap_startup(node, node1, time, time1, power_plant, heat_regio)</pre>	Calculation of startup capacity
eq_reserve_cap_spinningPos(node, time, month, zone)	Incremental spinning reserve capacity (primary and secondary)
eq_reserve_cap_spinningNeg(node, time, month, zone)	Decremental spinning reserve capacity (primary and secondary)
eq_pump_onlyPump(node,time,power_plant, heat_regio)	Ensure only techs which could charge/pump do so
<pre>eq_pump_standing_pos_onlyPump(node,time,power_plant, heat_regio)</pre>	This reserve type is only for techs which could charge/pump
<pre>eq_pump_standing_neg_onlyPump(node,time,power_plant, heat_regio)</pre>	This reserve type is only for techs which could charge/pump
eq_reserve_cap(country)	Reserve restriction
eq_reserve_cap_heat(heat_regio)	Reserve restriction heat
eq_reserve_cap_standingPos(node, time, month, country)	Incremental standing reserve capacity (tertiary)
eq_reserve_cap_standingNeg(node, time, month, country)	Incremental standing reserve capacity (tertiary)

ag prod puclinada tima countrul	Nuclear production restriction
eq_prod_nucl(node, time, country)	·
eq_prod_wind_off(node, time, country)	Wind Offshore restriction
eq_co2_bound	CO ₂ Bound
eq_co2_bound2	Country specific CO ₂ bound (e.g. Germany)
<pre>eq_cap_nucl(node, node1, time, time1, month, power_plant, heat_regio)</pre>	Constant production restriction
eq_cap_coal(node, time, time1, power_plant, heat_regio)	Constant production restriction
eq_max_demand_el(zone,time,node)	Rquation determining the max electricity demand of each zone
eq_MaxVolumeBATT(node, time, power_plant, heat_regio)	Upper bound for loading (pumping) energy into storage through (available) storage volume (BATT_STO)
eq_cur_cost	Total cost of curtailment
eq_cost_import_h2	Total cost of h2 import
eq_min_gen(power_plant, heat_regio)	Minimum generation
eq_resvr_daily_h2(node, node1, time, time1, power_plant, heat_regio)	Fillling level restriction
eq_MaxVolumeH2(node, time, power_plant, heat_regio)	Maximum reservoir level
eq_MaxChargeH2(node, time, month, power_plant, heat_regio)	Maximum charge
eq_MaxDischargeH2(node, time, month, power_plant, heat_regio)	Maximum discharge H2
eq_pump_onlyPumpH2(node,time,power_plant, heat_regio)	Only H2_STO can pump h2
eq_import_constraint(zone)	Import constraint H2

eq_max_import	Max import H2
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Appendix E: GAMS Variables

Free Variables

total_cost	Total system cost over the current simulated period (simyear)
var_cost_opr	Operating Costs over the current simulated period
var_cost_startup	Startup Costs over the current simulated period
var_cost_trans	Transport Costs (Electricity) over the current simulated period
var_cost_trans_h2	Transport Costs (H2) over the current simulated period
var_cost_co2	Costs for emissions
var_fix_cost_irr	Irreversible costs
var_fix_cost_rev	Reversible fixed costs
var_trans_cost	Transport costs
v_cur_cost	Total costs of curtailment
v_h2_cost	Total costs of h2 import

Positive Variables

v_fix_cost_sunk	Sunk costs
v_cap_new(power_plant,heat_regio)	Invested new capacities

v_cap(power_plant, heat_regio)	Installed capacities of existing plants		
v_cap_heat(power_plant, heat_regio)	Installed capacities of existing plants of type heat		
v_production(node, time, power_plant, heat_regio, product)	Production of all power plants in one region and to one node		
v_production_energy(node, time, power_plant, heat_regio)	Energy supply of a power plant in one region and to one node including electricity and heat		
v_cap_onl(node, time, power_plant, heat_regio)	Capacities kept online for electricity production		
v_cap_startup(node, node1, time, time1, power_plant, heat_regio)	Capacities started up at the transition from a node the next one		
v_transpo(node, time, zone, zzone)	Power transport from zone to zzone		
v_transpo_h2(node, time, zone, zzone)	H2 transport from zone to zzone		
v_pump(node, time, power_plant, heat_regio)	Used pumping capacity for the electricity storage		
v_pump_standing_neg(node, time, power_plant, bregio)	Charging/pumping capacity reserved for (negative) standing reserve		
v_pump_standing_pos(node, time, power_plant, bregio)	Charging/pumping capacity reserved for (positive) standing reserve		
v_fill_level_mon(water_scen, month, power_plant, heat_regio)	Monthly fill level of the annual storages		
v_fill_level_h(node, time, power_plant, heat_regio)	Hourly fill level of IGELECSTORAGE storages (daily storages like pumpstorage or e-mobility)		
v_fill_level_heat(node, time, heat_regio)	Hourly fill level of heat storages		
v_fuelusage(node,time,power_plant,heat_regio)	Fuelusage when producing energy		
v_spill_ror(node, time, power_plant,heat_regio)	Penalty for spill for RES		
v_spill_ror2(node, time, power_plant,heat_regio)	Penalty for spill for RES		
v_demand_max(bregio,product)	Highest electricity demand in each region (fixed and flexible demand)		
v_curtailment(node, time, power_plant, heat_regio)	Curtailment of fluctuating renewable energy sources		

v_import_h2(zone)	Import of hydrogen
v_import_h2(node, time, zone)	Import of hydrogen